

## **SYDNEY MAIL EXCHANGES**

**F.E. EMERY**

**October 1993**

COVERING NOTE.

Dear Jay,

This is a day or two later than I expected. This letter should indicate my current thoughts. By express mail I have forwarded three appendices and a copy of the book Merrelyn Emery has put together. The book includes a description of the method of 'participative work design' that may concern you in the later phases.

Of the appendices those by Baldamus and Jordan spell out notions that we should share. Nothing published before or after those pieces has matched their clarity and penetration. Parallel to Jordan's concern we introduced the principle of joint optimization for design of socio-technical systems (after a debate with C. West Churchman in 1959). What this means in practice is that appropriate and sensitive measures for the social and technical systems are usually incommensurable so that we search for solutions in the plus-plus quadrant. Imposing a single system measure by reducing everything to dollars is a sure way to court disaster, like the accountants' fictitious bottom line. (as West not only went on to admit but subsequently took great pleasure from baiting managers with in his later seminars).

The paper on the Scandinavian postal centres is a warning of what NOT to do. Those studies were done by rank amateurs. They included none of the people we had trained up during the 1960's. The section dealing with the case studies can usefully be perused; forget to read the intro and final sections.

I will send a couple more short pieces. I do not wish to turn into a study but some of your people might like to run an eye over them (whilst waiting for the traffic lights to change). In any case they are handy to have your ORG library for when other jobs turn up.

## Comments on proposal.

### 1. How many centres?

- a. I am a little worried about your use of concept of 'economies of scale' in this context. Every check-out point in a Coles store has a little conveyor belt and a bar-code reader. "Flexible manufacturing" points the same way. If each point of handling can be made a measurable point of 'information-added' then transport costs may be partly offset.
- b. It would be unfortunate if your model assumed that distance within Sydney is a simple measure of transport costs. It would be doubly unfortunate if the PO transport added to congestion. I presume a great proportion of mail is intra-urban, Sydney and suburbs. We cannot go back to pneumatic tubes but surely the metropolitan rail offers frequent, fast and non-congestive transport? Parcel post may be a very different animal; as witness the success of the private couriers/parcel delivery services.
- c. It is difficult but can you try to factor in the transport (travel) costs of the employees. I am quite serious about this as it concerns the kind of labour that is prepared to do the sorting job. The sorting job is low paid and it is drudgery (the exceptions would not count for five per cent of the PO wage force). I think it was Peter Hall who showed that gentrification of the inner suburbs eliminated the source of cheap office cleaners and forced the CBD into expensive cleaning contracts. The number and location of mail centres might have to be influenced by the public transport available to low paid shift workers. Or accept the cost of increased absenteeism and turnover, or the cost of accelerated automation.
- d. I do not think you should allow your thinking to be driven by considerations of the size of the centre. The human relations problems are NOT critically related to such considerations. A mini-bureaucracy can be as tyrannical as a mega-bureaucracy. The critical issues is whether a person has a trouble, protected home territory within the organization. If they have got that then they can shrug off the other 20 or 2,000 that occupy the same building.

### 2. The nature of the work.

The task cycle for the sorting of letters that have been rejected by the OCR reader could only be seconds (2-4, my guess) and only slightly more for those rejected by the barcode sorter (3-7?). These task cycles are too short to allow any of the satisfactions of task completion. People can, however, adjust to performance of this sort of task. These tasks are not so different from jogging. They warm up and then settle into a mildness and undemanding routine. Being stopped and required to warm up to and run a new routine (as with the jogger at traffic lights) is experienced as a serious disruption. The Scandinavian studies of large mail

centre staff showed that their major concern was with such disruptions, particularly when they occurred arbitrarily and unexpectedly.

I suspect that this is at the core of the labour problem.

At this end of the labour market the employees are prepared to settle for the wages and inconvenient hours because they expect nothing else from working. If they were younger and fitter they would probably seek better paid employment as builder's labourers or 'garbo's'. They are treated as redundant, readily replaceable parts. Their own philosophy is that they get sweet FA from APO, and owe APO nothing. Turnover rates, absenteeism, sickness and compo claims, and misbehaviour on the job (including drunkenness) reflect this. A proportion will be old lags who accept what the system throws at them without over complaint. Their compliance is only skin deep. They are just as likely to take malicious pleasure from stuffing the system whenever they know they can get away with it. A proportion will be 'bolshie'. They will accept that they have chosen this kind of low paid work because it is better than the other kinds of job open to them. But, they will not stand for being treated by supervisors as is they were no better than dogs. If spoken to that way in a public bar there would be a punch-up.

There are several avenues that we should look at, with unions and management (and eventually the employees).

