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A STUDY OF INDUSTRIAL RELATIONS IN THE INSURANCE INDUSTRY

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submitted for the degree of Ph.D.

CITY UNIVERSITY BUSINESS SCHOOL

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Abstract

The thesis examines the links between the changes in office work (in the insurance industry) caused by computerisation and rationalisation, and their impact on white-collar employees' work expectations. It is hypothesised that such employees have been turning to unions as a way of retrieving their unfulfilled expectations either by gaining bargaining power over such matters as promotion prospects and work content or by achieving compensatory higher salaries. It is further hypothesised that managements can be expected to resist all attempts by unions to extend their bargaining into spheres traditionally considered as managerial prerogative.

The bureaucratic organisational context of insurance employees is described, with particular reference to the way in which the employer's control over career prospects and work performance is strengthened by increased bureaucratisation. Consideration is then given to one group of employees - professionals - whose possession of professional expertise minimises the impact of bureaucratic control. The first empirical study (a questionaire attitude survey and interviews) compares work expectations and achievements and attitudes to the employer and trade union of professional and non-professional employees. It was found that the non-professionals perceive a higher level of bureaucratisation in their jobs and also a more pronounced failure of expectations in relation to their work content and career achievements. This influenced their attitude to their employer but was reflected in union membership and their proferred areas of union activity rather than an intention to leave the company.

The process by which a union was recognised for collective bargaining in another insurance company is the subject of the second empirical study. The case-study highlights the strategy by which the management of that company sought to preserve its authority and to maintain control over the conduct of decision-making, particularly in areas such as work content and promotion prospects which have been identified as the core of employees' unfulfilled expectations.

The thesis concludes that pressure by white-collar employees through their union for greater influence on matters such as work content and promotion can be anticipated, and that these matters will be the focus of bargaining in the future.

CHAPTER 1

INTRODUCTION TO THE THESIS

Development of the Research

The ideas in this thesis developed from the Researcher's experience of employment with a large British insurance company between 1966 and 1975. During this time, the staff voted in favour of a merger between their staff associations and the Association of Scientific, Technical and Managerial Staffs (henceforward referred to as ASTMS), and the company then became the first major insurance company to recognise a trade union for the collective representation of its office staff. This was one significant factor which guided my interests during subsequent academic study. The other factor concerned equally dramatic changes which had taken place during these years, the effects of which were not so immediate but no less important. Such changes were the introduction of computerisation on a large scale and the widespread rationalisation of working methods which was itself prompted partly by computerisation and also partly by economic pressures. My experience indicated that these two factors - unionisation and changes in working methods - were linked.

I cannot, however, claim that these latter factors are recent phenomena or have not been identified in earlier days as significant in the study of white-collar employees. In 1935, Klingender reported "two important changes in the conditions of clerical work itself which greatly affected the status, remuneration and chances of employment for clerks ... the twin processes of office rationalisation - large scale amalgamations and the introduction of machines" (P.58). However, 50 years ago, union membership was rare among office workers, especially in the banks and insurance companies that Klingender was particularly referring to. But union membership and recognition has become fairly widespread among insurance companies these days, and the whole industry has also undergone major changes in the methods and organisation of work as a result of managerial responses to technological developments.

The following few pages are a preliminary statement of the ideas which underlie this research and which have just been briefly introduced. This section then leads to an elaboration of the main hypotheses of the research.

The changes in office work in the last 15 years (taking the general introduction of computerisation as a starting point) have had a considerable impact on the expectations of white-collar employees. Such staff have traditionally had work which uses various mental skills and often detailed knowledge, and for which training was frequently extensive. The expectation of use of abilities has been heightened by greater duration and depth of education: insurance companies have traditionally employed people (especially their male staff) from the upper echelons of educational qualification. However, computerisation tends to routinise work as procedures are split down into various sequential processes; administration becomes a comparatively undemanding and simplified operation. Only the work which needs detailed technical knowledge remains immune from this change.

Apart from the effect on the work itself, technological developments have also had a crucial impact on the career structure of companies. People recruited to employers such as the companies in this research have expected a career progression upwards through the ranks of the organisation lasting throughout most of their working life. Promotion affects many aspects of work, apart from status and financial reward; it also affects the level of responsibility, the scope for decision-making and the development of personal attributes necessary in management. But routinised and rationalised work permits the mass of jobs to be congregated at the base of the hierarchy, with fewer levels of supervision and management to control the operation of the work. Narrow hierarchical gradations, based on the technical aspects of the work, are substantially reduced by computerisation and rationalisation.

The introduction of computers by itself has not been responsible for all these changes in work procedures, although it does

necessitate a standardised format for the processing of documents and data to be stored. However, the process of rationalisation, whereby jobs are reduced to simple and repetitive procedures, appears to have received its initial impetus when computerisation paved the way for significant changes in work. Economic considerations have also been an incentive - fragmentation of jobs reduces the need for training, increases the interchangeability of staff and, by lowering the rank of many jobs, reduces the burden of salaries. Thus, there has been a considerable setback in recent years in the extent to which white-collar employees, in offices like those of insurance companies, have found that their work and future prospects come up to their expectations.

The underlying process has been one of a continuous shift of power in the performance of work to the management of such companies, and away from employees as individuals. Whilst salaries and terms and conditions of employment had always been at the discretion of the employer, staff were able to look forward to a steady improvement over the years as their careers progressed. Promotion was seen as a way in which an individual could 'get ahead' by his own initiative and efforts. The nature of the work was such that personal discretion and decision-making, albeit often not very extensive, was possible and frequently necessary for the satisfactory performance of the work. This element having been considerably reduced, and promotion prospects much diminished, the control of the employer over the daily work and long-term prospects of employees has been much strengthened.

Understandably, there has been much resentment among such employees about the changes that have taken placed. If individual action is restricted, and individual uncoordinated protests prove fruitless, then collective action will inevitably be considered. Many insurance companies have a history of limited staff collectivity through staff association but, for reasons discussed later, these have failed to prove a suitable medium for employees to challenge effectively management's control over their working lives. The employees of many insurance companies have eventually turned to

orthodox trade unions, especially ASTMS.[1]

It could be argued that if employees turn to unions when their work expectations are not fulfilled, that they do so through two possible motivations. The union may be seen as a means of providing some form of financial compensation (by negotiating higher salaries) for the prospects that have been lost, or it may be seen as a means of achieving the restoration of an earlier, more satisfactory position in which jobs and career prospects were closer to employees' expectations. In practice, it is probable that these two are not viewed by employees as mutually exclusive courses of action, but simply that individual priorities will tend to lean one way or the other.

Negotiations on pay and conditions have formed the most obviously successful aspect of union action - at least according to the employees of Company A. Whilst the union has also turned its attention to the regulation of personnel policy (e.g. job grading and evaluation, appraisals, salary structure, dismissal procedures), there has been little activity in the area which appears to be the heart of employee discontent - the de-skilling of work and reduction of promotion prospects. And yet the survey in Company A shows that there is considerable interest among employees in the involvement of the union in such matters.

Having said that the changes wrought by computerisation and the rationalisation of work result in a shift of power away from the individual employee and towards management, it could readily be anticipated that the increased strength of employees through their collectivisation is perceived by management as a threat to that power. As such, unionisation within a company is usually resisted by management, frequently by covert machinations rather than any form of explicit hostility. The evidence of the insurance industry,

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[1] See Appendix A for a description of the events which led to recognition of ASTMS in Company A in 1970.

though, appears to be that management and union do not spend their time in constant warfare once the union has achieved recognition - although, as noted, union involvement has encroached very little on matters of 'managerial prerogative' such as working procedures which are a key issue to employees. The evidence of Company B is that such an encroachment would be very vigorously resisted by management.

It can therefore be argued that from the perspective of employee expectations, battle has yet to be joined between themselves as a collectivity (represented by their union) and their management. The final outcome of the rapid increase in union membership and recognition in the insurance industry in the last decade is therefore still in issue.

Hypotheses of the Research

This research is therefore concerned with the effect on employees' work expectations of computerisation and office rationalisation, and the impact of this on union membership and union/management relations. Three main hypotheses emerge:

i) That changes in skill and promotion levels at work have led to unfulfilled employee expectations concerning both the progress of their careers and the suitability of the work to be performed. In order to assess the impact of these factors, the research should ideally have encompassed an historical perspective to enable the changes in working methods to be traced back for some years. However, this was clearly not feasible and only the present organisation of work could be examined from the employees' perspective. The alternative is to find a group of employees whose work has not been affected by these factors over the years and, fortunately, the company concerned employs several hundred professionals (accountants, actuaries, and others) whose work has been largely unaffected by computerisation and has not been subjected to significant

rationalisation. They were used as a form of control group as they have retained considerable power over their own jobs and their attitudes and expectations were compared with the non-professional employees.

The inclusion of professional employees also provides a useful opportunity to study such personnel in an organisational context other than the wholly professional private practice, which has been the context for many of the other studies of professionals.

ii) That unions are viewed by employees as a means of remedying their unfulfilled expectations, either by providing higher incomes as a form of compensation, or by putting pressure on management to fulfil those traditional expectations.

iii) That management will resist as a threat to its authority any intervention by a union in matters of 'managerial prerogative', e.g. organisation of work, business policy of the company, manpower planning and the career structure. It is precisely these areas which contain the seeds of employees' dissatisfaction at the non-fulfilment of their traditional work expectations.

As will shortly be explained, the details of the research had inevitably to be adapted somewhat to the constraints imposed by the need to find companies who were prepared to cooperate in the somewhat sensitive realm of industrial relations research. Nevertheless, these three hypotheses were at the core of the research as originally conceived, and remained its guiding principles.

Arranging the Fieldwork

Problems were encountered as soon as companies were approached for research facilities. The difficulty was that those companies which

presented the most interesting possibilities, i.e. those where union membership was a live issue, were precisely those companies whose management felt that industrial relations were too delicate to be disturbed by the issue of a research questionnaire to staff. The intention was to test the hypotheses by obtaining data on employees' attitudes to and perceptions of their work and union affiliation by means of a questionnaire, and possibly interviews. The original intention was to do a preliminary study in one company followed by a second survey in another company which would develop the findings of the first. In the event, this was not possible, although I believe the research has gained a wider perspective as a result of the change in plans.

Altogether, seven of the ten largest insurance companies in Britain were approached for research facilities. A short summary of the difficulties in arranging the empirical aspects of this study in the realm of industrial relations may be instructive.

The first approach was to a company with a well-established staff association with which collective bargaining was conducted, but which also had very small pockets of ASTMS membership. The contact was made through a personal acquaintance who was one of the company's branch managers. The personnel department was most cooperative and eventually offered some research facilities - provided trade unions were not mentioned. I was assured that the employees were entirely happy with the staff association and perfectly free to join a trade union, but that management did not really wish the subject to be aired. These limitations obviously rendered the company unsuitable for this research.

The Chartered Insurance Institute was then approached for assistance in arranging introductions to other companies. Their first approach was rejected (without explanation) by a company which has had a staff association for a number of years, and also a small but growing proportion of union members which had already resulted in a claim for recognition. The Institute's next approach was to a

General Manager of Company B who invited me to discuss the research proposals with him. However, after discussions with his colleagues, he decided that the issues involved were too sensitive within his company at that time, but suggested that I contact him again six months later. He also agreed to help in his capacity as Chairman of the Universities Liaison Committee of the British Insurance Association and, as a result, another company (which had had a recognition agreement with ASTMS for several years) agreed to consider my request. This they did for some two months and then declined research facilities on the grounds that major changes (mainly technological) within the company made it an inappropriate time to be involved.

I then wrote direct to another company which had shortly before recognised a union (not ASTMS) after its merger with the staff association. The Assistant General Manager (Personnel) was enthusiastic and obtained the permission of his Board. All that remained was to gain the cooperation of the union and an interview with the chairman of that company's section was arranged. This was utterly disastrous, the chairman imputing to me all the worst possible motives for wanting to undertake the research; I was accused, among other things, of being an ASTMS' spy because I had been a member of that union when I worked for company A! All plans for the research in that company were abandoned.

Attempt number six was made with a company which had recognised ASTMS some years before and which appeared to have a stable relationship with the union. They declined facilities because consultative procedures, union representation and an appraisal system acquainted management with areas of dissatisfaction, and it was felt that the results of the research would be of little assistance to them.

By this time, almost six months had elapsed since the interview with the General Manager of Company B and I wrote to him again. I was informed that the issues of union membership were still too

sensitive - more so, probably, than previously - and that an attitude survey was out of the question. However, the opportunity was offered to examine the company's employee relations history as a form of case-study. The offer was accepted. ASTMS had been attempting to achieve recognition in the company for nearly five years and a comprehensive file had been maintained on all issues pertaining to this. Access to this file was made available and also interviews with staff within the personnel sphere. I started work within this company almost exactly one year after the first attempt to arrange research facilities.

I then approached my old employers, Company A, the Staff Manager of which offered me every possible cooperation and assistance with the survey and interviews and also obtained the agreement of ASTMS within the company. After the difficulties of the preceding twelve months, this phase of the research seemed unbelievably problem-free. The company was ideal for the purpose of the research because it contained the large number of professionally qualified staff referred to earlier. There was therefore the opportunity to assess the impact of work changes on jobs and careers, which would have been much more problematic if historical comparisons had been the only source of information.

It should be noted that I had not approached this company earlier because I felt that nine years of employment there had left me with fairly clear ideas which needed at least some preliminary exposure to the ethos of another company of the same type.

Plan of the Thesis

After this introduction, the thesis continues with discussion of various contextual factors, namely the industry in which the research is set and the two companies and the union which are involved. This is then followed by a more detailed examination of the immediate organisational (bureaucratic) environment of the

employees and their work, to which are related the changes in work which are the bases of the hypotheses.

The previous literature is then considered, describing the characteristics of white-collar and professional employment, and the growth of unionism in this area. The methodological foundations of many previous studies appear to hinder, rather than assist, useful empirical work and lessons can be applied to this and future studies. Nevertheless, all previous work has to be carefully considered in order to determine to what extent this particular piece of research adds to the existing stock of knowledge, and earlier studies were of course used to guide the development of this research.

The thesis then moves to a discussion of the process whereby a union becomes institutionalised within a company, and the manner in which this involves the renegotiation of boundaries of managerial authority. There then follows a report of the recognition of ASTMS in the two companies, with more detailed attention given to Company B in the form of a case-study. As noted earlier, this company was involved in a lengthy (and finally successful) attempt by ASTMS to gain recognition for collective bargaining. The case study has been condensed in the main body of the thesis to illustrate those aspects which are pertinent to the third hypothesis concerning managerial authority, with other aspects included as appendices. Apart from the interest of an 'inside view' of managerial strategy and tactics during this process, the study clearly reveals the extent to which a union acting on behalf of employees is perceived as a threat to the authority of management over lower levels of the hierarchy.

The second empirical contribution to the thesis is the study of employees' expectations and attitudes in Company A, with the results of the questionnaire survey. The report of the survey results includes comparisons of the professionals' and non-professionals' responses in order to illustrate the impact of the changes in work which have variously affected the jobs and career prospects of the two groups.

A discussion chapter then reviews some of the major issues, putting forward a typology of factors which influenced union recognition in Companies A and B. The rejection of Staff Associations as viable collectivities is considered and the prospects for inclusion in collective bargaining of those factors which are currently within managerial prerogative.

In the conclusions, the results of the studies in both companies are summarised and consideration given to the extent to which the hypotheses could be considered proven.

THE DEVELOPMENT OF THE INSURANCE INDUSTRY

The business of insurance has been conducted for many centuries, although its precise origins have been lost in antiquity. We do know that contracts of insurance (relating to sea trade) based on similar legal principles to those of today were current in Greece in the 4th Century B.C. The Romans in about 230 B.C. produced the first known table of mortality which was remarkably accurate in its calculations by modern standards. The essentials of insurance as a business have therefore been long established, and it can be guessed that the need for some form of insurance, i.e. the sharing of risks, was felt as soon as nations or communities began to depend for their prosperity on trading, particularly if this involved hazardous expeditions.

Insurance contracts in an essentially similar form to that known today had become established by the 14th century in Italy with the indemnification of merchants for the accidental destruction of cargo and ships. The practice had become well-established in England by the end of the 16th century: the wording of an enactment passed in 1601 to set up a Court of Arbitration to deal with disputes on

marine policies refers to the practice of marine insurance having been carried on since "time out of mind".

Companies began to be established in the early part of the 18th century specifically for the issue of insurance policies and, in the same period, the owner of a coffee-house frequented by merchants and ship-owners - Edward Lloyd - began publishing information about shipping and associated trade. This gradually developed into Lloyd's of London, the leading international institution for insurance, especially marine. Also during the 17th and 18th centuries, fire insurance began, prompted by the Great Fire of London in 1666 which drew attention to the need for a coordinated method of fighting fires and indemnifying those who lost their property as a result of them. Companies dealing in this type of business combined the two functions by running their own fire brigades and issuing insurance policies.

The first known life insurance policy is dated 1583, although there is evidence of primitive forms of life insurance in England as far back as the 13th century. Most of the life policies underwritten before the middle of the 18th century were either short-term contracts with fixed death benefits or schemes providing for variable benefits according to the funds available in any given year. By 1762, the science of probability had become sufficiently sound for life assurance to be conducted according to actuarially-based mortality tables, so that level premiums could be charged throughout life and assessed according to the calculated risk of mortality. Modern life assurance has become ever more complex, and increasingly linked with investment plans, to cater for the differing needs of the client, but the principle remains the same.

The insurance industry today is vast and varied, but dominated by a comparatively few major companies which are household names. The total assets of insurance companies incorporated in Great Britain is £41,025m with income from investments of £2,848m in 1978.

Premium income for that year was £8,454m and claims paid to the total of £4,931m.[1] Altogether more than 800 companies (many of them subsidiaries or branches of foreign companies) are authorised to conduct insurance business in this country.

The major companies are nearly all composite offices: that is, they conduct various types of insurance (e.g. Life and Fire). Comparatively few companies (about a dozen) conduct Industrial Life Assurance, of which Company A is the leading company. The term 'industrial' is now a misleading misnomer which originated in the primary purchasers of this type of policy - industrial working classes in the early/middle 19th century. It is sometimes more accurately referred to as 'home service assurance'. It is defined by the Industrial Assurance Act, 1923, as:

> "the business of effecting assurances upon human life, in respect of which premiums are received by collectors."

The insurance industry is a labour intensive industry, although the last decade or so has shown a steady increase in the use of computers which has undoubtedly contributed to the ability of companies to shed staff. A survey of nine of the largest companies showed that their total staff had fallen by nearly 9,000 in the years 1968 to 1978.[2] Despite this trend in the largest companies, the industry as a whole is employing a higher proportion of the employed population as indicated by Table 1. The apparent contradiction of trends is presumably caused by the overall growth of the industry and the increasing number of flourishing smaller companies which cannot yet afford to computerise on the scale of the major companies.

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[1] Source: Insurance Business Annual Report
HMSO, 1978

[2] Source: Insurance Staffing and Salaries
Prof. B. Carter and S. Diacon
Policy Holder Staff Gazette, 30 November 1979, P.vi

Table 1 Employment in the Insurance Industry

	MALES		FEMALES	
	employed in insurance industry (000s)	as % of total employed population	employed in insurance industry (000s)	as % of total employed population
June 1974	145.9	1.092%	115.7	1.295%
June 1975	143.8	1.086%	111.3	1.240%
June 1976	143.1	1.093%	115.9	1.295%
June 1977	149.7	1.144%	119.9	1.320%
June 1978	149.1	1.141%	121.9	1.332%
June 1979	152.7		124.6	

Source: Department of Employment Gazette

As can be seen, the real slump in employment occurred in the early/middle 'seventies, when maintaining reasonable budgets became a severe problem throughout the industry. At this time, both Companies A and B resorted to cost-cutting exercises including severe restriction on recruitment. The Carter and Diacon study concluded that the reduction in the numbers of staff employed in the large companies "has probably been caused by the gradual introduction of labour-saving devices and the prospects for clerical staff in such companies looks less healthy than for more highly trained staff" (P.v.).

The Trend towards Rationalisation

Reference has been made to two of the most important factors which have affected the performance of insurance companies in the post-war years, namely computerisation and the impact of economic circumstances on the use of labour. As a major theme of this thesis concerns the effect of rationalisation and computerisation on the jobs and careers of insurance company employees, it is necessary to examine the background in which decisions such as these were made.

The British insurance has always had a world-wide pre-eminence, and maintained its position after the turmoil of World War II. There were, however, certain hindrances to the continued health of the industry, which took their toll from the middle 1950's after a decade of profitability immediately following the war. Such factors were the loss of some international markets, particularly in Eastern Europe and Asia, and the general economic problems, especially concerning the balance of payments and inflation, arising from Britain's massive financial investment in the war. The American insurance industry was benefited by the comparative economic advantages of the U.S. war involvement which had caused an expansion of their exports and an increase in their standard of living. By the 1960's, competition from the U.S. insurance industry contributed to the general unprofitability of British companies.

Despite these problems, the U.K. insurance industry managed to break all records with the growth in premium income, in what Clayton (1971) has described as a 'magnificent response' to the challenges and opportunities of the post-war years. It was helped in this by an extensive spell of full employment and a steady growth of real income. The expansion of life and motor business was particularly impressive.

However, there have been poor underwriting results for non-life business since the mid-1950's, with most companies achieving underwriting losses. Other contributory factors can be identified in this, apart from the economic background and overseas competition.

Clayton (op.cit.) suggests that the industry was slow to react to all the changes of the post-war years, particularly caused by the technological revolution which brought perhaps the greatest challenge to general insurance, presenting many new and complex risks for insurance. Many companies simply had too high expense ratios and insufficiently stringent financial controls to cope with these underwriting challenges on a profitable basis.

However, by 1975 Carter[1] was able to identify improved efficiency, and stated that the industry as a whole showed falling expense ratios - reflected in a reduction in the numbers of employees - despite substantially rising salaries. How had companies managed to achieve this? One major factor which cannot be ignored, although its impact on profitability may be over-estimated, is the number of mergers that took place during the 1950's and 1960's. There were no fewer than 26 mergers between 1956 and 1968[2], which left the industry dominated by eight or nine major composite companies. Most of the companies which had substandard profitability in 1956 have since been absorbed into the major companies of today.[3] This has provided the benefit of economies of scale and the more efficient application of computerised systems. Some doubt about the advantageous impact of mergers on profitability can be seen by a comparison of underwriting results (fire and accident) which shows that the two companies not involved in mergers (pre 1962) had better results during the years 1964 - 1967 than the average results of those companies which had been involved in mergers.[4]

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[1]The Prospects for British Insurers - R L Carter, in the Journal of the Chartered Insurance Institute, vol.72, 1975, P.92-105

[2]Source: Clayton op. cit. P.219

[3]Insurance Profitability, Past, Present and Future - J Plymen and S Pullan, in the Journal of the Chartered Insurance Institute vol. 66, 1969, P.131-157.

[4]The Policy-holder, 9 August 1968

Whether or not the extensive number of mergers did contribute overall to profitability in the longer-term, they certainly had the effect of forcing senior managements to take a more rigorous view of the productivity of their staff. Merged companies needed fewer staff and, once training and retraining programmes had been planned, over-staffing could be coped with only by retirement or redundancy. Thus began the break in a traditionally totally secure employment (or as near as any job could come to total security) and a new approach by insurance companies to staffing.

This paved the way for further changes in management practice. Kendall[1] identifies two factors, apart from the need for reduced controllable expenses to increase profit margins, which pushed managements into action. Firstly, he suggests that there was a demand by clerks for an increase in salaries to offset their loss of status and security vis-a-vis manual workers. Secondly, there was less acceptance among employees of authoritarian managements, and employees' demands were therefore less easily contained. Kendall (who was an Assistant General Manager of a major company when he wrote his article) comments that all aspects of companies' operations came under the "closest scrutiny" and "to concentrate routine processes of large volume into one or two areas, employing workers and machines for this sole purpose, seemed a clear step forward" (P.92). He adds that "the dangers of following this production-line process, loss of identification with the enterprise and loss of a sense of purpose on the part of those working in it ... were not fully appreciated, although well understood in other industries." (P.92).

These processes, together with the increased organisational size caused by mergers, caused the introduction of work and performance measurement and job evaluation. The greater size of companies, and the increased complexity of insurance contracts and processes led also to further specialisation. Six out of eight companies questioned by Kendall confirmed this and also commented on the practical difficulties of moving people for further experience and training.

It has been shown how various pressures were latent behind the extensive rationalisation[2] of the insurance industry. One crucial factor which has

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[1] Organisational Planning in the Insurance Industry - F H Kendall, in the Journal of the Chartered Insurance Industry, vol.73, 1976, P.71-129.

[2] The term 'rationalisation' is used in this thesis to denote not only the simplification and routinisation of work at the task level, but also the greater emphasis on cost-effectiveness which results in the reduction of middle-management posts and restricted recruitment, for example.

only been mentioned in passing is the advent on a large scale of computerised working methods. Computers are ideal tools for insurance companies which have to process vast numbers of similar cases, and also have an immense amount of information which must be stored and readily retrievable. The propensity of computer systems to routinise work and break down jobs into a series of simplified tasks facilitated and reinforced the trend towards rationalised working methods which were already being introduced. The impact of this on the employees of Company A, with reference to their unionisation, is discussed in Chapter 6.

THE COMPANIES A AND B

Both the companies in this study are composite insurance companies (i.e. they deal in more than one branch of insurance - life, fire, accident, etc.) although they are both predominantly life companies and are also the two leading companies in the realm of pensions management. In financial terms, Company A is the largest insurance company in the country, and Company B is the second largest among the predominantly life companies.

Table 2: Assets and Premium Income of Predominantly Life Assurance Companies

Ranking of Company	Assets (£m)	Total Premium Income (£m)
1st (Company A)	4,671.2	1,155.7
2nd (Company B)	3,795.3	608.6
3rd	2,249.5	251.3
4th	1,060.9	187.1
5th	1,007.5	163.4
6th	798.8	114.5
7th	665.8	92.7
8th	566.6	106.6

Source: Insurance Staffing and Salaries, Policy Holder Staff Gazette 30.11.1979 Prof. B Carter and S Diacon

If all insurance companies are compared, Companies B and A remain the largest two in terms of assets, although they are then sixth and third respectively for premium income.

The major difference between the two companies in business terms is that Company A is one of the few major companies which conducts industrial life assurance (as well as ordinary life assurance); indeed, this is the type of business on which it was founded in 1848 and on which it subsequently made its name. Company B, by contrast, has never conducted this type of life business since its formation in 1836. The legal obligation to collect premiums from the policy-holders for industrial life business necessitates the employment of agents. Company A employs a 'field staff' of about 15,000 for this purpose, and they also act as the company's sales staff. This company obtains very little business through brokerages, which is the main method by which Company B sells its policies although a much smaller specialised sales force is also employed. Organisationally, therefore, this difference in the types of business conducted by the two companies has a major impact. Company A is effectively divided into two elements - office staff and field staff - and the building of mutual support and cooperation between the two has been one of the company's long-standing problems. Company B, on the other hand, has no such division.

Another major difference between the two companies is in the distribution of their office staff between different branches and locations. Company A employed on average 21,046 employees during 1978,[1] making it by far the largest employer in the insurance industry. Of these, 15,000 were, as noted, field staff. The remaining 6,000 were employed in offices round Great Britain. 2,000 were employed in 22 Divisional Offices throughout England, Scotland and Wales. These offices are in constant contact with the field staff for their particular division, and are primarily concerned with General Branch business (e.g. fire, motor).

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[1] Source: Company's Annual Report and Accounts, 1978

Of the remainder, 1,200 (68% female) work in the Reading Office which is part of the Head Office and is concerned with the issue and servicing of life policies and with the payment of claims on these. Much of the work is very routine, as is reflected in the fact that 65% of the staff are within the junior clerical grades. A further 10% are punched card operators and typists. The work at this office has always been in the forefront of the Company's computerisation and rationalisation programmes, and may be compared with the Company B Life Administration Office at Hove (see R180) where young, inexperienced staff were undoubtedly a factor in ASTMS' comparative recruiting success at that office, and where the development of computerised working methods was the subject of constant debate. By comparison, ASTMS finds difficulty in recruiting the young, predominantly female, staff at the Company A Reading office.

The largest conglomeration of staff in Company A is in the London Head Office, which has over 2,000 personnel (61% male).[1] This is the office on which this study is based, and is concerned not only with the insurance aspects of the business (there is a large centralised General Branch office and all the pensions business is conducted from London), but also with all the professional and administrative services (e.g. actuarial, financial, legal, taxation, investment etc.) necessary to maintain a major insurance company. Further details of the personnel in this office are given in the introduction to the survey in Company A. The senior management of the company are also located in this office.

Company B employed 5,408 employees on average during 1978.[2] This included approximately 550 sales staff and 700 office services staff and similar. By comparison with Company A, the Head Office functions are far more fragmented geographically.

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[1]The discrepancy between the total of the figures quoted and the grand total of 21,000 is accounted for by about 700 works and office services staff (i.e. craftsmen, messangers etc.); a Belfast office and a small specialised office in the city.

[2]Source: Company's Annual Report and Accounts, 1978

Table 3 Company B Head Offices

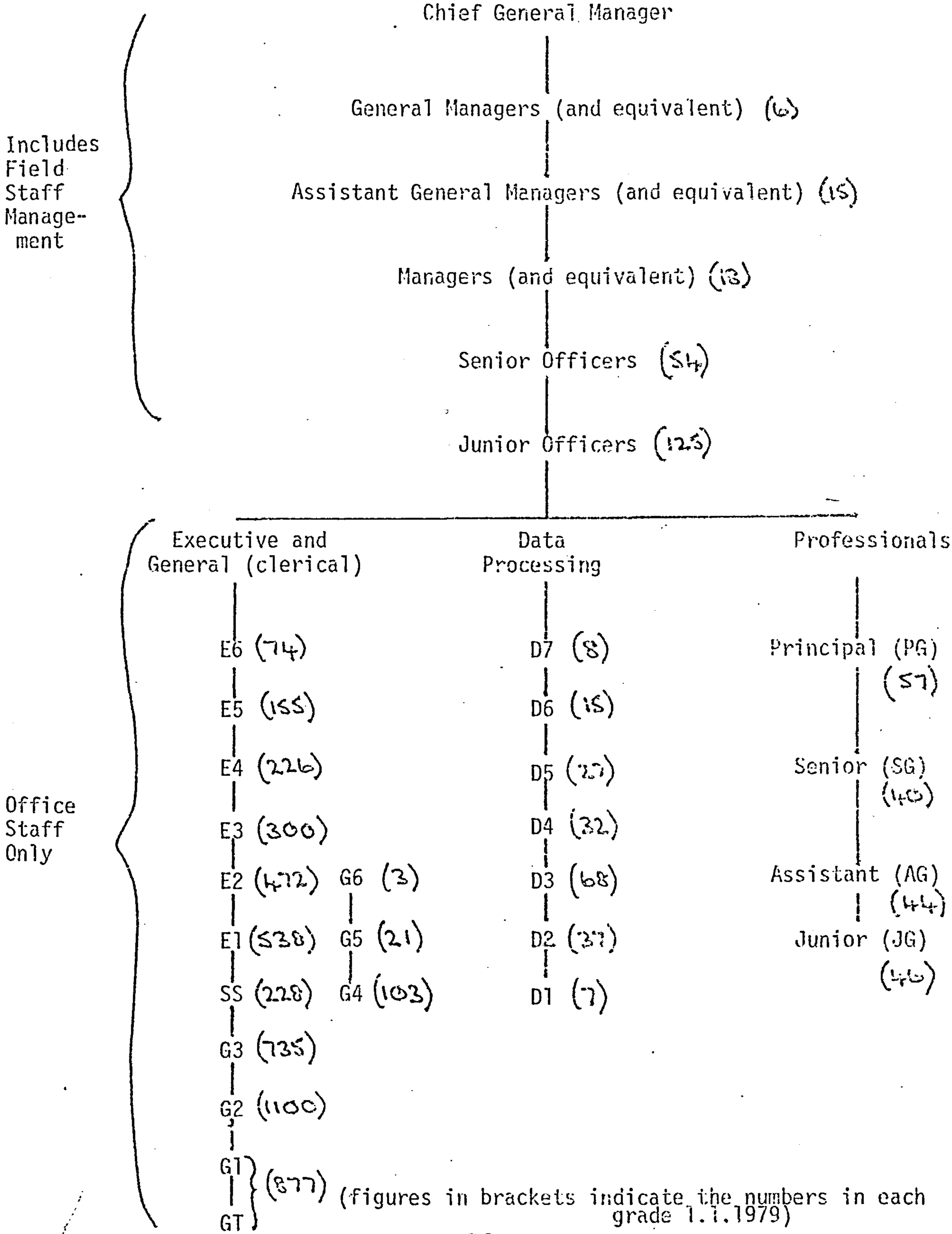
Location	No. of employees	Primary function
Kingswood (Surrey)	1,100	Pensions, computer system
Hove	410	Life administration
Temple Court (London)	375	Top Management, Finance, Administration etc.
Southgate (London)	375	General branch
Euston (London)	290	Estates
Milton Keynes	100	Accounts

All of these offices were involved to a considerable extent in the major relocation programme which took place around 1974. In the 'league table' of insurance employers, this number of employees places Company B about 9th; for the size of its business, Company B is clearly economical in the employment of its staff.

There are also significant differences between the two companies when their grading structures are considered. Company A had, until a restructuring scheme in January 1980, a complex grading structure with a total of 24 grades for all its office staff. This excludes typists and punched card operators, and also the 218 (one female) officers and management.

Table 4 Company A Hierarchy

(pre 1.1.1980)



(figures in brackets indicate the numbers in each grade 1.1.1979)

Notes to Table 4.

i. SS is Special Scale and was intended at its inception in the late 'sixties as a fast link between the G (General clerical) grades and the E (Executive) grades for the better-than-average. By the time it disappeared with restructuring, it had really become part of the standard route from G to E grades. All graduates were placed on entry on the Special Scale.

ii. The G grades above G3 were a relic from a previous grade restructuring in the 'sixties. These grades had not been used for promotion purposes for some years.

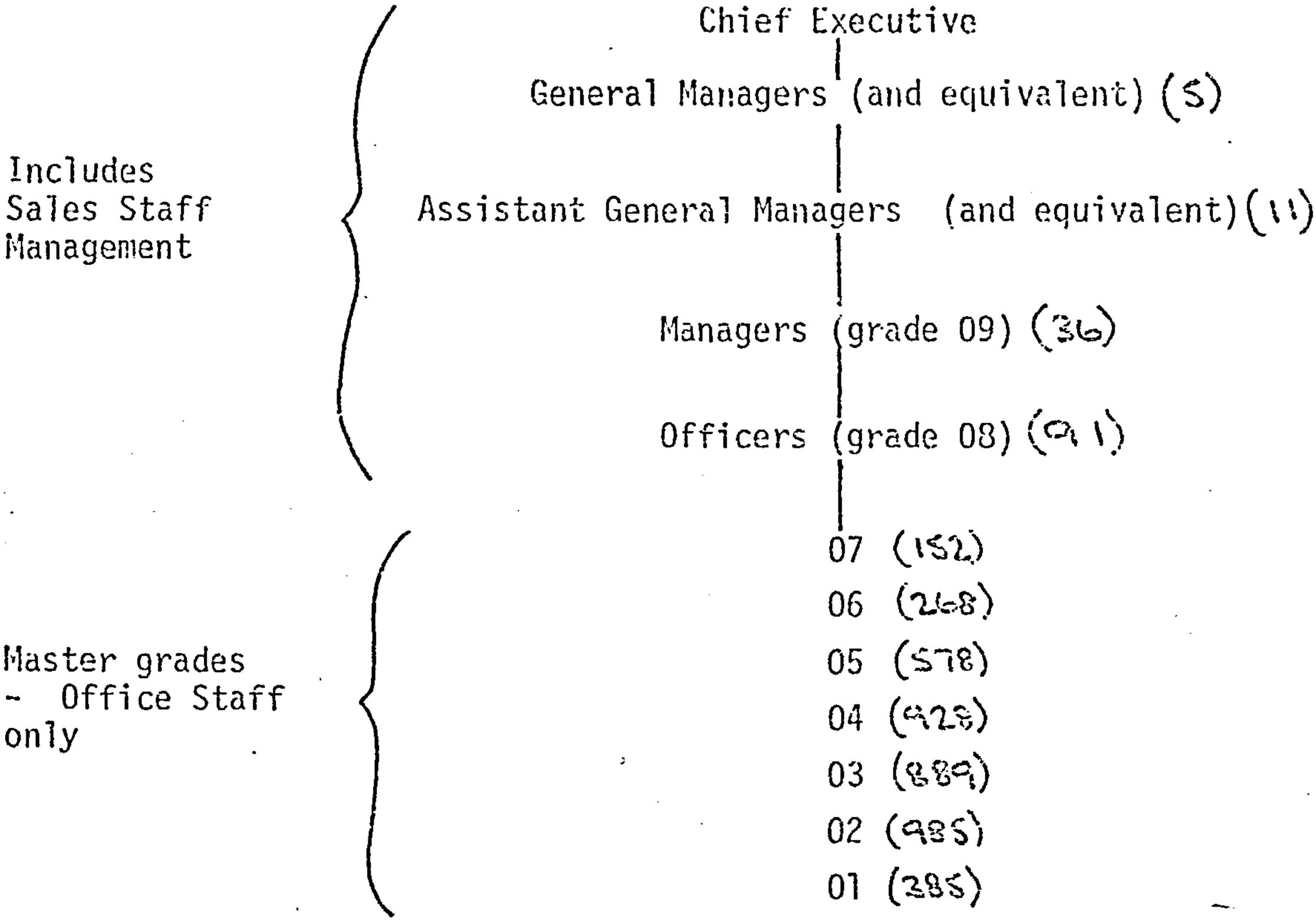
iii. GT is the trainees' grade (except graduates). All new entrants (mainly school leavers) were appointed to this grade for a six months' probationary period, after which they were reallocated to either G1 or G2 according to educational attainments. Only a very few staff were appointed at more senior levels, especially among the non-professionals, although this trend seems to be changing.

By contrast with this, the grading structure at Company B appears mercifully straightforward. The bulk of the office staff are included in 7 'Master grades', this again excluding typists, machine operators and also part-time staff.

The ASTMS bargaining group in Company A is all the office staff below the rank of officer (i.e. excluding field staff and craftsmen) but including the offices services staff. The bargaining group in Company B is office staff in grades 01 to 07 and equivalent (i.e. including typists etc.) and also weekly paid staff such as office services, works and engineering.

Having been employed by Company A for nine years and only closely involved with Company B for five months, it is difficult for me to give a balanced assessment of the differences between the two companies based on my own experience. There are, however, three

Table 5 Company B Hierarchy



(figures in brackets indicate the numbers in each grade 1.1.1979)

factors which I think are important to note and which may especially give some idea as to why the industrial relations developments were so different in the last decade - albeit with the same eventual result of the recognition of ASTMS.

Firstly, Company A has a pervasive aura of its history and traditions, particularly associated with the monumental building in which the London Head Office is based. It would be impossible to work in this building without acquiring an awareness of times past. Along with the general staidness of the insurance industry, which we have already noted, this has tended to encourage the persistence of somewhat outdated traditions. Both companies (and the other old large companies as well) have traditions of paternalistic styles of management; Company A seemed less able to find a comfortable compromise between this old style and the needs of a modern competitive company to make the most economical use of its major

resource - its employees. This, I feel, contributed to the apparently insensitive handling of innovations such as clerical work measurement in the late 'sixties. In Company B, the management was able to make a smoother transition, though not without its jolts.

The second factor lies in the distribution of the staff. Company A has two extremely large Head Offices which overwhelm all the other (divisional) offices. The London office has been based on the present site for almost a century; the Reading office is nearly 20 years old, although there was a smaller office in the same town for many years. A major relocation took place during the early 'seventies to accommodate all life branch personnel in the one Reading office.

The Head Office of Company B, on the other hand, is split into six geographical locations, all of which have been involved in major upheavals in the last few years in the course of the relocation programme. The fragmented structure of the Company B office staff has, I believe, hampered any unity of action by employees of the sort which led to the transfer from Staff Association to ASTMS in Company A. This is not to suggest that events would have followed that pattern after, say, the mortgage issue (see Appendix H) if the staff had not been fragmented, but that such fragmentation partially served to neutralise the effects of radical managerial action.

The final point is very subjective and is concerned with the composition and style of each company's top management. In Company A the top management always appeared tremedously remote in their 'management corridor' and quite removed from the reality of employees' everyday working lives. By contrast, Company B appears to make an effort to make their senior management seem accessible. Company A management does appear to have been making an effort to become more accessible in the last few years, though; interviewees, in response to a specific question, commented that the style in the company had become more informal and that management had become less remote. Apart from deliberate policy, I can only assume that this results from the accession of younger men to senior management posts.

I also feel that the composition of the Board of Directors of each company may have had an impact. The Board of Company A is entirely non-executive, although the last retired Chief General Manager is traditionally the Chairman. The Board of Company B, on the other hand, comprises various non-executive directors, but the six most senior members of management are also executive directors. I feel that the daily involvement of these directors in the business of the company, and their contact with their staff, enabled them to gain a better assessment of the climate of opinion in the company on the issues surrounding the recognition of ASTMS. Had Company A had some executive directors, there might not have been such acute misjudgements of employee morale and attitudes as occurred on several occasions in the late 'sixties.

(All the historical issues referred to in both Company A and Company B are discussed more fully later, either in the main text of the thesis or in appendices.)

THE UNION: ASTMS

The union recognised by both companies in this study is ASTMS (Association of Scientific, Technical and Managerial Staffs). It was formed in 1968 after a merger between the Association of Scientific Workers (A.Sc.W.) and the Association of Supervisory Staffs, Executives and Technicians (ASSET). ASTMS is now the largest and fastest growing white-collar union in the private sector with a current (1979) membership of 471,000,[1] and has been described as a "militant and extremely effective union of highly qualified persons" (Robertson and Sams, 1972, P.11). It is T.U.C. and Labour Party affiliated. A great deal of the publicity about the union has been

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[1] Source: T.U.C. Yearbook of Industry and Services, 1979/80.

achieved through its General Secretary, Clive Jenkins, (previously with ASSET) who can be guaranteed to attract the attention of the media when a union issue needs public airing.

In the traditional classification of trade unions between the types of general, craft and industry, ASTMS must be considered a general union with its very disparate membership drawn from industries such as engineering, ship-building and shipping, chemicals and, of course, insurance. It is concentrated in the private sector, but does have some membership in the public sector, for example, the Health Service and the British Steel Corporation. It also caters for all statuses of white-collar employees from clerks and technicians, through foremen and supervisors, to all levels of managers and highly-qualified professionals. The appeal of ASTMS has been that of a strong union with a record of bargaining successes but which also, most importantly, respects and defends traditional differential status and rewards.

ASTMS clearly caters for a very wide range of interests among its membership, and has been careful to avoid allegations of inability to represent effectively any one group because of the heterogeneity of its membership. It has achieved this primarily through a decentralised structure which permits both democratic decision-making and a fair degree of autonomy to its constituent sections. The importance of this is illustrated by the transfer of membership between the Company A staff associations and the union, which was achieved only after ASTMS conceded a great deal of self-government to the 'Company A Section'. The staff association officials, whilst recognising their members' need for the strong representation which ASTMS could supply, were afraid of becoming insignificant in the welter of interests in the union.

Company A therefore has its own section of ASTMS, with a system of branches (geographically based) within this, and policy-making is undertaken at the Company A Annual Delegate Conference. The National Committee puts this policy into practice, meeting

regularly to run the affairs of the union within the company. Negotiations with management are conducted in the Joint Committee, the chairman of which is always a member of management. Company A Section also has a full-time chairman (an employee of the company), an arrangement that was agreed by management on the recognition of ASTMS. Company B Section also has a similar autonomous structure, but management has steadfastly refused to permit a full-time union appointment (membership in this company is still much lower than in Company A).

The national structure of the union (as opposed to the company structure) is superimposed on this, and deals with those issues of policy and administration which apply to all ASTMS members. The union's National Officer for Finance, Russell Miller, emphasised during an interview the importance - and the difficulty - of convincing members that the union's national structure could not dictate to the company structure.[1] Further recognition of sectional interests in ASTMS is found in the industry-based committees and conferences. There is an annual Insurance Conference which is attended by ASTMS members from all the companies in the industry, and this debates issues pertaining to the entire industry, rather than individual companies. Similarly, there are the National Insurance Advisory Council and the Divisional Insurance Advisory Committees which collect information on salaries and conditions within the industry and mobilise union recruitment on, respectively, national and local levels.

The democratic nature of the structure permits the union's predominantly conservative membership to balance the left-wing tendencies of the leadership. For example, when the Labour Party NEC proposed the nationalisation of the insurance and banking industries in 1976, it is unlikely that this would have been personally opposed by the union's leadership. However, the ASTMS delegates were instructed by their National Executive Committee (on the advice of the National Insurance Advisory Committee) to vote for

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[1] A transcript of the interview is included as Appendix B.

the reconsideration of the proposal at the Labour Party Conference or, if this was not possible, to abstain in any vote for the adoption of the policy, which is what they actually did.

This question of politics is perhaps one of the most difficult problems for any TUC union trying to recruit white-collar employees. Russell Miller acknowledged a resistance on the part of prospective members because of the union's affiliation to the Labour Party, which was only slightly alleviated by the fact that members cannot be forced to pay the political levy. He indicated that the insurance industry members were the group with the lowest percentage actually paying the levy - about 50% of the total membership does so. To further counteract this obstacle, when the merger between the union and the staff association in Company A was negotiated, the usual procedure regarding the political levy was reversed: members had to contract in if they wished to pay rather than contract out if they did not.

Carter comments on ASTMS' overtly political style of leadership and activity and comments that the union "sees progress through political connections and lobbying as an alternative to mobilizing its membership and engaging in industrial action" (1979, P.306). The union leadership is well aware that it would not be able to muster general support for industrial action over wider social, political and economic issues and it must therefore rely on its party political involvement at a national level to promote its interests in this sphere.

For the same reason - fear of alienating potential and actual members - ASTMS prefers to achieve recognition through legal and quasi-legal methods if possible, rather than using obvious pressure tactics against reluctant managements. Thus in Company B, it used the provisions of the Employment Protection Act, 1975, as the primary method of gaining recognition. It also supports ballots as a means of demonstrating its membership and support. It is interesting to note that the only industrial action (limited to one office) in Company B during the struggle for recognition consisted of short

walk-outs (usually with flex-keys out, i.e. in the employees' own time), the main purpose of which was to generate publicity and embarrass management, rather than to disrupt the company's business. The local union group constantly balloted the membership before decisions were taken on the continuation of such action.

Company A offers similar illustrations: in October 1978 there was a dispute over a pay claim and a work-to-rule ensued. Two ballots of members were conducted to determine the support for the action and its subsequent escalation. Despite the obvious intention to put pressure on management to concede the pay claim, the union granted dispensations to those members who could really have damaged the company's business - the computer operators and the switchboard operators in the investment department. ASTMS can be seen, therefore, to recognise the fine line that it must tread between the need for effective action to win concessions for its members from their managements, and the need to respect the traditional allegiance of such employees for those in authority over themselves.

UNIONISM IN THE INSURANCE INDUSTRY

Unionism in the insurance industry began at the end of World War I with the formation of the Guild of Insurance Officers (1919). During the next two decades, membership at first climbed steadily but then declined sharply, following the general pattern among all unions in the 'twenties. Management did not relish having unionised work-forces, and one of the tactics employed by companies to combat the GIO was the formation of internal staff associations - 'sweetheart unions'. They were not unsuccessful in that role and, then as now, sometimes the initiative for the formation of these associations came from the employees themselves rather from management. Doubtless the "corporate firm spirit" reported by Klingender (1935) - a product, he suggests of company sports clubs and theatrical societies - militated against the intrusion of the union into company life.

Membership of the GIO reached a peak of 21,000 in the late 'thirties, declined sharply during World War II and then began to increase again in the late 'forties, although it never reachieved its earlier peak.[1] It affiliated to the TUC in 1937. During the next two decades the numbers employed in the insurance industry increased rapidly, but this was not reflected in GIO membership which generally remained static, with another decline in the late 'sixties.

It was during 1970 that unionism in the insurance industry underwent a radical development with the recognition of ASTMS by Company A. This followed the merger between the union and the Company's staff association (see Chapter 6). The GIO had recently been renamed the Union of Insurance Staffs, and began merger talks with ASTMS during 1970, which reached fruition by September that year. ASTMS' firm hold on the industry was confirmed by the achievement of limited representation in another major company and the merger with another staff association leading to recognition (also in a major company) later in 1970.

Since then, ASTMS' recruiting success in the industry has been considerable although not without its setbacks. Of the ten largest companies (in terms of numbers of employees), ASTMS is recognised for collective bargaining in seven, but shares recognition with APEX[2] in one of these. BIFU[3] has achieved recognition (after a merger with the staff association) in another one of the ten largest companies, and ASTMS has bargaining rights in respect of computer operators only in this company. Amongst the smaller insurance

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[1]Source: Trade Unionism and the Insurance Clerk, R. Crompton Sociology, Vol. 13, No. 3, September 1979

[2]Association of Professional, Executive, Clerical and Computer Staffs

[3]Banking, Insurance and Finance Union

companies, BIFU is recognised in two and ASTMS in at least 33.[1] The remaining large companies (two) conduct collective bargaining with their own internal staff associations. There is some evidence that BIFU's less militant image and less overtly political approach with consequent avoidance of affiliation to the Labour Party has won it some favour over ASTMS' proven negotiating successes, but ASTMS has clearly been far more successful overall.

Trade unions, and ASTMS in particular, are therefore a noticeable presence in the insurance industry. The evidence available (admittedly hearsay and circumstantial on the whole) indicates that managements and unions manage to achieve a relatively stable relationship in most instances after the sometimes traumatic recognition period is over. The companies in this thesis permit a useful contrast: Company B has recently recognised ASTMS after a protracted struggle whereas Company A was the first insurance company to recognise ASTMS and has a decade of experience of union involvement in organisational decision-making.

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[3]See 'The Colour of White-Collars' by Valerie Pegg in The Post Magazine and Insurance Monitor, 29 November 1979 P.3451

CHAPTER 2

BUREAUCRATIC ORGANISATIONS

Introduction

The organisational characteristics of the companies in this research are important because of the extent to which they affect the fulfilment of employees' work expectations. One of the critical factors in the survey in Company A is job design, as experienced by respondents, and the structure of the organisation also directly affects promotion prospects, and impacts on questions of decision-making and control.

The mode of organisation employed in both companies is bureaucratic: indeed, the word 'bureaucracy' has become synonymous with 'organisation' when talking about large modern companies, both in everyday speech and to some extent in academic literature. In order to place the survey results and the case study in this thesis in appropriate settings, and to assess what affect that setting had on the formation of the attitudes reported, it is therefore necessary first to discuss bureaucracy. It is a subject with a complex history and a vast literature, and only the aspects which are relevant to this thesis have been selected for discussion.

Neither of the two studies involved any objective measurement by the researcher of the bureaucratic features of the companies, although many illustrative examples of the relevant features are given from observations. As already noted, the critical assessment is the subjective one given by the respondents in the survey as this is what shapes their attitudes and behavioural responses to their environment. But, in turn, their perceptions will have been influenced by the precise form of their environment.

Characteristics of Bureaucratic Organisations

Discussion of bureaucracy has developed largely from Weber's analysis of the rational/legal type of social administration. The conceptual underpinning of his model of bureaucracy was the theory that legitimacy was basic to authority systems (of which he identified three - charismatic, traditional and rational/legal). Legitimacy finds its purest expression in the rational/legal authority type, in a system of offices which constitute bureaucracy.

Weber described bureaucracy as follows"

"Modern officialdom functions in the following specific manner:

I. There is the principle of fixed and official jurisdictional areas, which are generally ordered by rules, that is, by laws or administrative regulations.

i. The regular activities required for the purpose of the bureaucratically governed structure are distributed in a fixed way as official duties.

ii. The authority to give the commands required for the discharge of these duties is distributed in a stable way and is strictly delimited by rules concerning the coercive means, physical, sacredotal, or otherwise, which may be placed at the disposal of officials.

iii. Methodical provision is made for the regular and continuous fulfilment of these duties and for the execution of the corresponding rights; only persons who have the generally regulated qualifications to serve are employed.

In public and lawful government these three elements constitute 'bureaucratic authority'. In private economic domination, they constitute 'bureaucratic management'."

(from Wirtschaft und Gesellschaft part III ch. 6
in 'From Max Weber' eds. Gerth and Mills, 1948).

He added other characteristics of bureaucracy:

- the office is managed by a system of technical rules, knowledge of which is required of all officials,
- officials are appointed on "purely functional points of consideration" i.e. their technical competence and qualifications,
- the organisation of offices follows the principle of hierarchy, so that lower offices are under the control of the higher ones,
- the hierarchy offers a career as officials move from lower sections to higher ones.

Weber was convinced that this method of organisation would predominate because of its "purely technical superiority over any other form of organisation". "Precision, speed, unambiguity, knowledge of the files, continuity, discretion, unity, strict subordination, reduction of friction and material and personal costs - these are raised to the optimum point in the strictly bureaucratic administration" (ibid. P.214). Thus he identified the advantages of bureaucracy and its inevitable selection as the predominant form of organisation in the increasingly complex modern world. Despite his belief in its inevitability and a certain pride in the efficiency he predicted, Weber had profound misgivings about the effects on the individual caught up in the bureaucracy. He identified "bureaucracy with rationality, and the process of rationalisation with mechanism, depersonalisation and oppressive routine" (ibid. P.50). Many employees subject to bureaucracy have echoed those sentiments.

More recently, it has been suggested (e.g. Udy, 1959), and is now generally accepted, that Weber's "ideal typical" formulation cannot be used satisfactorily for empirical purposes. Perhaps one of the most straight forward typologies that has emerged from the attempts to devise measures of bureaucracy is that developed by Hall (1962). He condenses Weber's characteristics of bureaucracy and their implications most popularly used by contemporary authors into

six dimensions:

- division of labour (*functional* specialisation)
- hierarchy of authority
- rules governing rights and duties
- technical procedures *for* work
- impersonality (disregard of individual qualities)
- promotion based on technical competence.

He found that the size and age of the organisation was not related to the overall degree of bureaucracy, but he did find that business activity may be related to bureaucratisation. Those organisations which have a large volume of customers (of which the major insurance companies in this study are prime examples) were more likely to develop the characteristics of impersonality. Some of his findings have been contradicted, e.g. Samuel and Mannheim (1970) who found that the size of the organisation was negatively related to the degree of structural control reflected in the hierarchy of authority, but positively related to formal rules and procedures. They also found that the age of the organisation was positively related to the degree of impersonality.

Hall's work on bureaucracy is perhaps most significant for his inter-departmental comparisons, resulting in the concept of the 'bureaucratic continuum'. Organisations are not necessarily monolithic; they may vary in structure and certain 'social skills' sub-units (e.g. sales, advertising, research) are particularly likely to be less bureaucratic on the dimensions of hierarchy, division of labour, and work procedures (Hall, 1963). He concluded that, overall, an organisation should be viewed as a set of bureaucratic dimensions, each in the form of a continuum, rather than as perfectly correlated factors all either present or absent. He found that the bureaucratic dimensions were not highly inter-related and that, for example, an organisation may have a high 'score' on hierarchy of authority but a low one on impersonality.

Perhaps the crucial distinctions between organisational sub-units for this thesis are those which affect the design of jobs, specifically the degree of functional specialisation and the proliferation of technical procedures for work. In the 'line' departments of both Companies A and B (i.e. those departments dealing with the mainstream insurance business), there is a considerable degree of functional specialisation. Jobs have been split into smaller and smaller units, with each job-holder in the lowest grades responsible for only a few tasks. Frequently, those at a higher level are responsible for checking a similarly few tasks, and with very narrow limits to the amount of decision-making included in their supervisory responsibilities. On the other hand, those departments - such as the professional departments - where detailed knowledge is required and complex decisions have to be made involving individual judgement, remain comparatively free of functional specialisation. Even in these departments, though, it is present to some extent and results in some degree of routinisation of the work of the more junior grades.

Allied with this, the extent to which technical procedures are applied to jobs varies considerably between departments. The line departments, with fragmented and routinised work, usually have very detailed procedural manuals concerning the performance of work. This is usually closely connected with the manner in which the documentation has to be presented for use by the computer. Again in contrast to this, the professional and non-line departments tend to have rules as guidelines rather than strict procedural instructions. Many of the technical procedures are part of the 'body of knowledge' with which the professional is occupied - e.g. tax regulations, actuarial equations.

Thus, whilst each company is bureaucratic when viewed as a whole, the extent of its bureaucratisation varies considerably within the different departments. In detail, both companies are highly bureaucratised on several important dimensions, which can be classified as follows:

i) Career Structure

The differentiated authority structure of a bureaucracy results in the grading of jobs to form the basis of the career structure. It was Weber's contention that the possibility of promotion is one of the main sources of organisational loyalty, although there has been a tendency for modern theorists to underestimate the importance of a bureaucratic career structure. Employees are induced by the prospects of increased status, authority and rewards to consider long-term association with the organisation and to identify closely with its goals as they progress through the hierarchy.

Each promotion is viewed as a reward for the employee's investment in the company, and the increase of status is often more valued than the larger salary. This was made clear by interviewees in Company A among the data processing personnel who believed that there was very little scope for promotion within their area of the company. They expressed the opinion that a promotion was a vitally important indication that the employee's efforts had been noticed and recognised, and that it did not matter if the financial increase was marginal.

The hierarcy is also, of course, the basis of the authority structure with clear lines of accountability between superior and subordinate. Each job-holder has a specific sphere of responsibility and has authority sufficient to perform his duties and control direct subordinates. It follows that the longer the hierarchy, the narrower will be the authority differentials between each rank and the spheres of responsibility will be commensurately more confined.

Both Companies A and B have very long hierarchies, although restructuring in Company A has somewhat reduced this. Both companies also encourage their employees to think in terms of a 'career', i.e. of commitment to the company for their future

and the possibility of an almost unlimited progress through the hierarchy. This is particularly emphasised in the recruitment literature. In practice, of course, possibilities for promotion are not all that readily available, especially in recent years when posts have been eliminated in cost-cutting and rationalisation exercises.

For example, posts have been eliminated or combined with another, especially when the post-holder (usually in middle management) retires. The succession of promotions which would normally follow a retirement therefore do not take place. Neither are all employees equally able to avail themselves of the advantages of the career structure: for example, in Company A the professionals have far higher chances of reaching the top of their grades than the non-professionals have of reaching the top of the executive grades. In Company B, changes in the operations of the pensions business adversely affected the promotion prospects of employees engaged on that work to the extent that voluntary redundancy was introduced.

Both companies recruit mainly from school-leavers although each has a yearly intake of graduates. Only very few posts are filled by external applicants at more senior levels, and these are usually specialist jobs. Company A seems to have been changing this policy in the last year or two by recruiting a greater number of people at more senior levels. Whilst people who mentioned this in the interviews thought that it could well be of benefit to the organisation, they were concerned that promotions were blocked as a result. The promotions that do take place are dependent upon, firstly, the availability of a vacant post or the upgrading of a job as a result of job evaluation, and secondly, the individual's annual appraisal. Whilst both of these lead in theory to the rational promotion of the most able to the posts in which they are required, experience of promotion among members of both companies indicates that the bases of promotion decisions are actually very subjective and often shrouded in mystery.

ii) Division of Labour

Work is fragmented into clusters of tasks and employees tend to acquire specialist knowledge of a small sphere of the work rather than across a broad spectrum of the business. It would clearly be impossible for one employee to have a detailed knowledge of the work of more than a comparatively small part of a large complex organisation, and therefore the work must be broken down into more manageable portions, both for its performance and in order to maintain control. The effect of this is to promote efficiency by thorough practice of each individual in the work involved and is, to a certain extent, necessitated by the requirement of boundaried areas of responsibility and clear lines of accountability.

Specialisation can take two forms:

- the delineation of a complete body of knowledge (e.g. law)
- the fragmentation of a series of routines and processes into narrowly defined groups of tasks.

The latter, fragmentation, conforms more readily with the other demands of bureaucracy. The more simplified and isolated the tasks to be performed, the more easily their performance can be subjected to specific rules. The 'body of knowledge' type of specialisation is less likely to be further bureaucratised in this manner. It tends to be concerned with principles and to rely heavily on judgement, rather than rationally calculated outcomes. It also tends to be the province of groups who are powerful within the organisation, because their knowledge is both important to the organisation and available from only a few practitioners. The professionals are a clear example of this.

In both Companies A and B much of the work that is concerned with the mass processes (particularly the issue of life assurance policies) has been much more subject to the division of labour in the form of fragmentation. Departments of this type are heavily weighted towards the junior grades as the work requires little skill., Company B does not employ the large numbers of professionals that are found in Company A (although there are

some, especially actuaries) but in the areas of both companies where a broad range of knowledge is required, the work is considerably less closely regulated.

iii) Technical Rules and Procedures

These rules are normally written and are incorporated in documents and manuals which cover most aspects of the day-to-day work. This maintains uniformity of performance by ensuring that similar cases are dealt with by the same standards even though by different employees. As such, rules and procedures are a very effective means of controlling the behaviour of organisation members. It seems to be the usual practice that manuals and procedure books fall into disuse once practitioners are conversant with the work (Terry, 1977). They are usually consulted when something goes wrong, both to provide the employee with a defence and also obviously to find a solution to the problem. In Company A, comprehensive manuals were provided after the work of the industrial life assurance departments had been the subject of a work study programme, but employees rapidly developed their own individual methods of doing the work.

However, there are limits to the extent to which employees have the power to circumvent the prescribed procedures, especially if computer processes are involved. Machines, including computers, are very effective methods of controlling behaviour, as they can only be made effective by compliance with the rules under which they operate.

iv) Rules governing Rights and Duties

These are applied on a universal, non-particularistic basis. Conditions of employment, standards of behaviour and so on are applied uniformly throughout the organisation and not varied at the discretion of superiors. However, such rules are a reflection of the power distribution within the organisation,

and may bind the 'receivers' rather more than the 'givers'. In Company B, for example, one rule decreed that all employees eligible for a company car could only select a British make. However, the General Manager responsible for the administration of the fleet of company cars and the operation of the rule was known to have chosen a Swedish car for himself! When I expressed surprise to various Company B employees on learning this fact, their response was not one of resentment but simply an acceptance of what was seen as the inevitable privilege of high organisational status.

It is also true that the duties of employees tend to be specified more comprehensively than their rights. Employees' work is bound by rules, and other aspects of their employment such as general discipline are also made known clearly to them. In return, their salaries, holidays and various other rights such as pensions and sick leave are specified. But there are very important areas - such as career prospects and work content - which are unspecified and which remain completely within the discretion of the employer. Whilst these areas are affected by bureaucratisation in one sense, as a result of increased fragmentation and rules, they are not bureaucratised in the sense of being determined by rules regulating the behaviour of both parties - employer and employee.

One of the questions that this thesis is concerned with is the extent to which management's use of bureaucratic control over work content has affected career prospects. A corollary of this is the extent to which the employees' reactions to the bureaucratisation of work content has (or may in the future) lead them to press for the bureaucratisation of the career structure in the form of union involvement in regulating promotion procedures and prospects. The survey results suggest that the will is there, but it is a very long way from that to deliberate action.

There are many exceptions to the bureaucratic ideal of universality, although it is most unusual to find an employee on an individually-negotiated contract in the large insurance companies. Employees are appointed to a specific hierarchial status and position on the corresponding salary scale; this position then determines various aspects of the contract of employment which may vary between the hierarchical levels. For example, for many years more senior members of staff in Company A had had time concessions regarding their arrival and departure hours. These were carried over into the flex-time system so that different grades now have different 'standard hours'. Similarly, fringe benefits vary to some extent (e.g. company cars in Company B) according to grade. In Company A, professional employees have a 'mark up' on their salary scales to allow for their higher market value.

It should be noted that one of the fears often voiced by white-collar/professional employees about trade unions concerns their tendency towards undifferentiated treatment of their members. This point was raised several times during the interviews in Company A by people who stated their relief that ASTMS in the Company had not behaved in this tradition but had striven to maintain differentials between the grades. One interviewee (a professional, surprisingly) criticised the union for being far too elitist, and had refused to join for that reason.

v) Impersonality

The idea of bureaucratic impersonality stemming from Weber maintained that relationships between employees were governed by their positions as office-holders rather than as individual persons. Similarly, relationships with clients and others outside the organisation were affectively neutral, and decisions made on rational criteria only. Emotions and personal feelings should not interfere with the performance of duties along the

technical lines laid down. People, of course, do not become automata that easily, and anyone who has worked in an office will know that personal relationships, of all varieties, flourish.

In Company A, employees seem to be able to cope with the impersonality of a large bureaucratic organisation by focussing their attention on their immediate set of relationships. During the interviews, I asked how they felt about working in a large office with 2,000 staff, whether they felt this affected their relationships with their colleagues, and whether it made the company seem impersonal and themselves insignificant. The consistent response showed that departments were seen as self-contained units, and that employees formed friendships and satisfactory working relationships with colleagues in their own departments and with a few people who they frequently had to deal with in other departments. They were able to avoid any demotivating effects of organisation-wide impersonality by identifying with their own sub-unit. This may not be without its dysfunctional effects because I remember during my involvement with training programmes in that company that there was a frequent plea for training to emphasise the inter-dependence of departments. It seemed that many staff were unaware of how their work impacted on other departments and that this often caused technical problems.

The impersonality of dealings with clients is probably more evident, although employers attempt to discourage the expression of this when personal contact between an employee and a client is involved. It is not good for business for a client to feel like merely one of millions, when he will undoubtedly believe himself to be a special case.

The principle of universality demands that office-holders are appointed and subsequently treated on rational and functional criteria. Thus, nepotism offends the bureaucratic ideal as does any other form of purely personal preference in respect of

promotion or appointment. Gouldner (1952) discusses this point and suggests that where employment matters are concerned, employees still know very little about the bases on which such rational decisions are made. There may well be rules but those subject to them do not know what they are - possibly, Gouldner suggests, because the insecurity and anxiety resulting from the inability to predict are considered to be motivating factors. That is, if the employee does not know the level of competence required for promotion, then he will strive to achieve as high a level as possible rather than simply the minimum acceptable level. Organisations have been much bureaucratised on such matters as dismissal procedures by the employment legislation of recent years, but the crucial matter of promotion is one solely for the Company's management (with some constraints imposed by sex discrimination laws).

Promotion procedures in the two companies under study do deviate from the bureaucratic standard of universality, which would probably be exemplified by a boarding system allowing employees to put themselves forward for promotion (as happens to a limited extent in the Civil Service). Neither Company A nor Company B operate a boarding system as such; promotion is primarily based on an appraisal system through which employees are assessed on various criteria by an immediate superior, with the report ratified at a higher level. Employees can record disagreement with an appraisal, but cannot enforce its amendment. Promotion is therefore very much a result of a superior's personal judgement; the availability of a post at the higher level is, of course, a crucial issue. The only exception in Company A are certain, almost automatic promotions (at fairly low levels) on the attainment of some professional qualifications. There is, however, in both companies one element of a bureaucratic promotion procedure in that certain vacancies, within the lower and middle grades, are advertised throughout the company and all suitably qualified employees can apply for these posts.

Appointment does not necessarily include a promotion; a 'sideways' step is often involved in these transfers. In Company A, this system was introduced some years ago on the request of ASTMS, but it was in practice in Company B before the recognition of the union.

Bureaucratic Rules

We have now examined the main features of bureaucracy and shown the ways in which they are manifested in the two companies in this study. Perhaps the most crucial aspect for our purposes is the constant regulation of behaviour by technical rules and procedures. This has had a great impact on the traditional work expectations of white-collar and professional employees.

The primary purpose of bureaucratic rules is to set out a series of defined procedures by which the work is conducted in order to maintain control over employees' activities. As noted, by fragmenting and routinising work, it is made more amenable to the application of rules. Work which is concerned with a mass or a constant repetition of a few simple tasks is thus more readily bureaucratised than work which is non-routine, complex and varied. This latter type of work normally calls for certain levels of knowledge and the qualities of initiative, intelligence and analytical ability and the employees possessing them are traditionally accorded a greater degree of autonomy and higher organisational status. Therefore, those with the least bureaucratised jobs are the most likely to achieve the chief reward of bureaucratic organisations - a series of promotions throughout a career. The work of employees who supervise others is inevitably more varied and non-routine; the longer the chain of command over which an employee is the head, the more this will be the case. Invariably, therefore, work is more closely regulated and procedural rules more abundant among employees at the bottom of the organisational hierarchy.

Rules may be dysfunctional, however, leading to unanticipated consequences rather than the expected increase in easily-controlled efficiency. One example from my own experience of Company A will illustrate this. For a time during my employment there, I was involved with the recruitment and training of staff for a number of life assurance departments, which were mainly line departments dealing with very large quantities of new policies, claims and policy enquiries. The bulk of the recruits were school-leavers, usually at 'O' level/CSE stage, and predominantly female. The work of many of the departments was routine and of a 'mass production' nature; many of the new staff were occupied primarily with processing computer input and output.

The turnover of staff in these departments was very high, with a severe 'induction crisis' after about five or six months. There were many complaints from these staff about the boring, repetitive nature of the work. There were also many complaints from the departmental managers about the standard of the young staff who were, it was alleged, incapable of thinking about a case when this was required. This was invariably attributed to declining standards of education. There seemed to be little recognition of an alternative cause of the problem - i.e. that if employees are expected to spend 95% of their time on routine work for which exact procedures are prescribed, then any inclination to use initiative on the occasional non-routine cases will be stultified. If reliance on rules is emphasised at all times (as is especially the case with computer-oriented work), then employees cannot be blamed if they become incapable of acting unless there are procedures to guide them.

Over the years, as computerisation was extended, work became more and more dependent on rigid procedural behaviour and the usual response of those responsible for the management of work was to relieve junior staff of any complexities and to fragment their work into simplified routines as far as possible. Thus the solution to the problems caused by high dependence on technical rules and

procedures was seen in terms of even greater emphasis on such regulated behaviour.

That employees, particularly those whose work is highly regulated, should appear to be uninterested in their work is a natural consequence of bureaucratisation, in Weber's view. He described the bureaucractic official as performing his duties in "... a spirit of formalistic impersonality, 'Sine ira et studio', without hatred or passion and hence without affection or enthusiasm" (cited in Blau and Meyer, 1971). All that is required of the bureaucratic employee is the neutral application of rational rules; those with less bureaucratised work which still uses the attributes of personal creativity would do well to remember that when they criticise the 'couldn't care less' attitude of younger staff.

This does not mean that work at the higher levels cannot be regulated. Blau (1955) noted that when the supervisors in the social work agency he studied were instructed to assess the performance of subordinates on a more scientific, statistical basis, they complained that their work had become less interesting. It appeared to them that they had lost a degree of discretion over the performance of their supervisory duties. This finding was replicated in a study conducted by Scott (Blau and Scott, 1963) in a similar environment. He also found that where there was an absence of rules, the experience of more senior members of the staff increased their informal status because it was highly valued by colleagues who needed their guidance. When formal rules were introduced, the basis of informal status was altered and more account was taken of such factors as purely personal popularity.

It should not be considered that, because rules exist, they are followed blindly. Rules may offer valued security in such circumstances as inexperience or lack of knowledge or in dealings with a difficult client. In practice, though, rules are seen as guidelines (although often very rigid ones) rather than specifying the minutiae of procedure - although the demands of a computerised system are such

that even the details are specified. Zimmerman, in yet another study of an American Welfare Agency, found that employees were prepared to break the rules quite often when to do so was clearly a more effective way of achieving their objectives. He suggests that "the notion of action-in-accordance-with-a-rule is a matter not of compliance or non-compliance per se but of the various ways in which persons satisfy themselves and others concerning what is or is not 'reasonable' compliance in particular circumstances" (1973, P.261).

It may be that pressures from those external to the organisation (welfare clients, in the example quoted above) may make employees more receptive to the idea of breaking the rules. Whilst to do this did achieve the desired objective - dealing with the clients as quickly as possible - it also involved the employees in additional work. Where this direct client contact is missing, it may be that the organisational emphasis on procedure will mean that the rules are eventually internalised and the 'means' then becomes more important than the 'end'. If the 'end', i.e. a satisfied customer, is not visible to the employee (as for instance in the case of most of the employees of Companies A and B), attention is inevitably focussed simply on the task in hand.

The use of rules, or their avoidance, in order to gain power over others has been noted by several authors. The absence of rules gives rise to areas of uncertainty which can be exploited by groups able to monopolise the sources of information. Crozier (1964) noted how mechanics were able to manipulate their knowledge of machinery in order to preserve their own discretion over their work and to increase the dependence of others on them. This was facilitated by the fact that the mechanics were coping with uncertainty; that is, machinery breakdowns were unpredictable. Because their role was to this extent unprogrammable, the mechanics had a large element of discretion over their jobs - and powers over others who relied on their skills - which they strove to maximise.

Other authors have noted that power accrues to those who make rules for application to others, and that groups within an organisation fight to preserve their discretion and limit their dependence on others. Thompson (1967) states that the very existence of the division of labour creates an interdependency among groups and that any imbalance in a reciprocal relationship gives rise to power relations. Hickson et al (1971) discuss this and Crozier's statements about power, disputing that it is simply undertainty that gives rise to power and maintaining that it is coping with uncertainty that gives power: those sub-units which can relieve the uncertainty for other sub-units perform a vital 'shock-absorber' function and achieve power. It is, perhaps, not the simple reduction of uncertainty which gives power because that then restores the status quo (i.e. levels out the power imbalance) but rather the ability to determine the outcome of uncertainty in one's own favour or against another group which allows one group (through rule-making) to dominate others.

An illustration of this can be taken from Company A. The company embarked on a programme of rationalisation of the work of the Industrial Branch where I was working at the end of the 1960's. A firm of consultants was hired, an Organisation and Methods department established and, with very little information given to those whose work was affected, a programme of work study was begun. An atmosphere of intense suspicion and resentment was quickly generated because we knew that our work was to be radically altered without our involvement or consent, and we suspected that the end-result would be most undesirable in terms of job satisfaction. Much of the bitterness was focussed not directly on management but on the group (comprising consultants and O&M staff) who were seen as having our futures entirely in their hands. The cessation of uncertainty (i.e. the completion of the work-study programme) did not give power to consultants - although it could be seen as an expression of their power - but it was their ability to control our activities by making new rules to govern our work which did so.

Similar circumstances, although nothing like as extreme, occurred during various computerisation exercises (in one of which I was directly involved but on the 'other side'). Those who were in possession of esoteric, computer-oriented knowledge - and whose primary function was to change the work of others in accordance with that knowledge - were resented precisely because they directed changes and caused dependence. Gradually the organisational procedures shaping such exercises have been modified, in order to create a more balanced interdependence between the two groups - computer personnel and client department. During the course of the interviews at Company A, I spoke to several people who were involved in a computerisation exercise in one particular area of the company. A special unit had been set up to regulate the technical changes and which comprised representatives seconded on a full-time basis from the client departments and also systems analysts and programmers working on that project. This, and other planned exchanges of information, has completely changed the balance of power between the two groups to one more equitable and productive in terms of organisational objectives.

In the situation just described, the organisational regulation over both groups involved became greater until they were both fairly evenly bound by procedure. I am not aware of all the details of this development over several years, and whether policy decisions for such circumstances were made at a high level (which I imagine to have been the case) at least on significant occasions, as a result of pressure from the departments concerned and the obvious dysfunctional ill-will arising from earlier changes. Thus, it appears that it is necessary to have rules regulating the rule-making procedure if conflict between sub-units is to be avoided. The bureaucratisation of such change processes in Company A was undoubtedly furthered by the stablisation of the hierarchical authority structure in the management services area (i.e. O&M, data processing) which had been much more fluid in earlier years.

Child (1977) attacks bureaucracy as "an inefficient model of organisation in the conditions of unprecedented change, complex technology and an ethos of personal individuality which prevails today" (P. 12), and other writers have concluded that the technological revolution does not reside easily in an organisation alongside bureaucratic procedures. Galbraith (1974) considers that the development of technology is a dynamic process, and both a cause of and a response to change, whereas bureaucratic procedures are designed for static, uniform processes which vary little over time.

However, the reliance of the large insurance companies in recent years on computerised working methods has coincided happily with the need for uniform processing of many similar cases. Mechanisation has the same effect as the application of written or any other type of rules. Machines are simply the embodiment of procedures, but are more rigid because the scope for breaking the rules is virtually taken out of the hands of the employee. This is particularly true in the case of computerisation where the employee cannot manipulate the mechanical (or rather, electronic) process itself. Computerisation has widely affected the routinisation of work in organisations such as Companies A and B, although not all employees are affected to the same extent. If computer personnel such as programmers and analysts are excluded, employees can be divided in a computerised office into those who receive the information provided by the computer and make decisions on that basis, and those whose function is to supply the information to the computer system. The latter are very heavily restricted by the limitations and defined procedures associated with a computer system. And bureaucracy does not appear to have inhibited technological development: Company A, in particular, has a reputation for extensive technological innovation.

All this, however, refers to organisation goals - for uniform, fast processing of many cases - which contradict many individuals' goals. White-collar workers have traditionally expected to be able to use their own skills and knowledge, rather than relying always on electronically-controlled procedures which are programmed to make

decisions, and have also expected a long-term career which will progressively increase their reward and status. The effect of bureaucratic rules is to reduce the extent to which individual skills are required and to minimise the scope for gradations of skill and responsibility in the areas affected.

To summarise the effects of managerially designed bureaucratic rules on behaviour at work, we can say that they:

- reduce the employee's discretion and the need for initiative and individuality;
- give power to those who have the knowledge required for rule-making and create dependence among those who are denied access to that knowledge;
- are designed to fragment and routinise work so that specific procedures can be more readily applied to it;
- reduce the level of commitment because decision-making and the exercise of personal responsibility are removed from the job;
- reduce the perceived status of those performing the work because personally-valued attributes such as experience and skill are not required;
- reduce the motivational effect of achieving goals by specifying readily attainable (minimum) standards;
- increase the level of control over the performance of work which can be exercised by those who make the rules.

Union Involvement in Rule-Making

Discrepancy between individual and organisational goals is never likely to be completely resolved, and some degree of organisational conflict is inevitable. In Company B, the Hove office, which had been most affected by technological change and where the work was most

routinised, was the one which gave most consistent support for ASTMS' calls for demonstrations of loyalty to the union. In a similar vein, the Staff Manager of Company A considered that much of the support for the work-to-rule in October 1978 had come from junior staff who welcomed a break from the routine of their work.

It seems possible therefore that overt expressions of conflict - in both these cases channelled through a union - may at least relieve some of the tensions arising from a clash of individual and organisational goals, possibly by giving the employees at least the illusion of power. But trade unions, it has been noted (e.g. Lockwood, 1958; Blackburn and Prandy, 1965) tend to increase the level of bureaucracy by their involvement in rule-making. However, unions stress the bureaucratisation of personnel policies and procedures rather than the technical aspects (e.g. job design) of organisational life.

In Company A, for example, recognition of ASTMS was followed by the introduction of a new job evaluation system including the right of appeal involving union representation. It was widely held among personnel specialists in Company B that their more recent recognition of ASTMS would be followed in due course by union demands for a new job evaluation system to supersede the current system. They believed that ASTMS would object to the lack of the right to appeal and the non-publication of the bases of decisions. ASTMS' pressure in Company A increased the level of bureaucratisation in job grading and evaluation by codifying procedures and principles, and made the individual's position more favourable by giving the information to him, as well as to those who were making the decision, and allowing a process for redress in the event of disagreement.

It would appear at first sight, though, that ASTMS' involvement with and approval of the salary restructuring scheme in Company A (see Appendix B) had resulted in a de-bureaucratisation process. That is, the new structure has several fewer organisation levels which contradicts the classic bureaucratic demands for an extended

hierarchy as both a system of differentiated authority and a career ladder. Both obviously still exist, but have been diminished. From management's point of view, the main advantage of the change was a vastly simplified salary and grading structure (which I assume would cost less in salaries in the long-term) and greater emphasis on the link between performance and immediate financial reward. Union advocacy tended to emphasise the £1 million that was going into the salary 'kitty' on the implementation of the scheme. Both management and union denied that promotion prospects would be diminished (although all the staff I interviewed were totally unconvinced), and drew attention to the 'dual career ladder' which allowed progress through either technical or supervisory/managerial roles.

Although the ballot of staff came out in favour of the scheme, the overwhelming impression given by the interviewees was of scepticism as to whether the changes were actually in their favour. Many felt that, as individuals, they would be disadvantaged in the long-term by reduced prospects, although the employees as a group would certainly be financially better off on the introduction of the scheme. In one sense, therefore, the new scheme extended the bureaucratic standard of universality even if in the process it reduced the presence of other bureaucratic features. That is, the emphasis of the scheme was on an overall benefit to the employees - treating them as homogeneous and uniform. As unique individuals each striving after their own ends through promotion they appeared to be disadvantaged by the scheme. It is worth noting that this was not in keeping with ASTMS' record of respecting differentials, as several of the interviewees pointed out.

The experience of the last ten years in Company A has shown that the pressure of ASTMS has increased the level of bureaucratisation of the personnel sphere. All aspects - appraisal, job evaluation, salary structure etc. - have been thoroughly regulated and the union is included in discussions on all changes affecting such matters.

Pressure for change, certainly in the period immediately after recognition in 1970, came from the union. There is little evidence that this increased bureaucratisation has been the source of conflict that other aspects have been shown to be; the difference is that personnel procedures have been bureaucratised in employees' favour (with the possible exception of salary restructuring) rather than as a means of giving further control to the management, as is the case with bureaucratisation of technical aspects of the work.

Bureaucracy can be seen as merely a tool in the hands of those who have power within an organisation, enabling them to control the behaviour of other organisation members according to their intended objectives. In the past, organisational objectives have been decided by management, and bureaucratisation has been one method of achieving them. Recognition of a trade union has meant a limited sharing of that power and therefore some managerial objectives have been tempered, if not exactly changed. An indication of management's power is the extent to which they are, or will be, able to resist any pressure from a union to bureaucratise the decision-making processes in areas over which they have most closely guarded their discretion, e.g. design and performance of jobs.

As yet, ASTMS' inclusion in rule-making has stopped short of these areas, although they affect all aspects of employees' expectations including those of promotion. It remains to be seen if, and how easily, the union will be able to move into this area. To anticipate the results of the Company A survey, there is certainly an indication that employees (especially the non-professionals) are beginning to think that these are suitable topics for negotiation between management and union.

Summary

Both the Companies in this research appear to be highly bureaucratised in many respects, but it is essentially managerially-determined bureaucracy. The crucial aspect which remains non-bureaucratised is the nexus of the relationship between the employer and the employee - the effort/reward bargain. Whereas the behaviour by employees is controlled by rules and procedures, the contribution by the employer in terms of career prospects remains unregulated. It should be noted, however, that the salary restructuring scheme takes one step in this direction as it contains provision for employees' salaries to vary according to their performance during the year. Even so, the decision-making in respect of the application of the scheme is not bureaucratised - the distribution of increased salaries (and also reduced salaries) remains at the discretion of management and only very general criteria have been published on the bases of the decisions that will be made.

One flaw of the restructuring scheme may be the extent to which it underestimates the weight of employees' expectations in terms of promotion and the gradations of status. The study in Company A investigates the extent to which employees perceive that their jobs bear the effects of bureaucratisation and, if so, whether this results in a sense of thwarted expectations and resentment against the employer. The most important aspect is the effect on careers, which is the keystone of white-collar expectations. The question which remains as yet unanswered in these companies is the way in which employees are able to respond to the attack of bureaucratisation. Are unions seen as a means of restoring the earlier state of affairs with regard to careers? Do they do so by further bureaucratisation, this time regulating the decision-making of management in areas where they currently have sole discretion?

One aspect of all these questions can be stated with some certainty. That is, attempts to wrest control from management in such

organisational areas as job design or career prospects are likely to meet with some considerable resistance from management. The case-study of management/union relations in Company B goes some way in showing the extent to which union involvement in rule-making is perceived by management as a threat to their authority over their employees. The management of this company fought persistently to refute all union claims to a right to become involved in decision-making, most especially in areas of managerial prerogative such as job design and career structure.

CHAPTER 3

THE LITERATURE ON WHITE-COLLAR EMPLOYMENT

Introduction

It is necessary to discuss in some detail the terms 'white-collar worker' and 'professional employee' and the various features of their employment and work experience. One of the major problems encountered is that there seems to be a dearth of recent empirical work in this area, and most of what there is concentrates on groups of clerical and administrative employees in an industrial environment. This is particularly the case when the studies relate also to the unionisation of the employees concerned. The most frequently cited studies of professionals (Prandy, 1965) and commercial employees (Blackburn, 1967) were conducted before the dramatic upsurge of white-collar union membership in the last decade.

The purpose of this chapter is therefore to clarify our understanding of what is characteristic of white-collar and professional employees, introducing aspects of their unionisation which are explored in more detail in the next chapter.

The Heterogeneity of White-Collar Workers

There is still a tendency to regard 'white-collar workers' as a homogeneous group, whose similarities outweigh their differences. This often arises, of course, in comparisons with 'blue-collar workers' who are undoubtedly another mythically homogeneous group. The danger is that certain recognisable and objectively observable distinctions between various members of the working population are emphasised to the exclusion of dissimilarities between people allegedly in the same category. Throughout this study, emphasis is placed on the differences between various sub-groups within the organisation - especially professionals and non-professionals - in order to understand the impact of their differing work experiences on their attitudes.

It is unwise to assume that because the term 'white-collar' has sufficiently generally accepted meaning to be useful in everyday speech, and to a much more limited extent in academic literature, that it denotes various characteristics which can be applied without further distinction to all people assumed to be in this category. This indiscriminating categorisation has done a lot to produce the underlying assumption in much of the literature that 'white-collar employees' are a homogeneous group. The search for unifying factors has been noted by Bain and Price (1972). They attempt to identify the criteria on which a definition of 'white-collar' could be based, but reject all examined theories because "they are evasive: they shift the definitional problem from the concept of 'white-collar' or 'manual' employee to other equally vague concepts ... Moreover, (they) are ambiguous: on the basis of the criteria proposed, many occupations can be argued to belong to either the white-collar or the manual group.... Finally, their analytical usefulness is limited in that they classify large numbers of occupations to what would generally be perceived to be the 'wrong' category" (P.337).

Perhaps I should explain at this point the meaning that I attach to the term 'white-collar worker'; I use it only as a convenient handle and in its generally understood sense to describe those people who work in offices or similar environments rather than on the shop-floor. This is not intended to be a rigid definition; it is simply a statement that the term can be useful in broadly denoting certain types of employee who are too diverse to be specified more accurately.

I agree with Bain and Price's conclusion that the absence of a precise definition is no bad thing. If a definition is to be made, it should reflect empirical evidence and not act as a theoretical straightjacket. Various attempts have been made to reclassify white-collar workers (or sections thereof) as the new working class

(Mallet, 1975), a managerial class (Burnham, 1966), a technological class (Galbraith, 1974) and bureaucrats (Dahrendorf, 1959) among others. Whilst concentration of those facets of white-collar work and society which are likely to predominate in future generations is useful, such theories still emphasise shared characteristics and deal as with a homogeneous group.

Some writers have been moving in the direction of questioning the view of the working population as a strict white-collar/blue-collar dichotomy. Wedderburn (1969), for example, has suggested that concepts like manual and non-manual do not in any real sense reflect sociological groupings in society. Similarly, Cook et al (1975/76), in their study of attitudes towards unions, conclude - albeit somewhat half-heartedly - that "to regard the concepts of white and blue collar as really tapping significant cleavages in worker orientations towards unionism may be a little unsound" (P.58). They suggest that these concepts can be given analytical utility by identifying "sub-groups within the two main groupings which seem to share common behavioural and attitudinal patterns" (P.58). Similarly, Roberts et al (1972) also concluded from their study of technicians that the white-collar/blue-collar dichotomy "does not always fit reality"; some of the technicians did routine, dirty work but still considered themselves to be of higher status than those labelled 'manual workers'.

This points the way to a much more fruitful approach to the study of any group of workers, and one which was adopted in the study of employees in Company A. Although similarities of behaviour and attitude indicate some common characteristics, the differences within the main group can be even more revealing. In this research, comparisons were made between professionally qualified personnel (e.g. accountants, actuaries, architects) and insurance generalists, and also between those at the lower and higher ends of the hierarchy. We are thus able to observe the differences between various groups who are in very similar working environments. I am convinced that to concentrate on comparisons within the group of employees in

Company A has been more useful in understanding their motivations and attitudes than would a study between the whole group and a group of manual workers.

However, even if people seem to an observer to share a common characteristic, this may have no relevance at all in understanding their behaviour. For example, Bowen et al (1974) in their study of clerical workers in the steel industry found that people of objectively similar social status perceived their statuses as being quite different because they used different reference groups. It is their perceptions that guide their behaviour and which should be discovered, not those of an 'objective' observer. This is not to deny that the environment of the individual is important, as it will be from this that the individual gains some of the substance of his perceptions.

It is frequently suggested that the class and/or status position of white-collar workers has considerable impact on their unionisation. This has been labelled 'the sociological approach' (Crompton, 1976) which seems an unnecessarily restricted interpretation of the contribution of sociologists to this area of study. However, it is particularly the practice of equating 'white-collar' employees with the 'middle class' which is unhelpful; the myth of the homogeneous group has been based on the suggestion that they comprise an identifiable political and social class. The implication is that this 'middle class' has a sense of its own identity, holds similar and expressible values and shares common social and occupational experiences.

Prandy (op.cit.) refers to the engineers and scientists in his study as being members of the middle class because they neither identify with manual workers and nor are they part of the employing class. The temptation is to concentrate on the distinctions between this group of employees and, say, assembly-line workers, and ignore the heterogeneity among them. In Prandy's sample, there was much

diversity in the fields of political beliefs, job satisfaction and perceived status - none of which can be explained by their shared 'middle classness'. However, as Prandy does point out, such people do adopt for themselves the title 'middle class' and it clearly reflects some idea of the position in society and a corresponding set of values with which these people at least partially identify. So, as with the term 'white collar', it is really only a reflection of inexplicit ideas contained in the popular consciousness.

The problem is that both terms - white-collar and middle class - may have different meanings to the many people who use them. If a certain class position is held to be a behavioural influence, then I would argue that it is the understanding of the person in that position which is crucial. The efforts to take a more subjective view and find in more detail what people understand by their class position has been an acknowledgement of this (e.g. Cook et al op. cit.; Bowen and Shaw, 1972; Mercer and Weir, 1972), but they are still too often oriented towards a 'white-collar/status' and 'blue-collar/dichotomous class' approach. However, the idea of a dichotomous class system does have some recognition in society and, as such, cannot be dismissed out of hand.

Class theory stemming from Marx, and also many avowedly non-Marxist theories, have tended to identify one criterion of class membership and dichotomise society on that basis. Society is divided, we are told, into two main classes - those to whom the criterion applies and those to whom it does not. We are thus back to the criticism aimed at the division of society into white-collar and blue-collar: all diversity and heterogeneity is suppressed in the concentration between two groups. Emphasis is placed overwhelmingly on the uniting criterion, and differences <u>within</u> each class are eclipsed by the predominant and opposing interests between the two classes. It follows that dichotomous theories of class based on the presence or absence of a single factor must be oriented to an objective view of

society. The relevant factor must be identifiable and objective; it must be possible to observe the presence or absence of that factor and thus determine the class to which any individual belongs. These theories are therefore based on an imposed view of society rather than one which is experienced by individuals; people's own perceptions play a subordinate part.

One of the most recent attempts to interpret white-collar unionism through the class approach has come from Crompton (1979). It is, as it happens, a study of the union membership of insurance clerks, although Crompton admits that her evidence is "highly impressionalistic" and it appears to have consisted of a few interviews with ASTMS' activists. She argues that the insurance clerk has been through a process of 'double proletarianisation' as a result of the de-skilling of their work (primarily through computerisation) and the reduced 'function of capital' element in their jobs (i.e. the managerial element has diminished). The implication of this is that ties with capital through the management, or controllers of capital, have ceased and the insurance clerk has joined the ranks of the traditional blue-collar proletariat. The precise link with unionism is left unstated by Crompton; it is to be assumed that unions are seen as an instrument of the class struggle which the insurance clerk embraces when recognising his new class position.

My specific objections to this interpretation are three-fold:

- there is no evidence that those who are most 'proletarianised' on the criteria used are those who are most likely to join unions. Crompton admits that the 'office proletariat' consists mainly of women who have very limited careers and also the most routinised work, but that they often do not want to join the union.

- it could be argued that it is precisely because white-collar and professionals 'class' loyalty has <u>not</u> changed that such employees are increasingly joining unions. They still value

their traditional privileges, most particularly promotion and career prospects, which gives them their 'agents of capital' class position in Marxist terms. They see unions as a way of restoring their power and reversing their 'proletarianisation'.

- ASTMS (the union Crompton is writing about) has achieved its rapid growth in membership by maintaining a highly elitist, status-conscious approach which emphasises white-collar employees' differences from blue-collar workers and their rights to higher rewards.

This suggests that white-collar workers do not see either their working relationships (with management and other groups of workers) or changes in their work in the class terms that Crompton describes. I think it is significant that the exact link between a change in class situation and union membership is left unspecified; it is merely suggested that they have both occurred over the same period of time (or that de-skilling of jobs occurred at the same time as union growth, as I would prefer to put it). The crux of the matter is that we gain nothing by superimposing the Marxist class framework that could not be more fruitfully achieved by examining those changes in jobs and the working environment which have been identified, as perceived by the employees themselves.

If the purpose of such sociological study is to gain understanding of the reasons why groups of people behave as they do, then careful attention must surely be paid to the subjects' perceptions if we are to gain any insight into the forces that guide their behaviour. As Silverman says: "Sociology derives its data from the meanings which men attach to social life" (1970, P.226). The research in this thesis has not, however, ignored the contextual and social pressures on the actors; considerable attention has been given to the organisational environment in which the actors' perceptions are formed. It is, though, their perceptions of the environment and their responses to it which will give insight to their behaviour, and not the context itself.

The Professional Ethic

When discussing professionals, similar problems of definition to those discussed about 'white-collar' employees are encountered. This term also has wide and debatable boundaries so that there can be no categorial statement that certain occupations are professional and others are not. In their seminal work, Carr-Saunders and Wilson (1933) stated that the acknowledged professions display a 'complex of characteristics', and that many other occupations have some, but not all, of these characteristics. They identified the essential elements of a true profession as:

- a prolonged and specialised intellectual training;
- techniques derived from the training which represent a specialised service to the community;
- associations which test the competence of practitioners and enforce standards of practice.

Derived from this, they noted the importance of the sense of professional responsibility towards those who receive the services, stating that the more the practice of the 'technique' arouses a sense of responsibility, the closer the occupation comes to being a true profession. The most common method that has been developed of applying criteria of professionalism to occupations follows Carr-Saunders and Wilson in identifying certain characteristics of factors along continua, so that when they are present to a considerable degree then that occupation is regarded as being highly professionalised. This approach has been used by many authors and researchers although there is some variety in the criteria which are selected.

Greenwood (1957) presents an 'ideal type' model of a profession which he states is characterised by five factors:

- a systematic body of knowledge which serves as the basis for all professional activity;

- authority which springs from the professional's ability to exercise a monopoly of judgement over a particular area of knowledge;
- the sanction of the community which is in effect the community's acceptance of the professional's monopoly;
- a regulative code of ethics necessitated by the professional's potential ability to abuse the power of his monopoly, and enforced both informally through colleague control and formally through sanctions exercised by the professional associations;
- a professional 'culture' emanating from both the formal activities in the professional association and client contacts, and informal colleague relationships: "the interaction of social roles required by these formal and informal groups generate a social configuration unique to the profession, viz. a professional culture" (P.12).

Although these factors are presented by Greenwood in 'ideal type' terms, he emphasises that in practice such clear-cut distinctions cannot be made between different occupation, and a 'professionalisation continuum' is more realistic. Despite this, professions are distinguishable, Greenwood maintains, from other occupations in the sense that they are a 'calling'; "self-seeking motives feature minimally in the choice of a profession; of maximum importance is affinity for the work" (P.17).

Elliott's (1972) approach involves a more detailed analysis of the professional role,[1] and concludes that an essential part of professionalism is that role expectations extend beyond a strict definition of work to encompass the individual's place in wider society. He points out that at the higher end of the professional

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[1] Elliott's continum of professionalism is based on factors of knowledge, tasks, decision-making, authority, identity, work, career, education, combined with a usual interpretation of social role.

continuum,people are less subject to the compartmentalisation or segmentation of roles which occurs in modern society. The ideology of professionalism causes a binding or merging of roles pertaining to work and non-work, which is not found as a rule among non-professional people. He does suggest, however, that this may be common to most members of the 'middle class'. If this was so, we would not expect to find many significant differences between the expectations of the professional and non-professional groups (especially the older members) in Company A, on the premise that their similar ideologies and orientations to their central work role would provoke similar attitudes to their jobs. This is not entirely supported by the data from this survey, especially in the areas of trade union members and activities, as it appears that the varying promotion prospects open to each group has a significant effect on their attitudes, their work and their employer.

Hall (1968) has identified five attitudinal attributes which contribute to the professional ideology or work ethic:

- use of professional organisations and professional colleagues as reference groups;
- belief in the valuable contribution of the work to society;
- belief in self-regulation and the judgement of work standards only by other professionals;
- a sense of 'calling' and value of work itself rather than extrinsic rewards;
- autonomous decision-making without pressure from external sources such as employers or clients.

Hall comments that any study of professionals could expect to find two types of variations. Firstly, occupations vary according to the degree to which they are professionalised (i.e. the continuum principle), and secondly, members of any one occupation or profession may vary in the degree of their commitment to the professional ideology. This was reflected by the Company A professionals most

noticeably in the divergence of opinions about the need for trade unions: some maintained that they had as much need as non-professionals for union support and others maintained that their professional status greatly diminished this need.

The idea that all occupations move inexorably towards professionalisation is dismissed as "a bit of sociological nonsense" by Wilensky (1964). He does not dispute that professionalism offers ideals of occupational control and prestige which members of many occupations strive to achieve, but suggests that there are various barriers, e.g. inadequate bases of knowledge and organisational constraints, which prevent those ideals from being reached in most cases. However, even if the structural attributes of professionalism never fully emerge, it is perhaps unwise to underestimate the strivings in that direction. They may well represent significant attitudinal developments among an occupational group which have repercussions in such areas as trade union membership.

Professionals' Work Expectations

Certain attributes of the professional work ethic have been identified, and these would obviously be expected to have an impact on work expectations. These expectations can be summarised under three headings:

A. Use of Knowledge

A body of knowledge over which members of a profession maintain as near as possible a monopoly is the fundamental basis of professionalism. The grasp of this knowledge is the primary means by which the professional claims his more exalted status, and in industrial settings is probably the most apt example of the tenet that 'knowledge is power'. It would therefore be expected that the professional would attach considerable importance to the knowledge

of which he is the master, resent any intrusions into his realm of competence by others, and expect the work he is required to do to be worthy of his intellectual abilities.

Professionals develop a great deal of possessiveness and jealousy of their knowledge - what Moore (1970) describes as a 'property right' over it. One method of maintaining an exclusive right over this knowledge is to keep it as unintelligible as possible to the layman, a function most effectively performed by the development of professional jargon. This presentation of exclusivity is not simply a result of cussedness, but results from the power that accrues to the holder of esoteric knowledge and skill of some utility; the professional can supply information of use to but beyond the reach of others. This 'aura of mystery' tends to surround the whole area of professional skills - as in other areas characterised by their unknowableness to the uninitiated, (Wilensky, op. cit.).

The status-giving effect of knowledge is not confined to client-relationships, but permeates the informal grading of occupations or specialisms within any one organisation. Moore (op. cit.) noted that "the differential command over the techniques for solving human problems results in a prestigious position for the supplier of that knowledge and skill," (P.152). Less universal problems confined to one organisation or industry are subject to the same tendency, although more tangible rewards may be seen as the expression of prestige. During the interviews in Company A, representatives of each profession, one after the other, referred to the central importance to the success of the company of their particular areas of expertise, which was seen as a justification for the greater reward of their profession.

Professional knowledge is the key not only to prestige and greater financial rewards, but also to intellectual stimulation. During the professional training, usually of several years' duration, the fledgling professional gradually acquires mastery over the basis of professional knowledge. Development is continued by the exchange

of information, research data and theoretical advancements facilitated by the professional associations. The professional is thus required to maintain his critical faculties if he is to receive the recognition of his fellows. Thus, challenging work - that which extends his professional expertise - becomes a means to an end and not simply a satisfying experience for its own sake. During professional training, a desire for mastery of the subject and competence in its practice is inculcated into the trainee, and pursuit of professional goals occurs through continued expansion of the individual's store of knowledge, (Sharaf and Levinson, 1964).

Use of knowledge and skills in the job would therefore be expected to be a high priority of a professional employee. It represents his claim to higher status and higher rewards than his non-professional colleagues, and is the basis on which his competence and the respect of his fellow-professionals is founded. Work which did not use professional knowledge to any great extent would be considered demeaning and an indication that the employer (or a more immediate boss) did not value the professional's expertise. Accordingly, the continuing development of skills and knowledge is likely to be of particular significance among professionals given the value attributed by them to their distinctive knowledge.