The presenting problem is of the individual being shifted by a supervisor to clear a bottle-neck. I suggest that we not tackle this directly. Instead, let us aim at reducing the bottlenecks and picking up the bonus of a bit of batch traction. Let us batch-load for a ten person team 8-12, I do not think it matters so long as the group is large enough to absorb the work of a couple of absentees. A group this large, with such a simple routine task, will have the capability of any other group. Individual differences will be ironed out. The group gets paid for the batch, with penalties for errors. Absentees do not share the group payments for the periods they are absent. If the group calls on the reserve labour because of absentees those reserve labourers have a share in the group payment. This way the group irons out variations between the individual positions within their group. We can also be pretty sure that they will iron out variations due to absenteeism in their group; will share knowledge to prevent hold-ups; reallocate themselves to clear bottle-necks; and minimize calls on the reserve labour force. The individual is no longer an indistinguishable element in a mass of spare parts but a distinctive part of a small group with its own task. They are not exposed to individual confrontation with the supervisors. That, in itself, should considerably reduce absenteeism. I do not know how much of the variance in the system would be coped with by this form of group responsibility but, if the groups are well selected it should be significant. From the management viewpoint it gives a significant improvement in the predictability of through-put, reduces supervisory involvement/conflicts and reduces the cost of maintaining labour reserves.

What about peak loads in the group area i.e. overtime?

The situation is very different from the supervisor button-holing individual workers and telling them they were doing overtime. In a group of ten (8 or 12) There may be a couple who have prior commitments but observing those commitments this would mean only a little overtime for the rest of the group. Sometimes a group would refuse and management would have to seek another group who was willing.

What about inter-group variability?

I think we might follow Scandinavians in this matter. Let transfers between groups can be confined to higher paid multi-skilled persons, or persons seeking higher skill qualifications.

3. Things I need to know a bit more about. (the first two we have already discussed):
  - Surveys of mail exchange employees (and drivers)
  - Turnover
  - Absenteeism
  - Sickness claims
  - Compensation claims
  - Enterprise agreements –with work has been specified to justify multi-tasking classification.

PS. I have sent the bit from Weisbord simply to show the step from design principle one to design principle two is just commonsense.

**Jay Horton**  
**22 November 1993**

Dear Jay - this is an aide memoir on the three points I made at the meeting at APO on the afternoon of the 17<sup>th</sup>. Each point had several aspects.

- I. The 1988 award protected the workers in the mail centres from what had been the major bans of centre employment:
  - a. Using OG&S criteria, standards were agreed about the length of time that a worker could be assigned to a particular task.
  - b. Public rosters were agreed to govern rotation between tasks and shifts. These two measures protected workers from the arbitrary assignment by supervisors (and use of such assignments for favoritism or punishment).
  - c. The agreements allowed individuals to negotiate, person to person, the swapping of shifts and tasks. (Again lessening unwarranted supervisory interference).

- II. These changes are an advance to a halfway house – a sort of passive individual job enrichment (passive because they do not add much to positive free of choice but do restrict encroachments).
- a. being embodied in an award covering many mail centres the OH&S standards are designed to serve an abstract ‘average’ person. No one is average. Some will be more than happy to stay with a particular task for much longer than the allowed time; others can’t wait to get off the task. The same person might appreciate the task at the beginning of shift but find it hard going in the later part of a shift. The choice has been shifted from supervisors to the award but not to the individuals and their workgroups. (the award arrangements for the person-to-person swaps are too cumbersome and inflexible to meet the day-to-day needs).
  - b. Evidence that the mail centres are at only a halfway house is provided by the recent attitude survey of the NSW division of the APO (Oct. 1993). My copy was last seen in the hands of Mr. Broadbridge but I recall that on the matters of participation and teamwork the showing of the mail centres was negative. On all thirteen scales the mail centres were the pits.
- III. The next move seems to be toward bargaining, at the enterprise (individual centre) level, for group working. The major obstacle seems to be, not the technology nor the simplicity and repetitiveness of the tasks, but the 1988 award with its complicated roster and shift systems. If both management and unions agree on the path forward then they can avoid that award dictating the shape of future enterprise agreements.

Given mutual agreement then participative design workshops at each centre would seem the next practical step. Because of the unusual conditions of mail centre employment I suggest an unusual interim step. I think a ‘trawling’ trip should first be undertaken: a 2-3 hour group interview at each centre with 8 – 9 long-term workers, both sexes and many age and ethnic differences. Despite the murky waters, trawling (which is bottom fishing) might come up with a rich enough range of ideas to enable management and unions to decide on participative design workshops. Mr. Charlie Khoo’s report on the trials at St. Leonard’s’ centre indicates that the workers are not basically negative to group working nor to the APO’s objectives.

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