B. Career Prospects

Professional work is seen not merely as a job, but as a career. That is, the professional's current work is judged not only by immediate satisfaction but also by its potential for offering useful experience and skill development. Future work is seen in terms of continuous improvement of status, financial reward and intrinsic job satisfaction.

Some professions (especially those connected with medicine and other forms of social service) encourage a moral commitment, such that an individual leaving the profession for some reason is regarded as

committing an unethical action. Such judgements are less likely to be made in the business professions but, even so, a high degree of commitment is expected and is reinforced by the heavy investment in terms of time, intellectual effort and loss of earnings that occurs in the lengthy training period. Professional socialisation also encourages a pursuit of progress in terms of knowledge which leads to a desire to emulate those in more respected positions in the profession.

In private practice or independent work by professionals, careers are built in less hierarchical terms than in organisations where professionals are only one group of employees among many. Traditional professional careers may be advanced by the publication of research work, a lengthening list of prestigious clients or a general reputation for competence among fellow professionals. In organisations such as Company A, career advancement is seen primarily in terms of promotion to higher grades.

Goldner and Ritti (1967) comment that whilst success in organisations is seen in terms of progress upwards to management status, this leads away from the technical areas of work on which the professional bases his claims to competence. The ideology of professionalism includes "assumptions stating that upward mobility in the power hierarchy is of no importance compared to autonomy in the practice of one's special competence and that success for the professional is independent of such mobility" (P.464). This suggests an inherent contradiction in the career prospects of a professional in a large, primarily non-professional, organisation. He must choose between either his technical competence or formal status in the hierarchy - two alternative sources and expressions of power and prestige.

In practice, the dilemma is unlikely to be quite as stark as that, especially in an organisation which has as many steps in the hierarchical ladder as Company A (although the salary and grade restructuring scheme considerably diminishes this). In this company, 'general' management is found only among the top few managers (and

even these retain specific areas of responsibility), and below this level responsibility for various areas of special competence is clearly delineated with a gradual widening of responsibilities upwards through the hierarchy. However, certainly at the Officer level and in some cases at AGM level (see table 4, P.32), technical expertise is one of the primary components of the job - especially in the professional areas. The creation of the 'dual career ladder' under the restructuring scheme indicates that the development of non-technical skills will be encouraged in the heavily technical - i.e. professional - areas, although the innovation has been publicised as being a career boost for those employees who wish to retain their technical jobs without jeopardising their promotion prospects.

One essential point to make in discussing the potential conflict of interests in careers is that the professionals in this study had actually chosen to work for Company A as opposed to a consultancy, private practice or a specialist firm. Those recently qualified may well have made the choice for reasons which will not guide future career decisions, i.e. they may have chosen a large company because it offered security, reasonable pay and facilities for study during their training. However, those who have been qualified for some time have clearly had to make further decisions about their careers. A number of professionals - especially accountants and actuaries - indicated during the interviews that they had considered working for a consultancy or private practice, or in a couple of cases had actually done so in the past. They all had friends or acquaintances in such jobs and had sufficient knowledge with which to make the decision.

The comment made again and again was that the financial rewards in consultancy and private practice could be considerable, but that the pressure of work was extremely high. The comment was made several times of preferring 'working to live, not living to work'. On the basis of this admittedly flimsy evidence, it would seem reasonable to predict that professionals who choose to work in organisations

such as Company A have a weaker conception of their professional ideology than others in that their work role is less central and less dominant in their lives.

With the exception of actuaries, whose work is primarily insurance-oriented, the professionals had strayed from the mainstream of their profession. This may not only be to avoid the pressure; one young accountant spoke bitterly of his disappointment in discovering that Company A was not, in his opinion, at the forefront of developments in his particular professional field.

C. Autonomy and Responsibility

A consideration of professional autonomy raises fundamental questions about the role of the professional in bureaucratic organisations, and which is examined in greater detail in the next section. However, the effect of professional autonomy is relevant to a discussion of work expectations.

Professional autonomy and collegiate control are fundamental aspects of professionalism, stemming from monopoly over a body of knowledge and the need to protect this source of power. Only others sharing a similar expertise are fit persons to judge the performance of a professional. Professionalism therefore involves belief in self-regulation and control through the scrutiny of work by colleagues rather than any externally imposed system of control: the professional believes himself to be in a position of trust vis-a-vis whoever requires his professional knowledge, be it client or employer. However, assessment and control by fellow professionals may not necessarily be the most effective form of control. The knowledge of being a minority group and above the criticism of outsiders may encourage a form of defensiveness or protectiveness of professional interests which is not conducive to high standards of service to clients and employers. Moore (op. cit.) points out another danger of

collegiate control: "Identification with peers may become subservience to peers, and that ends the effective sense of personal responsibility" (P.130).

Despite these possible hazards, professionals in an organisation would be expected to be averse to supervision by those less highly qualified in the particular area of expertise, and certainly antagonistic to control by someone completely outside the profession. Close supervision tends to be rejected by members of any occupation, however highly or lowly skilled, but it is likely to be greater among those who have acquired a belief in their own competence as a result of specialist training. Such employees are also better placed to resist or evade close supervision because of their personal command of specialised knowledge.

Autonomy therefore presents another potential conflict for professionals in companies - that between their need for freedom and the organisation's need for control and coordination of all employees' activities. Wilensky (op. cit.) suggests that "the crux of the issue of autonomy for salaried professions is whether the organisation itself is infused with professionals ... and whether the services of the professionals involved are scarce ..." (P.491). If the answer to both these questions is positive, the professional is granted as much autonomy as is practicable. In Company A, the most imperative question to professionals would be their individual autonomy, i.e. the amount of personal supervision, rather than the freedom granted to the entire group of professionals. As departments of professionals, e.g. actuaries, accounts, are supervised hierarchically by those within the same profession, at least both supervised and supervisor share an understanding of the problem. It would be expected, however, that the professional would be more sensitive to the question of supervision than his non-professional colleague.

Whilst most discussion of professional autonomy within organisations concentrates on negative aspects, Kornhauser (1962) believes that the pluralist system of relations between the various subdivisions

of an organisation serve to create a constructive balance between coercion and creativity: "the tension between the autonomy and integration of professional groups, production groups and other participants tends to summon a more effective structure than is attained where they are isolated from one another or where one absorbs the other" (P.197). Whilst this may well advance organisational goals, it may well be detrimental to professional goals, although the two cannot be ultimately dissociated from each other in an organisational setting.

Generally speaking, professionals are more likely to be more acutely aware than non-professional employees of discrepancies between their need for autonomy and the need to subject themselves to organisational control. This applies whether the control takes a personal form (direct advice or instruction from a supervisor) or in the application of impersonal rules. The effect is to deny the capacity of the professional to make decisions based on his knowledge, and to detract from his responsibility for his own performance at work.

The Professional in the Bureaucratic Organisation

From the discussion on professionalism so far has emerged the view of professionals as persons who must accommodate various facets of their traditional ideology to organisational constraints if they take employment in companies such as those in this study. The use of other professionals as a reference group for assessing performance and determining behavioural norms may result in conflict with requirements for the efficiency of the organisation; the dependence on technical expertise may not coincide with the managerial qualities required for promotion; and the professional's desire for autonomy must be accommodated to the need for organisational control over all employees.

The organisational model used in this discussion is that of bureaucracy, as discussed in an earlier chapter, and it will be implicit in the following discussion that the concept of bureaucracy and its connotations are as expounded in that chapter.

One of the most influential theoretical contributions in this area of professionals in organisations has come from Gouldner (1957) in his discussion of 'cosmopolitans' and 'locals'. He suggests that as well as manifest roles - "social identities of group members which are consensually regarded as relevant to them in a given setting" (i.e. an orthodox interpretation of social role) - latent roles can be identified. These depend on three, inter-related factors: loyalty to the organisation, commitment to professional skills and reference group orientations. From these emerge two polarised latent organisational identities:

- 'cosmopolitans' who are low on loyalty to the organisation, high on commitment to professional skills and use extra-organisational reference groups;

- 'locals' (or 'company men') who are high on loyalty to the organisation, low on commitment to professional skills and use an intra-organisational reference group.

It could be that professional employees in Company A would be nearer to the cosmopolitan model than their non-professional colleagues because of the formal and informal social bonds established between the members of each profession which stresses loyalty to professional principles rather than organisational criteria. Dependence on the organisation is also discouraged by the high level of marketable skills acquired by the professional who is not then obliged to secure his future within only one company. He has greater scope for horizontal mobility to enable him to extend his skills and experience and also identify organisations which offer the best prospects. The non-professional (especially the non-graduate) may find himself after

a few years with skills and experience which have little relevance outside that one organisation - even to other insurance companies unless he has acquired an almost 'professional' expertise in one aspect of the business.

However, it is worth reiterating a point made earlier, namely that the professionals had chosen to be employed in a large insurance company or to stay in that company after qualification. To a certain extent, therefore, these professionals must have been prepared to accept some compromise on ideological clashes and may well be 'locals' themselves when compared with other members of their profession in, say, private practice.

Scott (1966) has identified four areas where conflict is likely to result from the professional's involvement in two systems (the professional association and the bureaucratic employing organisation) which are based on fundamentally different principles. The bureaucratic organisation is based on principles of universally observed rules of behaviour, an impersonal control of work activity, imposed standards oriented to organisational goals and an intra-organisational career path for employees. In contrast to that, the professional ideology fits the professional for work which is an end in itself and not merely a path to organisational goals and which is controlled by the individual and his fellow professionals. Mobility between jobs within the same professional sphere is encouraged and not restricted to one organisation. Scott suggests that as a result of this conflict between the two systems, professionals develop resistance to bureaucratic rules and imposed methods of supervision, reject imposed bureaucratic standards and feel only a conditional loyalty to the employing organisation.

Scott does suggest that conflict in these areas is likely to be reduced if the professional performs a central function in the organisation. As mentioned earlier, the professionals were anxious to tell me in their interviews of the critical importance of their work to the organisation. Having been socialised during training to

belief in the indispensibility of their professional skills, to find that they were not a major contribution to the efficiency of the business would have caused dissonance (see Festinger, 1962). This could be rectified either by leaving the organisation or finding evidence of the key role of their skills. Those who give no indication of leaving have presumably at least attempted to work out an acceptance of the priority of their work within the company.

The collegiate basis of professional control and authority is attacked by a bureaucratic characteristic linked with problems of supervision. A well-defined and extensive hierarchy contributes to the division of tasks and boundaries of responsibilities which often leads to a somewhat narrow view of a job and a restriction of cooperation between colleagues. Aiken and Hage (1966) commented on this alienation between fellow workers which stemmed from the rigid hierarchies in the social work agencies which they studied. They found that the more highly centralised and formalised organisation structures correlated positively with higher levels of both work and colleague alienation.

It is difficult to assess how much this would apply to Company A, which is on a much larger scale than the agencies studied, with more obvious divisions between occupational groups in different departments. A common comment during the interviews (from both the professionals and the non-professionals) was that the individual had little perception of the organisation beyond his own department and those with which he had immediate contact. Thus the alienation (perhaps too strong a word in this case) is more likely to be felt towards other occupational or work groups, rather than towards immediate colleagues.

Whatever the degree of identification and association with colleagues, "professionals in different fields working for the same employer are likely to recognise that they have more in common than any of them has with administrators" (Moore op. cit. P.202). In this case,

personnel working in the mainstream insurance departments can be substituted for administrators. Moore's comment is substantiated by the fact that during the interviews none of the professionals disputed my references to the professional group collectively. The idea of a collective professional identity appears instantly recognisable and many concurred with suggestions that the interests of this collectivity were sometimes divergent from those of the non-professional employees.

Other writers have acknowledged that conflict is not always inevitable between the professional and the employing organisation. Miller (1967) isolates a basic organisational choice between autonomy and integration, but suggests that some professional groups experience less difficulty in this area than others. He studied scientists and engineers employed in bureaucratic organisations, and noted that the engineers were less professional and more bureaucratic in their orientation to their work than the scientists. This could be at least partly attributed to the fact that the engineers realised during their training that their future may well be in industry, and they were therefore business-oriented before they took up employment. It would follow from this that as the professionals in Company A were all in areas which are specifically geared to business, if not especially to the insurance industry (with the exception of actuaries), then employment in large companies is clearly an option to be considered seriously from the start of training.

Hall's (op. cit.) study of the relationship between professionalism and bureaucratic modes of organisation also led him to the conclusion that professionals working in large organisations are not, necessarily, confronted with situations which reduce the level of professionalisation. He measured degrees of professional commitment and found, for instance, that lawyers employed in the legal departments of large organisations were more professionalised than those who worked in law firms.

The conflict between individual professional knowledge and bureaucratic universality may also be more apparent than real. The values attached to professional knowledge prompt a continuous process of absorption and testing of knowledge by members of the professional group. The knowledge has a value for its own sake, as the justification of professional status, and is systematically pursued. Moore has noted "the rational spirit as a cause of the continuous quest for new knowledge" (op. cit. P.189) with consequential specialisation in professional fields. This is congruent with two of the primary characteristics of bureaucratic organisations - the division of labour so that employees undertake specialist tasks, and an overall rationality which dictates activities free from any considerations personal to members of the organisation. Thus professional work may be conducted in a spirit which is not entirely alien to a bureaucratic mode of organisation.

Even the need for supervision, or some form of organisational control, may have been absorbed during the course of professional training. The budding professional has been required to submit his efforts to scrutiny (including formally through examinations) and accepts progress actuated by the concession of superiors in the field. The "deference patterns" built into professional training (Moore, op. cit.) as a result of this accreditation process accustoms the professional to acknowledging that sanctions are necessary. The problem, as noted, arises when the person operating those sanctions is a non-professional and therefore not accorded a legitimate status in that role by the professional.

Abrahamson (1964) in his study of scientists noted that even the professionals' desire for autonomy could be catered for in bureaucratic organisations. He found that as the scientists proved their ability, so the autonomy granted to them in their work increased. A certain lessening of control could be expected as an individual progresses upward in the hierarchy, but the combined weight of all the other grades to the person on the lowest rung does not necessarily appear more irksome than one 'intrusive' superior does

to a senior manager. The degree of autonomy accorded is often at the discretion of the individual supervisors and managers, who may choose to trust the individual's judgment and expertise as the primary means of control. In Company A, professional ability as measured by success in professional examinations is rewarded financially and by increased status in the form of promotion. In this sense, an increase of autonomy in the form of wider responsibility was a direct concomitant of proven professional abilities.

Remuneration is an area where rigid bureaucratic practice could create conflict, in so far as a strictly enforced set of salary scales might not allow deviations for such factors as 'market value' or traditional professionals' differentials. This might appear justifiable to the non-professionals who may well value practical contributions to the business and ability to do the job above theoretical knowledge and book-learning, but would cause difficulty in the retention and motivation of the professionals. Company A accommodates professional expectations by payment of a sum above basic salaries to bring their remuneration in line with professionals in private practice or independent firms. Bureaucratic rationality therefore gives way on occasion to the rationale of the market-place.

In conclusion, it appears that the ostensibly fundamental conflicts between the manifestations of the professional ideology and the needs of bureaucratic organisations are not, in fact, completely unreconcilable in many respects. What appears to be necessary is the recognition by the employer that some flexibility must be allowed to accommodate professional requirements for autonomy and self-direction. Those areas in which professionals are employed are precisely those where such flexibility can most easily be permitted, and indeed encouraged, because the work is generally of a more innovative and less routine nature than that of the line departments dealing with the central function of the organisation. Equally importantly, the professional employees themselves can adjust their work perceptions to a nearer congruence with organisational demands with relatively

little ideological compromise, because they are working in a professional environment within the larger organisation.

The implications of previous research for the survey in Company A seem to be that professional training and ethics will increase professionals' expectations of their work, particularly in the use to which their knowledge and qualifications can be put, and also greater rewards (especially promotion) as a return for the investment of their training. The professional employee has been tuned by his training to pursue advancement both in terms of knowledge and prestige; career progress is therefore likely to be of considerable concern. However, none of these factors distinguishes the professional employee from other white-collar employees in anything other than degree. It could therefore be anticipated that the professionals and non-professionals in Company A will have broadly similar expectations of their work, but with the professionals generally aiming higher.

The Professionals in Company A

The study in Company A offered an excellent opportunity to identify differences in work expectations and attitudes of professional and non-professional employees in the same organisation, and their varying responses to trade unionism. Most of the published work on professionals is concerned with those within the mainstream of their profession, i.e. private practice. There is comparatively little work on the employment of professionals in other organisations, and certainly a dearth of studies concerning such professionals and union membership (particularly outside the engineering profession).

Additionally, an important aspect of the study is that the professionals in Company A were used as a control group to help determine the impact of work de-skilling and restricted career prospects on the non-professional employees (who comprise the large majority of the work force). A major empirical problem encountered in the study was that it related to the impact of changing work methods and career prospects

on employees' expectations and attitudes, but that it could describe only their current situation. The general methodology of the research was of quantitative data supplied by the questionnaire survey, with the addition of interview data, and supported by material from the researcher's working experience in the Company and observation during the research.

The historical perspective necessary to assess the impact over time of factors such as computerisation and rationalisation was provided by the inclusion of the professionals in the survey. Their work has been little affected by the impact of computerisation; this was confirmed during the interviews by the professionals who were unanimous in the opinion that the computer had had no impact on the specialist, technical elements of their work and served only to provide improved information storage and retrieval facilities. They also confirmed that it did not affect their promotion opportunities in any way. In contrast to this, the work of virtually all the non-professional departments (especially the line department) has been changed by computerisation, the effects of which have been discussed earlier. This is especially true of the lower clerical grades, who form a substantial proportion of the total staff.

Both the perceived expectations and achievements of the two groups of employees were established in the questionnaire survey. Whilst perceived achievements will primarily reflect the work situation and the impact of organisation constraints and opportunities, expectations[1] are a reflection more of work values pertaining to the perceived status, ability and so on of the individual. It would be anticipated that both groups of employees have a similar ideological orientation to their work and have many shared values, this being particularly the case with the older non-professionals and the professionals. Such values would likely be more pronounced among the professionals, reinforced as they are by professional training and the internalisation of the professional ethic.

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[1] The relevant question asked respondents to "indicate what you think you could reasonably expect from the Company".

Therefore, whilst both groups would be anticipated to feel that they could 'reasonably expect' similar (though not identical) promotion prospects, levels of responsibility and quality of work etc., the extent to which these have actually been achieved should be lower among the non-professionals, as a reflection of the increased bureaucratic control exercised on their work and careers, facilitated by computerisation and rationalisation.

It should be noted, however, that the impact of computerisation has not been uniform throughout the non-professional departments and that some jobs have been comparatively little affected. One interviewee (grade E3) suggested that his job was possibly less routine as a result of tasks performed by the computer, although another (grade E5) believed that jobs were eliminated at lower levels by computerisation and that the interest of the remainder deteriorated. This latter view was supported by another interviewee (also grade E5), who also believed that a significant loss of jobs had been avoided by an increase in business.

The junior clerical grades were reluctant to be interviewed, but those who were all reported a lack of interest in their jobs, describing them as routine and undemanding. Computerisation was sometimes identified as a contributory factor and sometimes not. It is important to remember that these young clerical staff had only been with the Company for a short time (perhaps two or three years) and that they had no experience of the work as it was before computerisation (not that I would suggest that it was particularly exciting even then). They would therefore be in a worse position to identify the impact of computerisation than the older, more senior staff who had seen all the changes taking place. These older employees had moved up in the hierarchy during the last 10 - 15 years to jobs which are somewhat less affected, and the younger staff still look forward to progression and more interesting work. It could well be that the greatest impact of failed expectations could come in a few years when significant promotion fails to materialise for many young staff, and the escape route upwards is closed. The importance of promotion was emphasised by a young interviewee (grade SS) who complained of the routine nature of his work, but said that he would rather be promoted to similarly boring work than stay in the same grade with more interesting work.

The importance of promotion, especially relating to its effect on unionisation, is one of the major themes of the next chapter.

CHAPTER 4

WHITE-COLLAR UNIONISATION

Introduction

The previous chapter discussed the work situation of white-collar and professional employees, and the values and expectations which they bring to their jobs. In this research, the impact of the characteristics of white-collar employment, particularly resulting from computerisation and rationalisation, are studied in relation to the unionisation of the employees in both companies. It is suggested that the consequent changes in career patterns, namely a substantial reduction in promotion prospects for large sections of the staff, are an especially significant factor in union membership and activity.

This chapter therefore looks at the unionisation of white-collar and professional employees, primarily with a view to ascertaining from the literature the light that previous studies throw on the importance of the issues under consideration. The likely differences in attitudes to unionism between the professional employees in Company A and the non-professionals are also considered.

The chapter begins with a general discussion of the relevant literature, focussing on one common feature, i.e. the tendency to isolate specific factors when attempting to determine why white-collar employees join unions, without giving due attention to the inter-dependence of a number of factors.

'Single-Factor' Approach to White-Collar Unionism

My criticism of the literature is the tendency to isolate specific factors when attempting to determine why white-collar workers join unions. Commonsense indicates that peoples' motives towards trade unions are likely to be as diverse and complex as they are towards anything else, and attempts to pinpoint single crucial factors are doomed to failure, although I do not dispute the usefulness of testing various factors for significance in particular circumstances. The dangers of over-emphasis of factor analysis are abundantly illustrated in the literature: for every study which finds a factor to be positively related to union membership, another study finds that it is a negative influence or simply of no relevance at all - and virtually every feasible factor seems to have been tested. For example, Goldstein and Indik (1963) found in a study of professional engineers that union members were significantly more likely than non-members to have had fathers who were also union members. However, in his study of engineers and technicians, Kleingartner (1968) found that union members were no more likely to have had fathers who were also union members. Bain's (1970) work has indicated that there is no statistical evidence for the universal significance of most of the factors which are usually mooted as important in union membership, although they may well be crucial in combination with others in particular circumstances.

This points to the importance of examining any factor in its context in order to avoid misleading conclusions. For example, Blackburn (op. cit.) in his study of union and staff association membership in a clearing bank noted that women were less interested than men in staff representation (P.218), had a lower rate of union membership than men (P.121) and that this was linked with their low-status routine jobs with virtually no prospect of promotion (P.120). However, he also notes that during World War II, union membership among women in banking was comparatively high and suggests that as

predominantly temporary labour, they had no promotion prospects to jeopardise by union membership and were therefore not afraid to join (P.163). These two apparently contradictory conclusions about the effect of one factor - the sex of employees - would not have occurred if the factor had been balanced with all the many others which make up the context, rather than being given undue weight.

The danger of arriving at a general theory through a process of induction from a single situation is that its explanatory force is overestimated and can lead to false conclusions when applied to other circumstances. One example of this can be found from this study. ASTMS achieved considerably more support in one office in Company B than in any of the others; this seems to have been largely attributable to the presence of many young, inexperienced and predominantly female staff engaged on very routine, mechanised work. Company A has an office which is very similar in many ways (including those mentioned) and deals with the same type of business. However, the union there has great difficulty in recruiting that type of employee who were its most active supporters in Company B. Clearly other factors are involved, but it would have been very tempting to generalise about all young, low status clerical workers from the experience of just the office in Company B if contrary evidence had not been available, and to have overlooked that other factors may be needed as catalysts in the observed behaviour.

Thus, theories based on isolated specific factors are unreliable for predictive purposes. Many writers have suggested that the increasing tendency towards concentration of white-collar workers in large organisations has encouraged union membership (e.g. Bain, op. cit.; Lockwood, 1958; Paterson, 1975); that is an opinion with which I largely concur and which is explored in more detail elsewhere. The difficulty is that there are some notable exceptions - bureaucratic organisations where union membership has not developed despite determined efforts by unions which have been very successful in other companies (ASTMS' failure in Kodak and IBM, for example). Clearly,

there is more to it than just the size of the organisation. It also does not explain why the largest insurance companies have had strongly contrasting histories of union development in the last decade, despite the strong similarities of their organisational structure, working methods and numbers of employees. ASTMS has been able to recruit easily in some, with difficulty in others and hardly at all in yet others. So it is important to attribute significance to one factor only conditionally; i.e. to recognise that it is contingent upon others.

Bain (op. cit.) contends that "most white-collar union recognition in private industry has come about, directly or indirectly, as a result of government policies and the favourable climate they create for unionism" (P.181). The 'seventies have certainly seen an overall advancement of trade union interests by legislation, (particularly, as Bain points out, in the law relating to recognition), but this does not confront the essential irony that the 'favourable climate' sees unions at probably their least popular in their chequered history, but with membership increasing most rapidly among those groups who contain their fiercest critics. The recognition laws may enable unions to capitalise on recruitment success by opening the way to negotiations with employers, but easing the obstacles to effective representation would have no impact if people did not feel the need for that representation in the first place.

As I said earlier, I do not dispute the importance of testing the significance of various factors, and neither do I disagree with all the 'answers'. What appears to be unproductive in a lot of the literature is the idea that somewhere there is an answer to the question of white-collar union membership - the idea that it is possible to identify certain factors which lead to union membership. This is, of course, oversimplifying the work undertaken in many studies, but it is still a distinct tendency. The really crucial aspect of factor analysis is therefore to remain aware of the inter-dependence of the factors, and the way in which their significance can be significantly varied by involvement with other factors.

Implications for this Research

The study in Company A gives attention to a variety of factors, which may be sub-divided into contextual and attitudinal:

A. Contextual (or objective factors):
- age
- sex
- organisational rank
- length of service
- union membership

B. Attitudinal (or subjective) factors:
- employees' perceptions of design and attributes of jobs,
- employees' expectations of jobs and extent to which they are:
  - i. currently fulfilled
  - ii. likely to be fulfilled in the future,
- employees' satisfaction with rewards provided by employer,
- spheres of trade union activity favoured by employees,
- employees' reasons for membership (or non-membership) of ASTMS.

(Each of these attitudinal factors is divided into various sub-factors.)

This study therefore attempts to avoid the pitfalls in the literature previously mentioned, i.e. the tendencies to concentrate on objective criteria and thus categorise people into homogeneous groups by ignoring their differing perceptions of and reactions to their circumstances, and also over-zealous attempts to identify single critical factors. By placing emphasis on the subjects' perceptions of their situation and the interplay between personal and environmental factors, it is hoped that a more reliable interpretation of the observed behaviour will result.

We now proceed to a survey of the empirical studies in this area. The main emphasis of the work on white-collar unionism until fairly recently has been on lower status employees such as clerks, rather than with managers or professional employees. Part of the change in emphasis which has occurred recently may be somewhat artificial in so far as 'clerks' used to be a term used loosely to describe all administrative or office workers, including the lower levels of management. These days, the term denotes only the most junior office staff and tends to be almost a term of abuse if applied to someone of a more senior status. It should be borne in mind, therefore, that references in older studies to 'clerks' may not always bear direct comparison with more recent studies.

Lockwood (1958) has made perhaps the most influential of all studies of clerical workers, and traced the history of the clerk from the 'counting house' in the middle of the 19th century to the (then) present day. He concluded that the persistently higher status of clerks over manual workers prevented them from identifying with the proletariat and from developing a collective consciousness as an occupational group. He suggested that the two main sources of their status were:

- market situation: clerks have traditionally had employment security, good pay and the possibility of progression to managerial posts.

- work situation: clerks have traditionally worked in small offices with close personal contact with management and have used skills which are indiyidualised and particular to one organisation.

The combined effect of these two factors has been to prohibit the development both of a sense of common interest among office-workers as a whole, and also any identification with blue-collar workers. An individual orientation to work has been fostered by the ready availability of promotion as a means of improving an individual's status and rewards, and by the tendency to rely on personal patronage as a means of achieving it. All this has resulted in the disinterest of white-collar workers in any form of collective action through trade unions.

However, the changes in the office environment during the present century have been immense, and the loss of many of the factors highlighted by Lockwood - close contact with management, individualised skills, promotion prospects - has been accelerating in recent years. This has been particularly through technological change which has reduced the level of discretion available to many office workers over the performance of their work. It must therefore be agreed with Braverman that if we ascribe to "the millions of present-day clerical workers the 'middle-class' or semi-managerial function of that tiny and long-vanished stratum of early capitalists, the result can only be a drastic misconception of modern society". (1974, P. 293). Despite this, many values have tended to be retained by such workers, even though their basis may long since have virtually disappeared.

Thus, office workers (especially men) have expectations of promotion prospects and skills requirements which are no longer justified by experience in today's modern commerical offices. The deskilling of work, facilitated by computerisation, has both reduced the scope for the clerk's individualised contribution to the job and increased the level of day-to-day control over the performance of the work exercised

by those running the company. The scale of bureaucratic control to which many office workers are now subject presents a major hindrance to the maintenance of their traditional status and fulfillment of their traditional expectations.

Lockwood recognised that one of the factors which would be crucial for the future development of unionisation among clerks was the increased size of units of office workers. The emphasis has changed from small isolated groups of clerks to large conglomerates of administrative workers. This aspect, often described as the bureaucratisation of white-collar workers' employment (somewhat misleadingly because bureaucracy is not simply a function of organisational size) has been commented upon by many subsequent authors (e.g. Kleingartner, 1968; Bain, 1972; Lumley, 1973, among many others). There are several reaôns why this should have an effect on white-collar union membership, both directly and indirectly. It is easier for unions to recruit among a large body of workers because there is a stable core of long-term employees and a sense of security in numbers. Larger groups of employees are also more likely to have developed, or be able to develop, a collective identity and perceive that collective action could be effective. A couple of dozen office workers in a factory must surely feel less able to bring pressure upon their employer by collective action, compared with the numerically superior manual workers, and also have an awareness of greater vulnerability to reprisals. However, the large administrative groups in both industrial and commerical firms often have as much disruptive power in collective action as their blue-collar counterparts.

In addition, union officials favour large groups of employees for recruiting purposes because they obtain more return in terms of numbers of members for the same amount of effort. Exactly the same factors of fragmented work-groups have long inhibited the recruitment of workers in the distributive and retailing trades, but to an even greater extent.

A corollary of the increased size of work-groups is the loss of individuality resulting from being one member of a large group all engaged in similar work. Traditionally, offices have been small units and clerks have had close contact with their managers. They have viewed their progress (status and standard of living) as being dependent on their individual efforts and their employer's willingness to reward these efforts favourably. This is becoming less and less the case as increased organisational size has led to an estrangement from members of senior management. Computerisation and rationalisation have also encouraged the diminution of the hierarchy in the cause of economy and efficiency. Thus the scope for both individual influence and advancement has tended to be decreased.

Blum (1971) maintains that office workers are losing status because of the devaluation of their jobs through routinisation and mechanisation. He states that this could result in conservatism (quoting the German middle classes in the 1920's as an example) which would in turn inhibit union membership. There is little evidence to support this in Britain in recent years. Certainly, ASTMS attributes its substantial growth in the insurance industry in large measure to the uncertainties caused by computerisation (Sherman, 1979). Sherman anticipates that the new micro-processor technology will cause the 'industrialisation of insurance', aligning the insurance employee with the industrial worker who is, however skilled, "conscious of his insecurity and total dependence on machinery he doesn't own, and could never buy" (P. 20).

The growth of separate unions for white-collar workers in recent years suggests that it is the close identification with blue-collar workers which may be feared, rather than a loss of status brought about simply by associations with trade unions per se. This is borne out by studies of clerks in both the steel and coal-mining industries (Bowen and Shaw, 1972; Bowen et al, 1974). The coal industry clerks believed that union membership was necessary, but the majority wanted a separate clerical workers' union (rather than being part of the NUM)[1] because they felt that clerks formed

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[1] National Union of Mineworkers

a distinctive occupational group, the interests of which could best be served by a union catering for that group alone. The clerks were also aggrieved by what they perceived to be their low level of influence with management compared to the manual workers.

The clerks in the steel industry were also members of the industry union (ISTC)[1] and similarly believed that clerks had as much need as other workers for a union to negotiate with management on their behalf. Some of them (50%), however, were content with their membership of the industry union, whereas the other 50% would have preferred to be members of a separate union for clerks. Those who wanted a clerical union were found to be less satisfied than the others on such matters as their pay, the intrinsic quality of their work and their relationship with management. This may be an indication that dissatisfaction with work by employees in insurance companies could rebound against the union (ASTMS) in future years, if that union continues to spread its membership net yet wider and draw in white-collar workers from an even greater diversity of working and social backgrounds than is already the case. It will not be seen as being able to cater adequately for the needs of one specific group of members, i.e. the insurance employees. The high degree of autonomy accorded to individual insurance company memberships, and the special Insurance Conference, are deliberate attempts on the part of the union to avoid allegations of this sort.

The deteriorating status position of office workers has become a constant theme in the literature. Lockwood attributed the declining prestige of clerical work not only to bureaucratisation but also to clerks' reduced economic and educational advantage over manual workers, the distinctions being further blurred by the fact that young clerks are increasingly the offspring of manual workers. Additionally, he suggests that with the influx of women into clerical work, the status of these jobs has sunk to correspond with the general status of women in society. As we noted from Crompton

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[1] Iron and Steel Trades Confederation

(1979) earlier, women could now be considered the 'office proletariat' with the lowest status jobs and few prospects of advancement.

The increased employment of women in offices may have a two-fold effect, however. Not only has it led to overall loss of prestige for that category of employees, but several authors have suggested that it has acted as a more direct impediment to union membership. Lumley (op. cit.) confidently asserts, and with no attempt at justification, that women are more conservative than men and also develop more loyalty to their employer (a view shared by Blum, op. cit.). Both these features - if true - would clearly militate against union membership. Blackburn (op. cit.) found among bank clerks that men were more interested than women in staff representation and attributed this to a general lack of commitment among the women to their jobs because they rarely had long-term employment prospects. This seemed to be a more feasible interpretation and is one shared by the union officials in Company A. They mentioned the difficulty in recruiting young female clerks and put this down to a lack of long-term interest in their jobs. However, we have already noted the apparently contradictory evidence from Company B.

From the point of view of the relatively unskilled female office worker, two considerations may assume more importance than for her male colleagues. Firstly, her time horizons are often shorter (specifically for young women) and therefore the immediate questions of cost and benefit of union membership are put into sharper relief (often placed against the background of the lowest salary levels in the organisation). Secondly, a woman who is not thinking in terms of a longer-term career may be more inclined to express dissatisfaction by moving to another employer, rather than voicing a protest - through union activity - within the current employer. The scope for job mobility for young people (of either sex) is greater, of course, than for older employees who are predominantly male.

Dale (1963) noted that routine clerical duties and machinery operating were being taken over by women, and he reserved his sympathy for the "real clerical proletariat" i.e. the male clerk missing promotion by being retained on routine work. He suggested that clerks in that position are increasingly likely to turn to trade unions and take collective action as their individual advancement becomes more difficult. He noted that the clerks in his study (in a manufacturing industry in Liverpool in the early 'sixties) considered their status, salary and promotion prospects to be poor, and also claimed a lack of job satisfaction. Despite this, very few had at that time considered joining a trade union; only nine out of 193 believed that collective action through a union was more likely to improve their own position than personal training and qualification. The majority did not even want a staff association in their company, the most common reason being that it would spoil existing good relations between employees and management.

An emphasis on the extrinsic rewards of work was found by Mercer and Weir (1972) in their study of white-collar workers in a variety of medium to large companies in Hull. 41% of the clerks said that they would consider taking a manual job for more money - a far cry from the status-conscious clerks suggested by other studies. This instrumentalism was echoed in their attitudes towards unions, with the tangible benefits such as increased pay being emphasised. Union membership was low, however, (25%), and the main reasons given for not joining were that management's generosity made a union's negotiating skill unnecessary and that promotion prospects were available to improve the individual's position.

Promotion Prospects - Barrier to Unionisation

The presence of promotion prospects is seen by many authors as a barrier to unionism: "... a specific kind of job dissatisfaction - the feeling that as an individual he cannot get ahead in his work - is the job factor that predisposes the white-collar employee to go pro-union." Thus Mills (1951, P.307) identifies the reduction of

promotion prospects as the chief factor that turns white-collar employees to unions, for which we shall find evidence in Company A.

However, there is little reason why an ethic of individuality, based on the presence of a career ladder, should by itself prohibit or ideologically contradict collective action. Employees could, at one and the same time, both advance their individual careers and also seek to improve the general status and circumstances of the group of employees to which they belong. The results of the study in Company A suggest that these employees would sanction collective action through their union in order to achieve an improvement in the scope for taking individual action, i.e. improved promotion chances. Any possible contradiction is likely to creep in when employees perceive that their individual career prospects are endangered by collective action - but that is a pragmatic, not an ideological, problem. The 'danger' of collective action also varies according to the type of collective organisation and how it is viewed by management. For example, an employee in Company B may have felt less secure (although not necessarily justifiably) about his promotion prospects if he became involved with the staff association rather than an active campaigner for ASTMS.

It is not, however, necessarily an ideological objection to collective action that has hindered white-collar unionisation in the past (although the objections may have been given an ethical bias), but rather the fact that while employees could get what they wanted from their jobs through promotion, there was very little incentive to consider the possible advantages of collective action. Silverman (1968) found contrasting attitudes about promotion as the primary source of rewards from the clerks he studied. Some subscribed to the belief in individual efforts and also maintained that their union should cooperate with management to make the office more efficient and that it should respect managerial prerogatives. Others believed that clerks should 'stick together' and saw the union as an aggressive organisation prepared to defend workers' rights.

The most important feature influencing the clerks' attitudes in Silverman's study appeared to be the degree of contact with manual workers who were used as a comparative reference group, and caused discomfort to the clerks who became aware of their diminishing differentials. This has been discussed by various authors and the assumed effects of contact with manual workers vary from that implicit in Silverman's work, i.e. that it will restrict white-collar unionism because of fears of 'status contamination' (see also Blum, 1963; Sykes, 1964) to the suggestion that office workers are convinced of the efficacy of collective action by their observation of manual workers' unions (Strauss, 1954; Kassalow, 1966; Paterson, 1975).

Sykes (1964) claims that whereas both manual workers and clerks view management as the 'other side', clerks are in the position of having the opportunity to change sides. That is, many clerks do not expect to remain clerks for ever but to move into the ranks of management, and this colours their whole perception of the employment relationship. However, in the insurance industry, the days of steady career progressions have receded. This view has been expressed by a General Manager of Company B during a 'cost containment' exercise in 1975 (see Appendix H), and was also an inevitable and apparently resented outcome of the salary restructuring scheme in Company A.

An appreciable number of middle managers in both these companies were offered and accepted early retirement during the early and middle 'seventies, and their vacant posts were not filled. The opportunity offered by widespread computerisation for rationalisation of jobs enabled the number of lower management posts to be further reduced through the lowering of skill (and therefore status) levels. The basis of the ethic of individualism - the career ladder - has received a resounding knock during the last decade, and those who have suffered have often also had new, computer-oriented, rivals for pre-eminance in the decision-making processes of the organisation.

ASTMS believes that the process of career stagnation will accelerate still further as the 'silicon chip revolution' gets under way. Jobs outside the insurance industry will become more scarce, slowing down staff turnover, and even with policies of no redundancies "career opportunities must inevitably diminish for some holders of special insurance skills" (Sherman, op. cit. P.23). Even for those who are able to retain security of employment, the new technology may bring a change for the workers, particularly in terms of decreased job satisfaction (Curran, 1979) among managerial staff as well as routine clerical workers. The unions - or at least ASTMS - are prepared to accept the inevitability of technological development, and cooperate with management in its introduction - provided that their members are beneficiaries of the new technology and not its casualties.

Managerial Unionism

As we noted earlier, attention has been shifting in recent years from the clerk as the important white-collar trade unionist to managers and other higher level professional employees. Union membership has become something that applies to managers personally and not simply a potential problem among the people they manage.

The fact that this state of affairs exists indicates the non-arrival of the 'managerial revolution' when "managers will exercise their control over the instruments of production and gain preference in the distribution of products, not directly through property rights ... but indirectly, through their control of the state" (Burnham, 1966, P.72). Industry has not reached this managerial Garden of Eden and many managers would be more in sympathy with Elliott's diagnosis that managers are in danger of "being lost in the middle of a gradual carve-up of power between the industrialist, the share-holders and the unions" (1978, P.105).

Middle managers particularly are currently faced with a dilemma. On the one hand, they are aware of a need for a united voice in order that their views shall not be overlooked in the decision-making process, as may happen when top management consults with industrial workers and their unions. On the other hand, the means by which they can make their views known (of which union membership is one of the most obvious) are perceived as presenting conflict with a fundamental tenet of the managerial ideology - that consensus of interest is inherent in industrial organisations ... and unions represent conflict of interests.

This conflict may be partially resolved by the development of an identity which does not depend so much on senior management for its legitimacy. That is, middle managers may come to accept that they do have special interests, as do other groups of employees, which may involve some form of opposition to top management. Hartmann (1974), in a study of German managers, found that they displayed a strong group identity despite being heterogeneous in terms of income, educational and social background and occupational position. They believed that some form of group organisation was necessary in order to obtain their fair share of participation in decision-making. However, they were committed to a 'strategy of legitimation' i.e. avoidance of overt conflict. Hartmann concluded that unless such managers developed a greater appreciation of the importance of power in collective bargaining, any managerial intervention would be doomed to ineffectiveness. These managers were committed to obtaining their demands by discussion and were totally opposed to the use of sanctions. Such attitudes have also been found among professionals (Dickens, 1972). Development of a strong group identify and agreement on special interests does not therefore lead automatically to an abandonment of earlier values; the conflict between means and ends remains.

Another way of resolving this conflict is by the formation of managers' associations which are often more akin to traditional

professional associations than orthodox trade unions. An interesting insight into the support for these associations comes from the President of the Association of Professional Scientists and Technologists in a letter to the Financial Times (28 January 1977):

> "The fact is that managers are neither employer's men nor followers of the policies of unions representing other grades. They are their own men, with their own distinctive and informed views on the ways their firms should be run. They certainly identify themselves with the interests of their companies and wish to do all they can to promote the efficiency and prosperity of these since this is the only way in which they - or any of the other employees in the firm - can hope to increase their rewards and standards of living. But they also have the expert knowledge and readiness to criticise the way in which their companies are being run and, if necessary, to identify themselves also with organisations which will enable them to make that criticism more effective."

Membership of such an organisation is seen as complementing loyalty to the employer by reinforcing the special position of managers which, it is claimed, demands more overt acknowledgement.

A further inducement to membership of an association composed exclusively of managers is that it could be seen as leading to an extension of managerial prerogative - as hinted at in the letter quoted above. In theory, the 'dual loyalty' - to both the employer and the managers' association - which enables the manager to criticise the company more effectively, stems from and encourages a deeper involvement in the company's affairs (Fogarty, 1976). Many managers are highly qualified and possess specialist knowledge of their company's business; this would enable the managers' association to engage not only in the usual bargaining about pay and conditions

of service, but also about wider aspects of the management of the business, e.g. product design and investment policy. In practice, however, if this was attempted with any level of serious intent, the members of the managers' association may discover that the prerogative in which they believed they shared was restricted to an even more exclusive circle at the top of the organisation.

Whatever disillusionment may await managers who trust their interests to this form of quasi-professional association, there is considerable resistance to be overcome before membership of an orthodox, TUC-affiliated trade union becomes an acceptable form of managerial behaviour, especially in the private sector. Volker (1965), in a study of NALGO,[1] noted that as it became more like a union and less like a welfare association, so the membership became drawn more from the junior levels rather than the high-ranking managers who had previously been the stalwarts. It was the loss of senior officials which led the Association to more militant bargaining tactics as a result of pressure from the lower ranks who ultimately constituted the bulk of the membership. Somewhat contradictory conclusions are offered by Blackburn (op. cit.) in his study of union and staff association members in a clearing bank. He found that branch managers did prefer to join the staff association but that, overall, hierarchical status was not an important factor in determining the membership of the two types of representative organisation.

Weir (1976) detected clearly unfavourable attitudes towards unions among his sample of managers. They believed that unions "had too much power" and preferred to be members of a staff association. Despite this, they believed that unions should not necessarily bargain only over the usual areas of pay and conditions of service, but should extend their activities to more direct involvement in the management of companies - which finds a strong echo in the results of the survey in Company A. Weir found evidence that the

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[1] National Association of Local Government Officers

non-unionists among the managers were more satisfied with their pay etc., and also identified more strongly with the company than the union members. There was no evidence to suggest which factor - satisfaction/identification and union membership - had a causal effect in the relationship. It could just as plausibly be argued that people became dissatisfied and less committed after having joined and been influenced by the union as that dissatisfaction led to union membership.

There would clearly be considerable difficulties to be overcome if managers joined the same union as those they manage. If the insecurity which prompts their need for such associations is perceived as a threatened loss of status, then joining other, subordinate, grades of workers in a union could result in even further 'status contamination' (Bamber, 1976). There are also other difficulties; conflicts of loyalty could develop in the event of a call for industrial action given the widespread antipathy among white-collar workers generally and managers in particular for any form of militancy. In addition, managers would experience further threats to their authority in a practical day-to-day sense with difficulties in the realms of discipline - manager disciplining subordinate becomes union member disciplining fellow-member.

Managers and subordinates in the same union does not always lead to such conflict, though. Fogarty (op. cit.) found that when managers in the Irish banks went on strike alongside other grades who were in the same union, discipline and other aspects of managerial efficiency were unimpaired in the long-term. If anything, the united action carried over into the problems of catching up with the backlog of work after the strike, and enabled this to be done with greater effectiveness. There is, however, the equally important consideration that the presence of managers in the same union would seem to many workers to be a complete negation of trade union principles. All these issues are probably far more serious impediments in industrial organisations (i.e. blue-collar workers and

management) than in organisations like the insurance companies which comprise solely white-collar and professional employees, and where there is no clear boundary between 'manager' and 'managed'.

The emergence of sometimes divergent interests even among managers has been one of the results of computerisation, especially in companies such as those in the insurance industry. Many managers who had already spent the greater part of their careers in the industry were confronted with the need to be familiar with at least the immediate effects of computerisation on their own work and that of their staff. Suddenly, they had to accept and depend upon the expert knowledge of the new 'profession' of data processing experts.

Prior to this, a middle manager in the insurance industry needed to master only the knowledge relating to the subject-matter of his area of the business. It is not necessary, of course, for an insurance manager to have anything like the same depth of specialist computer knowledge as experts in that field, but most have had the work of their departments radically reorganised and totally different daily work practices established. New deadlines and procedures, new standards necessitated by computerisation have altered most 'line' departments beyond recognition in the last 10 - 15 years. It has been the 'line' departments - those dealing with the mass processes of policy issuing, claims paying and so on - which have been at the forefront of technological innovation. Thus, many middle managers have had to come to terms with a technological revolution over which they had no control but the consequences of which they have had to cope with.

There appear therefore to be many reasons both for the emergence of a collective identity among the broad band of middle managers and also the persistence of traditional values which inhibits its expression in any radical form. A study of management unionisation in eleven countries in Western Europe (EAPM, 1979) has come to various interesting, though tentative, conclusions about the forces

conducive to the formation of managerial unions, and it is worth citing them in some detail. It was found that:

- there was little direct relationship between the density of management unionisation and overall union density;
- good national economic performance (leading to high standards of living) militated against management unionisation, but poor performance did not necessarily encourage it;
- some form of national consultative arrangements in the sphere of incomes (employers' organisation/unions or government/unions/employers) encouraged management unionisation, but the performance of the arrangements was more important than their power;
- legal regulation of industrial relations (particularly in the spheres of union organisation and recognition, employee participation in decision-making, and job protection) acted as an incentive to managers to form and join their own unions;
- managers were reluctant to join unions which professed an egalitarian philosophy and had direct party political affiliations (presumably because these were bound to be left-wing, although the report does not say so).

The Institute of Personnel Management undertook a survey of British managers as part of the international study, and found that the three main reasons given for joining a management union were:

- collective bargaining;
- more participation in organisational matters;
- a tendency to follow the trend in a company once other managers had started joining a union.

The main reason for not joining was a rejection of the general ethos of unionism and the political convictions with which it is associated, and also the desire to retain individual freedom (associated with a belief in achieving desired ends through promotion).

The reasons for joining a union focussed on matters within the workplace, whereas the focus of emphasis in the reasons for not joining were external to the workplace. The report concludes that "workplace factors are realistically seen to be the motivation for unionisation and that resistance is more ideological", (P.90), and suggests that managers must surrender some form of belief in order to protect their managerial interests in the workplace. This could also be said of many other union members, given the dominant ideology of antagonism to unions, but it is reinforced among managers by the alternative ideology of individualism. However, it could be argued that "the special relationship with the owners of the business which made (managers) especially loyal to the owners' interests" (ibid. P.1) pertains to an ideology which has long since lost its claim to majority adherence. It is a reasonable assumption that the growth in managerial unionism has occurred in the largest organisations, where the ties between employer and employee (including managers) are less close and visible. Possibly, a new 'breed' of manager has grown up which does not subscribe to the allegedly dominant ethic of mutual interest with the employer. Rather than a surrendering of beliefs in order to protect material interests, managers' instrumentalism takes effect in the same way as other employees, i.e. they join unions because they believe that through them they will be able to achieve things that would otherwise be denied them.

Professionals and Trade Unions

It is frequently suggested that the professional ideology prompts an antipathy towards trade unions, and that professional employees have therefore been even more reluctant than other white-collar employees to join unions. It could be argued that professionals have less need of unions because their interests are already adequately protected by their professional associations. This may well be so in some cases (the BMA, for example), but it probably does not apply to the business professions. Only one of the professionals interviewed believed that his association performed the functions of a trade union (by restricting entry to the profession and thus keeping economic pressure on employers and clients). Those who maintained that they had no need

for a union generally gave the reason that their 'market value' sustained good promotion prospects and ready mobility to other employers. Both of these factors are, of course, the result of control on the profession operated by the professional association.

One of the main arguments used to explain professionals' reluctance to join unions is that the pursuit of prestige which accompanies professionalism is hindered by association with trade unions - organisations which are supported mainly by workers in low status occupations. Blum (1971) found among the engineers he studied that a fear of 'contamination' by traditional unions deterred professionals from union membership, and similar ideas run through much of the discussion on the role of professional associations in preserving the status of particular occupations.

However, it has also been suggested that concern to protect status may also have the reverse effect and push professionals towards unions. Kassalow (1966), in a survey of the development of white-collar unionism in the United States, comments that professionals may join unions because they feel their professional status is being infringed by constraints within the employing organisation. This suggests that the conflict between professional values and organisational control that has been referred to earlier may result in a compromise involving loss of professional prestige - a threat to the very core of professionalism.

This suggestion has been corroborated in the findings of a study by Dvorak (1966) of union growth in the engineering profession. He found that union membership increased rapidly during the 1950's when the mass employment of engineers in industry resulted in what was interpreted in the profession as a loss of professional status. Dvorak also suggests that the single most important factor contributing to the unionisation of engineers has been the threat of being engulfed by large bargaining units of production workers. Again, union membership was seen as a means of re-establishing professional identity and status.

However, the effect of status, or the loss of it, on unionisation is too complex to be reduced to a single formula. In some circumstances, unions may be seen as a means of protecting status; in other cases it will be found - as in Prandy (1965) - that status-consciousness militates against union membership.

Professional associations clearly play a vital role in the area of 'prestige manufacture'. Generally speaking, professional associations are seen as being primarily concerned with the continuation of professional ideals, which uphold economic considerations, but they do not normally have a bargaining role like trade unions. An economic impact cannot be avoided because professionalism is derived from a monopoly of knowledge which has utility - and therefore a market value. By restricting the supply of this knowledge (lengthy training periods, low examination pass rates, certification for practice), the professional associations ensure that the market value of their members remains at an acceptable level.

In any event, it is misleading to draw too clear a distinction between prestige and economic goals; claims to prestige are not taken seriously if they are not backed up by economic status (Lansbury, 1974). Professional objectives (i.e. those directly connected with prestige) and economic objectives are often intertwined, and "to allot the first to professional associations and the second to trade unions is to be misled by different formulations of basically similar preoccupations". (Bain et al, 1973, P.74). Nevertheless, whilst agreeing that the protective motive - both towards status and, less directly, money - is important among professional associations, there are strongly-held reservations among professionals about unions. That this could result in a clash of values is shown in a statement issued by the Institute of Civil Engineers when it announced its approval of union membership as a means of improving 'pay and status'. The Institution said that "if a conflict arose between union and institution, then the professional body must come first. In such cases, however, the Institution's president would be prepared to write to the employer to seek his intervention with the union to prevent a conflict of interests."[1]

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[1] Reported in the Financial Times, 17 February 1977.

The concern of professionals for more than money is a theme which runs through much of the literature. Prandy (op. cit.) noted that his engineers were as much concerned with the content of their work as with their salaries and that they wanted their professional associations to become more involved in the employment sphere. There was virtually no support for this among the professionals interviewed in Company A. They appeared to be content with their professional associations' activities as disseminators of information and arbiters of professional standards. There was some support for the involvement of the union (ASTMS) in wider spheres within the Company (other than simply pay and conditions), although not as pronounced as among the non-professionals.

Lansbury (op. cit.), in his study of management services specialists, identified three groups of employees whose attitude towards their union and professional association was associated with their general orientation towards their work:

- 'careerists' (those who intended to stay in their specialism, but move up the organisational hierarchy), emphasised the benefits in their reasons for union membership and emphasised principle or obligation in connection with membership of the professional association;
- 'academic' (those primarily concerned with research either within or outside the employing organisation), supported unions in principle and joined professional associations to pursue specialised interests;
- 'functionaries' (those who saw present specialist jobs as stepping stones to line management) joined unions in order to influence managerial decisions but took an instrumental attitude to professional associations.

Kleingartner (1967) quotes authors writing about professional associations who suggest that the difficulties between professional

associations and unions can be eliminated by a union which is sensitive to the purely professional interests of its constituents. He goes on to dispute the feasibility of this suggestion because it would result in a union which deliberately restricted its own bargaining power, most likely through a refusal to strike. If any one factor is raised to argue against professionals joining unions, it is this question of the strike.

Strikes: the Ideological Deterrent?

In her study of UKAPE,[1] Dickens (1972) comments that "strikes are thought to be prejudicial to the public interest to which the professionals engineer's code bids him have full regard" (P.6). Strikes are the most obvious manifestation of the clash between union values - seen expressed as a power struggle between workers and employer - and the professional ethic of service to clients and a trust relationship with those who depend on the professionals' skill. Not only this, but strikes represent - to those members of the public on the receiving end - trade unions at their most strident expression of the pursuit of self-interest. To emulate unions in this respect would involve professionals in the loss of their claim to be unconcerned with purely extrinsic features of employment.

Conflicting evidence was found in a study of APST[2] by Gill et al (1977). They noted "objectives designed to appeal to the upper echelons of the pay and status hierarchy" (P.50), with little stress put on the ethical anti-strike argument (but note the letter reported in the Financial Times - P.112). APST's objectives were listed as:

- recognition of professional responsibilities;

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[1] United Kingdom Association of Professional Engineers

[2] Association of Professional Scientists and Technologists

- remuneration to reflect members' increasing contribution to society;
- suitable rewards for the attainment of the professional qualification;

with less sensibility than has traditionally been the case about how those objectives could be achieved.

The degrading impact of strikes as perceived by professionals is most astringently expressed by Moore (op. cit.):

> "... the failure of the normal presumption of primary service to clients puts in doubt the claims of professionalism by the groups involved ... If physicians or lawyers or professors choose to withhold services from needful clients to enforce economic demands, one is permitted to compare - that behaviour and their status with, say, plumbers and electricians; the result of such comparison would not be clearly favourable to the superior positon of those who claim professionals' status." (P.206).

Strikes threaten professionals with loss of status in various ways, but they also constitute another conflict - with what 'The Professional Engineer' describes as the "loyalty that professional engineers instinctively feel for their employer" (quoted in Dickens op. cit.). UKAPE maintains that it would rely on 'reasonable behaviour' in its negotiations with employers in order to achieve its objectives, although a veiled threat is issued in the comment that loyalty 'cannot persist indefinitely if loyalty is not offered in return ... It need not always be interpreted in the employer's favour" (ibid. P.7, emphasis in original). As Dickens says, any union, no matter how concerned with professional ethics, must 'deliver the goods' if it is to survive, especially if other unions are waiting to recruit disillusioned members.

This emergence of loyalty to the employer in the face of a strike is interesting when, as we have seen, lack of commitment to the employer has often been deemed to be a more likely problem. Quite possibly, it is in many cases simply a good excuse - a legitimation of the refusal to strike. On the other hand, it is possible that the professional employee, deprived of clients as such, perceives his employer in a client relationship to himself. The basis of professionalism is, after all, the need of the layman for the knowledge and skills that only the professional can supply. If there is no client, then the professional must experience certain difficulties in claiming his traditional status. In many respects, the employer is similar to a client: receiving professional skills for a price and dependent on the professional's ability to perform those skills to the required standard. There are differences, of course, in so far as most employers have far more control over the salary paid than most clients do over the fee, and rarely is there only one professional in an organisation (or recruitable from elsewhere), thus diminishing the power which the professional's knowledge normally gives him over the client.

The professionals in Company A took little interest in union affairs because they felt that there was little it could obtain for them that would not be granted anyway by the employer; they were also more inclined than the non-professionals to give objections to industrial action as the reason for not joining. However, many expressed their sympathy for the non-professionals whom they recognised as being in a much weaker position and at the mercy of the economic sanctions of the employer. Most professionals are powerful enough to obtain their rewards as a result of their control over a scarce resource (professional knowledge); only those employees who do not have this economic advantage have to resort to the final sanction of striking.

Despite all these influences militating against strikes, evidence in Britain in recent years has shown that professionals of almost every description can be persuaded to strike in the end. In his history of the National Union of Teachers, Roy (1969) demonstrated that teachers despite believing that professional people "must display an

impartiality and integrity which is beyond doubt" (P.121) - were prepared to strike to protect their sectional interests. Sectionalism was also noticed by Dickens (op. cit.) in UKAPE's activities because it expressed its willingness to support any political party in any measure that appears to advance the position of engineering in society. The suspicion lurks that professionals are as much motivated by self-interest as other employees, although it is more effectively disguised. After all, status and prestige are rewards the same as money - and if the former result from a commitment to the public good and a service ethic, then professionals are not being exactly disinterested in their adherence to these particular aspects of the professional ethic.

Summary

Perhaps the single most significant area identified in past studies is career prospects, which have been continually noted as a crucial aspect of white-collar employment. It is the possibility of each employee moving up into senior management levels in due course which gives the relationships among organisation members their distinctive emphasis - by all parties - in shared interests and cooperation. It also gives rise to the traditional preference for individual action to increase rewards rather than collective action through a trade union. 'Preference' may be a misleading word as promotion was comparatively easily gained (even if it did need a little patience), and the need for any other route to increased occupational status and rewards was hardly required until fairly recent years.

Any appreciable attack on the career structure will therefore have profound and long-term repercussions on the whole organisational ethos. This concern about promotion is not likely to be restricted to those at the beginning of their careers; many managers are likely to believe that they could and should progress further. Promotion is, in fact, the key aspect of white-collar employees' expectations and a great deal more is dependent on it. With promotion comes the opportunity for more responsibility, more interesting work and the greater use of skills and abilities, all of which have been

valued aspects of white-collar employment. The deskilling of jobs brought about by computerisation, and the loss of discretion and interest as a result, has been compounded by the loss of formal status through reduced promotion prospects. Expectations at all levels are thwarted by the current conditions of office work.

The threats of routinised office procedures have, however, been felt predominantly in the lower and non-professional ranks of companies; many lower-grade clerical jobs are now basically restricted to the servicing of computer processes. It would therefore be expected that significant differences would be shown by the extremes of hierarchical rank in the survey in Company A, with the non-fulfilment of expectations being more sharply felt among the more junior grades.

The deskilling of work and the undermining of the career structure place the traditional employee/employer relationship under stress by challenging the basis of white-collar expectations. Many authors have suggested that such employees can resist onslaughts on their traditional status and expectations only to a certain extent before they turn to collective action in their own defence - individual action having clearly become less effective. That this has already been the case in Company A was indicated by the events leading to the merger of the staff associations with ASTMS.
The survey results should give some insight into the extent to which those at opposite poles of their careers believe themselves to have been deprived of rewards in various areas and the extent to which they expect their union to defend their interests in the future.

There are a number of factors which are likely to inhibit union membership and activity among professional employees. Whilst, as we have seen, their expectations tend to be high, so too are their achievements. Their control over a valuable resource - their professional expertise - ensures that they are well-rewarded with both status and money. Should an employer fail them in either respect, then they have greater mobility than those who have no professional qualifications to trade in the job market, and can move more readily to a more satisfactory job.

All this suggests that the professionals in Company A will have less need for the support of a trade union, although there may be a greater interest among older (and therefore less mobile) personnel. They are more likely than the non-professionals to be sensitive towards anything which makes their status more ambiguous, and trade unions (especially if there is a risk of action against their employer) may well be seen in this light.

CHAPTER 5

UNIONS: CHALLENGE TO MANAGERIAL AUTHORITY

Introduction

The crucial difference between the two companies in this study in the sphere of industrial relations is that Company A recognised ASTMS for collective bargaining in 1970 after the Staff Associations' merger with the union, and a stable relationship has been maintained since that date with union membership currently exceeding 80%. Company B, on the other hand, whilst having had a slowly growing number of ASTMS members since at least 1972, did not grant recognition until April 1979 after a protracted and at times bitter struggle with the union. This latter company therefore offers an excellent opportunity to observe the changes in values and organisational relationships that take place as a union assumes an increasingly significant role within a company.

The survey in Company A provides data to test the hypothesis that a union may be seen by employees as a way of achieving expectations about work content and career prospects which have been thwarted by the increased bureaucratisation of work. To do this, a union would have to attain involvement in rule-making in areas which have traditionally been regarded as the sole prerogative of management. It could be predicted that management would thoroughly resist any such initiative by a union as a threat to its authority over its employees.

The second study of the thesis concerns the way in which the management of Company B endeavoured to minimise the impact of ASTMS on managerial authority and decision-making. To do this, management had to retain as much control as possible over events because every facility and concession granted to the union en route to recognition operates on a sort of 'ratchet' principle - once granted, it becomes very difficult to return to an earlier position. From the management

point of view, therefore, every step has to be carefully considered and timed in order to consolidate its advantage over the union and maintain clear authority over the employees of the company.

Union Institutionalisation

The decreasing resistance of white-collar employees to trade unions has been attributed, at least in part, to union institutionalisation in modern industrial society. For example, Ruth Kornhauser (1961) states that "under certain conditions, unions become institutionalised; that is, they are accepted as legitimate participants in industrial rule-making" (P.51). She indicates that this leads to the situation where "conformity tends to become obligatory" and union membership is no longer restricted to those with especially favourable attitudes towards trade unions. However, she offers little explanation for the dynamics of union institutionalisation, although implying that it has its roots in the working conditions of manual labour with non-manual membership rates varying jointly, influenced by the strength of manual unions.

What is frequently meant by institutionalisation in the literature is an acceptance of unions as a permanent facet of industrial life. In the wider social and political context, unions have become institutionalised in the sense that their national leadership is now consulted and accepted as a legitimate voice in national economic policy-making. Unions are also represented in many quasi-governmental industrial bodies. This process has developed erratically for many years, with the gains made during favourable administrations and war-years subsequently lost. The 'sixties and 'seventies saw trade union involvement in government-level policy-making extensively increased, although that has received a set-back recently. It does seem unlikely, though, that the union voice will go unheard in the future - even if regularly ignored.

However, institutionalisation for our purposes is a process confined primarily to one organisation, in this case Company B, although union

activities in one company may well have an indirect affect on activity in another. To place this in the context of the insurance industry, it seems entirely feasible that employees in other companies were influenced by early union achievements in those few companies (e.g. Company A) which first granted recognition in the early 'seventies. Negotiating successes were certainly used by ASTMS in their recruitment campaigns in Company B as an enticement to membership. So while formal authority and legitimation had been achieved by recognition in only three of the major companies by the end of 1972, the consequence of that could have affected the perception of employees, as they made their decisions about union membership, in other companies in the industry.

Institutionalisation is, to quote Perrow (1972) "the process of organic growth, wherein the organisation adapts to the strivings of internal groups and the values of external society" (P.190). The union aims to participate in the company's decision-making processes and develop procedures for bringing the demands and activities of its members within the framework of established relations between employer and employees. In other words, the union must gain access to the bureaucratic rule-making process if it is to succeed in putting forward the interests of its members against those of management. This is what it achieves in some limited sense when it is recognised for collective bargaining. What is more difficult to achieve (and certainly does not seem to have been tackled by the unions in insurance companies) is being in a position to regulate on the matters to which rules shall apply (e.g. salaries or job design), and framing procedural rules for such subtantive rule-making. In this area, management's authority is virtually unchallenged.

The union's work starts much earlier than recognition, when it gains the acceptance of the first employee, and decision-making by individuals on membership becomes part of the process of changing norms within the organisation. Blau (1964) refers to institutionalisation as "the emergence of social mechanisms through which social values and norms, organising principles, and knowledge and skills are transmitted ..." (P.26). It is a continuous process of the

crystallisation of predominant norms and values, which serve to legitimate changing patterns of behaviour. In due course, actions which had originally been statements of personal motives by the individual actor become part of the institutional framework; that is, they become 'objective' and potentially repeatable by other actors without changing the commonly-held understanding of that act, rather than part of an individual's 'subjective world'. Therefore for example, the actions of the first few union members can really only be understood in the light of those individuals' personal circumstances and motivations: when there are several hundred members, each individual is less important as an explanatory factor in the phenomenon and the institutional setting achieves greater significance.

As the values and behaviour associated with union membership become more extensively shared among employees, pressure develops for association with the established channels of authority and the formalisation of procedure. In Company B, this can be seen in the way in which constant attempts were made by the union to establish formal recognition of various facilities (e.g. use of noticeboards, meetings on company premises, distribution of literature in the office) which were originally granted on a discretionary basis, and viewed by management as privileges rather than rights. Similarly, the Staff Association constantly tried to obtain facilities corresponding to those granted to ASTMS. Management controlled this situation by establishing minimum levels of membership to be achieved before facilities would be granted. This also constrained management, of course, who were then obliged to comply with their own rules when such membership levels were reached.

When the decision was made to grant facilities (depending on the level of support in each office), legitimacy was bestowed by management on union activities. But by increasing the formalisation of union activities in this way and applying certain rules of procedure to them, management gained some control over behaviour from which they had previously been excluded. Union activities were originally conducted only in non-working hours away from office premises, and communications relied much more on word of mouth and irregular memoranda. By granting

formal facilities, management increased their level of knowledge of the situation and therefore their control over it; the union challenge to managerial authority was made more visible and therefore easier to cope with. It had in effect been brought within the scope of managerially-determined bureaucratisation.

ASTMS also tried for some time during 1976/7 to obtain management's agreement to the enshrinement of all existing facilities in a formal document. This, however, was constantly refused; such agreement would have effectively annulled management's right, as they perceived it, to rescind the 'privileges'. In other words, it would have become a matter of joint determination rather than solely that of management. All along, then, the union's interface with the organisation was bureaucratised by management and rational criteria established for the formal role to be played by the union. The union was basically subject to bureaucratic rule-making, rather than being a part of it, although this is not to dispute that it was also a beneficiary.

As the union's role in the organisation was more formalised, it became part of the bureaucratic structure. But the union is not only subject to organisationally-imposed rules - it intends also to assume a role in the rule-making process. This process does, however, have certain consequences which are not intended and which serve to inhibit members' involvement in union activity. Authority within the union tends to become concentrated in a few people - those connected with the organisation decision-making - whereas the behaviour of the majority of the members is constrained by the outcome of the rule-making procedures as in any other bureaucratic process. Union activities tend to become as impersonalised as other aspects of bureaucratic organisation, with the majority of members participating very little in matters of general importance to the membership.

Flanders suggests that the primary objective of a union in obtaining recognition and engaging in collective bargaining is to become part of the formal authority structure and to share in rule-making previously restricted to management alone (1975). However, this is restricted after recognition in insurance companies to such areas as pay and

conditions of service, although the union may attempt to extend its influence further. At present, it remains far short of the 'job regulation' suggested by Flanders (op.cit.P.221). In Company B, management was very anxious to ensure that the most crucial areas of their prerogative, e.g. working methods, were excluded from the procedural agreement which detailed ASTMS' bargaining rights. However, the union is not in a position before recognition to offer any immediate rewards to its members, even those rewards which are often assumed to be most desired by union members, i.e. negotiated higher pay, and which are often accepted by management as legitimate bargaining areas. The union inability to provide these rewards therefore retards the development of its own authority as a legitimate representative of employees in bargaining with management.

This can again be illustrated by events in Company B. By 1976, management was concerned that union membership remained comparatively low and wanted it to be increased, preferably to an appreciable majority, before recognition was granted. The union, on the other hand, argued that people would only be interested in joining after the union had been recognised for collective bargaining and was in a position to negotiate on terms and conditions of service. That is, until the union was able to offer some 'rewards' for the required behaviour (taking out union membership), then that behaviour could not be expected to occur. And, in turn, the rewards would not be offered until the union was legitimated by the achievement of organisational authority.

Managerial Authority

In Weber's concept of legal/rational authority, legitimacy is claimed from obedience to an established impersonal hierarchy of positions within an organisation, and the allocation of spheres of responsibility to office-holders. Authority results from the compliance of organisation members to group norms rather than the coercive power of one particular individual or group (e.g. management). Blau (op. cit.)

states that the "distinctive feature of authority is that social norms accepted and enforced by the collectivity of subordinates constrain its individual members to comply with the directives of a superior" (P.200). So certain people in an organisation have authority because shared values result in a distribution of rights and duties according to hierarchical status.

However, authority may be diminished, or is at least threatened, if the expression of it is challenged by those subject to it. Legitimacy means that the authority of others is accepted as a right by those subject to it, and therefore any challenge to it indicates that that right is in question. For example, management's authority over one aspect of remuneration in Company B - the house purchase scheme (see Appendix F) - was challenged by employees. The legitimacy of management's proposals to reduce the value of the scheme was widely questioned, because existing arrangements had been unaltered for so long that they had acquired the status of a right to employees.

The greatest danger from management's point of view in this instance was that the union would recognise - as indeed it did - the weakening (however temporary) of managerial authority over their employees on issues such as this, and use it to their own advantage. Whereas the crisis for management would not necessarily last for long (although in fact the aftermath of the mortgage issue lingered for years), the increased authority of the union would not correspondingly diminish. This does not mean, however, that people within the organisation must make a fundamental choice between union and management. What happens is a shift in values to allow an accommodation by individuals of a new expression of authority over employees (the union) so that management's authority must be constantly reaffirmed and the extent of it renegotiated in its dealing with employees and union officials.

Blau suggests that the "sanctioning power of management which rests on the organisation's resources ... enable it to provide recurrent rewards to its members (which will) greatly facilitate the individual manager's task of winning his subordinates' legitmating approval

of his authority" (op. cit. P.222). That is, because managers' authority enables them to grant rewards (e.g. promotion, pay rises) to subordinates, this reinforces their subordinates' acceptance of or, at least, acquiescence in their authority. Thus, whilst management continues to 'deliver the goods' in terms of salaries and career prospects etc., employees will not dispute their authority. When the management side of the bargain is seen as failing, or threatens to fail, so employees (regardless of whether they are unionised) less readily accept managerial interpretations of the situation. The fundamental basis of managerial authority is not so readily challenged because of deeply rooted social values, but merely its expression in one particular sphere, e.g. remuneration, at one particular time.

Indeed, the challenge to managerial authority apparently represented by union membership and activity can be over-estimated. For example, in the instance of Company B's house purchase scheme (see Appendix H), it would perhaps be more accurate to say that employees believed that they had a right to dispute management's decision, rather than that management had no right to make that decision in the first place. The legitimacy of authority does not bind the office-holders to an absolute position on all issues (of superiority and subordination) but allows some discretion; parameters exist for decision-making and challenges occur within those parameters. The fundamental right to make those decisions is rarely challenged because the values underpinning the employee/employer relationship are so internalised in our society. It is the limits of discretion that must be negotiated and fought for by management (and union), either through some formal means (e.g. collective bargaining) or by more informal judgments about employee reactions and cooperation, in order to retain or gain authority over employees. Management and union become engaged in constant attempts to swing the balance of power further in their own favour.

However, union membership does imply the acceptance (or at least the passive reception) of certain values at odds with the traditional and authoritarian perception of the employer/employee relationship. As these values become more commonly accepted among organisation members,

so pressures for change will emerge, affecting all aspects of organisational behaviour and the authority with which it is supported. This is not simply an inexorable transition from one set of values to another with no accommodation of dissidence. It is more a precarious and compromising process, usually with various groups within the organisation fighting to ensure the continued existence and preferably dominance of their preferred norms of behaviour. In Company B, this is illustrated by the Staff Association which represented a number of employees with certain values in opposition to those of the union members. In the end, though, it was management that finally ended the Staff Association's aspirations, even though the personally-held views of management and Staff Association members were much more congruent with each other than with ASTMS.

By eventually abandoning the Staff Association, management was freed to shore up its authority by its negotiations with ASTMS. The union would clearly continue to challenge management's authority in every way it could, and these challenges threatened that authority if supported by employees. By formally recognising the union's role in the organisation and sharing certain decisions with it, management in fact preserved its authority and made its legitimacy easier to sustain. The union challenge was limited and channelled into mutually agreed spheres, and rules for the operation of the relationship were established in the procedural agreement. Management were, incidentally, convinced that the union would break these rules at every possible opportunity, which is probably a misjudgment given the union's need to maintain the legitimacy of its own authority by acting in accordance with the values of its membership - which would include keeping the rules. When the union was finally recognised by management for collective bargaining, it undoubtedly achieved an increased legitimacy in the eyes of employees, especially being the 'middle class' professional employees who identify with management on ideological grounds.

CHAPTER 6

THE RECOGNITION OF ASTMS

Introduction

This Chapter provides a comparison of the process by which ASTMS was recognised in both Companies. Whilst this occurred in Company A in 1970 after a series of circumstances led to the staff association and union merger, it was only eventually achieved in Company B in 1979 after a lengthy struggle by the union. Because of the time that has passed since recognition in Company A, it has not been possible to provide a detailed description or analysis of events, although the main factors are highlighted in the following section. The study of union recognition in Company B is far more detailed, for reasons partly to do with its later occurrence, and provides a good opportunity to observe the ways in which the management attempted to preserve their authority against erosion by the union.

Despite the dissimilarities in the procedure by which union recognition was achieved in the two companies, the organisational background is much the same in each. The experience of rationalisation and the impact of computerisation had upset employee expectations especially concerning career prospects. However, the manner in which these changes were implemented and the handling of other issues by the managements of each company affected the collective reactions of the employees. Some other factors (considered briefly in the conclusions to this chapter and discussed in more detail in Chapter 8) were also influential, of which the concentration of staff into varying numbers of administrative centres was probably the most important.

The Recognition of ASTMS in Company A

The Company's staff had been represented since the 1920's by three staff associations, (Chief Office male staff, C.O. female staff and Divisional Office staff) which formed a Liaison Committee after World War II to consider items of mutual interest. This committee had access to the Company's senior management, but did not have formal negotiating rights; management retained the right to refuse to accede to any request without further consultation with the committee. Major pay issues were dealt with by ad hoc committees.

A consultative system was developed in 1960 which involved the formation of the Office Staff Joint Committee. The staff associations' Liaison Committee elected five representatives to the Joint Committee to meet management approximately once a quarter, with the use of ad hoc committees being retained for the more important issues such as pay. This system, which certainly involved a more openly acknowledged element of negotiation than previously, continued for a decade, although evidence of widespread apathy among the staff associations' membership put a brake on any power they might have developed.

Towards the end of the 'sixties, the need for change was emphasised by various factors, some pertinent to white-collar and professional employees generally, and others relating specifically to the staff of this company. The major factor in the first category was the national economic climate and particularly the series of incomes policies which restricted salary increases. Company A employees received increases of 2.5% - 3%, but were able to see the strong manual unions override the incomes policies and gain increases of twice that size and more. This caused discontent in the company,

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Acknowledgement: The data for this section have been drawn largely from a paper prepared in 1973 by N J Mortimer, at that time a member of the Company's personnel department.

as it did among many traditionally highly-paid white-collar groups who saw their earnings differentials being eroded.

In 1969, the feeling emerged during a protracted struggle over a pay offer that the staff associations were inherently unable to act effectively against management in such negotiations. Members of the Liaison Committee, who visited the Department of Employment and Productivity for advice during the dispute, returned feeling that they had not been taken seriously because they were 'only staff associations'. Despite this, morale and interest among the membership rose to an all-time high. The possibility of union representation began to be discussed.

Three main events, internal to the company, increased the unsettled feelings among the staff. All of these caused insecurity and an alienation from the top management. In 1968, job evaluation was introduced with inadequate prior explanation and the lack of information created an air of suspicion among the staff. The following year, the staffs' apprehension was compounded by the introduction of clerical work measurement with the aid of a firm of management consultants. The declared intention of this exercise was to reduce the company's office staff by 25%; the virtual lack of any other detailed information caused considerable anxiety about job security. Finally, at about the same time, the company's computerisation programme got into full swing and this brought to the surface further fears of redundancy and unappetising changes in job content.

All in all, then, the late 'sixties brought a battery of problems for the staff associations to cope with, and an increasing awareness of their inability to do so effectively. The fact that top management was able to introduce radical new working methods without consultation highlighted the weakness of the 'gentlemen's agreement' formula of negotiation between staff associations and management.

In the light of these realisations, a sub-committee of the Chief Office male staff association (the leading force of the three) was formed in February 1969 to consider alternative courses of action.

The possibility of strengthening the existing staff association structure by increased funding and the appointment of a full-time General Secretary was mooted, but this was rejected by management despite being offered the prerogative of nominating the candidates for the full-time post.

The source of the needed extra strength for staff representation would therefore have to be some organisation external to the company. There were three possibilities - the Guild of Insurance Officers (GIO), the National Union of Insurance Workers (NUIW) and ASTMS. The first of these, the GIO, had little to recommend it. It had a reputation for being left-wing, although this cannot have been a major stumbling block as ASTMS, the eventual choice, did not exactly hide its own left-wing political tendencies. More importantly, then, the GIO had failed to prove in over 50 years of existence that it could be an effective organisation for championing employees' rights and interests. It seemed unlikely that the staff would support a transfer to such an obviously weak body at a time when they needed a determined advocate. The GIO was therefore ruled out.

The NUIW was a more likely choice and was favoured by several of the committee. It had represented the company's field staff for some years, and therefore offered the prospect of a unified front against management. However, there were several major drawbacks which eventually caused its rejection. There was the fear that the interests of the office staff would be subordinated to those of the numerically superior field staff. In addition, the union had concentrated on the representation of the lower-paid and lower status members of the field staff; there was little evidence that it could adequately protect the interests of the more senior members. And in any event, it had little in the way of recent negotiating success with which to impress the staff associations.

Their eyes therefore turned to ASTMS. The image of the union - militant and somewhat elitist in its championing of the special interests of white-collar employees - accorded well with the mood of the staff. It offered strength in the form of a broadly-based

organisation with considerable expertise and experience, but was also prepared to grant an unusual degree of autonomy to the 'Company A Section', should it materialise. No doubt it was the concessions of 'self-government' which eventually overcame the reservations of the members of the committee who were basically opposed to mainstream trade unionism. To ASTMS, just turning its attention to the finance sector, the prospect of sudden substantial membership in the country's largest insurance company must have seemed an extraordinarily exciting prospect.

The committee finally agreed on ASTMS and their task became the persuasion of the staff to the same choice. This was made easier by the fact that during the preliminary discussions about representation, management had made the pay offer referred to earlier and which had caused widespread dissatisfaction among employees. ASTMS were, in the end, given the opportunity to sell themselves at mass meetings held in the theatre in the London Head Office. The first was for the C.O. male staff and attracted a capacity audience of 1,500. Clive Jenkins, General Secretary of ASTMS, addressed the meeting and quickly calmed the fears of those who were mistrustful of his colourful and aggressive personality. No doubt he had little difficulty in telling them what he knew they wanted to hear. At the end of the meeting, the motion that a ballot be held for transference to ASTMS was passed almost unanimously.

The second meeting was for C.O. female staff, although there was by this time a feeling that the male staff had, by their vote, already decided on the holding of the ballot. As it happened, Clive Jenkins could have caused a backlash among the women voters by turning up very late for their meeting. I recall sitting in the theatre and sharing the sentiments of the hundreds of other women around me - he wouldn't have dared be this late for the men! In the end, we forgave him and also voted overwhelmingly for the ballot.

It is worth pointing out that during all the disturbance caused by the organisation of the mass meetings, there was no sign of any obstruction (or indeed, life) from management.

The preparations and publicity for the ballot began. There were to be three separate votes for the membership of each of the three staff associations. On the Friday before the first vote, employees arrived at work to find on each desk a circular from management detailing a pay increase of 10% - extremely large by the standards of the day. There was no explanation and the offer was totally unexpected. The circulars were read with incredulity and more than a certain amount of derision. The general feeling - at least among the people with whom I was working - was that it was a last minute attempt to 'buy off' the staff before the ballot and dreamed up, we assumed, at the weekly Board meeting held the previous afternoon. The chances of the staff rejecting ASTMS in the ballot plummetted.

The staff associations were taking no chances however. After the weekend, staff returned to work to find another circular on their desks, this time arguing that the 10% pay increase (which had been immediately accepted by the associations) was intended as a bribe and was an insult to the intelligence of the employees. In the ballot later that week, the members of all three staff associations voted overwhelmingly for a transfer to ASTMS. The poll was very high, with 88.4% of the C.O. male staff, 76.3% C.O. female staff and 91.5% Divisional Office staff having voted. The percentages of voters in favour was 91.3%, 83.8% and 93.9% respectively.

The date was May 1970. The procedural agreement between the union and the company (management having agreed to recognise ASTMS for collective bargaining after the ballot) was negotiated during the succeeding few months and signed in August that year.

THE RECOGNITION OF ASTMS IN COMPANY B

Introduction

The study in Company B was conducted during the months January to May 1979, which included the eventual recognition of ASTMS in April of that year. The primary source of information was the very comprehensive file of documents relating to union and staff association activities which had been maintained by the Personnel Department. This procedure was instigated by the (then)Assistant General Manager (Personnel) shortly after his appointment to that post at about the time (1974) it became clear that ASTMS was going to begin a sustained attempt to gain recognition for collective bargaining in the Company.

This file contained reports prepared for senior management and the Board on various issues relating to ASTMS' and staff association activity; reports of conversations and telephone calls with anyone connected in or outside the Company with either the union or the staff association, and also details of the current rumours. It also contained copies of official circulars from management to staff and copies of ASTMS and staff association literature which had been generally released. The information contained in the file therefore represented a management perspective of events on the whole; this is inherent in the narrative of the case-study which constitutes the second empirical contribution to this thesis. Wherever possible, quotations have been made from relevant documents; where it is considered essential for their correct interpretation the exact nature of the source has been stated. Other unattributed quotations have been taken from the various management documents and memoranda, and their general source should be obvious from the context.

Apart from being able to gain my own opinions by watching events that went on around me as I worked in the Personnel Department and talked with the staff there, I was also able to have extensive interviews with about a dozen key members of the Personnel management. These included the General Manager (Administration) - previously Assistant General Manager (Personnel); Personnel Managers at the Hove, Kingswood and Temple Court head offices; the Chairman of the management team involved in the negotiation of the procedural agreement and the manager responsible for much of the work which led to the introduction of the Consultative System. Again, they obviously reflected a primarily management viewpoint, but gave valuable personal interpretations and also helped throw light on the different styles of working life in the various offices.

The report which follows is a study of management's response to an apparent challenge to its authority - an external agent wishing to become involved in internal decision-making. Only gradually over five years did the union achieve the status of legitimate representative of the company's employees, and during this time management worked to lessen the impact of this threat to its control of the Company and its employees. The final recognition of ASTMS can be seen as an accommodation of this threat, the boundaries of which will have to be constantly renegotiated in the future.

Chronology

1971	August	-	Consultative System established
1974	November	-	ASTMS claims sole bargaining rights
1975	June	-	Staff Association formed
	July	-	Referendum on recognition of ASTMS
1976	February	-	ASTMS' Section II reference submitted to ACAS
	March	-	ASTMS granted certificate of independence
1977	April	-	Staff Association High Court case
	August	-	ACAS survey
1978	February	-	First ACAS draft report
	March	-	Staff Association granted certificate of independence
	May	-	ASTMS informed recognition will be granted, subject to certain provisos
	June	-	ASTMS' management sponsored recruitment campaign begins
	June	-	Staff Association Section II reference submitted to ACAS
	September	-	ASTMS/Company procedural agreement negotiated
	November	-	Staff Association changes Section II reference to claim for joint bargaining rights with ASTMS
1979	January	-	ACAS refuse to proceed with Staff Association reference
	February	-	Second ACAS draft report
	Febraury	-	Company's Board decides to recognise ASTMS
	March	-	ASTMS/Company procedural agreement signed
	April	-	First Joint Consultative and Negotiating Committee meeting.

ASTMS' Claim for Sole Bargaining Rights: The Referendum

(November 1974 to July 1975)

The Staff Consultative System had been created in 1971 in Company B as a result of management's awareness that staff wanted greater involvement in decision-making about matters which affected them (see Appendix E). The years immediately following this had then seen a number of major issues - relocation, the house purchase scheme, redundancy and early retirement (see Appendix F) - in which the interests of the staff had been represented by their delegates to the Staff Consultative Council (SCC). It was against this background that ASTMS began to emerge in the Company as a force to be reckoned with.

Towards the end of 1974, ASTMS membership began to increase, particularly at the Kingswood office and was claimed by the union to be several hundreds (see Appendix G). In November 1974, ASTMS submitted a request for sole bargaining rights within the Company; this was rejected but management agreed that the time was right for a 'debate' about employee relations to obtain the views of the staff. Opinion crystallised in favour of a formal survey or referendum - for management's benefit, but the results also to be available to ASTMS.

In October 1974, a report was issued by a study group which had been set up by management to examine all aspects of the Staff Consultative System and to take into account possible future developments. The report recommended the transition from consultation to negotiation, with the formation of a staff association to facilitate this. This advice was based on the conclusion that the consultative system had lost its impact and that staff wanted to be more involved in all decisions concerning their jobs. The rising ASTMS membership was seen as an indication of "the increasing distrust of the Consultative System", but negotiation through an external trade union was rejected by the study group on grounds of militancy and a distrust of union power - and the fear of an adverse reaction from management. A staff association, on the other hand, would have a detailed knowledge of the Company and possibly a more harmonious relationship with management.

It was conceded, however, that a staff association (introducing a major future consideration) posed the problem of multi-unionism. ASTMS could not be expected to simply give up and go away if a staff association was formed.

In February 1975, a report from City University Business School offered contrary advice. This report had been commissioned by management and was based on a study of the consultative system and extensive interviews with managers and those involved with the SCC. This report also offered the conclusion that the consultative system was not functioning satisfactorily and recommended certain changes. It did, however, suggest that a staff association was not a viable proposition at that time, mainly because of an apparent general lack of support for the idea.

There are indications that among senior management the SCC study group report - with its recommendations of a staff association - struck a welcome note. However, opinion in the employee relations team was to "agree ... that at this stage an independent staff association is not a viable alternative". It is clear, though, that from the beginning of the 'debate', a staff association was seen as a possibility for the future.

ASTMS wanted to refer the proposed survey to ACAS; management did not. Instead, the advice of the Industrial Society was sought and discussion began to centre around whether staff should be asked a straightforward question about ASTMS' claim for recognition. To begin with, management was not in favour of a 'YES/NO to ASTMS' ballot as it "might have the effect of eliminating a staff association from the list of possibilities". However, as the Industrial Society pointed out, if a staff association was mentioned in the referendum, staff would be voting for something which did not even exist. By April, management was coming round to the idea that a straight 'YES/NO' ballot would afford the "best opportunity of demonstrating an anti-ASTMS attitude amongst staff", hoping that this would provide the "definitive answer from the Company to the ASTMS claim".

In March, management had proposed that a tripartite committee to plan the survey should be established with representatives of management, the SCC and ASTMS. ASTMS objected to the presence of the SCC and refused to take part. The Assistant General Manager (Personnel) suspected that ASTMS was indulging in delaying tactics in view of impending legislation (the Employment Protection Act) which could be used to further their cause. However, some progress was made until management decided to insist on a minimum poll of 70% before a positive vote would be given effect, a 'YES/NO to ASTMS' ballot having been agreed by this time.

By May, management had agreed to recommend that ASTMS should be recognised if 51% of all staff voted in their favour. This was then amended to recognition if 51% of those voting were in favour, with the proviso that there must be a minimum poll of 70%; if the poll was less than 70% (and 51% of those voting were in favour) then recognition would be recommended when actual membership reached 40%. This somewhat complex plan was designed to prevent ASTMS achieving recognition as a result of the apathy of the staff rather than a majority of positive support. The management view was "that in order to implement a change in the system of staff representation, it had to be demonstrated that a majority of the staff wanted such a change". It was also noted that ASTMS' comparatively low membership was an obstacle to recognition - "if ASTMS membership were sufficient, it (the Company) would recognise ASTMS and the SCC would be relegated to 'tea and biscuits'," said the AGM (Personnel).

ASTMS refused to accept any proviso about minimum polls and wanted agreement that they would be recognised if they achieved 51% of the poll, not the electorate. In the middle of May, the question was referred jointly by management and the union to ACAS, the AGM (Personnel) stressing that he was prepared to accept independent advice that it was unreasonable to insist on 51% of the electorate. In due course, ACAS advised management that "it was common practice for ballots on the question of trade union recognition to be determined on the basis of a 'simple majority of those voting'".

In accordance with their undertaking, management then recommended to the Board that negotiating rights should be granted to ASTMS if 51% of those voting in the referendum were in favour.

The referendum was set for 8 July 1975, and the scope of the debate was widened in the preceding few weeks to enable all the Company's staff to express their views. The Company's policy remained one of overt neutrality on the part of management - "the question of representation of staff must be resolved by the choice of the staff themselves". Whilst management used the term 'neutrality' to describe their role in the debate, they were not without either the opportunity or the intention to influence the longer-term course of events. There can be no doubt that it was a sincere tenet of management philosophy that each employee had an unchallengeable right to join or not to join a trade union, and that any individual who chose to join would not be disadvantaged within the Company as a consequence. However, an identifiable policy on trade union membership among the staff was actively pursued. The AGM (Personnel), referring back to the mortgage issue in 1974 (see Appendix I), commented in April 1975 that "management policy has been to contain, as far as possible, escalation in numbers of ASTMS members by not stimulating issues which might be used as controversial debating points". This point was reiterated by the General Manager (Administration) in a Board paper the following month. Management neutrality, then, was limited to non-intervention in staff decisions on specific issues (e.g. the 1975 referendum), but a more general policy of discouraging union membership influenced management strategy in a broader context.

Whilst management remained 'neutral', all other sections of the staff were encouraged to form opinions on the subject of ASTMS' claim for recognition. The monthly Company staff newspaper contained many letters on the subject in the issue before the referendum and a variety of articles giving all possible views on the subject. ASTMS issued circulars and held meetings under special arrangements granted on a 'one-off' basis. The role of the SCC and those holding office within the consultative system remained a contentious issue. Management had undertaken to ensure that literature emanating from the SCC

or staff delegates would not contain anti-ASTMS material; any such view could only be expressed by an employee exercising his right as an individual member of staff and not in an official capacity within the consultative system. However, management's undertaking proved to be difficult to enforce - and it is not entirely clear how hard they tried.

On 30 June, a broadsheet called DARN (Delegates' and Representatives' News) reviewed both ASTMS and a newly formed staff association and came down in favour of the latter. By 7 July, the authors had obviously been fired by the heat of the debate; staff were warned that if they voted 'YES to ASTMS', "never again in your lifetime will you have a choice on the method of staff representation" in the Company, whereas a 'NO' vote meant that "a whole range of options remain open to be developed into a tailor-made system". A positively desperate note was sounded in a 'NO to ASTMS' bulletin, "produced and financed entirely independent (sic) of Company facilities" on behalf of staff delegates. Amongst the horrors that awaited staff if ASTMS achieved recognition were a "hardening of attitudes of management", "confrontation instead of consultation", "embroilment in political issues" and, of course, the closed shop.

Needless to say, ASTMS' opinion of the SCC sank to a new low. The union's own campaign concentrated on emphasising that the "working middle class have fallen behind other employees" and that "their skills and responsibilities are undervalued and underprivileged". The theme was developed by pointing to the success of ASTMS in negotiations on behalf of employees in other companies. Attempts were made to allay fears about the closed shop by assuring staff that it would only be introduced if members wanted it - and it was acknowledged that this was a very remote possibility. Indeed, considerable pains were taken to stress the democratic nature of the union's structure and the autonomy of each company unit.

Management, at least, were not impressed by ASTMS' campaign, opining that "the posturings of the union, and more particularly its General Secretary, were not acceptable to the majority of staff". There is

no reason to doubt that they were right.

In the event, a very high poll - 90% - was achieved, indicating that the debate had stimulated a considerable degree of interest in the issue of staff representation. In response to a question asking whether staff wanted ASTMS to be granted sole bargaining rights:

1,976 (41%) voted YES
2,805 (59%) voted NO

ASTMS was consequently advised that, having failed to achieve 51% of the vote, they would not be granted recognition.

Formation of the Staff Association

(June 1975 to February 1976)

As early as April 1975, management were aware that at least two members of staff were willing to establish themselves as Chairman of a staff association, but were at that time unable to obtain sufficient support. This support obviously materialised during the ensuing few months - or was believed to be developing - because on 12 June a meeting was held between management and those who had formed the Staff Association. These included Paul Nicolson of the Confederation of Office Employees who had been appointed a General Secretary of the Association. An understanding was immediately forthcoming between management and the Staff Association regarding the relationship between the two parties. At this initial meeting, the AGM (Personnel) made the point that "management would have to be extremely cautious concerning the giving of facilities, in order to avoid any impression that the staff association had been formed by management". This appears to have been quite acceptable to those concerned.

The staff association quickly took an active part in the debate; it was clearly opposed to ASTMS but also wanted to proceed beyond the limitations of the consultative system. It affirmed this in its

first bulletin issued on 13 June: "The Staff Association does not believe that it is the wish of the majority to be represented by ASTMS, although it does believe that a majority of staff wish to have negotiations with management in preference to consultation". This same bulletin informed staff that "firm and constructive, rather than militant, relationships with the Employer", were sought. In advising middle management of the formation of the Staff Association, the AGM (Personnel) commented that it "seems to have been formed with the objective, on the short term, of debating the middle ground between a consultative arrangement and an independent Trade Union like ASTMS". On the long term, its objectives were somewhat obscure.

The contribution of the staff association to the referendum debate was a strident anti-ASTMS campaign, with a certain hesitancy concerning its own role in employee relations. It had little choice in the tactics it could adopt before the referendum as it had been formed too late to be offered as an alternative to the union; only by encouraging a majority of the staff to vote against ASTMS could it keep open the possibility of a viable future for itself. It attempted to challenge the basis of the referendum by asserting that the criterion for recognition should be membership and not support in a ballot, but the AGM (Personnel) advised that such action would not conform with standard practice, and also commented that "management has the duty to take into account the wishes of all staff while a Union or a Staff Association has a duty to take into account only the wishes of its own members".

It is impossible to assess accurately what effect the formation of the staff association had on the outcome of the referendum. It certainly attracted support from those closely involved with the consultative system but the actual membership did not encompass more than a very small proportion of the staff at the time of the referendum. It would hardly have attracted the support (i.e. induced a 'NO' vote) of many who would have voted 'YES' to ASTMS if the staff association had not been formed - an antipathy towards ASTMS would generally have outweighed a desire for a move towards collective bargaining amongst those people who emerged as supporters of the staff association and they would have voted 'NO' in any case. A reasonable

conclusion, therefore, seems to be that the staff association had only a negligible effect on the outcome of the referendum, although it did represent the possibility of an alternative to ASTMS.

However, the staff association was not merely concerned with opposing ASTMS in the referendum, and the AGM (Personnel) was warned shortly after its formation that it would consider seeking recognition through the procedures to be established under the Employment Protection Act. Clearly the staff association at that stage wished to achieve recognition itself and not just prevent ASTMS from doing so, although a hint of hypocrisy crept into a newsletter in August which warned staff that ASTMS "would not take no for an answer" - it would actually take advantage of legislation to achieve its amibitions!

The understanding between staff association officials and management regarding facilities came under a certain strain almost immediately. The distribution of leaflets and a meeting on Company premises with an external speaker elicited a gentle slap on the wrist from management. The association was informed by the AGM (Personnel) that "management cannot support a liberal interpretation of staff regulations (by the frequent granting of such facilities) in order to assist in any way the development of the staff association". A request for fairly extensive facilities at Kingswood following immediately on this rebuff was quashed on the grounds that it was not merited by the known support in terms of membership. However, such admonitions were given much more in sorrow than in anger as management had the interests of the association at heart - "it is in the interests of the staff association that management do not act in any way which might prejudice the independent status of the association". The granting of faciiities to the association on a location basis as justified by membership (in exactly the same manner as ASTMS had been granted facilities) was seen as the "only way to be fair to all parties concerned while allowing the staff association to present itself as a body independent of management". There could "be no suggestion of dependence on management if it can be shown that the staff association has been given only what ASTMS themselves received in similar circumstances".

There were two factors which caused management's determination not to jeopardise the independence of the staff association. There was certainly a desire to prevent any opportunity for ASTMS, or any other party, to use seemingly partisan activities of management as ammunition to destroy the credibility of the staff association as a potentially effective bargaining agent. Secondly, and of overriding importance, was the need for the staff association to gain a certificate of independence (under the Employment Protection Act) in order to achieve statutory rights and present itself to staff as a 'genuine' trade union. If the staff association could not persuade the Certification Officer of its total independence of management, then it had no future in staff representation in the Company. It is doubtful if all officers of the staff association saw this as clearly as management.

This issue coloured the management/staff association relationship during the following months. The association continued to apply for facilities and continued to be turned down on the grounds that they were not merited by its membership, which was growing only at a very moderate rate although the referendum result had given grounds for believing that a membership of the majority of the staff was within its reach. Management developed its employee relations strategy during this time to include a possible future role for the staff association. The GM (Administration) confirmed that independence from management was important for the "question of eligibility for recognition". An explicit indication of management's hope for the future of the staff association is shown in the comment that "all our dealings with the Staff Association, formal or informal, have been strategically planned on the basis of the above policy", i.e. that of ensuring the indisputable independence of the association. This, coupled with the policy of not providing ASTMS with contentious issues with which to demonstrate its effectiveness, indicates that management - not surprisingly - were hoping to facilitate the rise of the staff association and the eclipse of ASTMS.

A question which must be asked in considering the formation of the staff association is whether management did actually take some

active part, however small. A policy document in 1976 confirmed management's decision "not to recommend to staff the setting up of a staff association, since forthcoming legislation seemed likely to weaken the status of a staff association promoted by an employer".

This may well have been lost on some members of management who were less politically aware in the industrial relations field, and there was certainly strong support at the top of the hierarchy for a staff association. No conclusive evidence is available but it seems unlikely that those members of management who were directly responsible for employee relations (specifically the GM (Administration) and the AGM (Personnel)) took a direct part in instigating the formation of the staff association.

Given the less than overwhelming support for ASTMS among the staff (apparent even before the referendum) and the widespread feeling that a move should be made from consultation to negotiation, then it becomes almost inevitable that someone among the Company's 5,000 staff would take the initiative and form a staff association knowing that the move would be unlikely to antagonise management. The employee relations management could afford to wait and let events take their course; no doubt the 'grapevine' ensured that they were kept abreast of developments. This does not exclude the likelihood that the founding members of the staff association were given some discreet and informal encouragement by other members of management with whom they were in more direct contact, and that these managers received indications from their employee relations colleagues that the move would not be opposed. In addition, the employee relations management had much contact with and influence on the SCC members, and much of the active support for the staff association came from those most closely involved with the consultative system.

Throughout all these developments management was anxious to keep strictly within the limitations imposed by their employee relations policy. This had been formalised in a document issued in November 1975 (see Appendix J) following a suggestion from ACAS during discussions after the referendum, and committed the Company to support of

"industrial relations arrangements which have the clear backing of a majority of staff".

ASTMS' Section II Reference

(February to December 1976)

After the referendum - but before the result was known - ASTMS had complained of unfair management influence. The anti-ASTMS bias of the SCC literature and the appearance of the staff association were regarded by the union as particularly iniquitous and likely to affect the ballot result. Management felt its conscience to be clear on all counts and the only concession ASTMS gained was the formalisation of union facilities throughout the Company. ASTMS activity subsequently was low-key and management assumed that it was "geared to the union's desire to achieve a platform whereby they can persuade staff and ACAS of the influence they are capable of exerting on management decisions".

ACAS maintained contact with the Company after the referendum, and management agreed to meet the Service in September to have "a general talk about the situation". ACAS was particularly concerned to hear management's rebuttal of ASTMS' allegations of influence on the referendum, and appeared satisfied with management's comments. Both parties agreed that ASTMS was likely to invoke the procedures of the Employment Protection Act to further their recognition claim. Management also saw "strong evidence" that the referendum was regarded "as having settled the representation question for the time being".

On 1 February 1976, the provisions of the EPA enabling a union to submit a reference on recognition (under Section II) were duly enacted and ASTMS immediately submitted a reference claiming recognition at Company B. In the same month, the staff association submitted a claim for recognition to management. It was refused. The Staff

Association chairman described the claim as a "tactical move" to ensure involvement in discussions with ACAS over the ASTMS Section II claim - he quite expected management to reject it. The staff association appears to have been in the habit of discussing tactics with management; in March, the AGM (Personnel) reported having been told by the chairman that there was "disillusionment" with ASTMS at Cardiff - "in his view, the staff association could pick up Cardiff as soon as someone gets down to talk to them".

In dealing with the ASTMS reference, ACAS had first to attempt to resolve the issue by consultation with all interested parties; if this failed, there would have to be a formal enquiry. ACAS advised the staff association that it was accepted as a party to the consultations, and discussions between all parties (ASTMS, management and the SA) and ACAS ensued. In May, ACAS suggested to the staff association that it might form an alliance with ASTMS in order to achieve joint bargaining rights. This received an "unqualified rejection" from the staff association and was also, of course, directly contrary to management's stated policy of avoiding multi-unionism. The staff association also refused to attend a meeting with ASTMS under the chairmanship of ACAS "to see if a joint solution could be found"; ASTMS had been willing to do so.

There are indications that some doubts about the staff association were beginning to occur to management during the ACAS consultations. For example, the fear was expressed that ACAS would have been given "a strong impression of an anti-union staff association" and could conclude that the association's motives were unconstructive. There was also some concern because the staff association did not apply for a certificate of independence, preferring to hope that ACAS would request an application in the course of their enquiries into ASTMS' reference and thus enable them to queue-jump. It was suggested by the employee relations team that this strategy was "somewhat of a gamble". Despite these doubts about the staff association's judgment, management's espousal of its cause was not seriously reconsidered at that stage. In May the SA chairman was told that

it was "management's policy that it cannot support the staff association's chance of achieving the status of an independent trade union". Shortly afterwards, the AGM (Personnel) was dissuaded by members of his team from having an informal discussion with the SA chairman with the advice that he "may find it very difficult to maintain an independent 'union' line when he has received some informal words from you". The inclination of the AGM (Personnel) seems to have been to maintain a very close informal relationship with the staff association.

Doubts about the staff association were occurring to ACAS as well. The GM (Administration) and the AGM (Personnel) realised that ACAS were "clearly worried about the Company's attitude to the staff association". However, the policy of strict overt impartiality paid off - "The question they put to (GM (Administration)) formally was whether or not the Company had provided any financial support to the staff association. We were able to say that we had not given any financial support". A distinction began to emerge between one or two SA officials and their colleagues; in particular, Paul Nicolson became more noticeably a strong force behind the staff association's tactics and general policy. Management had received from ACAS the impression that staff association representatives did not "realise that they were acting as an independent trade union themselves in contesting the ASTMS Section II reference". The exception to this, it was noted, were Nicolson and the chairman of the association.

By June, ACAS had concluded that the reference could not be resolved by consultation, all parties having irreconcilable differences. A formal enquiry was therefore necessary involving a survey of staff opinion. It was the method by which staff opinion should be obtained, or more specifically, the options to be offered on the questionnaire that determined the course of events for the next year. Whilst ACAS had accepted the staff association for consultation, the question it had to decide was whether ASTMS could be recommended for recognition. It was therefore with ASTMS that ACAS was primarily concerned, being prepared only to keep the staff association informed during the

enquiry and consider any material evidence it had to offer. This, however, was not adequate for the staff association - and especially Paul Nicolson - who felt that they should be on a near equal footing with ASTMS.

In the following months, ACAS finalised the questionnaire in consultation with ASTMS and management, the latter having agreed to facilitate its distribution to staff. The staff association were given the opportunity to comment on several occasions. The suggested final draft asked respondents if they:

- were members of ASTMS or any other union,
- wished their pay and conditions to be determined by negotiation with a trade union,
- wished ASTMS to represent them,
- would join ASTMS if it was recognised.

Additional comments were also invited.

ACAS of course incurred the wrath of the staff association by failing to mention it on the questionnaire. At the beginning of November, the SA chairman wrote to ACAS complaining that an "impartial questionnaire would give equal treatment to the trade unions which are parties to the enquiries". In the same letter, he showed himself to be somewhat confused about the Company's employee relations policy, claiming that it allowed "progressive recognition location by location as trade union membership grows". Or maybe he simply demonstrated confusion about the nature of recognition.

It was clear that the whole issue was becoming clouded by factors other than staff representation in the Company. In particular, there were the political connotations of a small, non-TUC staff association - as yet without a certificate of independence - muscling in on the recognition claim of a major TUC union (which had by now received its certificate of independence) and claiming parity

with that union. It was the AGM (Personnel)'s opinion that the "politics of this situation were seen at the top of ACAS to be more important than the representation arrangements for the Company's staff". The 'top of ACAS' was the Council (composed in practice of equal numbers of TUC and CBI nominated members and independents) which had to ratify all recommendations made in ACAS reports and decide general questions of policy. It was clear by this stage that the TUC representatives were far from happy with the staff association's activities.

The ACAS officials conducting the enquiry faced uncertainty from two sources, one being their own brief as enshrined in the EPA and emphasising generalised objectives (particularly the extension of collective bargaining) rather than procedural details. The second was the limit to which the staff association was prepared to go in order to defend its interests - or disrupt the enquiry, depending on one's point of view. By the middle of November 1976, ACAS had decided that the staff association should submit its own Section II reference so that it would be legally on an equal footing with ASTMS and could be included on the questionnaire. However, it seemed "quite likely" to both ACAS and the AGM (Personnel) that the staff association would submit a reference after the questionnaire had been issued - and thus invalidate the survey. The staff association had, incidentally, obtained a Section II reference application form from ACAS as far back as April that year.

From this point onwards, Paul Nicolson became the dominant SA figure. There had been a marked tendency for him to write the more important letters - to the Company, ACAS and ASTMS - in the past; now the question was what would Nicolson, rather than the staff association, do next. By the end of November, the AGM (Personnel) had altered his opinion about the possibility of a staff association Section II reference. For the staff association to submit their own reference, would, he thought, "remove one of Paul Nicolson's bases for complaint which was that it is a misuse of the Section II procedures for a union with a low membership to use them to obtain recognition in a

situation where the employer, to some extent, already provides facilities for joint discussions". That is, the staff association (with a membership certainly no higher than that of ASTMS and probably substantially lower) could not accuse ASTMS of undemocratically using legislation to achieve recognition if they took the same action. However, non-one could be sure of the extent to which the staff association - or Nicolson - was prepared to compromise its principles in order to prevent ASTMS from achieving recognition. After all, the very future of the staff association depended on this, and Nicolson was undoubtedly also using the staff association for wider political motives.

The apparent exercise of prerogative by Nicolson was demonstrated when the SA chairman informed the AGM (Personnel) on 8 November that the association would not take any further action on the ACAS enquiry other than a formal letter of complaint which had already been despatched. He also claimed that Nicolson would not take any action independently of the SA executive. On that same day, the AGM (Personnel) was informed by Nicolson that the Confederation of Office Employees wanted to refer the whole issue to the Central Arbitration Committee on behalf of the staff association. A week later, confirmation was received that the COE was "lodging a formal complaint with the CAC of ACAS on the way the Service was handling the ASTMS Section II claim".

Certainly Nicolson made an appearance of openness with the AGM (Personnel); in a series of telephone conversations in late November and early December there was a cordial exchange of information between the two. Subsequent to one such discussion on the COE complaint, the AGM (Personnel) commented that "we agreed that the information which had been exchanged was 'on the record' and, in the circumstances, was that which could be exchanged between a recognised trade union, i.e. the staff association, and the employer which recognised it". It seems to me that this is a very significant remark. However, a long talk with the AGM (Personnel) did not yield any light on this particular area. Presumably it was clear to the AGM (Personnel) that by that stage Nicolson had definite plans to prevent the questionnaire being

distributed, and he had no wish to impede the staff association. Management strategy had been to plan for the recognition of the Staff Association, if possible, and proof of its support through the questionnaire responses would facilitate this. Concessions of 'recognition' would, if it was necessary to use them, make the staff association's case so much the stronger.

Nicolson's intention to take the matter to Court emerged during November. On 17 November, the SA chairman commented that Nicolson intended to apply to the Courts "as soon as it became obvious that the Council were not prepared to stay the proceedings". This decision had finally been made by ACAS on 5 November. By 13 December, both ACAS and the AGM (Personnel) were agreed that an application for a writ was likely, there being no other way in which the staff association could prevent the issue of the questionnaire (without submitting its own Section II reference). On 15 December, the AGM (Personnel) confirmed that the questionnaire would be distributed on 7 January; ACAS had been pressing for an earlier date but had been told that there were administrative problems connected with the provision of an up-to-date payroll. On 17 December, the AGM (Personnel) was still discussing tactics with Nicolson and recorded that "PN asked me the latest date on which I could stop distribution of the questionnaire, to which I replied that I could stop it as late as 6 January ... two or three days prior to this would be easier".

ACAS Survey

(May 1977 to February 1978)

The ACAS questionnaire was not issued, but a writ was - on Friday, 31 December 1976 at 5.00 p.m. ACAS lost the subsequent court case (see Appendix I) and it was ruled that the staff association must be included on the questionaire.

A hiatus followed the court case. ACAS decided not to appeal although ASTMS as third defendant proposed to do so (but reversed this decision some time later). However, in June, Jim Mortimer, Chairman of the Council of ACAS, was encouraged by the Company's Chief Executive to expedite the survey - "the long delays over this enquiry ... are causing considerable uncertainty amongst our staff ... both our Board and our Staff Consultative Council are most anxious that discussions about a revised questionnaire should commence immediately and be pursued energetically". ACAS agreed and work began on a new questionnaire.

If the staff association were ever to prove their potential, it should have been after their success in court. However, apart from circulars proclaiming the victory, the only attempt to capitalise on it was a rather naive salary and terms of employment claim submitted to management on 9 May. The ingenuous absence of argument indicated that the association had neither the political sense nor technical skill necessary for effective representation. The AGM (Personnel) has identified this as the point at which Management finally lost confidence in the staff association, and management strategy subsequently placed a diminishing emphasis on the staff association.

However, ASTMS had now decided to claim de facto recognition for the purposes of the Social Security Pensions Act, 1975. This Act required employers either to participate in a Government pension scheme or contract out by providing a scheme of its own which would meet Government requirements. The employer was obliged "to give a notice of his intentions" to "any independent trade union recognised to any extent for the purpose of collective bargaining" in relation to the employees concerned.[1] ASTMS claimed that "the Company's actions ... amount to a recognition to some extent for collective bargaining purposes". The Company maintained that it had "throughout attempted to deal with the Union in accordance with the best industrial relations practice ... These have not been intended to amount to recognition for any purpose connected with collective

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[1]Social Security (Pensions) Act, 1975

bargaining".

This situation had been developing since February 1977 when staff had been advised of the Company's intention to contract out. ASTMS alleged the following month that they were recognised to the extent required by the Act and should have been consulted; shortly afterwards, a formal complaint was made to the Occupational Pensions Board (OPB). The problem then for the Company was that it could not obtain a certificate enabling it to contract out until the OPB was satisfied that ASTMS was not recognised and therefore not entitled to consultation. This issue could only be decided by an Industrial Tribunal and ASTMS duly proceeded with an application. If the process became protracted - or ASTMS won and had then to be consulted - there was a danger that the Company would not obtain the necessary certificate in time to contract out. The union also did not wish this to happen as they had made it clear that they had no intention of arguing against the decision to contract out.

The Tribunal hearing was fixed for 10 August 1977 and was expected to be lengthy and complex; the Company was vigorously contesting the ASTMS claim. However, at the end of July, ASTMS withdrew their action. The union circular which notified members of this decision stated that "pressure that both ourselves and the Company have put on ACAS have brought their long awaited Attitude Survey forward considerably and we are confident that full recognition will follow in the near future". The management view all along had been that the union regarded the issue solely as a means of obtaining recognition; ASTMS had presumably decided that the "possibly long and costly court case" was an unnecessary sledge-hammer to crack a nut.

On 16 August 1977, the Chief Executive informed staff that questionnaires would be distributed three days later. Two reasons were given for the survey: ACAS had a statutory obligation to determine staff opinion and it would "also assist management in deciding what weight to give to a recommendation by ACAS". This should have been a warning to ASTMS that management would not automatically comply with an ACAS recommendation of recognition. The staff association, of course,

had still not submitted its own Section II reference and ACAS was therefore not empowered to recommend its recognition.

The ACAS recommendations (including the results of the survey) were not revealed for six months - until February 1978. In the meantime, various further discussions took place - particularly between ACAS and management - to assist the Service in its deliberations. ASTMS helped to pass the time by beginning what was seen by the AGM (Personnel) as another manoeuvre to gain recognition. On 16 August, Russell Miller of ASTMS - "significant" said the AGM (Personnel) "that a National Officer has written to us for the first time in nearly two years" - stated that some of his members were concerned that redundancies would follow a proposed reorganisation of the Company's sales structure. The AGM (Personnel) interpreted this as a corollary of the threatened reference to an Industrial Tribunal over the pensions issue - "It is likely that they have decided that to argue that they are recognised for consultation on redundancies offers a better chance of 'back door recognition' and less damage to their image if they lose".

Management decided against a meeting with Russell Miller because this could provide "sufficient ammunition to go to a tribunal under the Employment Protection Act, 1975, and argue that they have been recognised under the provisions of that Act". But if the letter was just 'brushed off', the AGM (Personnel) thought that the union would still take the Company to tribunal and claim de facto recognition. Eventually, it was decided to impose "short-term constraints on future actions such as deferring statements on redundancies" in order to minimise the possibility of a tribunal hearing which would be costly in money and top management time. ASTMS were then informed that all relevant information had been communicated to the staff concerned and that consultation had taken place through the SCC. No more was heard from the union on this topic.

This incident may illustrate the apparently different tactics adopted by ASTMS and management. The AGM (Personnel) responded

to each move from the union as if playing chess with a particularly cunning opponent. Maybe the ingenuity and deviousness of ASTMS was somewhat overestimated; they certainly seem to have been more inclined to the view that 'constant dripping wears away a stone'. The union literature frequently indicated that recognition could not be denied forever, especially by an employer which was anxious to be seen as complying with modern and effective employee relations practices.

And so the waiting continued. ASTMS became impatient and tried to pressurise ACAS into releasing the report. Discussions continued between ACAS and management. mainly it seems in attempts to test the acceptability of possible recommendations.

Management became as anxious as ASTMS to have some definite recommendations, but understood more clearly than the union the difficulties faced by ACAS. Apart from a very heavy work load, ACAS officials were increasingly concerned about the political sensitivity of their work. Management learned from various sources that the Service was disturbed that the goodwill earned by effective conciliation work was being "destroyed by the Press and public reaction to the political aspects of their recognition operations". (This was at the height of the Grunwick case.) Clearly the Service would be very wary indeed in their recommendations for such a well-known company as Company B - in a reference which had already brought them to grief in the courts.

Whilst management saw and appreciated the causes of ACAS's caution, they nevertheless began to chafe at the delay. After a meeting with ACAS on 17 October, they concluded that it was still "unclear whether or not the survey has been analysed. The suspicion exists that it has". ASTMS, especially the lay officials, were less equivocal about the reason for the delay. The union committee at Hove advised their Personnel Manager that "many are of the opinion that the Company's management have no particular desire to hurry the resolve of the union recognition problem". They seem to have had little idea of the comparatively small proportion of their time that ACAS officials were able to devote to Company B, or of the continuing requests for information made to management.

First ACAS Report

(March 1978 to September 1978)

The first draft report was finally sent by ACAS to ASTMS and the Company's management on 14 February 1978; (a copy was sent shortly afterwards to the staff association "for any comments they may wish to make.") All parties were asked to keep the contents confidential. The questionnaire data led ACAS to the conclusion that:

- the majority of the staff wanted collective bargaining.
- ASTMS should be recognised for this purpose as the staff association has insufficient support and the Company would not consider multi-union representation.

Both management and ASTMS were invited by ACAS to comment on the report. ASTMS' reaction was simple and predictable: ACAS was told that the union "unreservedly accepts the recommendation". The staff association was also predictable, i.e. strongly antagonistic to the recommendation. Both ASTMS and the staff association disregarded the request for confidentiality and the latter also distributed an extract from the report to its members. Senior staff therefore learned of the recommendations from subordinates who were members of either ASTMS or the staff association, and the AGM (Personnel) was obliged to advise ACAS that management could no longer comply with the request for confidentiality.

On 23 February, ASTMS wrote to the AGM (Personnel) to "formally request an opportunity of meeting with (the Company B) to discuss the recognition and procedural agreement which is now necessary, following the ACAS recommendation"; management however, had other ideas.

The course of action open to the Company appeared to be threefold:

- accept the recommendation and recognise ASTMS,

- refuse to accept the recommendation either overtly or by simply taking no action. The likely consequences of this were the issue by ACAS of a final report identical to the draft which would lead ultimately to an appeal by ASTMS to the CAC under the provisions of the Employment Protection Act. A survey of pay and conditions would eventually follow, possibly resulting in certain (probably minor) enforceable amendments to the employment contracts of the Company's staff.

- discuss with ACAS the possibility of a 'middle course' i.e. the granting of individual representation rights and an undertaking to recognise ASTMS for collective bargaining when they achieved 50% membership.

Whilst this 'middle course' was seen to be fraught with difficulties - ACAS might issue a final report anyway, or ASTMS might plead de facto recognition - management decided that it was the action most in accordance with the formal employee relations policy.

ACAS was therefore advised that whilst their recommendation could not be accepted as it stood, a positive response would be made on the basis that:

- the Company recognised that the majority of the staff favoured collective bargaining,

- collective bargaining should be undertaken with a single union, and current membership indicated that this union would be ASTMS,

- current ASTMS membership of 20% was inadequate but the Company was prepared to recommend membership to its employees and to assist ASTMS with their recruitment,
- individual representation to be negotiated immediately,
- further recognition rights would be conceded to ASTMS as membership increased, culminating in recognition for collective bargaining,

- the position of certain more senior staff should be reviewed as they would be involved in receiving representations from the union when it was recognised.

ACAS appear to have been somewhat perplexed by such a comprehensive compromise. On being advised that management "would prefer to reach the full collective bargaining position by a process of smooth and controlled development", ACAS replied that their role was to decide whether recognition should be recommended - "with little scope for compromise". They considered it improbable that their Council would be prepared to restrict the recommendation and accept instead an "intermediate approach". However, if management could agree this approach with ASTMS, ACAS would feel under no obligation to issue a final report.

A certain confusion is evident in the following weeks, mainly because ASTMS do not seem to have realised that management did not accept the ACAS recommendations - although this could well have been bluff in an attempt to make management's position untenable. A certain responsibility lies with management for not stating their position direct to ASTMS and relying instead on the decision being transmitted by ACAS. Certainly ASTMS told ACAS on 17 March that they would like a clear "indication of intent", and ACAS advised the AGM (Personnel) on 20 March that the "ASTMS view was that they had won recognition and had got full bargaining rights". Literature issued by the local committees gives the impression that they believed recognition to be imminent. It could also be that lay officials did not realise that management considered an appeal to the CAC to be a somewhat empty threat.

On 29 March, six weeks after the release of the draft report, staff were advised of the six-point basis of the Company's reply to the recommendations. Whilst management accepted the need for collective bargaining - "we regard the 61% vote in favour of collective bargaining as the most significant finding of the survey" - ASTMS current membership was insufficient to support viable collective bargaining. On the same day, ASTMS formally requested ACAS to publish the report in final form, with the recommendations unchanged, in order that a complaint could be made in due course to the CAC. The staff association also briefly re-entered the arena, having just been awarded its

certificate of independence. According to the Financial Times, "Mr Paul Nicolson ... said that this made the inquiry irrelevant". Apparently nobody heard him.

Discussions then began between the GM (Administration) and Muriel Turner, ASTMS Assistant General Secretary, to find some workable solution. Naturally ASTMS were most anxious that they should be recognised on a 'no strings' basis. They feared that the promised individual representation agreement would not lead to increased membership as it did not involve negotiations on terms and conditions - that being the reason, in their opinion, why people joined unions. And nothing short of sole bargaining rights, they hinted darkly, could protect a union from competition by another TUC affiliate, adding that they were "sure you will appreciate the significance of this in the light of current developments elsewhere in the industry" - referring, presumably, to their running battles with NUBE (now the Banking, Insurance and Finance Union). The threat of inter-union rivalry did not deter management from pursuing their chosen 'middle course'; they probably had little to fear by this stage from intervention by another TUC union. NUBE was known to have been interested in a possible merger with the staff association in earlier years but appears not to have done anything concrete to achieve this - although overtures may have been made to the SA and been rejected. It seems possible that if NUBE had contrived to be offered as an alternative to ASTMS, they could have achieved substantial support. However, by 1978 such a possibility was remote.

Discussions between the Company and ASTMS lasted for several weeks with neither side prepared to make concessions. The management problem was to persuade ASTMS that it was in their own interest to delay recognition until it could be based on substantial membership, and to do this whilst limiting the opportunity for the union to claim de facto recognition. ACAS had confirmed that the Company "might already have moved towards de facto recognition of the union by its discussions with it".

Within these limitations, management pressed on. Before a meeting with ASTMS at ACAS the AGM (Personnel) advised his colleagues that the "trick is to lead the opposition to expect concessions and, therefore, be prepared to give them, and to attempt to get the concessions whilst not shifting ground." He may have overestimated the scope for manoeuvre actually open to ASTMS; they had very little ammunition with which to defend their demand for recognition. Recognition had been virtually promised in the 'six-point plan' with the only proviso that membership should be increased - and they were also promised cooperation with this. How often is a union given the offer of a recruitment campaign sponsored by an employer? This must surely have seemed a better option to ASTMS than either a claim to the CAC or an attempt to prove de facto recognition for limited statutory purposes. They would still be denied the ultimate prize of negotiating for terms and conditions of employment.

By 8 May, discussions had proceeded to the point where the GM (Administration) was able to advise Muriel Turner that "provided ASTMS can achieve a substantial increase in membership, and provided we are able to agree the terms of a procedure agreement, it is our intention to recognise ASTMS for sole bargaining purposes later this year". Staff were advised of this decision by the Chief Executive who encouraged them to join the union: it must have strong membership to ensure that "the views put forward are genuinely representative and to encourage acceptance of the union's position by the remaining members of staff who prefer not to become directly associated with it." Plans were drawn up for the recruitment campaign and management began drafting a procedural agreement.

The staff association had by this time submitted its own Section II reference on which ACAS took legal advice and then told ASTMS that the issue of a final report would enable the staff association to start legal proceedings which could stop progress on the ASTMS reference for over a year. It seems unlikely that ASTMS needed this advice to be persuaded to comply with the Company's plans. However, the union still made a few defiant gestures. On 7 June, it submitted a

comprehensive claim on pay and terms of service, although they acknowledged that there was no formal agreement on collective bargaining. It pronounced itself not bound by "any improvements promulgated through the SCC". - the union would "reserve its right to initiate negotiations on the claim after formal agreement has been agreed." The AGM (Personnel) told ASTMS that he had noted the claim but was not prepared to discuss it.

ASTMS membership appears to have been around 1,000 at the beginning of the recruitment campaign in June. In April, the AGM (Personnel) had noted that "the grapevine is telling us that the Union have grave doubts about achieving a membership of 50% staff even with management help" - that would, of course, have meant more than doubling the membership in a few months with little new incentive to potential members.

During the recruitment campaign, staff were encouraged to attend meetings arranged by ASTMS with the cooperation of management, but the degree of interest did not compare with that shown in either the ACAS survey the previous year or the referendum in 1975. In July, the GM (Administration) expressed concern at the "general picture of lack of staff interest" and wondered whether there was a case for a "further test of staff opinion". The definition of "substantial" membership remained unresolved.

The other proviso - the negotiation of a procedural agreement - had also to be fulfilled. Management produced a draft procedural agreement and negotiations with ASTMS began in July. By August, the following major points remained unresolved:

- The exclusion of the most senior grade which had until then been included in the potential bargaining unit. These staff then pre-empted the issue by forming the Middle Managers Association. ASTMS were afraid that this would have a 'knock-on' effect, with the grades immediately below feeling less secure about union membership.

- The Company's insistence on a management Chairman for the Joint Consultation and Negotiation Committee.

- The inclusion of a 'status quo' clause to prevent management from introducing any changes in those spheres covered by the agreement until all procedures had been exhausted. This was demanded by ASTMS in exchange for agreement that no action (by either party) should be taken until all procedures had been exhausted.

The status quo clause was the main bone of contention. Management understood there to be an ASTMS directive that all procedural agreements negotiated by the union should contain such a clause; a conference of Company ASTMS representatives "unanimously rejected any possibility of the negotiators signing a Procedural Agreement without a status quo clause". ASTMS referred the matter to ACAS but management refused at first to be "pressurised" into attending a meeting. They did, however, agree to meet ACAS without the presence of ASTMS and subsequently a tripartite meeting was arranged. The position was eventually reached where management would agree to discuss the inclusion of a status quo clause (with an appendix listing those items to which it referred - see Appendix J) provided agreement was reached on the JCNC Chairman and two other minor points of disagreement. At a further meeting, ASTMS conceded all points and attained their objective of a status quo clause. The appendix ensured that matters of 'management prerogative' (e.g. work methods) were not subject to the clause, and thus prevented the danger foreseen by management that their 'right to manage' would be restricted. The solution seems reasonable and obvious; ASTMS' eagerness for a status quo clause enabled concessions to be gained by management on all points of disagreement.

On 26 September, ASTMS advised members that "agreement was reached ... on this Trade Union's right to negotiate on your behalf". Management more accurately noted that "agreement has now been reached ... on the wording of a procedural agreement which will operate if the Company

recognises ASTMS for collective bargaining purposes". If the Company recognises ASTMS ...

It seems that management then began to get cold feet about the fact that they had virtually agreed to recognise ASTMS, the conditions arguably having been fulfilled - the definition of "substantial" membership being still open to doubt. It was always understood by the Company that recognition would have to be a Board decision, but perhaps this should also have been made perfectly clear to ASTMS. The subject was on the agenda of Board meetings for the next several months, but at the September meeting it was decided that a final decision on the ASTMS claim could not be made until the staff association Section II reference had been resolved by ACAS.

The staff association had made a Section II reference in June, and ACAS took legal advice on their obligation to proceed, as their duties under Section 12 (2) of the Employment Protection Act were not precisely defined. By July no action had been taken by ACAS and Paul Nicolson advised that a writ was to be sought for a High Court declaration that ACAS had a duty to proceed. ACAS appeared unperturbed and informed the AGM (Personnel) that they saw the writ as no more than "a shot across their bows". They appeared very reluctant to take any action which could delay an agreement between the Company and ASTMS. In August, the staff association repeated its request for joint bargaining rights but they were informed that the "employee relations policy seeks to avoid a multiplicity of collective bargaining arrangements".

ACAS decided in September that they would be legally safer in refusing to process the reference if all parties were agreed that the situation was substantially the same as when the ASTMS reference was submitted. It must be assumed that ASTMS concurred with this and that the staff association took the opposite view. The GM (Administration) told ACAS that "the passage of time and events may well have changed some staff attitudes" and commented on the fact that ASTMS membership had not grown as substantially as had been hoped. He also noted that the staff association had received its certificate of independence since the ACAS draft report had been issued - "the Company , having

reached agreement with ASTMS on the terms of a procedure agreement, now has to consider, in the context of its Employee Relations policy, the effects of entering into a sole bargaining agreement on those members of staff who have remained, and may remain, members of another Certified Trade Union - the ... Staff Association". This could not have been an unanticipated problem: management had planned for the independence of the staff association, and in any event, the certificate had been issued in March 1978 - two months before the GM (Administration) had informed ASTMS that they would be recognised for collective bargaining purposes subject to the two provisos.

N.B. From 1 October 1978, the AGM (Personnel) was promoted to the position of GM (Administration), a new AGM (Personnel) was appointed and the previous GM (Administration) took other duties at General Manager level. After this date, therefore, the persons referred to as AGM (Personnel) and GM (Administration) are not those in earlier references.

Recognition of ASTMS

(October 1978 to April 1979)

A meeting between management and ACAS was held on 4 October. Management felt that to recognise ASTMS at that stage would be contrary to the employee relations policy. The possibility of a further ballot was raised, this being the course of action that management "would most favour as furthering good Employee Relations and would be seen as being equitable and containing a degree of natural justice in allowing the 'silent majority' to express their views again in the light of the additional information they have acquired since the last ballot, particularly through the ASTMS recruiting campaign". This campaign, they said, had "polarised views though not in favour of the Union, rather that in the light of the displayed incompetence they should go away and stop bothering the Company ". ACAS

thought that their Council would object to reopening the reference on behalf of the staff association, although management guessed that ACAS might look for "legal justification" for a further survey.

It seems that management were in a situation where principle and pragmatic considerations were at odds, although this possibility had been foreseen for some considerable time. By August 1976, it had been recognised that "the time may come (in the absence of any firm indication by staff) when management has to decide which body it will recognise for the purpose of negotiating staff terms of service". The formal employee relations policy committed management to acting on the views of the majority of the staff. The majority favoured collective bargaining' - but did not favour either ASTMS or the staff association - and the policy precluded the possibility of joint arrangements. Therefore arguments both for and against recognition of ASTMS could be offered on the grounds that this was in compliance with majority staff opinion.

The most immediate issue had always been whether to recognise ASTMS rather than whether to introduce collective bargaining; the pragmatic approach - to grant recognition once a workable basis for a future Company/ASTMS relationship had been achieved - foundered on the more rigid principles of the Employee Relations policy. It seems that the employee relations management - or at least the (new) GM (Administration) - assumed the inevitability of ASTMS recognition and was more concerned with obtaining the most favourable basis of recognition for the Company. However, other members of management (especially line management) and the non-executive directors seem not to have been so convinced. Maybe the degree of antagonism to ASTMS at senior levels within the Company had not fully been appreciated; maybe more emphasis should have been placed on negotiations within management.

Management tended to rely on the response that the matter was in the hands of the Board; the Board in turn refused to move until ACAS had come to a final decision on the staff association Section II reference.

On 12 October, the ACAS Council deferred a decision because it had not yet been formally notified of the views of the staff association on whether it regarded the situation to be the same as at the time of the original ASTMS reference. On 31 October, the union requested time off with pay for representatives to attend a course (which was granted) and management noted that they "appeared to be assuming that the Company would recognise ASTMS for collective bargaining purposes once the formal matter of the staff association's Section II reference was resolved". Hardly surprising in the circumstances, although the union's confidence may have been dampened on hearing that there "was no possibility of anticipating the decision the Board might make when it was in a position to do so".

On 7 November, the Company was told by ACAS that Paul Nicolson had informed them that in view of the "bias" of ACAS, an extraordinary general meeting of the still extant staff association was to be held at which the executive would recommend the withdrawal of both the Section II reference and the litigation (presumably the threatened writ). The next ACAS Council then deferred a decision on the SA reference pending the decision of that meeting. ASTMS became more impatient claiming that ACAS appeared to be assuming that the staff association reference would be withdrawn and that the Company should therefore sign the agreed procedural agreement. ASTMS membership was claimed to be around 1600 (and still rising by about 100 per month) but the Company continued its non-committal view - "it is of little value to speculate whether the Board would regard this as being an adequate level of membership for collective bargaining purposes, since membership levels might be affected by any developments on the staff association front." And so ASTMS were told again at the end of November that the Board would not decide ASTMS' case until ACAS had made a decision about the staff association.

At the SA extraordinary meeting (held at Kingswood where there were most members), the approximately 30 people who attended agreed to terminate the legal action but not to withdraw the Section II reference. They did, however, change this to a claim for joint negotiating rights with ASTMS, and ACAS subsequently advised the

GM (Administration) that ACAS' inclination was to "accept that the bald claim from the staff association for joint bargaining rights is not the same issue as was previously surveyed." The technical view was that ACAS might therefore have no choice but to proceed - the political considerations would be left to the Council. The Company Board meeting in December again deferred a decision until the following month when the ACAS Council would have reached a judgment on the 'political considerations', and have received further legal advice "on the status of joint recognition agreements within the context of the Employee Relations Act".

During the course of all these postponements, management and the Board were considering the consequences of all possible outcomes which were summed up by the GM (Administration) in a paper for the Board. If ASTMS was recognised, there would be dissatisfaction among staff association members (numbers of whom were thought by management to be "significantly lower" than at the time of the ACAS survey) and other anti-trade union staff. Neither group was considered likely to take industrial action. Problems could also be expected within the ranks of middle management who would have to go through a "difficult adjustment period". A pay claim had already been submitted by the union which "is likely to take any steps within its power to demonstrate that it is a force to be reckoned with". It was, however, some consolation that it would be constrained by a membership of only 30%. It was also noted that if management had to cope with industrial action, it would be preferable to do so with a signed procedural agreement - although "while management would be expected to adhere to all its conditions, the union can be expected to disregard them as and when it suits them."

If recognition was not granted, the ACAS report would be issued in final form and ASTMS would then make a claim to the CAC; this does not appear to have caused undue concern to the Company. Whilst refusal of recognition would please anti-union staff, ASTMS would claim that the Company had reneged on its promise, and might well begin industrial action with the possibility that the Company might eventually be forced to renegotiate a procedural agreement with less

favourable terms. The staff association would also continue to press its claim and it was felt that "both unions would feel no constraints in the absence of a procedural agreement and undoubtedly both would seek opportunities for exploiting errors in the way management were managing". (It does seem highly unlikely that the staff association would be able to stir its members sufficiently to cause more than minor irritation.) All in all, though, refusal of recognition would leave a vacuum as the "present consultative machinery is not strong because of the uncertainty about possible recognition".

The GM (Administration) therefore favoured recognising ASTMS on the grounds that both the conditions (i.e. a substantial increase in membership and negotiation of a procedural agreement) had been fulfilled. If recognition was refused on the grounds that the increase in membership was not sufficiently substantial, he suggested that "it is arguable that this approach is inconsistent with the Company's published formal policy statements.

The ACAS Council then decided (at their meeting on 24 January 1979) that the staff association's Section II reference was substantially the same as that already considered and would therefore not be proceeded with. This obliged the Company to make a definite decision on ASTMS' claim, with the added incentive that ACAS intended to issue a final report on the case - although this alone would not have materially influenced management. The possibility of a further test of staff opinion was again discussed by management, but this time to be conducted by the Company itself as another ACAS survey was obviously out of the question.

This was put to the Board as a third possible course of action, along with unconditional decisions to recognise or not to recognise ASTMS for collective bargaining. The GM (Administration) still advocated recognition; to refuse "would cause disruption in the short-term and an evaporation of such goodwill as still exists between ASTMS and the Company." He also considered the large number of staff who had remained uncommitted, noting that it was "difficult

to assess the feelings of those staff who support neither ASTMS nor the weaker staff association. It is possible that they genuinely do not mind what decision the (Company) makes - there is no evidence either way". The Board considered the issue for the last time on 21 February.

The following day the staff were informed that ASTMS was to be recognised for collective bargaining. The advantages of recognition of a single union were pointed out: it would represent employees' interests more effectively and joint bargaining arrangements were "time consuming and inefficient" from the management point of view. ACAS confirmed that it was now unlikely to issue a final report - a second draft report had been issued shortly before the Board decision (in response to the Company's proposals after the first report). It contained certain more-or-less cosmetic changes and the same recommendation.

The staff association advised the Company the day before the crucial Board meeting that they were considering referring the "obvious bias" of ACAS to the Ombudsman. They also claimed to be seeking financial assistance from the COE and "other interested organisations" in order to take legal action against ACAS for not proceeding with their Section II claim. They were assured by the AGM (Personnel) that their letter had been shown to the Board who "were therefore able to take your views into account before coming to the decision to recognise ASTMS". They were also advised that all their facilities would be withdrawn when the procedural agreement was signed with ASTMS. The SCC was finally disbanded in March, having been comparatively inactive during the preceding few months.

The procedural agreement was signed - with the minimum of ceremony - by the AGM (Personnel) for the Company and Muriel Turner for ASTMS on 19 March, and from that date the union was recognised by the Company for collective bargaining purposes. Negotiations on the first jointly determined pay and conditions of service review began at the JCNC in April.

Hove Office: ASTMS Stronghold

The Hove office was the one area in which ASTMS achieved a high level of membership at any early stage, and provides an interesting contrast to the rest of the Company. It was a new office, acquired in 1974 as the Life Administration office, and staffed by relocated personnel from London and Brighton, and a considerable number of local young recruits. Total staff was around 420 in 1979.

Morale was fairly high to begin with - staff were prepared to work hard to cope with the problems of a new office and a high proportion of inexperienced personnel. However, even by the end of 1974 there were distinct rumblings of discontent, mainly directed at the SCC, as the problems remained unsurmounted. At a consultative committee meeting in October 1974, staff representatives reported that "there was a general feeling that the existing Staff Consultative System was totally ineffective and that communications between Management and staff were appalling". The Manager (Life Administration) attributed the problems to the mortgage issue, suggesting that staff reaction had been "one of dismay and a feeling that the Consultative Council system has broken down." By the beginning of 1975, ASTMS membership at Hove had risen to nearly 150, but the aspirations of local members became fused into the wider Company context by the 'debate' leading up to the referendum in July 1975. There was acute disappointment at the referendum result among ASTMS supporters at Hove, where membership (it was claimed) had risen to around 200 by this time - almost 50 per cent of the staff and substantially higher than elsewhere in the Company.

A month after the referendum, management had an indication of the way events were to transpire at Hove when an ASTMS meeting decided that an application should be made for local representation rights. The first major step was taken the following May (1976) when a request for "full recognition and negotiating rights" at Hove was submitted. The justification given was that ASTMS now represented the majority view at Hove and that the staff had thus rejected the SCC.

Management refused recognition pending the outcome of the ACAS enquiries, the ASTMS Section II reference having been submitted in February that year.

ASTMS denied the relevance of the ACAS investigations to the situation at Hove; feelings ran high and there begin in October 1976 a series of demonstrations and minor stoppages of work. The situation was strictly monitored by central personnel management; local line managers were instructed not to "comment in any provocative manner" or note the names of any individuals taking part in stoppages or alter flex-time records. "Singling out individuals, or the entire group, for what appears to be vindictive action will be counter-productive." At the beginning of November 1976, the industrial action was suspended pending the ACAS survey - in the hope that recognition would follow Company-wide. By early February 1977, hopes of an early resolution of the reference had been dashed by the staff association's High Court case and the claim for local rights at Hove was reopened.

Union activities continued with sporadic stoppages of work and meetings held during office hours. By May 1977, the consultative system had fallen into such disregard at Hove that all the staff representatives resigned from the committee. Local management believed that individual ASTMS committee members were prepared to stand for election, but they refused to cooperate when approached collectively. The consultative committee was, however, fairly rapidly reconstituted on management's initiative. Events accelerated in the next month with a mass meeting in the office car park, a march through the town and coverage in the local media. The ASTMS committee sent a letter to the Company's Board repeating the request for local recognition rights; they did "not expect any form of national recognition on the strength of only a local majority; (it is a) claim for a local representation agreement that will not in any way prejudice the national situation".

The union did not claim the right to negotiate on those aspects of terms and conditions of employment (pay being the most obvious

example) that affected all the Company's staff. It wished to be able to negotiate with local management on local issues, which were mainly those which affected the organisation of work, e.g. staffing levels and working methods, on which management were not prepared to negotiate under any circumstances. In May 1976 the ASTMS group attempted to discuss computerisation with management, or, as it was put, to "discuss the full implications of machines taking over from Man in this office". Management were not to be persuaded. Also, members of the ASTMS committee gave as their main reason for refusing to stand for election as SCC representatives that it "had been represented to management previously that matters such as working methods had caused the greatest concern to the members, and management would not expect in any circumstances to agree with the proposition that these were matters for negotiation".

The request for local rights might seem reasonable, but regardless of the contentious nature of the proposed subjects for negotiation, management had to be mindful of the fact that should ASTMS decide to claim de facto recognition, the fact that they had achieved negotiating rights (even of a limited nature) at one of the Company's Head Offices would no doubt assist the union cause. In addition, the Employee Relations Policy stated that the Company "regards all UK staff as a single entity for the purposes of representation and seeks to avoid a multiplicity of employee relations arrangements". The GM (Administration) decided that the employee relations policy should not be altered to accommodate ASTMS aspirations at Hove - it would then lose all credibility. The possibility of extending facilities was rejected on the grounds that it might suggest that "militancy pays".

In June 1977, the union members at Hove voted on the continuance of industrial action. 77% (199) voted YES; 8% (21) voted NO. At the same time, management were assured that the staff at Hove were "very satisfied with the Company as an employer; with their terms of service and conditions and were happy with local management". There were no specific grievances over which the union members wished to take issue with the Company - it was

simply that they wished to have their identity recognised. They were noticeably vague as to what they would do afterwards. That appears to have been the orientation of the ordinary members; some of the leaders may well have seen their activities more specifically in the context of the wider union struggle for recognition - both within the Company and beyond. Indeed, the activities may have been seen as an end in themselves (as the matter for negotiation seemed to be beyond reach) - maintaining interest until such time as the union really was a force to be considered within the whole Company.

The AGM (Life) - the most senior manager at Hove - isolated various factors which he felt contributed to ASTMS' strength at Hove which was conspicuously absent at every other major office. These factors included:

- the upheaval following relocation,
- the youthfulness of the majority of staff (with average length of service around 2/3 years),
- the ineffectiveness of the SCC (at Hove),
- the remoteness of Hove from other Head Offices,
- the weakened authority of line management as a result of the central personnel control of ASTMS matters.

Of these, only the second (and possibly the last) is likely to have had any real significance although the others may have had some minor effect. The staff were very young on the whole - more impressionable and less likely to hold the traditional views of trade unions held by their longer-serving colleagues who predominated in other offices. No doubt for these young staff the disruptions in the tedium of their frequently routine jobs which were caused by union activities were a welcome enlivement of office life. Of undoubted importance was the presence of a small group of union enthusiasts who astutely used opportunities to turn management decisions to their own advantage, and maintained a high level of interest in union affairs. It must be remembered that while union membership was high (260 out of 420 staff)

compared with other offices, it still represented only 60 per cent of employees at Hove.

This may well have been to ASTMS' favour to some extent, certainly for the motivation of members. It made the division in the staff quite noticeable and heightened awareness of the ASTMS' members' identity as a special group.

The claim for separate recognition at Hove persisted on a stop-go basis - being dropped when it appeared that the overall claim for recognition would be settled and picked up again when delay occurred. The management response always remained the same, and the strength of feeling engendered in the members does not appear to have returned to the peak of summer 1977.

Summary

The descriptions of events leading to ASTMS' recognition in both companies illustrates both the factors which led to this and also the strategies of the companies' managements in dealing with them. In Company A, a series of changes to job content and career prospects resulting from rationalisation (job evaluation, clerical work measurement etc.) and computerisation led to a dramatic expression of collective discontent. The comparatively rapid process by which union recognition occurred in this Company can be attributed primarily to three reasons (not stated in any order of importance):

i) the concentration of a substantial proportion of employees in two large administrative centres, which facilitated co-ordinated action and the fermentation of discontent among many staff.

ii) the ignoring by management of many warning signs about the level of feeling among the staff.

iii) the existence of well-supported staff associations, which enabled employees to speak collectively to management and to determine their own future course of action.

In Company B, on the other hand, management appeared to be more sensitive to the reactions of their staff to both social and organisational changes, and took an initiative in maintaining their authority and the support of their employees at an early stage. They were helped in this by the comparatively fragmented nature of their administrative Head Offices, and the fact that no staff organisation existed before the management-controlled Consultative Council.

These studies have shown, therefore, that even in similar companies experiencing similar organisational changes, other factors must be taken into consideration in the unionisation of their employees. Chapter 8 gives more attention to these issues, after the data from the questionnaire survey has been reviewed.

CHAPTER 7

THE COMPANY A SURVEY

Introduction

As outlined in the introduction to the thesis, two trends in the insurance industry have guided the plans for the attitude survey - the rapid growth of union membership in the last decade, and the deskilling of work and loss of career opportunities as a result of computerisation and rationalised working methods. The main proposal was to identify links between the changes in jobs and union membership. The essential point of focussing on the changes in work is that they impede the fulfilment of employees' expectations of career progression and work which uses valued skills and abilities. It was further hypothesised that employees view unions as a possible means of remedying these failed expectations.

The professionally qualified employees in Company A have been used as a means of controlling for the effect of the deskilling of jobs, as their work has remained predominantly free from fragmentation and detailed procedural control. Computerisation has also hardly affected professional work for the same reasons - the jobs are primarily concerned with non-routine cases rather than the mass processes of issuing and administering insurance policies with which the non-professional departments are primarily concerned, although the work of the lower status professionals can be fairly predictable. The professionals' jobs are therefore performed on the basis of professional knowledge and expertise as interpreted by individual judgment, rather than by the application of procedures determined by people other than the job-performer as is the case with the non-professionals.

The London office in which the study was conducted employees a little over 2,000 office staff; of these, just over 200 were excluded from the sample (by the Company) because they were officers and management. The remainder were therefore the General, Executive, Data Processing

and Professional grades (see table 4, P.32). 180 of these were professionally qualified employees. To match the sample of professionals with an equal number of non-professionals meant selecting one-tenth of the remaining staff (excluding typists and punched card operators). The Company supplied a computer print of all staff at the London office, as at 1 January 1979, with the names of the employees listed in strict hierarchical order. Order within grades was determined by seniority, i.e. length of time within that grade. Males and females were included without distinction.

All 180 professional employees were then included in the survey, and a stratified sample (one in ten) of the non-professionals were added to give an accurate representation of all the non-professional, non-management employees in that office. This made a total of 353 employees to whom questionnaires were sent. The questionnaires were despatched (through the Company's internal mail) in June 1979, by which time the staff list from which the names had been obtained was some six months out of date. To check for resignations during that period would have involved a very laborious manual search through printed records, and was not undertaken. In the event, six questionnaires were returned because the employees to whom they were addressed had resigned (two were grade GI, two G2, one G3, one JG), thus reducing the size of the final sample to 347.

The 180 professionals in the survey belonged to seven different professional groups; 93 completed questionnaires were returned (a response rate of 51.6%). It was not possible to determine from the completed questionnaires to which profession the respondents belonged as they were required to state only their grade.

Investment analysts are included in the professional grades by the Company because of the high standard of ability and education required for the work. They are often economics or mathematics graduates, and sometimes have actuarial training. Engineers, architects and surveyors are employed because the company owns, for investment purposes, substantial amounts of property.

Table 6 Professional Employees included in the Company A Study

Actuaries	73
Survevors	45
Accountants	29
Investment Analysts	18
Engineers	5
Architects	5
Solicitors	5
TOTAL	180

Altogether, 242 completed questionnaires were returned over a lengthy period (nearly two months) giving a response rate of 69.7%. The questionnaire had been sent out with a covering letter from the Staff Manager together with stamped envelopes for their return to City University. About three or four weeks after their despatch when the first rush of replies had subsided, letters were sent to each individual in the sample, thanking them for responding if they had done so and urging them to return the completed questionnaire if they had not already done so. As the questionnaireswere unsigned, I obviously did not know which of these comments applied to any particular individual.

Two points require comment on the response rate (table 7). Firstly, there is the much lower response of the professionals - 51.6% as opposed to 67.8% among the non-professionals. It is not possible, of course, to tell what distinguished the respondents from the non-respondents, but it is possible that the response was reduced by the knowledge that many others among the professionals had also received questionnaires. This would both reduce the apparent significance of any one response and also reduce the feeling of personal prestige in being involved in something from which most otherswere excluded. The second point is the low response rate of the lower grades among the non-professionals - G1, G2 and G3. Again, explanations can only be

guess-work, but might include apathy through a lack of commitment to the job and all things pertaining to it, and also a greater fear of being identified and victimised than their seniors would perhaps feel.

Table 7 Questionnaire Response Rate by Grade of Employee

Grade	Quest. Despat-ched	Responses	% Response Rate	Grade	Quest. Despat-ched	Responses	% Response Rate
G1/GT	13	2	15.3	D1	1	1	100
G2	25	20	80	D2	4	2	50
G3	16	4	25	D3	8	5	62.5
G4	4	2	50	D4	2	2	100
G5	1	-	-	D5	3	2	66.6
SS	13	10	76.9	D6	2	2	100
E1	24	14	58.3	D7	1	-	-
E2	20	16	80	JG	43	26	60.4
E3	16	11	68.7	AG	41	23	56
E4	10	13	100	SG	39	17	43.5
E5	6	9	100	PG	57	27	47.3
E6	4	5	100				

Notes to Table 7:

i. Many of those graded GT (general trainee) on the staff list would have been regraded G1 or G2 by the time the questionnaires were sent out. Thus, whilst they were included as G1 in the sample, their responses might have given the grade G2, which would explain the disproportionately high response for that grade.

ii. The discrepancy between the numbers of responses and questionnaires despatched for grades E4, E5 and E6 can be accounted for by promotions at the turn of the year which had not been reflected on the staff list for 1.1.1979.

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iii) 29 questionnaires were returned without the grade of the respondent being stated.

The Interviews

150 (62%) respondents answered affirmatively the question about interviews which had been asked in order to assess the feasibility of a series of interviews. 104 people later supplied their names (with somewhat greater support coming from the professionals compared with their lower response rate to the questionnaires). All the interviews lates about 45 minutes.

Company A interviewees by Grade

General	Executive	Data Processing	Professional
G2 - 3	E1 - 3	D3 - 3	JG - 5
G3 - 2	E2 - 4	D5 - 1	AG - 4
SS - 3	E3 - 3	D6 - 1	SG - 4
	E4 - 4		PG - 6
	E5 - 4		

It is possible, of course, that the interviewees were not representative of the whole group of respondents and there are indications that this was the case. Two assumptions have to be made in any event:

i) that those who stated on their questionnaire their willingness to be interviewed included those who supplied their names later;

ii) that no inadvertent biasing of the sample took place when I selected people for interview. The main criterion for selection was the achievement of as wide a range of grades and departments as possible.

Subject to these two provisos, we can state that the interviewees were marginally more likely to come from the older age groups ($p = .0596$). There are several signs which initially suggest that those who were less satisfied with various aspects of their jobs tended to be the ones who were prepared to be interviewed. Thus, those who believed that

the Company was worse than other companies for its working conditions ($p = .0237$) and the interest of the work ($p = .0588$). They also showed a slight tendency to have been more likely to have applied for another job in the last five years ($p = .0599$). They were also more likely than those who did not want to be interviewed to have very high expectations of their jobs ($p = .0109$).

The aspects noted above were typical of the professionals, who were more inclined to be interviewed, and did not necessarily denote any particular dissatisfaction within that group. If only the non-professionals who were willing to be interviewed are considered, there is a bias towards the older staff ($p = .0218$) with longer service ($p = .0405$). There is also some evidence that those who were less content with their lot in the Company were willing to be interviewed as there was a dependence with regret at having joined the Company ($p = .0306$) - although there had been no dependence in the full sample between this variable and age or length of service. There was no dependence between any other variable and willingness to be interviewed.

The purpose of the interviews was two-fold:

i) to obtain information in a more anecdotal form in order to provide a background for the data obtained from the questionnaire;

ii) to obtain illustrative material on areas which were not directly referred to in the questionnaire.

A flexible interview plan was used which differed for professionals and non-professionals, and also for senior and junior grades. This developed variations during the course of the interviews as a result of discarding aspects which appeared to be yielding little useful information, and also elaborating on those aspects which became more fruitful.

Because of the lack of a rigidly structured interview format, it is not possible to provide exact details of the numbers expressing certain opinions, but detailed interview notes enable an accurate assessment of the support or otherwise for various opinions.

Rather than provide a separate report of the interview data, the most important aspects have been incorporated into the summaries given at the end of each section of this chapter. In this way, some of the

respondents' own words can be used to elaborate on the significance of the questionnaire results.

The Questionnaire

The questionnaire was divided into four sections, requiring respondents to give information on:

i. their hierarchical grade, age, length of service and sex;

ii. details of the characteristics of their work, their expectations of their jobs and the extent to which these expectations were currently fulfilled and likely to be fulfilled in the near future;

iii. their satisfaction with their jobs and with the Company's performance as an employer;

iv. trade union activity and support, and their reasons for membership or non-membership of ASTMS.

The chi-squared test of dependence was used to ascertain significant relationships between responses to the various items on the questionnaire (Siegel, 1956); in most instances, comment has been restricted to those items where dependence is at or above the .05 level. A copy of the questionnaire is included as Appendix F, but each question is shown in full in the text.

The questionnaire was tested in a pilot scheme before it was despatched to the main sample. Because of time pressures, it was not possible to replicate the main sample in the pilot scheme, but instead about twenty questionnaires were given to employees in the personnel sphere covering the whole range of hierarchical grades among the non-professionals (but no professionals). The main purpose of the pilot scheme was to ensure that the questions were unambiguous and clearly comprehensible by all grades of staff. As a result of comments from participants in the pilot scheme - all of whom were

interviewed about their responses - minor amendments were made to the wording of two of the questions.

The Company's grading structure has been shown in full on P. 26. The abbreviated table below shows those grades which were included in the study and which are referred to in this report of the survey results. When comparisons are made between the professionals and non-professionals, the DP staff have been excluded. Thus, the professionals referred to in the text are all four professional grades, and the non-professionals are the six E grades, four G grades and SS.

Table 8 Grades of Employee included in Company A Study

General/ Clerical	Executive	Data Processing	Professional
	E6	D7	PG
	E5	D6	
	E4	D5	SG
	E3	D4	
	E2	D3	AG
G5	E1	D2	JG
SS/G4		D1	
G3			
G2			
G1			

The Survey Results

The responses by grade have already been shown in table 7. The age ranges within grade followed a predictable pattern, e.g. 94% of the junior grades G1, G2, G3 and SS were under age 27, and 78% of the senior grades E4, E5 and E6 were over age 36. The professionals followed the same pattern although they tended to be younger; 89% were under age 36 as opposed to 52% of the non-professionals. They

also had less years of service, 66% having been with the Company for less than 11 years (non-professionals 32%). There were 31 females in the respondents; one was a JG professional, eight were in grades E1 to E4 and the rest were G grade or SS.

Table 9 Classification of Questionnaire Responses by Age

16-18	19-22	23-27	28-35	36-45	over 45
4.2%	7.2%	21.2%	39.5%	9.3%	18.2%

Table 10 Classification of Questionnaire Responses by Length of Service

less than 1 year	1-3	4-6	7-10	11-15	over 15
8.3%	13.7%	16.6%	17.9%	17.9%	25.4%

A. Respondents' Jobs (Q.1 - Q.5)

The aim of the first five questions was to obtain respondents' perceptions of the qualities and characteristics of their work, and of other attributes of their jobs (e.g. promotion prospects, relationships with boss and colleagues). The items chosen for Q.1 were selected with particular reference to those factors which have traditionally been characteristic of white-collar work and also those which are most likely to reflect the impact of computerisation and rationalisation. Respondents were also required to assess both their current position (i.e. their achievements) and what they believed they could 'reasonably expect' from their employer. By comparing the two, we are able to see how far short expectations fall of achievements

or the extent to which they have been fulfilled. Respondents also assessed the extent of their likely achievement in five years' time. Finally, a general question about satisfaction with the job was asked in order to identify which factors mentioned in the previous four questions are most significant.

In each case, an eight point scale was used. The direction of the scales was randomised in order to discourage the temptation for respondents to tick in a consistent pattern without giving the items individual consideration (Oppenheim, 1966). Each factor was then given a score from one to eight, and the total scores for each of the first four questions were also computed. The figures '1' and '8' used for scoring questions 1-5 were not printed on the questionnaire.

Q.1 "How would you describe the work you do?"

Complex	8 — 1	Simple
Predictable	1 — 8	Unpredictable
Needs much thought	8 — 1	Needs no thought
Needs initiative	8 — 1	Needs no initiative
Few tasks	1 — 8	Many different tasks
Closely supervised	1 — 8	Minimal supervision
Needs close attention	8 — 1	Needs little attention
Not significant to the Company's success	1 — 8	Crucial to the Company's success

Table 11 Total Scores for Question 1 (Work Attributes) by Grade

Total Scores	G and SS	E1,E2,E3	E4,E5,E6	D	JG,AG	SG,PG
0-44	63%	20%	4%	22%	28%	12%
45-54	31%	46%	55%	57%	57%	40%
55-64	6%	34%	41%	21%	14%	49%

Table 12 Individual Factors of Question 1

	1-4	5-6	7-8
Complexity	9%	46%	45%
Predictability	26%	43%	31%
Thought	7%	35%	58%
Initiative	9%	42%	49%
Tasks	14%	35%	51%
Supervision	17%	27%	56%
Attention	11%	32%	57%
Significance	24%	48%	28%

N = 242

The junior grades account for the bulk of the lower scores, the link between grade[1] and Q.1 (total score and all the individual factors) being statistically significant (p=.0001). The junior non-professionals, especially appear to perceive their work as repetitive and routine, whilst there is much less distinction between the hierarchical extremes of the professional grades. Somewhat more of the non-professionals (57%) gave lower overall ratings (0 - 50) to this question than the professionals (51%) although this was not statistically significant at .05 level. There were significant differences between the two groups on two individual factors, with the professionals giving higher ratings to the amount of thought required (p=.0125) and the level of complexity in their work (p=.0417).

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[1] Reference to dependence between grade and other variables has been based on a hierarchicial division by grade as follows:

i. G1, G2, G3, G4, SS, DI, JG
ii. E1, E2, D2, D3, AG
iii. E3, E4, D4, D5, SG
iv. E5, E6, D6, D7, PG

Q.2 "How would you describe your job at present?"

I am given no responsibility for my work	1 — 8	I am given total responsibility for my work
My knowledge and abilities are used to the full	8 — 1	None of my knowledge and abilities are used
My work is totally uninteresting	1 — 8	My work could not be more interesting
I have the complete respect of my boss	8 — 1	My boss does not respect me at all
I have no promotion prospects	1 — 8	I have very good promotion prospects
I do not enjoy the company of my colleagues	1 — 8	I thoroughly enjoy the company of my colleagues

Table 13 Total Scores for Question 2 (Job Achievements) by Grade

Total Scores	G and SS	E1,E2,E3	E4,E5,E6	D	JG,AG	SG,PG
0-34	71%	34%	18%	57%	28%	23%
35-39	16%	34%	55%	29%	45%	32%
40-48	13%	32%	26%	14%	26%	44%

Table 14 Individual Factors of Question 2

	1-4	5-6	7-8
Responsibility	12%	40%	48%
Knowledge	20%	45%	35%
Interest	18%	53%	30%
Boss	11%	42%	47%
Promotion	30%	36%	33%
Colleagues	5%	24%	70%

N=242

The scores for Q.2 cannot simply be equated with satisfaction with the job as, for example, a man nearing retirement may rate his promotion prospects as being very low, but accept this as being perfectly justifiable. The lower grades rated their achievements less highly than the senior grades (p=.0023), and again this was far more noticeable among the non-professionals than among the professionals.

Promotion is the area which stands out as that in which achievements receive the poorest assessment throughout all the grades. The professionals appears to believe that they had achieved more overall than the non-professionals (p=.0049), particularly in the realm of promotion prospects (p=.0002) and responsibility for their work (p=.0028). The professionals also rated more highly the respect accorded to them by their boss (p=.0385), which suggests that shared professional training and experience may cultivate a less divisive relationship between boss and subordinate. There was a strong tendency to give high ratings in all grades for enjoyment of the company of colleagues, with the notable exception of the senior professional grades SG and PG where 26% gave 5 or less. The only explanation I can offer is that competition for promotion becomes more intense when officer level is in sight, and that this may affect the interpersonal relationships among these grades.

Altogether the respondents do not appear to rate their achievements within the Company particularly highly. This is felt most strongly by the non-professional grades, especially the junior grades G1 to SS who make up approximately 37% of the total staff in the London office. Promotion prospects are the sphere in which discontent with achievements seems to be most concentrated.

Q3. "Please now complete the same set of scales to indicate what you think you could reasonably expect from the Company."

(factors repeated as in Q2 but with 'colleagues' omitted.)

Table 15 Total Scores for Question 3 (Job Expectations) by Grade

	G and SS	E1,E2,E3	E4,E5,E6	D	JG,AG	SG,PG
0-30	42%	24%	4%	28%	14%	5%
31-34	18%	19%	27%	36%	37%	29%
35-40	39%	56%	69%	36%	49%	66%

Table 16 Individual Factors of Question 3

	1-4	5-6	7-8
Responsibility	5%	26%	70%
Knowledge	8%	15%	77%
Interest	4%	30%	66%
Boss	5%	24%	70%
Promotion	7%	24%	68%

N=213

The scores for all the factors in Q.3 were appreciably higher than for Q.2 and the senior grades recorded higher expectations than the more junior grades (p=.0079). This pattern among the grades was consistently maintained, the only exception being promotion prospects where the junior grades gave some evidence of higher expectations (although this was not statistically significant). There was no significant difference between the professional and non-professional groups for the total scores for this question, but the professionals did have higher expectations in respect of promotion prospects (p=.0399) and the amount of responsibility they should have for their own work (p=.0207).

Questions relating to both achievements and expectations have been asked and considerable differences between the responses wereapparent.

Q.2 scores (achievements) were, as noted, lower on the whole than the scores for Q.3 (expectations) and were therefore deducted from these. The 'colleagues' factor in Q.2 was omitted from the calculation. The scores arrived at by this method are henceforward referred to as Q3LESSQ2.

Table 17 Q3LESSQ2 (Expectations less Achievements) Scores by Grades

	G and SS N=38	E1,E2,E3 N=41	E4,E5,E6 N=27	D N=14	JG,AG N=49	SG,PG N=44
ach.<exp. (Q2) (Q3)	87%	73%	85%	79%	77%	86%
ach.=exp.	8%	15%	11%	7%	18%	7%
ach.>exp.	5%	12%	4%	14%	6%	7%

Table 18 Individual Factors of Q3LESSQ2

	ach. < exp. (Q2) (Q3)	ach. = exp.	ach. > exp.
Responsibility	43%	51%	6%
Knowledge	62%	31%	7%
Interest	56%	38%	6%
Boss	41%	50%	8%
Promotion	58%	38%	4%

Promotion prospects, use of knowledge and interesting work are the factors for which expectations are most notably in excess of achievements. There was no significant overall dependence between grade and Q3LESSQ2, although the discrepancy between achievements and expectations was significantly greater for the non-professionals than for the professionals (p=.0277). The non-professionals were particularly more likely

to believe that they could 'reasonably expect' more promotion than they had actually received (p=.0026). The general picture is that there is a widespread feeling among employees that they could 'reasonably expect' more from the Company than they have actually achieved in all the factors mentioned. The deskilling of work is apparently experienced through the lack of interest and scope for the use of knowledge and abilities in the job, but promotion emerges as the key area of unfulfilled expectations.

Q4. "The same scales appear again below. This time please indicate how you would expect to be able to answer these questions in five years time."

(factors repeated as in Q3).

Table 19 Total Scores for Question 4 (Future Expectations) by Grade

	G and SS	E1,E2,E3	E4,E5,E6	D	JG,AG	SG,PG
0-30	32%	30%	39%	46%	23%	22%
31-34	19%	27%	39%	23%	21%	26%
35-40	48%	42%	22%	31%	56%	52%

Table 20 Individual Factors of Question 4

	1-4	5-6	7-8
Responsibility	3%	16%	81%
Knowledge	10%	20%	70%
Interest	6%	32%	61%
Boss	7%	20%	73%
Promotion	24%	30%	46%

Among most grades (senior E grades being the exception), estimation of future prospects (Q.4) is appreciably higher than assessment of current achievements (Q.2). The non-professionals have steadily decreasing expectations for the future as they progress in seniority, whereas all the professionals appear to be fairly optimistic about their future prospects (although there was no significant overall dependence between hierarchical grade and Q.4). However, the junior grades among both professional and non-professional groups gave a higher rating for their expectations of the future (Q.4) than their current expectations (Q.3). The belief in a brighter future would help to explain why dissatisfaction among these grades about their employment in the Company frequently does not lead them to leave the Company (see Q.7-11), despite their currently unfulfilled expectations.

The professionals' generally higher anticipated achievements within the next five years ($p=.0068$) are a realistic reflection of the different career prospects between the two groups. The professionals were particularly more likely to have higher expectations of their future promotion prospects ($p=.0311$) and the level of responsibility they should have for their own work ($p=.0188$).

A gloomy view of the future is reflected in the responses of the data processing personnel. In the interviews, the DP staff voiced strong complaints about the lack of promotion prospects, which obviously most concerned those at the lower end of the hierarchy. This was attributed several times to an abundance of older staff (within about ten years of retirement) in the senior grades who had originally been moved over from insurance departments when computerisation began in the 'sixties, and it was also suggested that such people were having difficulty in coping with rapid technological developments. Interviewees stated that this was demoralising to younger staff who felt themselves to be more capable than their seniors.

Q5. "Would you say that, overall, you are happy with your job?"

Not at all 1 ——— 8 Completely

Table 21 Scores for Question 5 (Satisfaction with Job)

1-4	5	6	7-8
14%	19%	32%	35%

As with other studies (e.g. Dale, 1962; Morse, 1966), satisfaction with the job increases with age (p=.0346) but not with grade. 'Happiness' was positively linked with the total scores for Q.1 - Q.4 (in all cases, p > .0002). This dependence occurred with all the individual factors in Q.1 and Q.2; in Q.3 (expectations) the level of responsibility was the only factor which was not significant. The gap between achievements and expectations (Q3LESSQ2) was significant on all factors except promotion prospects. Q.4 (future prospects) had the consistently highest levels of dependence with 'happiness' or all the first four questions, confirming what was suggested about current dissatisfaction being counteracted by hope of a better future.

Summary (Q.1 - Q.5)

The responses to these questions reflect employees' perceptions of the type of work they do, and the various characteristics of their jobs. There is evidence that there is a widespread failure of expectations among the staff and, as predicted, this is particularly so among the non-professionals. These staff are more likely to describe their jobs with attributes that suggest routinisation and to give low ratings of their general level of achievements.

The junior staff, especially among the non-professionals, are those whose jobs are perceived as being most highly routinised and fragmented. These grades form a high proportion of the total staff in the Company and their jobs have borne the brunt of changes through computerisation and earlier rationalisation exercises. Whilst their expectations were lower than those of older staff, it appears from the consistently high levels at which they exceed achievements that the younger generation of white-collar employees is still entering office employment with out-dated expectations of the work.

Promotion prospects are emphatically the single most important issue in expectations, and appear to be the main focus of current dissatis-faction among the non-professionals. Despite this, many believe that they have good future prospects; if the next five years do not live up to expectations, serious reappraisals of loyalties within the Company could take place. Promotion is important not only as a reward in itself, and a source of status and money, but also as a means of achieving greater use of knowledge and abilities, more responsibility and more interesting work. Reduced promotion prospects therefore have a very wide impact.

The interviewees were asked about the impact of computerisation on their work and their opinions of promotion prospects within the Company. The professionals, without exception, stated that computerisation - if it affected their work at all - served only to remove some of the routine elements and did not affect the professional aspects. None of them believed that it had, or would have, any adverse affect on their promotion prospects. The professionals' only worries about careers came from the rumour that the Junior Officer grade was to be abolished as a result of the salary restructuring scheme. This rumour was denied at the time, but has since been confirmed. This appears to be one of the few occasions in which the jobs of all groups of employees, including the professionals, are affected by rationalisation.

The professionals were asked for their opinions on the ways (if any) in which they differed from their non-professional colleagues in their work expectations, and also the extent to which the company rewarded their expertise and qualifications. Their expectations can apparently be summed up in one word - more. More money, responsibility, promotion and job interest are what they expect in return for their professional

qualifications. This was virtually a universally held opinion. There was less unanimity on the question of whether the company was able to fulfil those expectations. Money did not appear to be a problem, with a large majority believing their salaries to be satisfactory, although several suggested that the professional 'mark-up' should be higher.

Promotion prospects also generally met with approval, particularly among the actuaries. However, a notable minority (mainly actuaries and accountants) complained that they were given insufficient opportunities to use their professional expertise and to take on new responsibilities. Both these groups claimed that the company employed far too many of their particular profession and that, as a result, they did not have the scope to use their skills to the full. Balancing this, a number of professionals claimed that they enjoyed working for the company because the demands were not too great; such persons suggested that higher financial rewards could be gained elsewhere (especially in consultancy and private practice) but that the costs in terms of stress and the loss of leisure time were not worth it.

The non-professionals were far more ambivalent about both computerisation and their career prospects. It was difficult to find a pattern in their responses. Several (various grades) suggested that the long-term effect of computerisation would be to reduce the number of jobs, especially at the lower grades, whereas several others said that they had seen no evidence of this although the company had been using computers for years. Again, some said that computerisation made the work (not only of the lower grades) more boring, whereas others said that increasing computerisation had had no impact on the overall interest of the work. Virtually all the lower E grades and the G grades described a lack of interest in their work, but this was frequently not explicitly related to computerisation.

As has been pointed out before, most of the lower clerical grades (and certainly those who were interviewed) have been working for the Company for only a comparatively short time. It would therefore be very difficult for them to assess the impact that computers have had on their work over the last ten years. They could only report their present reactions to their work, which tended to be that it was routine and unfulfilling. On the subject of careers, most of the older, more senior E grades (E4 and E5) appeared to be fairly complacent and suggested that promotion prospects were probably still the same as when they had joined the Company, perhaps 20 or 30 years ago. One E5 was of the opinion that prospects were fewer now and that job satisfaction had become very low. An E3 said that promotion depended on which department an individual happened to be working in, and several interviewees (of various non-professional grades) complained that it was very easy to be passed over. The younger and more junior grades were more clearly discontented with their promotion prospects, which were variously described as 'not good', 'bad', 'difficult' and 'not all they're cracked up to be'. One clerk complained that he would still have to wait 'Buggin's turn' even though he had been on the Special Scale for several years.

B. The Company as Employer (Q.7 - Q.13)

These questions were intended as measurements of satisfaction with the job in general and the Company as an employer. If an employee is dissatisfied with a job, he will presumably regret having joined the Company (Q.7), consider resigning from the Company (Q.8), and have begun looking for another job (Q.9). Q.10 was intended to cover those staff for whom the option of leaving for another job is curtailed by age (and thus reduced chances in the employment market) or by financial ties with the Company (e.g. mortgage). However, it must be remembered that someone might want a new job just for the sake of a change rather than through dissatisfaction with the current one. Similarly, another job might be seen as offering even better prospects than already good ones with the present employer. On the other hand, many people might like to apply for another job, but can find none available for which

they are suitably qualified. In other words, various considerations other than dissatisfaction will determine how many employees actually attempt to leave the Company. Also, there are ways of expressing discontent other than by leaving the employer.

Respondents were also asked to compare the Company with other similar large companies on several aspects of employment. Most of these people will have had no first-hand knowledge of 'other similar large companies' although many may have friends and acquaintances working in them. During the pilot study, respondents were asked if they had any difficulty in answering this question. They nearly all declared a lack of personal experience of comparable companies, and had answered the question from accumulated hearsay evidence. None professed having had any difficulty with the question.

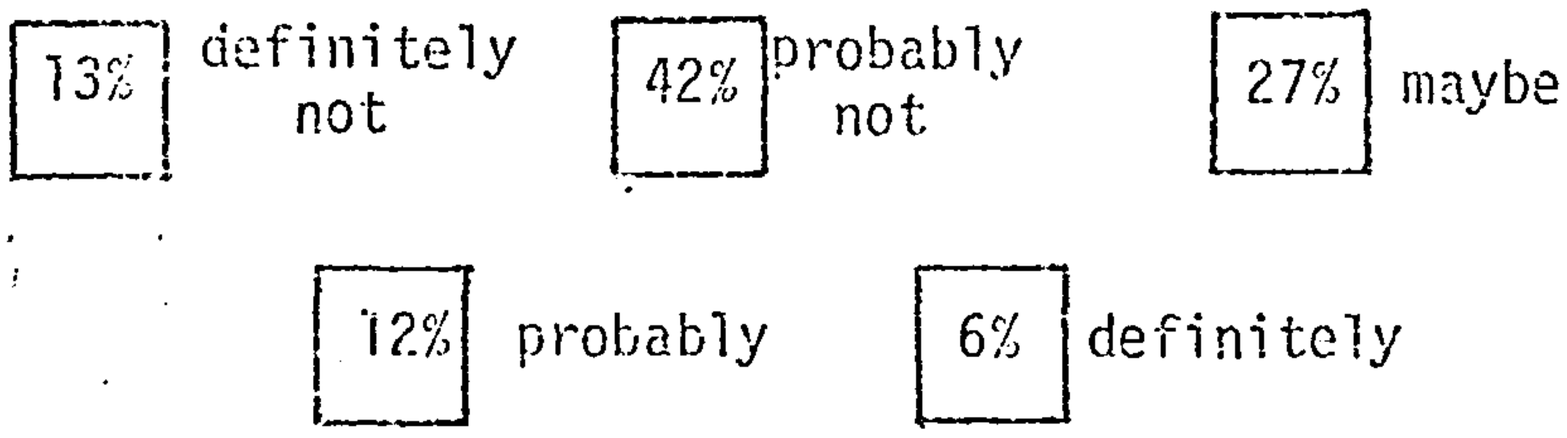
Q7. "Do you ever regret having joined the (Company)?"

0.5%	very much	7%	quite often	40%	sometimes
33%	rarely	20%	not at all		

Table 22 Responses to Question 7 (Join) by Grade

	G and SS	E1,E2,E3	E4.E5.E6	D	JG,AG	SG,PG
very much	0	0	0	0	1	0
quite often	3	3	2	0	5	1
sometimes	15	18	14	6	14	20
rarely	11	10	8	7	16	17
not at all	9	10	3	1	13	6

Q8. "Do you think you will ever resign from the Company?"



N = 240

Table 23 Responses to Question 8 (Resign) by Grade

	G and SS	E1,E2,E3	E4,E5,E6	D	JG,AG	SG,PG
definitely not	3	5	11	1	2	4
probably not	7	18	10	8	22	26
maybe	9	15	5	3	17	11
probably	12	2	2	2	5	3
definitely	7	1	0	0	3	0

Not surprisingly, junior grades were more likely to believe that they would resign ($p = .0001$) as were the female respondents ($p=.0369$). There was, however, no dependence between regret at having joined the Company and either sex or grade. The professionals were more likely than the non-professionals to believe that they would resign ($p=.0066$), indicating an awareness of the greater mobility provided by professional qualifications.

Respondents with lower scores for Q.1 to Q.4 and whose expectations most exceeded achievements (Q3LESSQ2) were more likely to regret joining the Company and to believe that they would resign ($p > .03$ in all instances). Apparently, some at least of those who are dissatisfied with their work and their unfulfilled expectations are likely to deal with the situation by leaving the Company, rather than staying and taking some form of action to achieve an improvement.

The driving force in applying for another job appears to be the non-fulfilment of expectations, i.e. Q3LESSQ2 ($p=.0275$); there was no statistically significant link with any other of Q.1 to Q.4.

Q9. "Have you in the last five years (or since you joined the Company if you have less than five years' service) considered getting another job?"

21%	never
34%	I have idly considered it
21%	I have given it serious thought
24%	I have applied for another job

N = 240

Table 24 Responses to Question 9 (Other Jobs) by Grade

	G and SS	E1,E2,E3	E4,E5,E6	D	JG,AG	SG,PG
never	10	6	12	2	9	6
I have idly considered it	10	15	5	6	18	17
I have given it serious thought	9	12	4	5	9	7
I have applied for another job	9	8	6	1	13	14

There was no dependence between grade and having looked for another job, although there was with age (p=.0014) with the young staff having been most likely to have applied for another job in the last five years. The greater mobility of the professionals was again shown in the higher proportion who had applied for another job, and the fact that fewer of the professionals (44%) than the non-professionals (62%) felt that they were restricted from leaving the Company (which is also a function of their typically younger ages).

There was no dependence between Q.10 and either age or grade, although it might perhaps have been expected that there would be. Again, unfulfilled expectations (Q3LESSQ2) was a significant factor (p=.0016) - especially having the respect of the boss (p=.0124) and promotion prospects (p=.0190) - but there was no link with any other aspect of Q.1 to Q.4.

Q10. "Would you look for another job if age/pension rights/company mortgage did not restrict you? (Only answer this question if you feel that these factors restrict you from changing jobs.)"

11%	I would start looking straight away	33%	I would probably see if there are suitable jobs
40%	I might think about it	16%	I would not want to leave

N=121

Table 25 Responses to Question 10 (Restrict) by Grade

	G and SS	E1,E2,E3	E4,E5,E6	D	JG,AG	SG,PG
I would start looking straight away	2	3	2	1	1	3
I would probably see if there are suitable jobs	3	10	6	5	3	8
I might think about it	3	11	4	3	11	9
I would not want to leave	1	3	3	0	5	1

Q11. "How do you think the (Company) compares as an employer with other similar large companies?"

	much worse	somewhat worse	about the same	somewhat better	much better
salary	1%	6%	39%	50%	3%
security	-	-	37%	45%	18%
interesting work	1%	11%	68%	17%	2%
promotion prospects	3%	29%	55%	12%	1%
working conditions	5%	16%	45%	30%	4%
fringe benefits	3%	24%	32%	31%	9%
consideration from top management	8%	22%	55%	13%	2%

N = 233

This question enabled respondents to isolate areas of satisfaction/ dissatisfaction with their employer, by enabling them to state where they felt that they would be better or worse off with another employer. It also introduced various extrinsic aspects of employment, such as salary, which have not been mentioned before. Four factors - promotion prospects, working conditions, fringe benefits and consideration from top management - each show an appreciable minority who believed that the Company compares unfavourably with other similar companies. The poor rating for these four factors was given equally by professionals and non-professionals. The fact that 32% of the respondents believed that Company A offers worse promotion prospects than other similar companies suggests that they do not attribute their low promotion chances to considerations applying to the insurance industry as a result of general economic conditions.

Some areas of dissatisfaction vary with grade. The junior grades were more likely to give consideration from top management a 'worse' rating (p=.0019), whereas the senior grades rated the Company worse for working conditions (p=.0311) and fringe benefits (p=.0072). The professionals were more likely to give a 'better' rating for salary than the non-professionals (p=.0080).

There were links between all the items in this question and Q.7 - Q.10 - in each case, a 'worse' rating is related to regret at joining, intention to resign, having looked for another job, and intention to resign if not restricted from doing so.

There is evidence that respondents tended, naturally, to generalise from their experience of their own work in making assessments of the Company. Lower scores for Q.1, Q.2 and Q.4 and expectations exceeding achievements (Q3LESSQ2) were significantly linked with 'worse' ratings for interesting work and promotion prospects. The antagonism which this causes towards the Company is reflected in the 'worse' rating for consideration from top management. Those whose expectations most exceeded achievements were also more likely to give lower ratings for salary (p=.0452).

Table 26 Dependence between Rating of Employer and Regret at Joining etc.

	JOIN	RESIGN	OTHER JOB	RESTRICT
salary	-	-	-	-
security	-	-	-	p=.0511
interesting work	p=.0003	p=.0070	p=.0424	-
promotion prospects	p=.0001	p=.0021	p=.0007	p=.0100
working conditions	-	-	p=.0313	-
fringe benefits	-	-	p=.0218	-
top management	p=.0008	p=.0000	p=.0001	p=.0103

Table 27 Dependence between Work Attributes, Job Achievements etc. and Rating of Employer

	INTERESTING WORK	PROMOTION PROSPECTS	TOP MANAGEMENT
Question 1 (job attributes)	p=.0004	p=.0173	-
Question 2 (achievements)	p=.0000	p=.0001	p=.0138
Question 3 (expectations)	-	-	-
Question 4 (future prospects)	p=.0000	p=.0003	-
Q3LESSQ2	p=.0037	p=.0006	p=.0149

Q.12 and Q.13 concerned the dissemination of information within the Company. They were included on the questionnaire at the request of the Company's management but, whilst not relating directly to the hypotheses, some of the responses can usefully be recorded.

Q.12. "In which areas is it most important to have information from management?"
(please do not tick more than three answers)

individual performance	64%
career prospects	76%
company's performance	14%
longer-term company policy	43%
dealings with ASTMS	13%
changes affecting jobs	64%
other (please specify)	-

N=242

After the concern about promotion prospects reflected in responses to Q.1 - Q.4, and the evident dissatisfaction expressed in Q.11, it is not surprising to discover that over three-quarters of respondents consider that information on career prospects is of primary importance. It appears that this is particularly so among junior staff with fewer years' service (p=.0350). On the other hand, there is some evidence that those who believe that information on individual performance to be most important are older staff as they are more likely not to have applied for another job in the past five years (p=.0293). Again, it appears to be older staff who are most concerned about company policy (length of service, p=.0482). Most importantly, the 64% who believe that information on changes affecting jobs is important appear to be drawn primarily from the non-professionals, as there is a dependence with ASTMS' membership (p=.0014).

There is a slight change of emphasis when improvement of communications is considered. Changes affecting jobs is the area where improvement appears to be most required, and this appears to be a general feeling as there is no dependence with any other variable to indicate one particular group of employees. Those who wish to see improved

Q13. "In which of these areas is improved communication most needed?"
(please do not tick more than three answers)

individual performance	36%
career prospects	57%
company's performance	5%
longer-term company policy	49%
dealings with ASTMS	14%
changes affecting jobs	61%
other (as specified in Q12 above)	-

N = 242

communication on company policy are older employees, as was the case with Q.12. However, those who want better communication on individual performance are younger staff (p=.0008) - note the change from Q.12 - indicating that there is some concern at this level about the assessment and reward of individual effort. Not surprisingly, those who want better communication on career prospects are those who rate the Company 'worse' on promotion prospects in Q.11 (p=.0199).

Summary (Q.7 - Q.13)

These questions have probed employees' opinions of their employer and their satisfaction with their jobs in the Company. Taken as a whole, there is little indication that employees intend to express any dissatisfaction by leaving the Company, although various aspects of their employment do clearly cause concern to certain groups of the staff. As with most things, 'satisfaction' (or otherwise) must be seen in comparative terms; that is, employees may be satisfied with their jobs because they meet expectations and requirement, or it may be a case of accepting that they are unlikely to be better off overall with another employer.

Promotion prospects are confirmed as a major source of discontent within the Company among all grades and both the professionals and non-professionals.

All interviewees were asked for their opinions on the styie of management within the company, and on any changes which had taken place within their period of employment.

It was with no great surprise that I heard the word 'paternalistic' used over and over again. Most believed that the company was still a paternalistic employer, although at least half believed this to be less than in the past - and this was almost universally regretted. There was a strong feeling that the company was a good employer when it came to individual 'welfare' issues (e.g. prolonged illness), but that there had been a hardening of attitudes towards the employees as a group. This was attributed to a variety of factors - ASTMS' role in bargaining and general economic pressures for the company to 'get its money's worth' being the two main ones. A high proportion also believed that the atmosphere within the company had become less formal in recent years and that senior staff and management were less inclined to keep their distance from the lower grades. This was welcomed by all who mentioned it.

A number of senior staff, especially professionals, referred to the fact that the company had recently been breaking its long-standing practice of 'growing its own timber' and had begun to recruit personnel into higher grades. Whilst this was resented by several who mentioned it because of the obvious reduction in promotion chances, it was also recognised as a way of bringing new ideas into the company, and might "shake things up a bit", as one person put it.

C. Trade Unions (Q.15 - Q.19)

The last group of questions concerns respondents' views on trade unions generally and also particularly membership of ASTMS within the Company. By asking respondents to select various areas to which they believe trade union activity should be restricted - or extended - and comparing this with their comments about their jobs and employer, we can make some assessment of the extent to which dissatisfaction with certain factors is related to a wish for these matters to be negotiated between management and the union. The reasons given for membership/non-membership of ASTMS can also be compared with responses which show indications of dissatisfaction to see whether the union may be viewed by staff as a means of improving their positions vis-a-vis their employer on matters of wider implication than salaries. Leaving the Company has already been shown to be a means of expressing dissatisfaction; the question yet to be answered is whether the majority who remain have any intention of using their collective voice through the union to make changes in areas of dissatisfaction.

45% of the respondents stated that they had been members of the Staff Associations (Q.16); 92% of those with 11 or more years of service had been members. 59% of the professionals and 89% of the non-professionals stated that they were currently members of ASTMS (Q.17). The difference in the typical length of service of the two groups has to be considered; as ASTMS was recognised in 1970, far more of the non-professionals would have simply transferred their membership from the Staff Associations to the union. Most of the professionals have therefore had to make individual decisions about union membership without any experience of the historical reasons for ASTMS' presence in the Company or any involvement in that collective choice.

The lower support of the younger age-groups within the professionals is also typical of the younger non-professionals. This lower rate of membership among junior staff indicates that ASTMS may have difficulty in maintaining its current high level of support in the future. There was no evidence that females were less likely to join the union: both sexes in the junior non-professionals were less likely to be ASTMS' members than their older colleagues.

Q15. "In which areas do you think trade unions should concentrate their energies?"

	definitely not	maybe	definitely
pay and conditions of employment	2%	9%	89%
security	5%	37%	57%
career structure/promotion prospects	11%	35%	53%
work content/job interest	21%	57%	21%
company policy	52%	36%	12%
national and political issues	79%	19%	3%

There is a predictable and steady decline of interest in union activities from the narrowest confines of pay and conditions to the widest areas of national and political issues. What is surprising, though, is the extent to which there is still considerable interest in union involvement in such non-traditional areas as career prospects, work content and even company policy. Much of this interest in the latter two categories is tentative, in that respondents feel that 'maybe' unions should be involved in these areas. But the majority do not give the resounding 'no' that would have been expected from past studies of

white-collar and professional employees' attitudes to unions. Grade was related to interest in union activities in two cases - security (p=.0341) and work content (p=.0334) - with the junior grades being against union involvement in security but in favour of involvement in work content.

The non-professionals were more likely than the professionals to favour wider union involvement (p=.0303) - particularly in career prospects (p=.0107), company policy (p=.0170) and national and political issues (p=.0239). The significance of career prospects suggests that the comparatively low achievements of the non-professionals in this sphere and the larger gap between their expectations and achievements leads them to favour union intervention on their behalf.

Table 28 Dependence between Support for Union Activity and ASTMS Membership

pay and conditions of employment	p=.0000
security	p=.0000
career structure/promotion prospects	p=.0000
work content/job interest	p=.0169
company policy	p=.0420
national and political issues	p=.1882 (n.s.)

The extent of support for union activity varied with union membership, with the union members being more likely to be in favour of union activity in the various areas. This distinction between members and non-members gradually becomes less as the activity broadens from the traditional sphere of pay and conditions until it disappears entirely with almost total disagreement with union involvement in national and political issues. There is, however, no definite evidence for establishing causal relationships between preferred areas of union

activity and membership of the union. It may be that those with a more sympathetic attitude to unions joined ASTMS in the first place, or it could be that those who joined for whatever reason have been encouraged by their experience of the union to a belief that it could be usefully employed in wider spheres of activity. It is more likely to be this latter way round, though, as the majority of the members joined in 1970 for reasons related entirely to the circumstances in the Company and not to do with personal commitment to the union movement. Also, very few people indicated that they joined ASTMS as a result of a 'principled belief' in trade unions. In other words, we can deduce that most people joined ASTMS because they had definite ideas about what they wanted the union to achieve for them.

Comparisons were made between the preferred areas of union activity and the responses to Q.11 (rating of the Company on various aspects of employment), as a means of testing whether respondents believed that union action should be taken on those items where dissatisfaction is felt. There is evidence that this is the case. Respondents who rated the Company 'worse' for promotion prospects were more likely to favour union involvement in matters affecting the career structure ($p=.0450$), suggesting a very direct response by employees to dissatisfaction with promotion prospects within the Company. Similarly, those who felt that the Company was 'worse' for security were more likely to favour union involvement in the career structure ($p=.0093$).

Union involvement in work content was more likely to be favoured by respondents whose expectations most exceeded their achievements than by those with a nearer match ($p=.0563$). This suggests that the union may be used by employees as a method of achieving career expectations which have so far been thwarted. In an apparent contrast to this, those who rated the Company 'better' on interesting work were also more likely to want the union to be involved in work content ($p=.0490$). It appears, therefore, that personal dissatisfaction with one particular area of employment need not necessarily exist for there to be a desire for union involvement in that area. There were, in fact, a number of senior non-professionals who indicated during the interviews that they believed that the junior grades had worse

prospects than they had had when starting their own careers in the Company. For example, in response to a question about the advice he might give his son if he was considering entering the Company, one E5 told me that he would say: "What, haven't you got any ambition?". It is therefore possible that the more senior staff, whilst reasonably satisfied with their own achievements, see that their subordinates have a more difficult future, and believe that action by ASTMS could help to improve matters.

Union involvement in the career structure was also favoured by those who felt that the Company was 'worse' for consideration from top management (p=.0255). It was the junior grades who gave top management the 'worse' ratings, and their wish for the intervention of the union in promotion prospects suggests that despite their lower ASTMS membership levels, the younger generation of employees does not have a more restricted view of union activities even if they decide not to become directly involved through union membership.

Questions 18 and 19 asked for the respondents' reasons for joining or not joining ASTMS. For many employees, membership was very much bound up with the events in the Company preceding ASTMS' recognition in 1970, and this question is therefore somewhat hypothetical. They did not necessarily, at that time, make the decision on the basis of any of the reasons given in these two questions. Nevertheless, these questions give respondents the opportunity to state their major points of agreement with or objections to ASTMS in the Company. Each respondent was allowed to give three reasons for membership/non-membership (not ranked in order).

Amongst the members, the traditional occupation of unions - negotiating pay - is most frequently given as a reason for joining ASTMS, although 30% (even allowed three reasons) did not consider this activity to have prompted their decision to join ASTMS. This reason for membership gained support equally from the professionals and the non-professionals. Almost half the members gave as a reason for joining that a union makes management consider employees' interest in changes affecting jobs. This was more pronounced among the non-professionals, 49% of

Q18. "If you are a member of ASTMS, why did you join?"
(please do not tick more than three answers)

It seemed to be the 'done thing'	11%
I felt it increased my security	26%
A union can negotiate better pay etc. than the Company would otherwise give	70%
I have a principled belief in trade unions	14%
I wanted to influence the union towards moderation	15%
It gives me some involvement in decisions concerning the Company	25%
A union makes management consider employees' interests in changes affecting jobs	44%
[1]Other (please specify)	7%

N=169 responses as percentage of members

[1]11 people gave broadly similar reasons under 'Other" to the effect that they felt that they should not take the benefits of union membership (usually seen in financial terms) without paying the union subscription

them believing that the union could influence management in changes affecting jobs, as compared with only 34% of the professionals.

A quarter of the members saw union membership as a means of gaining involvement in Company decision-making, with again somewhat more of the non-professionals (27%) giving this reason than the professionals (22%). Only a small minority had wanted to influence the union towards moderation, although 25% of the professionals gave this as a reason for joining. The non-professionals, though, were more concerned with security (30%) than the professionals (22%), again suggesting that mobility is an influencing factor.

It was only possible to test for dependence between certain responses to Q.18 and Q.19 and other variables because of the need for adequate numbers.[1] The following reasons for joining ASTMS were used:

i. 'changes affecting jobs': people giving this reason for membership were more likely than those giving other reasons to have given the Company a 'worse' rating for security (p=.0391), promotion prospects (p=.0354) and consideration from top management (p=.0366). This strongly suggests that such staff see the union as a means of remedying the failure of their employer to fulfil various expectations. A lack of confidence in top management or a belief that they do not sufficiently consider their employees' interests appears to lead to support for an alternative source of influence - the union.

The connection between union membership and work expectations is confirmed by the fact that respondents joining the union for this reason were more likely to have expectations greatly exceeding achievements for promotion (p=.0448), indicating again that promotion prospects are the most crucial area of employee expectations. We therefore have here quite clear evidence that employees whose work and career expectations are thwarted want to use union membership as a means of achieving some readjustment of the balance of power between themselves and their employer, so that their interests are protected when decisions are made in areas of 'managerial prerogative'. This is more important to the non-professionals than to the professionals as the former were more likely to give this reason for joining ASTMS (p=.0591).

ii. 'pay negotiations': those who gave this as a reason for membership were more likely to have not looked for another job in the

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[1]The comparisons were made using only members (or non-members) so that, for example, in ii. below, people giving pay negotiations as a reason for membership were more likely than people giving other reasons (not than non-members) to have not looked for another job. Thus, dependence cannot be extrapolated to apply to differences between members and non-members.

last five years (p=.0236), which suggests older, longer service staff, whose concern about career prospects may have somewhat diminished. They were also more likely to have given the Company a 'worse' rating on promotion prospects (p=.0488), suggesting particularly the non-professionals with their poorer experience of promotion. We can tentatively conclude that such staff may see the union as a means of achieving financial gain to compensate for reduced promotion chances. It appears therefore that those staff who cannot or choose not to leave the Company do not simply resign themselves to unfulfilled expectations, but hope that the union will at least maintain their financial demands.

iii. 'involvement in decisions': those who gave this as a reason for joining ASTMS were marginally more likely to be against union involvement in security (p=.0525). This suggests junior grades with the indication that the decisions such people had in mind were concerned with day-to-day aspects of their jobs and the content of their work, rather than major policy decisions which can affect the number of jobs and therefore the security of employees. (Also, in Q.12 and Q.13, it was the older staff who were concerned about information on company policy.)

iv. 'increased security': there was no dependence between this reason for joining ASTMS and any other variable.

The two most frequently given reasons for not joining ASTMS were objections to the union's political views and to the possibility of industrial action. Virtually no non-members took the opportunity to suggest that the union's achievement were not worthwhile, although 30% objected to the *way* that the union is run. The only clue to explain this latter point is the comment that was made several times during the interviews to the effect that the leadership had become too remote from the rank and file members who were therefore unable to influence decision-making. This comment was, however, only made by members, although it could be a more widespread feeling, especially after the announcement of the salary restructuring scheme. As the question does not actually state the way the union is run 'in the Company', it could also be that people giving this reason simply do not like Clive Jenkins!

Q19. "If you are not a member of ASTMS, what are your reasons for non-membership?"
(please do not tick more than three answers)

I do not like the political views of the union	58%
The union does not achieve anything worthwhile	3%
Union membership conflicts with my professional responsibilities	36%
I receive any benefits even though I am not a member	10%
I cannot be loyal to both the Company and the union	11%
I do not like the way the union is run	30%
I have been asked/may be asked to take action which is distasteful to me	63%
Other (please specify)	-

N = 73 responses as percentage of non-members

Tests for dependence with other variables were made using the following reasons for non-membership:

i. 'political views': those who gave this reason for not joining ASTMS were more likely than those giving other reasons to be against union activity overall in the areas listed in Q.15 (p=.0137), and especially in security (p=.0486), career structure (p=.0062) and company policy (p=.0109). It seems that a political antagonism towards union membership affects both the personal decision to join and the degree of sympathy with a wider view of union activities.

However, it is possible that objections to the political views of ASTMS were used as an 'acceptable' reason by some people to mask other reasons for non-membership, as many of the interviewees who were enthusiastic ASTMS members professed a distinct lack of sympathy with unions in general whilst claiming that ASTMS in the Company did not have any undesirable union

characteristics, such as militancy.

ii. 'distasteful action': those who had not joined the union because they did not want to be drawn into any form of industrial action were marginally more likely to believe that they would not be resigning from the Company (p=.0524), which suggests older staff. There was also a significant dependence between this reason for non-membership and several factors in the first four questions: these respondents were more likely to have given a high score for significance of their work in Q.1 (p=.0204), and high scores for responsibility for their own work (p=.0173) and promotion prospects (p=.0242) in Q.2, which indicates that the professional employees were more likely to object to industrial action.

iii. 'professional responsibilities': those who chose non-membership on the grounds of conflict with their professional responsibilities were more likely to have high expectations (p=.0288) and to rate the Company 'worse' for working conditions (p=.0424), both of which suggest the more senior staff.

iv. 'way union is run': there was no significant dependence between this reason for non-membership and any other variable.

(No tests for dependence between the reasons for non-membership and the two occupational groups - professionals and non-professionals - were made, because it was felt that there were too few non-professional non-members to give reliable results.)

Summary (Q.15 - Q.19)

The employees in this company appear to be in favour of a considerable extension of union involvement into areas which have previously been regarded as the prerogative of management - e.g. the Company's career structure, promotion policies and opportunities, the content of jobs and overall company policy. As far as promotion and job content are

concerned, respondents had already indicated that their expectations remained unfulfilled in these areas. The non-professionals, with their wider discrepancy between expectations and achievements, are more ready to support union involvement in matters of interest to them other than simply pay and conditions of employment. There was also found to be direct links between respondents believing the Company to be worse than other comparable employers on various issues - e.g. promotion prospects, interesting work - and their wish to see unions actively involved in these areas.

The reasons given by respondents for their membership of ASTMS again indicated that many of them view the union as a way of achieving some of their expectations. Considerable support for union negotiations on pay emerged, but it was far from being the only major reason for joining the union. Many people wanted the union to make management consider employees' interests in changes affecting jobs, and also saw union membership as a way of gaining some involvement in decisions concerning the Company. The matter of changes in jobs was particularly important to the non-professionals - who have had to bear the greatest impact of computerisation and other significant changes in working procedures in recent years.

There was strong evidence that union membership (connected with job changes) was seen by staff as a means of remedying the non-fulfilment of their job expectations. Whilst this reason was given by slightly fewer than half of the respondents, it was given by 49% of the non-professionals who account for a vastly larger proportion (77%)[1] of the total employees in the Company than do the professionals.

All interviewees were asked about unions in general and the role of ASTMS in the company in particular. They were not asked directly if they were union members although nearly all volunteered this information in the course of their answers (about half the professionals and the vast majority of the non-professionals were union members).

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[1] excluding officer grade and above.

Opinion about unions in general was fairly equally divided, with about half indicating a lack of antagonism (although rarely positive approval). Of the other half who disapproved of unions, a very high proportion stated that the usual image of unions - and ASTMS' particularly militant image - was not carried over into union involvement in the company. There were only four people who expressed reservations about ASTMS' role in the company (as opposed to claiming that they, as individuals, did not need a union). These reservations involved allegations of incompetence in communications; weakness ("almost reverted to being a staff association"); too much unnecessary argument on issues (for which management was also blamed), and centralisation of decision-making in the hands of a few branch officials. This last point was mentioned by several people, but was seen by most as an inevitability and not particularly resented. ASTMS received substantial praise for its negotiating successes in pay awards.

There was one fairly recent event involving the union on which questions were asked. This was the industrial action which had been taken in November 1978 (i.e. about nine months before the interviews) in support of a pay claim, and which was a work-to-rule.

Obviously, only members were bound by ASTMS' instructions and this undoubtedly explains why the professionals appeared to have had much less involvement than the others. Overall, the interviewees were positive that there had been no ill-feeling at the time between members and non-members (both groups agreed with this), and that once the dispute had finished there was no lingering rancour against management. The general feeling was that the action had indeed been necessary and had not been forced on an unwilling membership by the union. The amicable atmosphere throughout the period was probably sustained by the comparative lack of disruption to daily working routine which most interviewees reported. The younger staff seem to have taken a particularly light-hearted view, and several times referred to the action as 'a game' or 'a bit of a laugh'.

On the subject of union representation, the professionals were asked about the extent to which ASTMS catered for their special interest (if any), whether a separate union for professionals would be preferrable, and whether there was actually a need for professionals to join a union at all.

Opinion was split down the middle on whether professionals need a union, some claiming that they had just as much need (e.g. for negotiated higher salaries and the protection of security of employment) as the other employees. The others claimed that professionals were valued and rewarded highly by their employer anyway and also had a much higher market value which enabled them to move elsewhere if they were dissatisfied. Most of those who believed that professionals had a need for union representation also cited the union as a means for employees to make their views known to management on various issues concerning their jobs.

Only three professionals liked the idea of a separate union catering for them alone. The two reasons most frequently given against were that there are too many differences between the various professional groups, and that such a union would be too small to be effective within any one company. All except one declared that ASTMS did not cater for their special needs (seen primarily in terms of financial differentials), and the usual reasons given in explanation for this were that the professionals were a numerically insignificant minority and were clearly well-rewarded anyway. There was very little indication of any resentment about ASTMS' attitude.

CONCLUSIONS OF THE COMPANY A SURVEY

Computerisation has had a massive impact on work in the insurance industry in the last fifteen years and has particularly affected staff in mainstream insurance departments, rather than the specialist professional employees who merely rely on computers for certain back-up facilities. In addition, the economic pressure of the last two decades has forced employers to minimise staff costs by restricting

recruitment and shedding excess staff, and also by rationalising work so that bulk processes can be completed in the shortest possible time. These rationalisation programmes cannot readily be distinguished in their effects from the scope for work reorganisation which has been facilitated by computers.

The result from the employees' point of view has been the loss of promotion prospects; reduced scope for the exercise of responsibility, initiative and decision-making; recurring fears about job security and an increasing lack of protection against unilateral management action. As employees are more readily replaced by machines, (and as the uniformity caused by rationalisation means that any one individual becomes less significant and replacements more readily trained), so the scope for managerial control over the organisation of work and job content has grown. Employees have less personal discretion over the performance of their work, so their power vis-a-vis their employer decreases.

This was reflected in the survey evidence from Company A. The professionals generally attributed to their work fewer signs of fragmentation and routinisation, whereas the non-professionals (especially the junior grades) clearly perceived their work as displaying many such signs, i.e. few simple tasks needing little thought or attention and being highly predictable. The impact of this on work expectations (derived from 'inherited' experience) was seen in the very high incidence of achievements having fallen far short of expectations on the whole range of job factors - responsibility, use of knowledge and abilities, interesting work and promotion. The non-professionals rated their achievement of responsibility and promotion significantly lower than did the professionals, and the gap between their expectations and achievements was significantly greater (especially relating to promotion). The variation in the responses of the professionals and non-professionals indicates that the bureaucratisation of work which has affected the latter's jobs is reflected in their perceptions of their achievements and the qualities of their work.

Until about a decade ago, insurance employees showed little inclination to contest their employer's decisions. Salaries were generally very favourable with valuable fringe benefits; security was absolute, and a steady career progression was assured for the conscientious employee. There appears to be currently very little discontent about salaries (confirmed in the survey evidence) although this was not the case ten years ago when rigid adherence to income policies reinforced the trend towards less than generous pay increases. There is no doubt that ASTMS has been very effective in negotiating pay increases in those companies where it has achieved recognition and, as the major companies tend to pay very similar salaries, the negotiated increases in the unionised companies must have pushed up the level in the others. Company A, in particular, has been of significance as it had been the first of the major companies in the annual pay-round (renegotiating salaries each October), which set the trend within the industry. It has recently tired of bearing this burden and negotiated an 18 month pay settlement, thus placing itself at the end of the queue in April.

Security of employment has also not suffered as greatly as had been feared by some groups of employees. Some companies, such as Company B, have introduced voluntary redundancy programmes on occasions, and many (including both Companies A and B) have had early retirement schemes. I know of no cases of compulsory redundancy among the larger companies. Employers have therefore managed their reduced demands for labour without forcibly separating people from their jobs. Whilst security has been an intermittent fear, it has not proved to be particularly justified. ASTMS negotiated a policy of 'no redundancy' with apparent ease shortly after its recognition in Company A, and even voluntary redundancy was always considered a measure of last resort in Company B.

Career progression is another matter altogether. Whilst the very able will still find their way, if not to the top, then to fairly senior positions, the majority of employees are no longer assured of a steady climb during a 30 or 40 year career. Plateaux are

reached at a comparatively low level, where staff can see many years stretching ahead of them with the chance of very little further promotion - and work which is often less than inspiring. And yet it has been the prospect of a career - a continuing improvement in status, financial reward and responsibility - and the consequent identification with managerial philosophy which, I would argue, has characterised white-collar and professional employees' work ethic and expectations.

Certainly, the evidence from the survey in Company A is that promotion is not only the most important area of employee expectations but also that area which has been suffering most. The particularly poor promotion achieved by the non-professionals (in their own estimation) has already been noted; and altogether 32% of the respondents felt that the Company offered worse promotion prospects than other similar large employers. Those who gave this 'worse' rating were apparently reflecting their own experience of low achievements and failed work expectations. And yet the younger employees in the early years of their service still had high expectations of the future (especially, in fact, of promotion); clearly the experience of their seniors had not been an effective lesson for them.

The question to be asked is whether trade union membership, which has grown to such a great extent in the insurance industry in the last few years, is in any way a response to the failure of expectations resulting from the deskilling of work and the decrease in career prospects. It has certainly not been a lightly-taken decision. White-collar employees have always tended to stress cooperation with management as a means of achieving their objectives, but during the 'sixties and 'seventies there were signs that cooperation would merely facilitate the worsening of employees' work experience and prospects.

As mentioned earlier, the intention behind union membership could take two forms. The union could be seen as a means of gaining greater extrinsic rewards (in the form of salaries and fringe benefits) to compensate for failure of expectations in other areas, or it could be seen as a means of restoring the more favourable traditional status, work and prospects of previous years. The experience of the last decade has shown that ASTMS appears to emphasise the former, whilst the evidence of the survey in Company A is that employees are moving towards demanding a restoration of earlier expectations by union involvement in areas of managerial prerogative.

A. Financial Compensation for Unfulfilled Expectations

89% of the respondents in the Company A survey believed that the union should definitely be involved in negotiations about pay, and there is some evidence that financial compensation for loss of promotion prospects is valued by at least some of the staff. 70% of the respondents gave pay negotiations as one of their reasons for having joined ASTMS, and this reason was more likely to be given by those who believed that Company A offered worse promotion prospects than other similar large companies. The professionals - with their higher achievements, especially in the sphere of promotion - were more likely than the non-professionals to believe that the company offered better salaries. In addition, those with low expectations of their future promotion prospects were more likely than those with high expectations to believe that the union should definitely be involved in decisions on pay and conditions of employment. However, as such people were predominantly older employees, this may be only a realistic recognition that their chances of improving their financial status through promotion is reduced because of their age (regardless of prospects generally), and that they will benefit primarily through negotiated pay increases.

I would not, in any event, suggest that pay increases are seen by people as necessarily the only or completely satisfactory compensation for losses in other spheres. Gouldner (1954) argues that the most legitimate expectations are those which are explicitly consented to, but that any human relationship involves expectations not mutually agreed in advance. If grievances concerning expectations are inhibited (by, for example, a perceived lack of legitimacy), then they may be displaced on to other issues. Thus, employees may be aggrieved at the reduction of promotion prospects and the diminution of the intrinsic value of their work, but believe that they cannot legitimately (or effectively) influence managements on these issues, whereas they can do so on areas of the employment contract, such as pay, which have been designated legitimate areas for collective bargaining.

In such circumstances, employees are effectively adhering to traditional notions of managerial prerogative, although the evidence of the survey is that such ideas are being extensively reassessed. There is virtually no indication of this in earlier studies. However, economic demands when seen as a legitimate area for collective bargaining could be the first stage in the development of the collective ethic and, once satisfied, may lead to demands for increased involvement in wider decisions and ultimately to demands for self-management (Mallet, 1975).

Whatever interpretation is given to employees' support for union negotiations of pay - i.e. as a first step to wider bargaining or as the only legitimate sphere for collective bargaining - it is clearly an important area. However, bargaining over pay is fairly readily contained within delimited boundaries and does not pose such a threat to managerial authority as bargaining in such areas as job content or promotion prospects. If employees do believe that their union should negotiate in these latter spheres in order to restore earlier rewards, then the challenge to management is considerable.

B. Fulfilment of Traditional Expectations

The survey results from Company A showed that promotion was very important to the majority of respondents, and that this is so among all ages and both professionals and non-professionals. Similarly, they have high expectations of the intrinsic nature of the work in terms of the demands that it makes on their skills and abilities, capacity to exercise responsibility and so on. Not only are these aspects important, but there is ample evidence that these employees believe that their employer is failing to fulfil these justifiable expectations. A minority of respondents in Company A were definitely opposed to union involvement in the career structure and promotion prospects (11%) and in work content/job interest (21%). Barely half (52%) were opposed to union involvement in company policy. Similarly, a fair proportion of union members joined because it would give them some involvement in decisions concerning the company (25%) and because the union obliged management to consider employees' interests in changes affecting jobs (44%). This is ample evidence that employees are concerned that their union should protect their interests in areas which have previously been determined solely by management's decision-making.

This is not by itself, though, an indication that employees have joined the union because they wish it to negotiate an improvement in areas of traditional expectations - job content, career prospects - which are currently failing. The survey did, however, also reveal that those who believed that the company offered worse promotion prospects, security and consideration from top management than other similar companies were more likely than those who believed it was better to have joined the union for the protection it gave them when management was considering changes to jobs. Such persons (i.e. those who rated the company 'worse' on these three issues) were also more likely to believe that the union should definitely be involved in decision-making about the career structure and promotion prospects.

Perhaps most important is the evidence that the respondents whose expectations most exceed their achievements in the company were more likely than those with fewer unfulfilled expectations to favour union involvement in work content and job interest. Similarly, those whose expectations of promotion most exceeded their actual achievements in this sphere were more likely to have joined the union in an attempt to make management consider employees' interests in changes affecting jobs. These respondents tended to be non-professionals and older rather than younger. That is, they were those employees who have had more experience of the decline of promotion prospects, status and intrinsic job satisfaction, and who do not have the protection afforded by professional qualifications. These are the individuals whose status aspirations are most likely to lead to alienation from their employer because their work has not led to the anticipated goals (Mills, 1951).

The failure of expectations in the crucial area of promotion prospects appears to have had a particularly significant impact on employee attitudes towards, and membership of, their trade union. Loveridge (1972) noted the importance of what he termed 'cultural lag', i.e. the influence of inherited values after the time when they are justified by current experience. The high expectations of office work held by even the young staff in Company A could hardly be justified by experience in a modern commercial company, but the traditional aspirations regarding a career and fulfilling work still persist. Loveridge also identifies rationalisation of work as being the factor which shatters expectations most, although the desire for prestige among the employees concerned is not diminished as a result. Given this, it is reasonable to assume that such employees will look for some means of recovering their earlier prestige, rather than adjusting their expectations.

The primary barrier to be overcome before such employees move to the positive pursuit of their own interests is their identification with management and the ethic of cooperation noted earlier.

When employees come to see their relationship with their employer as one of exploitation, however partial, then this combined with the injustice of failed expectations causes a readjustment of their traditional ethic. Blau (1967) suggests that power experienced as exploitation promotes antagonism. This can be seen in the context of a bargain between employee and employer in which both parties contribute to and benefit from the contract. If, however, expectations regarding the fair return merited by investments are violated, then dissatisfaction with the contract and hostility towards the other party ensues (Blau, 1964).

In the work context with which we are here concerned, the changes during the last decade could be readily perceived in exploitative terms. Managerial control has been increased through various techniques such as job regrading (Loveridge, op. cit.) and automation, which threatens the central expectations of the employee relating to prestige. This also enables management to consolidate their power by the application of rules: "people have power over other people insofar as the latters' behaviour is narrowly limited by rules whereas their own behaviour is not" (Crozier, 1964, P.158). In this context, collective bargaining can at least pave the way to a more equitable distribution of power by imposing rules on managerial decision-making, even if usually in restricted areas. The problem remains, though, that these areas (e.g. pay) are usually only secondary to the central focus of exploitation or grievance as perceived by employees.

CHAPTER 8

A DISCUSSION OF THE MAIN ISSUES

Introduction

The theoretical background of this study and the empirical data have all been reviewed, and it is now necessary to discuss some of the conceptual problems of this area of research and the major issues which have arisen. This chapter will therefore reassess the major ideas concerning white-collar unionisation and its recent rapid growth, distinguishing in the first place between aggregate or macro factors and those factors which apply at the institutional or micro level. We need to ask not only what factors and circumstances have caused white-collar and professional unionisation, but also why such people have rejected existing forms of collectivity, particularly staff associations, as has predominantly happened in the insurance industry.

And finally we must look at the connection between the causes of union membership and the subsequent activity of the union concerned. That is, what evidence is there that the issues subject to collective bargaining are those which caused the need for unionisation in the first place?

The Process of White-Collar Unionisation

The literature on white-collar unionisation has extensively investigated the significance of a large number of factors which may have had some impact on the increase in union membership over the last decade. The more important of these issues were discussed in Chapter 4, and it is not my intention to again consider their individual relevance. I wish, rather, to examine the types of factors involved and the specific ways in which each type affect white-collar unionisation.

As was mentioned in the introduction, these factors can be divided into two categories, which have their impact at the aggregate and the institutional level. To make this clear, we can say that those at the aggregate level affect all white-collar employees and normally have their basis in general economic and social changes or in governmental activity. Factors at the institutional level are seen as critical to one particular organisation or industry. For reasons which are explained shortly, it is not always possible to make such a clear-cut distinction and this dual categorisation is rather an over-simplification. An alternative typology may be more useful.

Some of the major issues which it has been suggested are of importance at the aggregate level are government policy; diminishing differentials between manual and non-manual workers; and decreasing status of white-collar workers reflecting not only reduced differentials but also such things as the devaluation of jobs through the use of mechanisation and the greater employment of women. The point about these factors is that they have had a widespread impact on the general population of white-collar employees and have, it is suggested, made these people turn to trade unions in unprecedented numbers.

The usefulness of such theories is restricted by their very generality. They do not explain why some groups of white-collar employees still have not joined unions even though they are similarly affected by these factors. They do not explain why one insurance company has had a high level of union membership for ten years and why another very similar company has very few members. And their generality, which imputes shared values, expectations and motivations to vast numbers of people, is too simple and clumsy to be of great use in analysis or prediction. We come back to the conclusion stated much earlier - there must be other factors involved. However, I am not rejecting these aggregate factors as being of no relevance.

A wide range of factors have been suggested as being of significance at the institutional or local level, ranging from the sex of the employees concerned (usually with the suggestion that women are less likely to join unions) to their social and family background. Factors emanating from the work environment are often put forward, of which promotion prospects (or the lack of them), the size of the organisation or work unit, and the impact of technology are probably the most important, and which have been considered to be of significance in this research.

It is often difficult to tell how certain factors should be categorised, as virtually all the most common factors put forward for the growth of white-collar unionisation in recent years could be considered in some way at both the aggregate and local levels, and are often inter-dependent.

I therefore do not deny the importance of changes at the aggregate level, but suggest that it is misleading to refine and de-limit all these changes into one 'general theory' which purports to explain the growth of union membership. Too many exceptions can always be identified and too many problems remain unanswered. At the local level the argument is against over-emphasis on individual factors rather the focusing of the mix or inter-dependence of factors, and has been rehearsed at some length in Chapter 4.

Having rejected this particular approach to the organisation of theories of white-collar unionisation, I will attempt to outline some alternative ideas. I would suggest that factors could be divided again, but this time into four categories:

a. Deterrent factors

There are frequently one or more factors which militate against the effects of the other categories, and lessen or inhibit the move towards union membership. That is, whilst a group of employees may realise that joining a union may serve their purpose, there may also be factors which deter them from doing so. Such factors may be the fear, whether justified or not,

that career prospects may be adversely affected by union membership, or various misgivings about some aspects of the effect of the union on organisational life.

There are also a number of important deterrent factors which are not really part of the individual's conscious decision to join a union, but which affect the development of an awareness of the incentive factors and which also inhibit both the individual and collective will for action. Illustrations of these factors are the fragmented basis of work units in, for example, the distribution and retailing industries, and the lack of prospects and longer-term commitment to their jobs of many younger people, especially girls.

b. Environmental Factors

These factors do not in themselves create a need for unions among white-collar employees or cause a drive towards union membership, but rather they remove some of the barriers which have previously stood in the way and therefore create a more propitious environment. I would include in this category government action which favours unions, especially recent employment legislation which has smoothed the path towards recognition in many companies (although not inevitably - remember Grunwick).

Also under this heading would come the facilitated union recruitment and reduced sense of isolation which comes with increased organisational size. This raises an important point, namely that a single issue - organisational size, in this case - may have a number of consequences which must be considered separately, rather than as a totally inter-dependent cluster. There could also be other changes at an organisational level which would not of themselves create a need for union but which would remove a hindrance. An example of this might be a change of management or management policy to one less antagonistic to unions.

One final issue which needs to be raised in this category is the effect of the changing social norms about union membership which mean that non-membership is no longer generally the standard for white-collar employees. Now clearly this is a chicken and egg situation because large numbers of people had to join unions before the norms shifted in favour of membership. Nevertheless, once this change has occurred, it has helped to eliminate resistance to unions among some groups of employees. So, for example, the staff of insurance companies which are not yet unionised could, at some future date, become so without the level of incentive or need which has been present in other companies.

c. Incentive Factors

These are the factors which actually create the need for union membership, and turn employees from individual action or existing forms of collectivities such as staff associations. It is under this heading that I would put the issues which have predominantly been the subject of study in this research, i.e. computerisation and the overall rationalisation of jobs, and the effects of these on career prospects and job content. This is not to suggest that these are the only factors which may provide the incentive for union membership, but only that I consider them to have been the most important in these companies. Threatened loss of security of employment, reduced financial rewards and differentials and loss of or unfulfilled needs for involvement in decision-making are some other factors which are undoubtedly of significance on occasions.

I said that these are the type of factors which cause the need for union membership, but it would perhaps be more accurate to say that they create in employees a need for action and that union membership appears frequently to be the most appropriate action.

Individuals may take other forms of action on their own initiative - from leaving the company or industry to obtaining qualifications to enhance their general prospects. (Many may attempt some form of individual action as well as acting to protect the collective interest.) Other employees (a minority these days for reasons to be discussed later) may reject collective action in the form of union membership and opt instead for an alternative in the form of an internal staff association.

d. Catalyst factors

I have identified this as a separate category because there frequently seems to be some additional factor, apart from those mentioned, which either exploits the need which has arisen or simply acts as a catalyst and lifts the perceived need into collective action. This is often necessary because of the sheer complexity of translating collective will into collective action, and because of the reluctance of many to move in a new direction.

I shall now very briefly illustrate this framework by its application to the two companies which were studied in this research. Some of the deterrent factors in both companies were those shared by virtually all white-collar and professional employees, i.e. the antipathy towards the wider objectives and ideology of the union movement and the traditional ethic among such employees of co-operation with management. Additionally, in Company B, the greater number of administrative centres probably hindered the development of collective action. In Company A, the presence of large numbers of young staff, predominantly female, has probably restricted union membership in the Reading Office, although we have already seen how the same feature in the Hove office in Company B did not have this adverse affect on unionisation.

The importance of environmental factors can be seen in the use which was made by ASTMS of employment legislation in its struggle for recognition in Company B. In Company A, the concentration of the majority of office staff into two very large units created a favourable arena for the events which led to unionisation. The presence of an active staff association with an independent-minded leadership in this Company also facilitated the move to a new form of collective action. None of these factors in themselves actually created a need for union membership; although other affects of large work units undoubtedly did so. What they did achieve was the smoother move towards unionisation once employees had recognised a need for collective action.

The incentive factors are probably the critical ones in these companies: indeed, they are almost bound to be otherwise employees would never take the step of unionisation. It has been my objective to offer evidence that the effects of computerisation and increased bureaucratic control through rationalisation have been the major factors creating the need for collective action through a union. They are not the only ones of significance, though - fears about employment security (work measurement in Company A, voluntary redundancy in Company B and in both companies early retirement and lingering fears caused by earlier mergers in the industry) probably played a part. Also of some significance was the decline in comparative financial status, made particularly obvious during periods of incomes policy.

From these studies, I would single out as catalyst factors the manner in which the management of both companies effected certain decisions, i.e. the implementation of work measurement in Company A and the house purchase scheme alterations in Company B. The issues in Company A were of far greater significance, and therefore management's handling of them had a far greater affect and became a catalyst factor. In Company B, the mortage issue was comparatively minor when seen in perspective, but it was the glimpses into

management's changing attitude towards the staff which acted as a catalyst and caused a jump in union membership. In both cases, it was the handling of the decisions by management, rather than the substance of those decisions, which finally pushed many people into a decision about union membership.

A further catalyst factor in both companies was the deliberate exploitation of the perceived need for collective action - i.e. the incentive factors - by certain groups or individuals. ASTMS has frequently shown itself to be quick to grasp the opportunities offered by changes in white-collar employment, and was well able - through Clive Jenkins - to offer all the answers when the issues in Company A were in ferment. Without this, the matter of unionisation might just have receded in due course. The different circumstances in Company B, with the very nebulous expression of issues, did not offer the same opportunities for the catalytic action. In one smaller unit in the Company, the Hove Office, I think that the astute exploitation of simmering discontent among the young staff by one or two local union activists was the critical factor in achieving their comparatively high level of union membership at an early date.

These last few paragraphs have been intended as illustration of the theoretical structure outline above. They cannot be an exhaustive analysis of these factors from this study simply because there is not sufficiently reliable data on most of them. However, the data that has been given and the observations available are a sufficient basis for this preliminary analysis. Two important points must be emphasised:

i) various factors, both within and between categories, may vary in weight or importance and cannot be seen simply in the form of a unionisation 'balance sheet'

ii) the incidence of various factors in time may be of considerable importance, serving to increase their impact if they coincide.

With these two points in mind, it can be said that an analysis of factors along the lines suggested may assist in understanding the process of unionisation and predicting its future development.

Before completing this section, one final issue needs to be raised which will be dealt with in more detail in the final part of this chapter. This is the difficulty of translating many of the incentive factors - deskilling, loss of promotion prospects, non-involvement in decision-making - into issues which can become the substance of collective bargaining. It appears that emphasis tends to be given to those factors which are considered legitimate in management/union negotiations, like security and pay, even though they may not have been the primary incentive factors.

The Rejection of Staff Associations

Staff Associations have existed in the insurance industry for very many years, some having originated in the earlier part of the century to ward off the influence of the Guild of Insurance Officers. Now, though, there are very few companies which still have an active staff association. Of the ten largest insurance companies, only two have not recognised either ASTMS or BIFU for collective bargaining, and both these two companies have had staff associations for a long time. The very clear trend has been over the last decade that staff associations have given way to more orthodox trade unions. Indeed, in several cases, including that of Company A, the union concerned has gained recognition as a result of an invitation by the staff association to take over their interests. Why, then, have staff associations appeared to be unable to tackle the problems which have been caused by the changes in white-collar employment and have given way to unions in the protection of employees' interests?

Staff associations are, by their very nature, restricted to the employees of one particular company and have been referred to as internal unions. In many cases in the insurance industry, this has meant a potential membership of over 5,000 - 6,000, which is larger than some of the small trade unions. Numbers of members alone cannot have fatally reduced their potential for action. Given a sufficiently high achievement of actual membership, and a realistic membership subscription in line with those charged by unions, an income would be generated sufficient to make the effective work of a staff association a viable proposition.

One of the most frequent reasons put forward to explain the demise of staff associations is that, as they are restricted to one company only, they lack the strength of unions which draw their membership from numbers of companies or industries. There seems to be no inherent reason why this should be the case. A number of very powerful unions - NUM, NUR for example - have members who work for only one employer. Co-ordinated and effective collective action can be taken by employees whose union or association extends no further than the company in which they work. A certain element of protection may be provided, and also additional pressure put on the employer through other companies, when other members of the same union outside the company can be persuaded to take sympathetic action. However, as this has not happened and, I would guess, is not likely to happen among the union membership in the insurance industry, it does not seem to be a particularly convincing argument.

Whilst the membership as a whole may not need the protection of a union extending to other companies, the officials of staff associations may well be in a more vulnerable position. The staff association itself is rarely likely to be a secure or attractive employer and the leadership would be most likely to remain in the employment of the company, as has happened in the insurance industry with all staff associations and indeed with company union officials. This would,

in the case of staff associations, quite possibly cause some fears in the event of militancy, although I think this has probably been over-estimated as a factor leading to the abandonment of staff associations.

Whilst there might not be any fundamental reasons why single-company unions or staff associations should not engage in effective collective bargaining, there have been substantial gains to be made from joining major trade unions. The experience of negotiating in a variety of organisations combined with the back-up facilities and information available from research have been of considerable advantage to internal union officials. The sheer weight of resources is considerably in favour of unions like ASTMS.

But this still does not explain the point that staff associations have been ditched because they have been seen to be too weak and ineffectual, not simply because more resources are available from a union. It has needed more than objective assessments of resources to break through ideological barriers surrounding union membership and recognition. And this is precisely the significance of the step. Staff associations have represented values which have been challenged, and have based their activity on an ethic which has been reassessed. Staff associations have traditionally represented a unitary perspective of the organisation and have been guided by the principle of cooperation with management.

This is really the reason why staff associations have been deemed inappropriate to deal with the issues which have prompted union-isation. Their weakness has not been structural or practical but has stemmed from an inappropriate value system. The transition from staff association to trade union has been in part a symbolic act, representing the employees' rejection of the old authoritarian relationship.

A brief review of the activities of the staff associations in the two companies in this study will provide some illustrations. In Company A, the staff association leadership decided that some alternative and stronger form of organisation was necessary after it was constantly rebuffed by management on the important issues affecting the staff. Management refused to consult with the association over the reorganisation of work or to engage in negotiations of any significance on salaries. The force of many years of membership apathy and management non-engagement prevented the association's development at this crucial moment into a form able to fight the battles of the late sixties. ASTMS' militancy and aggressiveness and its proven negotiating successes - rather than its size or resources - were the key factors which made that union the most attractive contender for a merger with the staff association.

A very clear example of the traditional values pertaining to staff associations is found in the events in Company B. The staff association was formed by a few employees as a direct alternative to ASTMS after the union began making membership gains. It explicitly emphasised co-operation with management, putting this forward as its primary advantage over ASTMS. Very little attention was paid by its leadership to the process by which they would achieve their negotiating objectives, if indeed they ever really had any. The strongly contrasting attitudes of management to the staff association and the union reflects the values represented by each.

The political climate was also not propitious for the foundation of a strong staff association at this time. The Labour Government's 'Social Contract' policies did not favour this type of institution, and ACAS was known to be under considerable pressure from the trade unions to avoid Section II decisions which supported staff associations against the TUC unions. Additionally, management were effectively prevented from lending any form of tacit support to the association for fear of jeopardizing its chances of achieving a

certificate of independence. All these factors weighed against the growth of the staff association in Company B, although they were not insurmountable if it had had the full support of the employees.

Bargaining on Incentive Factors

The first section of this chapter identified a large number of factors of various different types, which exert an influence on white-collar unionisation. Only one type of factor actually creates an incentive to take collective action in this way. The argument in this thesis has been that increased rationalisation of jobs, compounded by computerisation, has had deleterious affects on work content and career prospects, and that this is a major area in which employees want their union to take action.

But what happens over issues like this? The union concerned is well aware of their impact on their actual and potential members. The union has used conspicuous advertisements which state such fears clearly, the latest one of which features white collars heaped in a dustbin. But there has been very little emphasis on these issues once collective bargaining has been achieved, or even before that time. ASTMS' officials claimed to Company B management that they would be unlikely to gain large numbers of members before they were able to negotiate on matters of pay. This was identified by the union as being the reason why people join unions.

The study in Company A has shown that, whilst negotiated pay increases are an appreciated advantage of union recognition, they are very far from being 'the reason' why the employees in that Company joined ASTMS. Yet the immediate response of the union after recognition was to concentrate its energies on pay negotiations and some very substantial salary rises were rapidly negotiated (and very gratefully received by the staff).

Several reasons can be identified as to why unions might tend to adhere to the practice of negotiating on matters like pay, rather than turning their attention to other issues:

i. First of all, it is easier. Salaries, holidays, fringe benefits and various other extrinsic aspects of employment are issues which are now almost universally accepted as being proper areas for bargaining between management and union. The management's acceptance of the union's right to represent the employees' interests legitimates bargaining in these areas. These and similar topics are normally included in the procedural agreement and other issues regarding the organisation of work, promotion policies and so on, are, implicitly or explicitly, designated as remaining within the sphere of managerial prerogative. Any attempt to extend bargaining boundaries is therefore in direct contradiction to the procedural agreement.

Issues such as pay are also more simply dealt with by their very nature as clearly specifiable and reducible to cash terms. The financial calculations on salary negotiations can actually become very complex, but the matter is comparatively unclouded by questions of employees' rights and management's responsibilities.

In addition, bargaining over an already well-developed innovation like computerisation has its problems. It is not a discrete phenomenon, but is a continuous process, the precise changes and effects of which are difficult to determine. The substantial number of staff engaged on computer-oriented work - although often some of the most active union supporters - obviously have considerable vested interests in further technological developments which might well conflict with the interests of other members. ASTMS has been tackling this area with Technology Agreements, which aim to restrict

management from implementing changes without agreement (on the lines of a status quo clause), but has had difficulty in gaining their acceptance and in monitoring the effects of changes.

ii) Bargaining on pay also produces a tangible result for presentation to all employees. The goods are produced on a regular basis, and all the evidence of Company A is that employees are well pleased with ASTMS' successes in pay negotiations. Not only that, but the issue happily represents itself twelve months later, so that the union is engaged in a fairly continuous cycle of pay claims. Add to this the fact that most employees have a natural inclination to attach considerable importance to a pay rise, and it is easy to see how other issues become submerged.

iii) The legitimacy of pay as an issue for bargaining not only facilitates these negotiations, but also very effectively prohibits movement into other bargaining areas. The non-legitimisation of these other issues - like deskilling and restricted promotion prospects - is a tremendous barrier to any attempt to challenge management's authority over them. Unions are no doubt perfectly aware of the difficulties in extending bargaining boundaries, and may recoil at the fear of failure. There may also be reservations about doing so in the sense that managerial prerogative as a concept may be upheld, although I suspect that that would be more likely with the local company union officials.

With management being sure to resist any union attempt to move into the area of their current prerogative, and the union apparently unwilling to try, what hope is there that the issues identified as being important in this research will ever be the subject of negotiation? It is possible that the union is simply not aware of any widespread feeling among the staff about the need to

negotiate on these issues. Perhaps more detailed examination of members' interests and needs - and the extent to which action would be supported - might move the union in the direction of bargaining. Their job would be made more difficult, however, by the fact that the interests of the staff are all different on this sort of issue. We have seen from the survey results how responses varied among different groups, and the impact of computerisation varies considerably from department to department. Uniform support and interest, as there tends to be with a pay claim, could not therefore be expected, making co-ordinated action far more difficult. There may even be conflicts of interest with, for example, promotion prospects among one group being protected only at the expense of overall salary levels.

In conclusion, therefore, it is difficult to foresee any realistic chances of successful bargaining in the wider area on work content and careers without a more active and open consensus among employees about their own interests and priorities. In addition, managements are in a very strong position to defend their own bargaining power as the force of mutually agreed procedure, and custom and practice, considerably supports the present status quo.

CHAPTER 9

CONCLUSIONS OF THE RESEARCH

Introduction

This thesis has presented data from two major insurance companies on the unionisation of white-collar and professional employees. Whilst the studies differed in methodology, and the industrial relations context in each company differed in significant respects, there was a basically similar work ethos and framework of relationships between management and employees. In this concluding chapter, both studies will be reconsidered and an examination made of the extent to which the hypotheses are supported by them.

Recognition of the union in Company A was prompted almost a decade before the research began by a series of events which had united employees in their determination to achieve more influence over certain decisions which directly affected their work. This particularly concerned changes, which impacted on work expectations, in the spheres of job evaluation, work rationalisation and computerisation. However, when union recognition was achieved, negotiation was limited to matters of pay and basic conditions of employment, although it has since widened somewhat to various other aspects of personnel policy. Managerial prerogative has remained largely unrestricted in the spheres of company policy, working methods and career prospects (but with union involvement in the latter as it has been affected by the salary restructuring scheme).

The study in this company was based on hypotheses concerning the effect on employees' work expectations of the increased bureaucratisation of their jobs, and the impact that this has had on employees' reasons for joining their trade union and their expectations of that union. Restated from Chapter 1, these were that:

i) changes in skill and promotion levels at work have led to unfulfilled employee expectations concerning both the progress of their careers and the suitability of the work to be performed.

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ii) unions are viewed by employees as a means of remedying their unfulfilled expectations, either by providing higher incomes as a form of compensation, or by putting pressure on management to fulfil those expectations.

The description of events leading to union recognition in Company A highlighted the impact of the introduction of work measurement and computerisation, and the manner in which these decisions were handled by the Company's management. The questionnaire survey indicated that the consequences of these decisions, and their effects on work content and career prospects, have had a long-term impact on attitudes towards trade union membership and activity.

The main results of the survey in support of these first two hypotheses can be summarised as follows:

a) A higher percentage of non-professionals, whose work has been most affected by computerisation and rationalisation, described their work as non-complex, predictable, needing little thought and initiative and so on, than the professionals. This distinction became very pronounced among the junior grades.

b) The non-professionals rated their work achievements significantly lower than the professionals, particularly in the realms of promotion and responsibility. This again was most in evidence among the junior grades.

c) There was no significant overall difference between what the professionals and non-professionals felt they had a right to expect from the Company, indicating that there were similar expectations among all the employees in the Company. The exception was that the professionals expected to achieve higher promotion and levels of responsibility, which was a realistic reflection of their greater opportunities in the Company.

d) The gap between achievements and expectations was significantly greater within the non-professionals.

e) Union membership was very considerably higher among the non-professionals (89%) than among the professionals (59%).

f) The non-professionals were significantly more likely to favour wider union involvement in bargaining, particularly in career prospects and company policy.

g) Those who believed that the company offered worse promotion prospects, security and consideration from top management than other similar employers were the ones most likely to want union involvement in matters affecting the career structure. This suggests that the demand for union activity is a direct response to areas of dissatisfaction.

h) Those whose expectations most exceeded their achievements were the ones most likely to favour union involvement in matters affecting job interest and work content.

i) 44% of the respondents had joined ASTMS because it made management consider employees' interests in changes affecting jobs. These people were more likely than those giving other reasons to have expectations of promotion greatly exceeding their achievements, and to believe that the Company is worse than others for promotion prospects, consideration from top management and security.

j) 25% of the respondents joined the union in order to gain more involvement in decision-making.

k) 30% of the respondents, even given the opportunity to give three reasons for joining the union, did not consider pay negotiations to have been a significant factor. Those who did join for negotiated pay increases were more likely than those giving other reasons to believe that the Company is worse than others for the promotion prospects it offers.

The non-professionals, especially the junior staff, were more likely than the professionals, to describe their work in terms reflective of the impact of rationalisation and computerisation, and their achievements in terms of responsibility, use of skills etc., were also more likely to fall far short of their expectations. This lends support to the hypothesis that the unfulfilled expectations are caused by differences in the work situation of the two groups, which can be seen primarily in terms of the greater bureaucratic control wielded over the non-professionals, especially at a junior level, through rationalised working methods and the medium of computerisation.

There is also considerable evidence in support of the hypothesis that unions are viewed as a method of remedying unfulfilled expectations. The primary wish seems to be for the union to move into new areas of bargaining, although increased salary levels may be seen as a form of compensation for losses elsewhere.

In Patterns of Industrial Bureaucracy, Gouldner (1954) describes how one individual became hostile and disaffected when deprived by his employer of what he felt to be his just aspirations. It is this process, on a collective level, which has led to the initiation of union representation on such a widespread basis in recent years. The hostility is not a great deal in evidence in an overt form in the insurance industry, but in both the companies in this study the events leading to union recognition (and on some subsequent occasions) at least seem to express a disinclination to conform

quietly to precedented unilateral decisions. Examples are the attempts in both companies (especially at the Reading Office in Company A and the Hove Office in Company B) to make the effects of computerisation and rationalisation an issue for discussion between management and employers.

Blau (1967) offers some evidence that suggests that it is not a simple failure of expectations which causes disaffection. If rewards have become traditional then the recipients become dependent on the giver of them and their discontinuation becomes a punishment. Thus, it would be expected that disappointment at the loss of career prospects and other rewards would be most keenly felt among those whose careers had spanned more rewarding times. Certainly, the non-professionals, whose jobs have been adversely affected by changes in working methods in recent years, were far more likely than the professionals (who have not been so affected) to report that their expectations exceeded their actual achievements.

However, it has also been suggested that the effects of the failure of expectations is tempered by the knowledge that everyone else is in the same boat (Pennings, 1970). His study (of an electronics company in the Netherlands) found that employees in work groups where promotion prospects were good compared themselves with their seniors (i.e. those who had already received promotion) and became dissatisfied. Those in groups with poor promotion prospects used their peers for comparison and showed fewer signs of dissatisfaction. Pennings also found that people in high promotion units tended to emphasise individualistic values more than those in the lower promotion units. As we have noted, the professionals in Company A (high promotion) showed significantly less interest in collective activity through the union than did the non-professionals (low promotion). Being

able to achieve their objectives through promotion on an individual basis, they had less need of a collective response to management's actions over the last few years. The non-professionals, on the other hand, have accepted that their powers as weaker members of the organisation are increased by collectivisation (Emerson, 1962).

The second study, in Company B, examined the reactions of a management whose authority was challenged by a union seeking recognition for collective bargaining, and the strategy by which that management sought to preserve its authority. Management was seen to be concerned primarily with avoiding overt expressions of disaffection among the staff, and ensuring that the union's sphere of legitimate influence was limited to those areas of pay and conditions which had mostly been subject to consultative procedures for some years. Every effort was made by management to maintain control of both the actual process of reaching collective bargaining and the conduct of decision-making after it had been achieved. This study considered the third main hypothesis, that a Company's management would resist, as a threat to its authority, any intervention in matters such as those mentioned in connection with employees' failed expectations (e.g. job content, promotion prospects) on the grounds that they are unchallengeably management's prerogative.

The study of Company B showed the extent to which collective bargaining was seen by the management as a threat to their traditional authority and the extent to which it was resisted. As mentioned before, negotiations on pay and conditions of employment have readily defined limits; negotiations on job content or promotion prospects do not. Company B management consistently refused to countenance discussions with the union on the impact of computerisation on the work. Once collective bargaining was in sight, they also made it clear that areas such as this would remain within management's sole discretion and took considerable care to ensure that the sole authority over these areas was enshrined in the procedural agreement. However, once collective bargaining begins, it may become the means of the accomplishment of a succession of goals as the original ones are achieved (Blau, 1955).

Company A has reached the stage where the union is involved in negotiations of the restructuring of the salary and grading system. After a decade of collective bargaining, the sphere of negotiations has widened from the pay claim with which it all began. It would probably be very difficult for any management to reverse the extension of the sphere of bargaining once it had begun, and any major power struggle, if deemed necessary by management in order to reverse or halt the encroachment of union involvement in areas of managerial prerogative, would contradict the ethic of mutuality and shared goals which still pervades white-collar hierarchies.

Changes to the substantive issues in collective bargaining in the immediate future seem unlikely despite the interest in this among employees. It may be that pressure for change will gather momentum if the young staff, who still have high expectations of their future prospects and have failed to see the significance of their older colleagues' disappointment, are not prepared to accept higher salaries as complete compensation for all their losses of promotion, job interest and responsibility. It will then be up to the union to recognise this and devise some process whereby more extensive bargaining can be successfully introduced.

Managements of insurance companies like the two in this study may then, if they do not already, find themselves in the paradoxical position of prompting strong union challenges to their authority by their attempts to increase their control through bureaucratisation - i.e. the fragmentation and deskilling of jobs and its impact on promotion prospects. The consequent failure of expectations and subsequent hostility, and the greater experience of individual powerlessness found among lower hierarchical levels and among those performing routinised work (Kohn, 1976) will be more in evidence. If employees cannot see the possibility of gaining greater rewards by individual efforts, then their response may well be a more effective solidarity against their employer.

Fox (1974) has argued that bureaucratisation increases the feelings of distrust among employees, who perceive themselves as constantly under watch by management through the medium of rules and technical procedures. Such betrayal of the high-trust relationship between employees and their employer may lead to demands for collective action to restore earlier status. However, employers make the assumption that those in high discretion roles have goals shared with their employer which cannot be legitimately bargained over. The vicious circle therefore emerges of increased bureaucratisation perceived by employees as a breakdown of the trust relationship, which is responded to with collective action through a union which is then seen by the employer as confirmation that the employees are not committed to high-trust relations and shared goals. The circle is completed by reinforcement of the bureaucratic measures.

The evidence of this research in these two major insurance companies certainly indicates that employees are no longer prepared to submit to managerial prerogative over the most important aspects of their working lives. It does seem, however, that there is as yet no substantial estrangement or breakdown of relationships between employees and employer. What it appears is required to forestall this is a return to the fulfilment of white-collar expectations and, in Fox's terms, high-discretion roles - to be achieved through joint employee (trade union) and management negotiations.

APPENDIX D

Russell Miller - National Officer, Finance, ASTMS, 12 April 1978

Interviewer: Why do you think white-collar employees join unions?

Respondent: You've asked me why white-collar people join trade unions, and I would say there are a number of reasons. Firstly, people look at the success - or it may be the alleged success - of manual unions; they're publicised, and they say 'We're being left behind, so let's do the same thing'. That's one thing, but another thing is that we're living in a more complex society now, we're becoming more conscious of our interdependence - dustmen suddenly withdraw their labour and we realise how important dustmen are. They do see trade unions not only in a straightforward economic sense, but also as a useful political lobby. This is where we score very much as a union; people identify us as being spokesmen for white-collar, middle-class people - I think we've clearly got that evidence. But they're peripheral reasons. The main one is this: we are living in a period of white-collar revolt. White-collar people are becoming conscious of their status, they no longer feel they're specially protected, and therefore they are joining trade unions. Also, of course, remember the number of people employed in white-collar jobs is growing, creating in Marxist terms - I'm not a Marxist - but in those terms creating a new type of proletariat, a white-collar proletariat. Another feeling behind it, and I think it's all part of the white-collar revolt, and that's this question of differentials. I'm not suggesting, although a lot of people do, that manual workers' earnings have gone up and overtaken the white-collar workers'. They believe that, but if you look at the chart the Department of Employment publish showing wages against salaries, you'll see that although sometimes the lines

narrow, if you drew a line over the last 20 years, you wouldn't notice a significant difference. But what has changed, is not the actual salary-wage differential, but the conditions with it. At one time the white-collar worker had certain distinct privileges - often he didn't earn as much as a manual worker if he worked in a factory on the clerical side - but he had wages when he was off sick, paid holidays, a pension. He had a degree of security of employment - whilst they might lay people off at the factory, they don't lay white-collar workers off. They were protected against the fluctuations in trade. Now, of course, that's all gone - quite rightly so. All people get pensions now, most people get wages during sickness either by law or, in most cases, by negotiation. Certainly there are job security agreements, and probably less job security for white-collar people than manual people. If you take an insurance company, if you work as a claims clerk, eventually you become quite important, perhaps as an underwriter - a very skilled job - but often only to that company, and certainly only to that industry. If on the other hand you're a driver, you can be a bus-driver, a mini-cab driver, a lorry driver - you're far more flexible. Or you can go back and be a labourer. But in white-collar employment you tend to have much more specific skills. Job security has become very important. Another factor is partly tied up with the growth of white-collar employment - it's less distinctive now. And, of course, also the growth of companies. Because there's a bigger white-collar work force, you become a very small fish in a big pool. As companies grow, you become a small fish in a big pool. At one time it might have been possible to know the managing director quite well - that's no longer true. All those factors have led to the growth of white-collar unions. I think something leads from this - why unions like ASTMS, which has had such an enormous growth. TGWU has a white-collar section, GMWU has a white-collar

section. I think the reason is this: people think, not that they're better, but that they're exclusive - they've got different types of problems. Therefore they look towards a union which is run by people like themselves. And another thing is that unions like us tend to be very decentralised. People who would resent getting directives from their own national executive can't get them under our structure. We have company by company bargaining, each company has its own committee - almost a union within a union. In fact, you might say the attractions of a staff association - or the apparent attractions of a staff association - with the clout of a union. And that's why a lot of our growth recently has been by staff associations merging with us. If they're genuinely independent - they might not have been independent to start with but of course legislation has forced them into independence - once they do that, then people start asking questions. They say, 'that's alright, but we can't run a research department, we can't get professional advice, we can't make comparisons' - all those things which you can do if you apply the economies of scale. They can be done by us. But to a very large extent, we do organise on a company by company basis so that you've got the apparent advantages of a staff association - which is this belief that you run your own affairs, although I don't know how you can run your own affairs if you haven't got any clout - but generally they do run their own affairs, and by being part of a big union, they've got the clout.

Interviewer: Within any one particular company, do you ever find that there are areas or departments - I was thinking perhaps in terms of line and staff departments - where you find more resistance to unionisation?

Respondent: Yes, it's very difficult to say why that is, sometimes, because you can look at one company and find resistance

in one field and not another. If we talk about insurance for example, on the whole organisation seems easier among the insurance staff than among sales people - the field staff. There are probably reasons for this - the field staff tend to work in isolation, and also of course it's easier for them to boost their earnings by working harder. That's probably what the boss says, but you can put yourself out and you do get that numerate recording of achievement - you know you've put your sales up so much and that gives satisfaction. They tend initially to be less inclined to join the union although, in all fairness, we've got very active members of the field staff, and in some cases the field staff is just as well organised as anybody else. But initially there is a resistance among those groups, and we generally find that where you've got composite companies, the life side - and that probably is because it's more sales oriented - is more resistant to trade unionism than the general side, the accident side.

Interviewer: What about professionally trained employees, like the accountants and lawyers? Some companies have quite big groups of these.

Respondent: Actuaries seem to join the union. Being an actuary is a skilled job, but the main field of employment must be in insurance - in brokers or companies - they're the major employers. Now lawyers are a genuine profession. A lawyer - and I'm making this a very narrow definition of a profession - that is, can you screw a brass plate to your door and operate? Now a lot of people who talk about professional status have to sell their labour to an employer - be employed people. So there aren't many professions left. Now a lawyer is a professional - he can break away, and so to some extent there is control over the situation. The other thing, of course, with professional people is that they're very trade union

conscious - except that they don't call it a trade union - in the sense that they can control entry. You know the classic example of the young law student, the solicitor's clerk, who says that the examinations are quite impossible and have no practical use - once they qualify, they talk about maintaining professional standards. What they're really saying is - "I've climbed aboard - let's keep every one else out" - which, I suppose, is quite understandable really. So those people who have that sort of control over things are less likely to join. Not that they won't join, but they're less likely to join. But I don't think it's got much to do with the actuary's skill, and we've had a number of actuaries very, very active in the union.

Interviewer: What about the departments like the computer department, and perhaps the O&M department - departments that might be considered the newer professions?

Respondent: Well, computers are wonderful. Always organise the computer department, because if you pull the plugs out there, the place stops. Based on the principle, of course, of wanting to cause the maximum amount of inconvenience to the company with the minimum cost to either the members or to the trade union as a corporate body - then organise the computers. Computer staff are often very trade union conscious - in fact, there are a number of insurance companies where we got recognition first by organising the computer staff. I'm not suggesting we've used the computer staff as a lever for other groups - I mean as a direct lever - because I think that would be wrong.

Interviewer: Is this all grades, I mean operators up to systems analysts?

Respondent: Yes, all grades. You generally seem to get one - I think on the whole it's been operators normally -

computer operators rather than systems analysts, although I can think of exceptions, and in one case it was just the girls who did the cards. That was the only all-female dispute I can remember - at Lloyd's. That was, if you like, at the very end of the scale - it's a new skill. That's computers - what was the other one you mentioned?

Interviewer: O&M departments. I was thinking of people out of the main stream.

Respondent: Yes, computer staff join trade unions anyway, wherever they work. They've got a different approach because they see themselves as computer staff - nobody says, 'I'm an insurance person who works in computers', except of course insurance companies have quite a good record for training their own computer staff and I think that's to their credit. When you talk about O&M, I don't know that I can give you an answer. Because they've got this elaborate grading system in computers, but I don't know that I could identify people in O&M. Again, certainly I gave a talk to their institute and it was full of our members - I seemed to be addressing our members all the time. But that doesn't give me a true figure - I honestly don't know, because I can't identify them. I can identify computer staff because you know where they work, and as I say, they've got problems that are peculiar to computer staff, they work shifts, they've got career problems these days and limited opportunities unless - and again, insurance companies haven't got too bad a record here - unless the time comes when they say to the computer programmer, 'That's just part of your experience - we'll give you another job to do - train you to be an inspector or something like that'. It's one of those wretched things where you tend to get old as an operator unless you can move up - after that, there isn't much for you. So they've got separate problems - a bigger turnover - they're easy to identify. But with O&M people, I'm afraid I can't help you because I can't readily identify them.

Interviewer: That's OK. But talking about computers - have they affected other people in the company very much?

Respondent: Well only in this sense - that if you organise the computers and you get something for them - I mean, nothing concentrates the mind like greed, does it? And if they see somebody else has got some achievement by some collective action and collective bargaining, then as I say, it concentrates the mind.

Interviewer: But has computerisation affected the work much. For instance, you often hear it said that computerisation makes the work that much more boring - takes responsibility away and so on. Have you noticed this being mentioned when you've been recruiting?

Respondent: It hasn't been mentioned - I don't say that doesn't mean it doesn't happen. It's very funny because the particular field I'm talking about - which is largely finance - it has not been a period of big shrinkages of staff or anything of that nature. Computers have come in and insurance has been an expanding industry - I mean, with new pension proposals it's going to be bigger - so it has a steady labour force. Now it might have been, if it hadn't had an expanding business, a declining labour force which would have produced problems, and people might have noticed it. I think on the whole, it hasn't made jobs any more boring. The problem with insurance is that a lot of the jobs are boring - you can't escape it. In fact, they're not different to scientific employment. I mention this because I was an official of the Scientific Workers originally, and it always struck me that you had people - often highly qualified scientists - on research, who were doing absolutely boring, mundane jobs. The only difference was that you couldn't give the job to someone in the street because they wouldn't be able to spot the significance of some slight variation, some slight difference. But most of

the work was absolutely boring and dull routine - just looking for the exceptions and analysing it. Now it's not quite the same in insurance, but a lot of it is routine but it's got to be intelligently applied. Because if you don't, you make mistakes which are obvious to a skilled technician, and it's unfortunately a feature of insurance. We always make that point when we talk about increasing salaries.

Interviewer: I'm inclined to agree. Are there any differences between men and women as far as resistance to unions is concerned?

Respondent: Well, it seems to me that the leading force in unions in insurance comes from what I would call the career staff - but not necessarily the professional staff. Those people who've come in with A-levels or taken the Institute of Insurance exams - but are maybe not going to go right to the top of the tree - they tend to be the backbone. Now there aren't so many women in that category yet, and I think that's the reason. Whether we like it or not, there are all these social barriers about women - 'you're only going to be here for a little while, you're going to get married and have babies' - well that's the way women are brought up and for that reason they're going to be, almost inevitably, not career staff. I don't think it's really a difference between male and female, but it has a very big difference in the work. It's difficult to organise secretaries, it's difficult to organise shorthand-typists - they're the people who don't join. Although when you get into the career staff in insurance, yes, women are very good. We've got very good women members - if you go to a conference of one of our insurance company groups, you'll see a reasonably high percentage of women there as delegates and that type of thing.

Interviewer: Not secretaries and typists, but you mentioned you'd recruited some punched-card operators. Do the younger girls just not join normally because they reckon they're not going to stay long?

Respondent: I don't know whether it's the younger girls or not.

Interviewer: Younger men, then. Boys coming in just to do junior clerical work - aren't they interested either?

Respondent: Well, they tend to join eventually. You've got to remember that most people join unions because most of them are in and it's the done thing to do. It really depends who's the driving force. If you've got a good office rep - and most of ours are very good indeed - when somebody comes in, they say: 'Well, Charlie, welcome, my name's Joe Smith - I'm the group rep' - in fact we tell them to say this - 'Most of them are in the union here; perhaps you'd like me to leave you a form, or perhaps you would like to sign the form here?' - and the person does it without question. In most insurance companies we've got check-off. So it's the conventional thing to do, and where it's the conventional thing to do, people will join. Where the company is anti-union and all the rest of it, well one has a lot of pioneering work to do, and there's no doubt the active members do have to make an effort and often go out on a limb. Those people are going to tend to be the career staff.

Interviewer: In companies where - even though they may not be actively anti-union - but where there isn't a very big membership yet, do you find that the people you call career staff do show themselves to be afraid of their employers saying 'What will the company say, will it damage my career?' Do you find this sort of thing?

Respondent: Yes, we find that resistance quite a lot. I think less and less because of employment protection legislation -

people are aware of it - and they think that is less and less ... No, in finance you don't get it, but there are other fields where you do - you still get these fears. Even today, someone rang me up and they're interested - a fairly minor insurance company - 'Can I see you quietly, and if you ring back don't say who you are'. Something of that nature - it's by no means uncommon. But it may be fear of the company as a whole or it may be just fear of their own particular boss..

Interviewer: What about insurance companies, say in the last ten years or so - have you noticed if there's been a levelling off of promotion prospects, and that people have been thinking 'If I'm not going to rise up through the ranks, at least I'm going to get compensation somehow, perhaps through money - perhaps if I join a union' ...?

Respondent: Well, I can't go back ten years by a long way. The Union of Insurance Staff's been with us for seven and I've only been actively engaged in insurance in the last four years. We tend, as a matter of policy, to move our officials around. I suppose that's a good idea, because it means I can bring ideas to an industry which has not had a tradition of trade union ideas, and if I now went somewhere else I'd be able to take a lot of very good ideas that have come out of insurance. So I can't go back ten years, but I myself am convinced that the insurance industry is going for the wide based pyramid - with a lot of people being just so many pairs of hands, with a rathershallow peak at the top, and very few people going ... that type of structure. Not the sort of egg-shaped structure which is common in a lot of industries with the bulk of the jobs somewhere near the bottom of the structure - but it's not a pyramid. I think they're tending to move towards - or were moving towards - a pyramid structure - and a pyramid with a very wide base. That might have been because there were

difficulties getting staff and you tended to employ a lot of pensioners in insurance at one time - and an awful lot of part-timers, who always give you a wide base on a pyramid. On a number of cases, we've actually challenged companies - we've said there are a number of top jobs going and what's going to happen about this - and when they've produced figures, although everyone's got this impression, it doesn't seem to be backed up by statistics. Now I can't go deeper than that because I've only asked a number of companies, and it depends how you read things across and I've never checked it because it's been a straight-forward thing about the number of district managers' jobs going because they are closing district offices. The company say 'Yes, but look at their grades and you'll see we've still got the same number of people in that grade'. And whilst people feel that their opportunities are going - and I think they may be right - I can produce no statistical evidence to back it. In fact, any statistical evidence I've got proves otherwise.

Interviewer: Yes, I worked for an insurance company for nine years - the (Company) - and I definitely got the feeling that there was frustration about promotion prospects.

Respondent: There is frustration - I think you're probably right, but I can't prove this with facts.

Interviewer: A lot of it seems to be vague feelings ...

Respondent: A lot of things are vague feelings - as an absurd example, just after the war, people used to say things like 'Oh dear! You can't get maids any more!' - people, I'm certain, who'd never had a maid in their lives. People actually believed, because there had been changes in society, that they were worse off - whereas that was absolute rubbish. People said things like 'I suppose the moped came out for people who, before the

war, would have been able to afford a car' - when all the statistics showed that a lot more people after the war were able to afford a car. There was a long period of attitudes that things had got worse. People believed that they were a lot worse off, and I think this is maybe true - that people think 'the promotion prospects ...'. That's always true isn't it - the world must have been a very fine place when it was first open to the public!

Interviewer: The branch structure within companies - do you find that the people who are willing or even anxious to hold office, do you find that the people who are willing to take on the extra work, are a particular type of person - can you categorise them at all?

Respondent: Finding people to take office - yes, it's always difficult of course when things aren't going very well. When there's a certain amount of glamour, when the union's well organised, where it's part of the establishment - or a part of the anti-establishment, whatever you like to call it - it's easy to get people to hold office. But I think there is a type of person who holds union office, and I often make this point at meetings when someone says 'I'd like to do the job but I haven't got time'. Union office is always held by people who haven't got the time. Go around and look at the people who hold office in the union - the world's run by very few people. It seems to be the same people who crop up running things.

Interviewer: Do they tend to come from a particular level in the hierarchy? Do they tend to be young executives on their way up, or older people who've got stuck or any particular characteristics like that?

Respondent: No, I've often asked that question myself. I can only give observations - I've never done a statistical

analysis - but, no, there doesn't seem to be any pattern whatsoever. In insurance they tend to be a little younger - a generalisation - particularly in recent years because while you had the old Guild of Insurance Staff, the old boy who held office for years and took a pride in being a member of a trade union - and I'm afraid a pride in saying 'Do you know, I'm the only person who's a member at my place' - rather a negative approach, but you did have that in the old Guild. You've now got a more abrasive person who says 'I'm a member, and I'm not going to rest until everybody else is' - and they tend to be younger. And because I suppose the big growth in insurance was unquestionably when they merged with ASTMS, which gave them that sort of over-the-hill business, and if you take that into account, that was a big field and obviously you tended to organise ... those people who were going to join but who'd never joined, those people to whom it was new. So there would be a tendency for them to be young, but it seems to me - and I'm thinking of one or two companies which were not organised seven years ago and are organised now - almost the same people held office then as do now. They were young then ...

Interviewer: You wanted me to ask you about structure.

Respondent: One of our biggest problems is to get this idea across. Your experience in the (Company) is a simple one - the staff association came over and the structures remained the same. Normally when we organise we have a company structure like you had at the (Company) - that's our policy. Shall we say insurance company X - they may have got twenty branches and a head office. They will have a national conference once they're organised at least once a year. Delegates from the branches, assuming they're big enough - the company's branches, not ours - and probably about seven delegates from their head office will meet once a year for the annual conference. There will be a national committee probably

consisting of two reps from the branches and two from the head office - who would meet monthly, run their own affairs. But this is a company based organisation, and that handles the affairs of the company. But as also members of ASTMS, they can't be in one big national branch because they can't get together - we've got a group structure. Now in insurance Company X they've got an office in Bradford that employs ten people - that will be a group within the company X company organisation of an ASTMS group. So you'll have a secretary who will keep in touch and all that kind of thing. That group will also be part of an ASTMS branch - the Bradford insurance branch. The members of that branch will be part of the ASTMS local branch - not as a group but as ordinary members. For what I call the political - I don't mean party political - affairs of the union, like who stands for the Divisional Council, who stands for the National Executive, all those sort of things are decided outside the company structure. When we get people who say 'I don't want to be in a branch where people from another company ... we don't want them telling us what to do' - 'They won't tell you what to do because we've got a company structure'. My job is as propagandist - I've never found a successful way of putting this across. I never know how to put it across - the national structure cannot tell the people in the company structure what to do. But obviously there are internal things like the subscription rates, and if you go to the annual conference, you'll find it's rather a dull affair because it tends to be dealing with those business matters, whilst with a group that's talking about getting wages, the company organisation is far more lively because it's actually dealing with very real problems.

Interviewer: This sort of structure is important to remember because you often read in studies about people who don't want to join a union because they don't want to be dragged into other peoples' disputes ...

Respondent: You hear all this rubbish - it's not peculiar to us, it's true of most unions - but what can you do? Somebody else came to see me yesterday and he talked about managers joining trade unions. He said 'Well, they object to paying the political levy'. I said 'They needn't contribute - it isn't compulsory'. The law of the land is quite clear about that. But there is somebody who is, in fact, training to be a personnel officer - he's more than half way through his course - so when you've got that sort of attitude, what the hell do you expect from others?

Interviewer: To link one or two things together - you mentioned politics earlier on in passing. Do you find much political feeling - the feeling that 'we don't want to be involved because of the affiliation with the TUC' and that sort of thing?

Respondent: Not the TUC, but I do think that particularly in insurance you do get the sort of feeling - a resistance - because of our Labour Party affiliation. There's a simple answer to this - if you don't pay the political levy, you don't lose any rights as a member. If you object to paying it, you can't vote on how the political fund is spent - which is reasonable enough. I would probably say that in insurance we have the lowest percentage of people paying the political levy. About half our membership pay the political levy.

Interviewer: If I remember rightly, at the (Company) it was such that we had to contract in if we wanted to pay.

Respondent: Yes, that's no longer true, but at one time the insurance membership was contracted out and they had to contract in. Now they have the same status and have to contract out - existing members of course don't.

Interviewer: I wasn't sure whether that was just for the (Company) at that time.

Respondent: It was, but the position at the moment is that members of the - it's still true of the (Company) incidentally - old insurance section, UIS, new members are contracted in and they have to consciously contract out. A very high percentage of them do. If you mention something like the nationalisation of insurance, well, we voted against it at the Labour Party Conference - but if it had been dependent on those people who pay the political levy, the chances are that it would have gone through. And I don't see how people could complain about that because ... only people who pay the political levy get a vote. But there is a resistance. People say 'Yes, we should be non-political'. They don't really mean non-political ...

Interviewer: They just mean their brand of politics.

Respondent: Exactly - that's right.

Interviewer: I was reading recently, and several pieces of research seem to have come to the same conclusion, that a lot of white-collar or professional people on the surface appear to be anti-union - they refused to join a union. When it was examined in more detail in fact they were anti-strike. They were perfectly happy to join a union if they weren't going to be broughtout on strike. They were quite prepared for some other forms of action - but they wouldn't go on strike.

Respondent: Most people, I think - or most of our members - are anti-union. They're not anti their own union - it's always the other bloke's union that causes the trouble, remember. I'm convinced that most of our members are anti-union - they're not anti-ASTMS, that's the difference, that's the sort of loyalty you get. I would have thought that most people shouldn't be anxious to come out on strike - you don't join a trade union to strike, anyway, do you? I think the point is, what they are frightened of - and the whole

thing comes back to directives - they are frightened of being called out on strike. They are scared that they will be called out against their will on strike. Now very often, of course, as you say they are prepared to take other forms of action - but again, not to be instructed. It's a perfectly understandable thing - nobody wants to be out on strike because you get all sorts of problems. You mightn't get back again - they might find they can do without you, or something like that. There is this objection, but it's tied up with this feeling that they're going to lose control of the situation by joining a trade union. Once that's overcome, then I think that they will do it. Often they become very strike-happy actually - we must turn down many more applications for dispute action than we endorse, because that's one thing that we do have control over. Our national executive - whilst it cannot call a strike - it can refuse to back one. We do so - I think our national executive takes what I would call a justifiably, intelligently, militant stand - and it will normally ... The other thing that people have a fear of is that they're going to be called out on somebody else's strike - being called out in sympathy. A lot of nonsense, isn't it? You've only got one employer, and it's bad enough taking on him, but if you take on somebody else's ... It's an absurdity, because the last thing you want to do is to spread a dispute. My advice, for example, to - if the Company X was to go out on strike - my advice to our members in the Company Y is not to come out in sympathy, but work a little bit harder. Because nothing will encourage the Company X management more to settlement than the belief that they might be losing business to the Company Y. By all means have a collection for your colleagues in the Company X, and supplement their strike pay - this is what I would much rather do. If you look at it from a tactical point of view, it's an absurdity to escalate a dispute - you ought to keep it on a very narrow basis. So what you're really dealing with again is another fear. How obviously you can't be like that absurd

organisation, Professional Engineer's Association, was it called? - which had as rule number one; 'On no account, will our members strike'. Then they wondered why they couldn't even get recognition from the employers. Quite honestly, what have you got to worry about then - if you write that in, you're giving away a constitutional right to withdraw your labour. But all right - people like it, people believe it - but this is an evolutionary phase. A lot of people go through the staff association phase - it's rather like the chrysalis stage in one's natural development. I think some people have to go through this stage, and they find it doesn't work. It's all tied up with the idea 'I'm certain if we made a good case ...' This is one of the problems with white-collar employment - there is a belief very often, in the initial stages, that you can win a case solely by logical argument. If it's well presented and well put across, management will see a different point of view - it's quite pathetic.

Interviewer: Quite often they do see the different point of view, but if they don't happen to like it ...

Respondent: Yes, exactly, but it does not always change their mind. There's plenty of case for wheeling and dealing - which is a thing that you do automatically - but there is no basis for anything else. You've got to do something like that - sometimes you've got to say 'So far and no further' - and that's for people to make up their minds. Maybe they'll say 'We can't do anything about it', but that is the problem. You go to grammar school and you join the debating society and you're taught a bit of science - but people don't behave in a scientific manner, do they?

Interviewer: And also I think - maybe it's a hangover from the paternalistic days - there's this feeling that 'management is really on our side, looking after us'. I think there's still a lot of this feeling about among white-collar and professional staff.

Respondent: I don't think so, these days - no. Most people say 'Our management are bastards', and you say 'Well, most managements are bastards'. 'Ah, but you don't know our management - they're a lot of wild bastards!' I think what you've got to remember is this - you can't get the truth by just asking people questions. If you said 'Why don't you join?' some people will say 'I don't join because I've got a very good relationship with my immediate manager - I don't think it's something I need to do, actually'. What he really means if - 'I haven't got the bloody guts to do so; somebody might object to it or the neighbours might think it's not very nice or I don't know how it will go down at the cricket club'. People are rarely honest with themselves.

Interviewer: Is that a fairly common attitude - people saying they get on well with their management?

Respondent: It's difficult to say because it depends how well organised you are. If you were to do a survey why people don't join - people say 'Because there is no trade union in my place of work' - which is nonsense so you destroy that one. 'Because I get on well enough with the boss. Because I don't want to be called out on strike. Because I can run my own affairs. Because I don't need anyone to stand up for me. Because I'm ruggedly independent'. And yet, take that person out of that particular environment - say, from a place where there's no trade union organisation - and put him in somewhere where it's the traditional thing to do, and he joins. Now, you also get the awkward character - and I've known people who've made a terrible fuss, the closed shop, they won't join, they won't do anything - they go and work somewhere else where there's no trade union and they can't join one quick enough. There are some people who just like being oddballs. They become quite fanatical trade unionists and want everyone out on strike the following day. I'm anti-intellectual anyway - I think people base their actions far more on emotional reasons than they do on intellectual

ones.

Interviewer: Do you find many people who join out of a principled belief in trade unions?

Respondent: Yes, I joined a union out of a principled belief. I was in distribution, which is a very badly organised industry. I never worked anywhere where there was a union when I got there - I improved the situation! I suppose that was principle or cussedness. You get a lot of people - less now - but in the old Scientific Workers, you had a lot of people who would join a union but didn't ever call on the union to do anything for them at any time. It was particularly true of the Scientific Workers, because they thought that as scientists they ought to be in a trade union. There's probably fewer members of that type now - we're a more abrasive sort of organisation. We've got a lot of people who join - quite a lot of individual members - who never seem to make any use of the organisation. You might get someone ring up and say 'I'm changing my job - what's the place like?' I remember going to a meeting down in Sussex once - they wanted to join a union. I got them organised - set them up in a group, in a branch - and they went on holding meetings for years. It went on for a long, long time, but I don't think I ever saw them again. They must have been carrying on - they must have been discussing terms and conditions of employment with their management - but they never asked for so much as a scrap of information. I didn't hear of them until something went wrong - I think this time they couldn't reach agreement - and I came in. It's almost incredible. In engineering, you can conduct your own negotiations and procedures - you don't need the benefit of clergy all the time - but it's almost impossible to imaginepeople who've been putting in claims without ever once coming back and saying 'Is this the right thing to do?' or 'Can you

advise me on this?' In fact, they didn't even negotiate with management - they used to get an annual increase and it seemed to satisfy them - and that was it. They used to hold meetings - once a month they got out the correspondence - but what they decided, I've no idea. It was only when some stranger came in and didn't give them their annual review - or didn't give them enough of their annual review - that I ever heard of them again.

Interviewer: You think of white-collar and professional people as being perhaps fairly right-wing in politics, and of this not being compatible with trade union organisation. One of the keenest trade unionists I ever met was a very keen Tory as well.

Respondent: After all, Conservative Central Office are our members, aren't they? They come to our Conference. It's very funny, because I think in fact - one time you used to get quite a lot of people who would be trade union members and Conservatives - that there is now a breed of Conservative trade unionists. In fact, if there was another Conservative administration it would be almost an embarrassment to them because poor old Maggie Thatcher believes that these are the moderates - and they aren't moderate trade unionists! Basically they believe that the capitalist system works - and want to get a decent bit out of it. It's the social democrat who starts talking about 'We've got to have some social responsibility - we've got to take into account other factors and the general impact this would have on the whole of the nation's economy.' The chairman of my branch is a very active Conservative and he's had more bloody strikes than I've had hot dinners! It doesn't follow at all. One of our leading lights at Leyland is a very active Conservative - he's a Conservative councillor. It certainly doesn't make them any less militant, I can tell you that. Or it hasn't done. I've had the

opportunity to observe this type of person when there's nearly always been a Labour administration, and whether there'd be any difference when ... Their point of view is that they believe in the capitalist system and they believe it's going to produce the goodies. Margaret Thatcher is going to have problems with people like that.

APPENDIX B

Company A: Salary Restructuring

The aim of the salary restructuring, which was introduced in January 1980, was described as being "to provide a salary scale which rewards individual performance and leads to an increase in the efficiency and effectiveness of the business." The previous grading system (see table 4, P.30) had, it was believed, resulted in an excessive number of supervisory posts, dilution of authority and responsibility, excessive checking of work and over-lengthy lines of communication. An additional consideration was the necessity to promote people with little aptitude or wish to be supervisors in order to pay them the salaries justified by their technical skills.

The new grade structure reduced the number of levels (below Officer) to six, and combined executive, professional and data processing grades.

Table 29 New Grade Structure resulting from Company A Salary Restructuring

Old Grades				New Grades
E6	D7	PG		6
E5	D6			
E4	D5	SG		5
E3		D4		4
E2	G6	D3	AG	
E1	S5	D2	JG	3
SS	G4	D1		2
	G3			
	G2			1
	G1			

Within each new grade, five salary levels were introduced (with the possibility of the missing levels 3 and 5 being introduced in due course).

Table 30 Salary Levels after Company A Salary Restructuring

Level	1	2	4	6	7
salary relating to the rate for the job	20% below	10% below	the rate for the job	10% above	20% above

The new structure had provision for progression through either technical skills or supervisory and managerial ability. This was achieved by the introduction of 'job codes' which indicated the main contribution of the post to the work of the department. Each department would have only one supervisory layer, and some practitioners could be of equivalent grade to the supervisors to whom they were reporting.

Table 31 Job Codes after Company A Salary Restructuring

New Salary Grade	Practitioner (or Technical) Job Codes	Managing and Supervisory Job Codes
6	P6	M
5	P5	S2
4	P4	S1
3	P3	
2	P2	
1	P1	

APPENDIX C

The Chartered Insurance Institute

The Chartered Insurance Institute (CII) received its Charter in 1912 and the charter defines its objectives as:

> "(a) To provide and maintain a central organisation for the promotion and efficiency, progress and general development among persons engaged or employed in Insurance, whether members of the Institute or not, with a view not only to their own advantage but to rendering the conduct of such business more effective, safe and scientific, and securing and justifying the confidence of the public and employers by reliable tests and assurances of the competence and trustworthiness of persons engaged or employed in Insurance.
>
> (b) To devise and impose means for testing the qualifications of candidates for the certificates of the Institute ...
>
> (c) To exercise professional supervisions and control over the members of the Institute, and to promote their interests and welfare, to further their advancement, and to promote whatever may lead to the improvement of the status of Insurance officials in general and the members of the Institute in particular.

The current membership of the Institute (June 1979) is 51,704: Associateship and Fellowship is attained by examination and accounts for 55% of the membership. The remainder are either student members who have not yet completed the examinations or those who simply wish to support the Institute and make use of the services it offers to members. The Institute emphasises its role as an educational body contributing to the standard of professional expertise within the insurance industry; despite this, the burden of training lies with

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*Extracted from The Charter and Bye-laws, CII, 1966.

the different companies, and CII qualifications are usually viewed as a matter of personal initiative rather than an obligatory part of the requirements of the job, although there are exceptions.

The CII makes no attempt to negotiate with an employer on behalf of its members or to represent one of its members in an employment dispute. Indeed, many of the most authoritative and influential members of the Institute are members of senior management in various companies - that is, people who would act on behalf of the employer in negotiations with a trade union. The identity of the professional association is therefore closely tied to that of the companies in the industry, whereas the more traditional 'true' professional associations maintain a more independent stance.

The crucial difference between the CII and some other professional associations is that it is not a licensing institution. Competence and qualification within insurance work tend to be company-specific and oriented to the practices of the employer rather than universally applicable spheres of knowledge, and the Institute has no control over entry into the industry or promotion within it.

APPENDIX D

Research Questionnaire - Miss Penny Childs City University 1979

The answers on this questionnaire will not be disclosed to anyone in the or ASTMS.

Please provide the following information:

A. Grade:

B. Length of service:

- ☐ less than I year)
- ☐ I - 3 years)
- ☐ 4 - 6 years)
- ☐ 7 - I0 years)
- ☐ II - I5 years)
- ☐ over I6 years)

C. Age:

- ☐ I6 - I8)
- ☐ I9 - 22)
- ☐ 23 - 27)
- ☐ 28 - 35)
- ☐ 36 - 45)
- ☐ over 45)

Please tick appropriate boxes

D. ☐ male ☐ female

Please answer the questions by putting a tick in the box which best reflects your opinion.

I. How would you describe the work you do?

complex	☐☐☐☐☐☐☐☐	simple
predictable	☐☐☐☐☐☐☐☐	unpredictable
needs much thought	☐☐☐☐☐☐☐☐	needs no thought
needs initiative	☐☐☐☐☐☐☐☐	needs no initiative
few tasks	☐☐☐☐☐☐☐☐	many different tasks
closely supervised	☐☐☐☐☐☐☐☐	minimal supervision
needs close attention	☐☐☐☐☐☐☐☐	needs little attention
not significant to the Company's success	☐☐☐☐☐☐☐☐	crucial to the Company's success

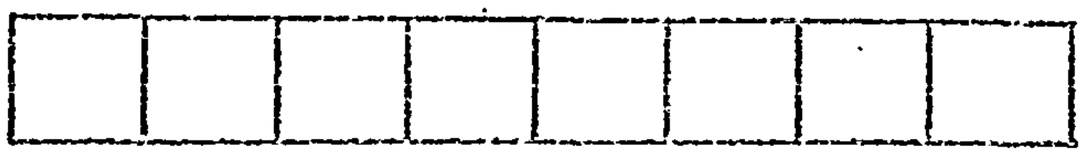
2. How would you describe your job at present?

I am given no responsibility for my work.		I am given total responsibility for my work.
My knowledge and abilities are used to the full.		None of my knowledge and abilities are used.
My work is totally uninteresting.		My work could not be more interesting.
I have the complete respect of my boss.		My boss does not respect me at all.
I have no promotion prospects.		I have very good promotion prospects.
I do not enjoy the company of my colleagues.		I thoroughly enjoy the company of my colleagues.

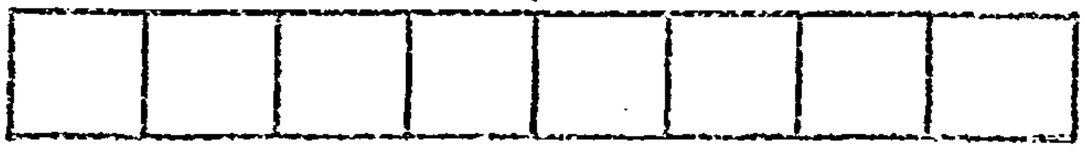
3. Please now complete the same set of scales to indicate what you think you could reasonably expect from the Company.

I am given no responsibility for my work.		I am given total responsibility for my work.
My knowledge and abilities are used to the full.		None of my knowledge and abilities are used.
My work is totally uninteresting.		My work could not be more interesting.
I have the complete respect of my boss.		My boss does not respect me at all.
I have no promotion prospects.		I have very good promotion prospects.

4. The same scales appear again below. This time please indicate how you would expect to be able to answer these questions in five years' time.

I am given no responsibility for my work.		I am given total responsibility for my work.
My knowledge and abilities are used to the full.		None of my knowledge and abilities are used.
My work is totally uninteresting.		My work could not be more interesting.
I have the complete respect of my boss.		My boss does not respect me at all.
I have no promotion prospects.		I have very good promotion prospects.

5. Would you say that, overall, you are happy with your job?

not at all  completely

6. If there are any other important aspects of your job, please describe them in as much detail as you like:

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7. Do you ever regret having joined the ?

very much ☐ quite often ☐ sometimes ☐ rarely ☐ not at all ☐

8. Do you think you will ever resign from the Company?

definitely not ☐ probably not ☐ maybe ☐ probably ☐ definitely ☐

9. Have you in the last five years (or since you joined the Company if you have less than five years' service) considered getting another job?

never ☐ I have idly considered it ☐ I have given it serious thought ☐ I have applied for another job ☐

10. Would you look for another job if age/pension rights/company mortgage did not restrict you? (Only answer this question if you feel that these factors restrict you from changing jobs).

I would start looking straight away ☐ I would probably see if there are suitable jobs ☐ I might think about it ☐ I would not want to leave ☐

11. How do you think the . compares as an employer with other similar large companies?

	much worse	somewhat worse	about the same	somewhat better	much better
salary	☐	☐	☐	☐	☐
security	☐	☐	☐	☐	☐
interesting work	☐	☐	☐	☐	☐
promotion prospects	☐	☐	☐	☐	☐
working conditions	☐	☐	☐	☐	☐
fringe benefits	☐	☐	☐	☐	☐
consideration from top management	☐	☐	☐	☐	☐

12. In which areas is it most important to have information from management? (please do not tick more than three answers)

☐ individual performance
☐ career prospects
☐ company's performance
☐ longer-term company policy
☐ dealings with ASTMS
☐ changes affecting jobs
☐ other (please specify):

13. In which of these areas is improved communication most needed?

(please do not tick more than three answers)

- ☐ individual performance
- ☐ career prospects
- ☐ company's performance
- ☐ longer-term company policy
- ☐ dealings with ASTMS
- ☐ changes affecting jobs
- ☐ other (as specified in QI2 above)

14. Are there any other comments you would like to make about the as an employer?

---

15. In which areas do you think trade unions should concentrate their energies?

	definitely not	maybe	definitely
pay and conditions of employment	☐	☐	☐
security	☐	☐	☐
career structure / promotion prospects	☐	☐	☐
work content / job interest	☐	☐	☐
company policy	☐	☐	☐
national and political issues	☐	☐	☐

16. Were you a member of the Staff Associations before 1971?

YES ☐ NO ☐

17. Are you a member of ASTMS?

YES ☐ NO ☐

(If NO, please turn to QI9)

18. If YES, why did you join?

(please do not tick more than three answers)

- ☐ It seemed to be the 'done thing'.
- ☐ I felt it increased my security.
- ☐ A union can negotiate better pay etc. than the Company would otherwise give.
- ☐ I have a principled belief in trade unions.
- ☐ I wanted to influence the union towards moderation.
- ☐ It gives me some involvement in decisions concerning the Company.
- ☐ A union makes management consider employees' interests in changes affecting jobs
- ☐ Other (please specify):

(NOW CONTINUE TO Q.20)

19.(i)If NO, what are your reasons for non-membership?

(please do not tick more than three answers)

- ☐ I do not like the political views of the union.
- ☐ The union does not achieve anything worthwhile.
- ☐ Union membership conflicts with my professional responsibilities.
- ☐ I receive any benefits even though I am not a member.
- ☐ I cannot be loyal to both the Company and the union.
- ☐ I do not like the way the union is run.
- ☐ I have been /may be asked to take action which is distasteful to me.
- ☐ Other (please specify):

(ii) Have you been a member of ASTMS at any time since you began working at the

YES ☐ NO ☐

20. Are there any other comments you would like to make, either about trade unions in general or about the situation at the ?

Thank you for completing this questionnaire.

Would you now be prepared to be interviewed by Penny Childs? If so, please tick one or both of the boxes (to give an idea of the numbers involved):

individual interview ☐ group interview ☐

APPENDIX E

COMPANY B: THE CONSULTATIVE SYSTEM

Until 1970, the only form of staff representation in Company B was the Staff Welfare Association. This had extremely limited terms of reference and was not in any way concerned with salaries or other terms of service. This state of affairs had existed since the Welfare Association was formed in 1948, apparently without undue dissatisfaction on the part of either staff or management. However, a reassessment occurred in 1970 partly because of the apparent inevitability of some form of employment legislation which would, it appeared, apply more specific rules to union recognition; both the Labour Government and the Opposition had plans for such legislation. A certain pressure was also building among the staff representatives of The Welfare Association to extend its activities to such items as salaries. All this led to a heightened awareness of staff representation among the senior management of Company B.

Such a change in attitude - or, at least, recognition that changes were becoming appropriate - was a fairly radical departure from the self-acknowledged paternalism which had previously characterised management style. A working party was formed in August 1970 to examine alternative methods of staff representation. The 'Outline of Proposals' for the working party posed the choice for management between either discussing matters with staff representatives before decisions were made or "proceeding as in the past and merely being prepared to listen to staff representatives afterwards, possibly introducing amendments later" - "recognising that it may not be long before we are forced to the former". Whilst even the willingness to discuss management decisions was significant, clearly no fundamental changes were imminent. In September 1970, the working party recommended the abolition of the Staff Welfare Association and the formation of a 'Liaison Committee' to fulfil the new 'communications' functions. Some dangers were foreseen in setting up the new body - it would be a "ready made organisation for ASTMS to take over" and would bring "the whole question of trade unionism before the staff".

During the next few months, the working party considered the practicalities and the Industrial Society was consulted. The Industrial Society advised against the formation of a staff association - which is what the 'Liaison Committee' amounted to; it would be "divisive" because existing trade union members (at that time only very few, and concentrated in one office) would not join. The management confirmed that it "neither encourages nor deters" union membership and made the point that there were not, of course, sufficient members to merit recognition. The I.S. recommended instead a system of consultative committees.

By January 1971, the working party felt that it had considered all possibilities and offered three feasible courses of action:

i) tell the staff to join a trade union,

ii) set up a 'house union' (i.e. staff association),

iii) organise a consultative system along the lines suggested by the I.S.

The working party was unanimously in favour of the third option, but with the proviso that "any precipitate action to inform members of staff should be discouraged".

The staff were informed of the working party's conclusions early in February 1971; the management policy of 'neutrality' on trade union membership was stated and also management's antipathy to a staff association. The recommendations of the I.S. and the working party were given in some detail and the staff were asked to complete a questionnaire asking whether they agreed with the recommendations which management endorsed. It has subsequently been conceded that the announcement was heavily biased in favour of the consultative system, and did not offer the staff a truly free choice between the various options. Indeed, the questionnaire offered only one option - a consultative system.

74.8% of the staff returned completed questionnaires, and 74.3% of the respondents agreed with the proposals for consultation. In reply to an optional question requesting reasons for disagreement with a consultative system, 8.2% of the respondents stated that they would prefer to be represented by an external trade union. Criticisms of the proposed consultative system - as obtained from the questionnaires - were concerned mainly with a fear that the new system would be ineffective and that management would not alter their behaviour in any significant way.

Having obtained staff support, the system was duly implemented, with consultative committees representing various constituencies among the Company's staff which in turn sent delegates to a parent Staff Consultative Council (the SCC). The constitution specified that the objectives of the new Staff Consultative System were "to provide a means of communication and consultation between the management and staffs of the (Company) on all matters of mutual interest".

The constitution also specified that the SCC "shall not replace the usual management responsibilities and functions", the purpose of the Council being to "consider" matters referred to it by the committees.

In August 1971, the first meeting of the Staff Consultative Council was held at which the Chairman emphasised at some length the ultimate responsibility of management and the responsibility of delegates to serve the Company as well as their constituents. In this and the next few meetings, relatively non-contentious issues were referred for discussion from the committees and Council meetings were used by both management and staff representatives to 'sound out' the other party's views, and for the staff representatives to make requests for specific information. The staff side seemed uncertain about the purpose of the new system and asked for the management view of consultation in April 1972. Management described it as the process by which they could obtain "the views of staff on possible courses of action before management decisions are taken" and which "imposes on management a responsibility to explain to Council the thinking behind any decision reached".

The first significant opportunity for the staff delegates to influence a management decision came at the time of the mid-year review of terms and conditions of service in July 1972. A Terms of Service Standing Working Committee (TOSSWC) had been formed in October 1971 and a management item on its agenda in May 1972 advised that staff would shortly be informed of the mid-year review of salaries and fringe benefits.

The staff side of TOSSWC recommended a 12% 'across the board' increase. If the award was less than this amount, there was no point in improving fringe benefits; priorities were stated for fringe benefits if they were to be considered.

These recommendations were brought before the Council on 6 July, together with the official management offer of 5% 'across the board' and certain increased fringe benefits. The staff delegates described the 5% as "niggardly", stated that a minimum of 8% was required to cover the increase in the cost of living, and commented that if the TOSSWC staff delegates' recommendations were ignored, then they "could only express dismay and might feel the need to dissociate themselves from a management decision which was decidedly unreflective of their recommendations". Management confirmed their right to do just this - it would be "contrary to the principles of consultation" if representatives felt obliged to associate themselves with a management decision with which they disagreed. Management described their offer of 5% as "entirely defensible" but agreed that it did "ignore the vital element of staff reaction". Staff delegates remained unmoved and asked for an adjournment until such time as the Board had reconsidered the amount available for distribution.

When the Council meeting was reconvened on 17 July, the management had increased the basic salary offer to 7% and also included the improved fringe benefits. This was accepted by the staff delegates.

Even at this early stage in the consultative system, there was a certain element of negotiation; management seemed prepared to alter their offer as a result of representations from the staff. However,

a mere willingness by management to take staff opinions into account is not negotiation: it is simply a more pragmatic form of decision-making. But if management were sufficiently concerned by the ill-will and deteriorating staff relations which could result if staff opinion was ignored, then staff could apply an effective form of sanction and introduce an element of negotiation, albeit somewhat limited, into the primarily consultative procedures. This is how the consultative system developed; the staff did not act as an organised body but management attached sufficient importance to the system to yield (on occasions) to the pressure of adverse staff reactions to management decisions.

This was attributable to more than a simple enthusiasm for consultation; in August 1976, management noted that "an interest in collective bargaining has increased at times when the consultative system has appeared to fail; there was, for example, a rapid increase in ASTMS membership following publication of the relocation proposals in 1972, and again when management declared its intention to reduce the value of the house purchase subsidy in 1974".

APPENDIX F

COMPANY B: BACKGROUND ISSUES

Since the early 'seventies, three issues have affected the context of employee relations at Company B: changes in the staff's house purchase facilities, relocation, and redundancy/early retirement.

A. House Purchase Scheme

The Company had, for some considerable number of years, operated a scheme whereby certain members of staff were able to borrow money for house purchase at concessionary rates of interest. By the early 'seventies, the cost to the Company had become far greater than ever envisaged and this trend seemed likely to continue unless the concessionary interest rate was brought more in line with the market rate. Accordingly, in 1972, a two-tier system was introduced: part of the loan at the original 3% and the remainder at 8½% (the then market rate). There was no adverse staff reaction to these changes because a slight reduction in the availability of 3% loans was offset by a substantial increase in the total borrowing power.

However, a further change to the scheme in 1974 aroused considerable feelings. A respite in income policy in July that year had prompted an 'across the board' salary increase, a detailed investigation of other aspects of remuneration having already begun. A change in the emphasis of remuneration was proposed; increased cash elements (e.g. basic salary, merit increases) would be funded by savings on non-cash items (e.g. staff restaurants, company cars, house purchase scheme). The mortgage subsidy represented the 'non-cash' area in which the Company had the most funds tied up and the least control over future costs, and also gave employees considerable discretion over their own remuneration.

In September, management announced at a TOSSWC meeting that an increase of 2% (i.e. to 5%) on the lower interest rate was being considered as a possible method of providing funds for redistribution. Staff delegates were assured that savings would be redistributed in full in

the form of salary or merit increases. At the next meeting, management appeared aggrieved (although surely not surprised) at the adverse reactions of staff who were concerned not just about an increase in the interest rate but also about the whole redistribution concept, fearing that it could be to their disadvantage.

At a further meeting, management proposed to raise the interest rate to 2% below the market rate (then 11%) for all new loans. Existing mortgages were guaranteed immunity from increases only until September 1975. This provoked a storm of protest from the delegates and the staff they reported to. Not only were there objections to the increased interest rate, but it was considered unfair that those without mortgages at that time should be asked, in effect, to subsidise those already in the scheme.

To understand the strength of feeling, it must be remembered that mortgage facilities at concessionary rates of interest have long been considered a most important fringe benefit in insurance companies. With high house prices and interest rates, they have come in recent times to represent considerable financial savings to the staff involved, and an increase in the interest rate is tantamount to a reduction in salary. Indeed, there is a tendency - reinforced by years of unquestioned operation of such schemes - for mortgage facilities to be considered as inviolable as basic salary and almost as fundamental to the employment contract.

The immediate and widespread reaction against the proposal appears to have been effective. Management announced that it had "taken note of the strong representation against establishing a new mortgage scheme" and instead, a recommended increase of 1% (to 4%) in the lower rate of interest for all new and existing mortgages was to be placed before the Board.

Management also wanted to establish the house purchase scheme as an item of remuneration within its discretion - especially as collective bargaining with a trade union seemed a distinct possibility for the future.

Many people at all levels in the Company isolate this issue as marking the final departure from earlier paternalism. Management hoped to use this opportunity to show staff that their financial interests would no longer be safeguarded at the Company's expense; that is, the need to change attitudes about remuneration was considered as well as the need to save money.

The issue is frequently referred to as a "failure of communication", (except by those few aware of Management's objectives) and showed the Consultative System at its most cumbersome. There was a substantial rise in ASTMS membership at that time and pains were taken by management to ensure that the experience was not repeated.

B. Relocation

The Company's plans for relocation could hardly have had a less auspicious start as far as employee relations was concerned. In the Sunday Telegraph of 2 January 1972, various management changes in the Company were reported, and staff were also able to read that the "planning department are giving some thought to the longer term future. Their conclusions could result in the 1,400 staff in the Queen Victoria Street headquarters moving out and the office let". This inevitably led to speculation among staff who had not previously known of any such plans, and management admitted that a "critical look" was being taken at accommodation, but that it was "much too early to anticipate the outcome".

After more than a year of uncertainty, a relocation plan was outlined (in February 1973).

Decisions about relocation were considered by management to be strictly within their prerogative, and consultation was restricted to communication after the decision had been made. Indeed, it was felt that the "financial argument for relocation is so strong as to preclude the possibility of making the decision dependent upon the agreement or otherwise of staff representatives". It was agreed though, that

management should "take Council into its confidence as fully and as early as possible before announcements are made so that assurances can be given on the policy to be followed and explanations made regarding the reasons for moves".

Whilst the Consultative Council was never intended to consider matters of policy, management does not appear to have fully appreciated the extent to which the consultative system had raised expectations about the degree of participation in all matters concerning jobs. No question affects jobs more than relocation, and the twelve months near silence on the subject must have cast a shadow over the aura of 'progressive' employee relations prompted by the SCC.

Discussion then began at Council on a 'relocation package' i.e. terms under which staff would be moved. The objective of staff representatives was obviously to obtain the most financially advantageous deal. The management view was that "the principle of the scheme was to put staff in the same relative financial position after relocation as prior to it; there was not intended to be an element of 'compensation'". Announcements were made regularly on the progress or otherwise in the search for sites and the timetable for moves, and a generous relocation 'package' was agreed.

1974 became the year of upheaval, with most of the planned relocations taking place within a comparatively short time. In general, it was seen as a time of uncertainty although by no means all of those involved were opposed to their particular moves.

C. Redundancy

By the late 1960's, the acceleration in the rate of mergers and takeovers and the widespread concern with cost-effectiveness and rationalisation had made 'executive redundancy' a topic of anxious discussion. This was as true in Company B as in other major insurance companies, although there did not appear to be any concrete justification. There had not previously been redundancies among the Company's office staff

but management decided in 1971 that a statement of policy on redundancy would help to allay fears. Accordingly, in September that year, staff were told that the Company was "anxious to avoid redundancies" and that none were anticipated in the foreseeable future.

However, about a year later the subject was again discussed by management as staff were apparently still concerned. It was decided that a Redundancy Plan should be formalised as a contingency measure, and at a Council meeting in October 1972 staff representatives were told that "even the most considerate and best regulated employers must now and again find themselves in a situation where some redundancies will occur". At the same time, the decision was made to restrict recruitment severely during the following summer pending a manpower study.

During 1973, management considered various methods of reducing staff levels. Methods of eliminating jobs were divided into two categories - redundancy and early retirement - both of which could be either compulsory or voluntary. Despite the pains which had been taken to reassure staff about employment security, the initial proposals excluded voluntary measures as this could result in the loss of valuable staff. A Severence Scheme covering both redundancy and early retirement was implemented from July 1973, and subsequently linked to the Relocation Package as compensation for those unable or unwilling to move. During 1974 and 1975, schemes for voluntary redundancy and early retirement were put into operation.

The operation of the various redundancy and retirement schemes must be seen in conjunction with the Cost Containment policy which was operated as entirely a management undertaking. A request by staff delegates for a representative on the 'Task Force' was refused on the grounds that it was solely a management committee. The cost containment exercise extended to all areas where spending could be restricted including, of course, staffing levels. During 1975, severe limitations on promotion were introduced, the policy being to promote only if a vacancy could not be filled by transfer. This heralded the end of the era when promotions were fairly plentiful and, together with the deliberate elimination of jobs by non-replacement,

must have indicated to many employees that their careers were drastically curtailed. Management were aware of this and in February 1977 made a statement to Council regretting that "the rapid expansion of business, which had provided many career opportunities a few years ago, had reached a plateau and it was not realistic to expect a return to the same level of career development within the foreseeable future".

In was partly to tackle this problem that a revised redundancy scheme was drafted in 1976. The original scheme had appealed more to older members of staff by relating benefits to years of service; one of the intentions of the new scheme was to attract younger staff and thus create a better age distribution by reducing the bulge at the younger levels. However, the costs involved meant that the scheme was never implemented, especially as the pressure for cutting staff levels was by that time beginning to ease. Also, of course, ASTMS would certainly have seized on the introduction of a redundancy scheme as a useful recruiting platform.

APPENDIX G

COMPANY B: STAFF NUMBERS: ASTMS AND STAFF ASSOCIATION MEMBERSHIP

A. Average number of employees

Each week during:	1974	-	6,762 (including 466 part-time)
	1975	-	6,347 (including 474 part-time)
	1976	-	5,912 (including 496 part-time)
	1977	-	5,541 (including 411 part-time)
	1978	-	5,408 (including 421 part-time)
	1979	-	5,383 (including 453 part-time)

(from Annual Report and Accounts)

B. ASTMS membership

1972 July	-	370	CLAIMED BY ASTMS (unverified)
1975 March	-	1,300	
1976 September	-	1,000	
1977 June	-	1,200	
1977 August	-	911	ACAS SURVEY
1977 December	-	710	
1978 March	-	729	
1978 April	-	828	
1978 May	-	1,024	ON CHECK-OFF LISTS - ANOTHER 100
1978 June	-	1,128	PAYING SUBSCRIPTIONS DIRECT TO ASTMS
1978 July	-	1,231	
1978 August	-	1,333	
1978 September	-	1,359	
1979 April	-	1,513	

C. Staff Association Membership

December 1975	-	297	ANNUAL RETURN SUBMITTED TO CERTIFICATION OFFICER
December 1976	-	592	
August 1977	-	437	ACAS SURVEY
December 1977	-	430	ANNUAL RETURN SUBMITTED TO CERTIFICATION OFFICER

APPENDIX H

(COMPANY B) ASSURANCE SOCIETY LIMITED

U.K. EMPLOYEE RELATIONS POLICY

GENERAL BACKGROUND

1. Insurance is a labour-intensive business and consequently the Society is very conscious of its dependence on its staff. It has a long tradition of good staff relations and its principal corporate objective recognises the importance of maintaining this position. The term "employee relations" specifically covers consultation between management and staff, communication to staff by management, and staff representation. The policy summarised below is part of a wider framework of personnel policy which embraces training, career development, assessment of performance, remuneration, terms and conditions of employment, disciplinary and grievance procedures, social and leisure facilities.

STATEMENT OF POLICY

Main objective

2. The Society's employee relations policy and practice should contribute to its corporate objective and command the confidence of employees.

Principal means of achieving objective

3. It has consistently been the Society's policy to support employee relations arrangements which have the clear backing of a majority of staff. This will continue, subject to any statutory requirements.

4. The Society attaches considerable importance to good communications and consultation and will maintain its efforts to provide both.

Staff Consultative Council

5. The Society intends to maintain the Staff Consultative Council as the established formal channel for consultation between staff and management.

6. The Society is always prepared to consider changes in the constitution of the Staff Consultative Council following discussion with staff representatives.

Rights of staff to belong to trade unions

7. Every member of the Society's staff has the right to belong to and take part in the activities of an independent trade union.

Future of representation

8. The Society regards all UK staff as a single entity for the purposes of representation and seeks to avoid a multiplicity of employee relations arrangements.

9. The Society will from time to time reassess the views of staff on representation, and will pay particular attention to the audited membership figures of any body seeking to represent staff.

Attitude to trade unions

10. The Society does not discourage independent trade unions from seeking to represent the interests of its staff.

11. Requests from an independent trade union for facilities to hold meetings, collect subscriptions or communicate with its members on the Society's premises will be considered on the basis of achieved membership.

12. No such facility will be granted that has the effect of suggesting to staff generally that the Society has not accepted their wishes as expressed at a representation ballot.

Attitude to legislation and Government codes of practice

13. The Society will continue to observe any statutory requirements relating to industrial relations. It will endeavour to observe the spirit of Codes of Industrial Relations Practice established from time to time through the Advisory Conciliation and Arbitration Service (ACAS) or other official body to the extent that they are applicable to insurance companies.

20 November 1975

APPENDIX I

COMPANY B: THE STAFF ASSOCIATION HIGH COURT CASE

A preliminary hearing was arranged for Wednesday, 5 January 1977. The writ was brought in the name of the staff association chairman, with ACAS as the first defendant and the Company joined as second defendant. The preliminary hearing on 5 January was adjourned, with ACAS making representations for a speedy hearing as the case threatened the whole of its recognition work. The Company had decided on 4 January to suspend distribution of the questionnaires until the outcome of the hearing was known. ASTMS, incidentally, only knew that a writ had been issued by reading about it in the Sunday Times on 2 January and had to telephone the Company after the New Year holiday to learn the date of the hearing. They then applied on 10 January to be joined as a further defendant but failed in their first application.

A considerably longer adjournment than anticipated was caused by the illness and subsequent death of the Judge, but the Company was finally advised at the end of February that the hearing was to be on 23 April. At the beginning of the hearing the Company requested to be removed as second defendant in consideration of an agreement not to issue the questionnaire in its current form; the request was granted. ASTMS was admitted as a further defendant.

The case for the staff association rested on three points:

- that on a "true construction of the Employment Protection Act, ACAS could recommend the staff association for recognition even though no Section II reference had been submitted;"

- that ACAS had failed to consult the staff association about the questionnaire;

- that the "form of the questionnaire was not such as would elicit the true opinions of the employees and was therefore not a lawful exercise of their discretion".

They relied very heavily on the evidence of Norman Webb, Managing Director of Gallup Polls, who had been asked by Paul Nicolson in November for an opinion on the questionnaire. His affidavit was the only expert evidence offered at the hearing; ACAS did not submit any independent evidence to challenge that given by Webb. The Judge considered himself bound to pay considerable attention to Webb's evidence, in which it was stated that the questionnaire "disqualifies ACAS from finding out relevant facts" and that "the emphasis on ASTMS only ... runs the risk of destroying any conclusions obtained from it". Webb was not cross-examined and an expert from ACAS was precluded from giving evidence on the grounds that he was a party to the case.

ACAS's submission was that it was "directed by the Act to inquire into a quite specific and defined recognition issue" - the "decision by the Service whether or not to recommend recognition of ASTMS by the (Company) ... is the sole issue to be decided". If the staff association was mentioned as an alternative to ASTMS on the questionnaire then ASTMS could argue that the Service was misusing their Section II reference to enquire into a separate issue, i.e. support for another organisation. ACAS relied heavily on the distinction between a union which had made a Section II reference (ASTMS) and one which had not (the SA), claiming that it was not the function of the Service to decide between the two - the staff association could make its own Section II reference any time it wished. Counsel for ACAS also pointed out that if the staff association was mentioned on the questionnaire, employees might be misled into thinking that ACAS could recommend its recognition - which was not so. Counsel for the staff association suggested at one point that the staff association believed that neither it nor ASTMS should be granted recognition. This comment caused some consternation in Court, with the Judge asking why the SA had itself earlier claimed recognition. The reply was that the claim had been rejected and therefore could no longer be regarded as being 'on the table'; presumably an explanation of its real tactical purpose could indicate that the staff association was rather too dilettante in its activities as a trade union.

The Judge dismissed the first two points of the staff association case:

- ACAS could not recommend the staff association for recognition as it had not made a Section II reference;

- ACAS had fulfilled all its duties of consultation with the staff association.

However, the Judge found the third point most convincing. ACAS had a duty to discover all the relevant facts and "one of the most crucial facts is the degree of support among employees for other unions". This could not be accomplished by the use of the proposed questionnaire and therefore ACAS had failed in its duty. The staff association had won the case.

It seems quite clear that ACAS had not expected to lose; and the verdict put much of its recognition work in severe doubt. The Service considered an appeal for a short time and asked the Company to destroy the offending questionnaires. Needless to say, ASTMS was not amused. Some 15 months after the submission of their reference, they had achieved nothing - indeed, had lost ground as the staff association had gained a legal right to benefit from the reference.

APPENDIX J

PROCEDURAL AGREEMENT BETWEEN COMPANY B AND ASTMS (extracts)

General Principles and Objectives:

2.4 The (Company) and the Association each recognises the inter-dependence of the parties and agree that those matters as specified in Appendix II which have a general application to all the (Company's) staff or an identifiable group of the (Company's) staff and which, for this reason, are determined centrally by the (Company) shall be the subject of prior consultation or negotiation between the parties as may be appropriate at the Joint Consultation and Negotiation Committee.

Resolution of Disputes/Differences:

10.4 Until all stages of the foregoing procedures have been exhausted both the (Company) and the Association will avoid any action that could interrupt or interfere with normal working conditions.

Appendix II (Matters to be agreed by consultation/negotiation between management and union):

1. Remuneration scales including rates of overtime payments.
2. Hours of work.
3. Holiday entitlement.
4. Pension and Life Assurance Scheme.
5. Permanent Health Insurance Scheme.
6. House Purchase Scheme.
7. Disciplinary Procedure.
8. Role of the Association Office Representatives.
9. Redundancy Benefits.
10. Maternity Leave.
11. Relocation Scheme.

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