

University of Stirling

**From Commitment to Control: A Labour Process Study of  
Workers' Experiences of the Transition from Clerical to Call  
Centre Work at British Gas**

A thesis submitted for the degree of Doctor of Philosophy

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By

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## **Abstract**

Despite their continuing importance to the UK economy and their employment of significant numbers of workers from a range of professions, the utilities have received scant attention from critical scholars of work. This neglect represents a missed opportunity to examine the impact of nearly twenty years of privatisation and marketisation on workers, their jobs and their unions. This thesis aims to make a contribution to knowledge here by investigating, contextualising and explaining changes in the labour processes of a privatised utility in the United Kingdom.

The research is informed by oral history methods and techniques, rarely adopted in industrial sociology, and here used alongside labour process theory to reconstruct past experiences of work. Drawing on qualitative data sets, from in-depth interviews with a cohort of employees who worked continuously over three decades at the research site, British Gas's Granton House, and on extensive company and trade union documentary evidence the research demonstrates how British Gas responded to restrictive regulation and the need to deliver shareholder value by transforming pre-existing forms of work organisation through introducing call centres. The call centre provided the opportunity for management to regain control over the labour process, intensify work and reduce costs. In doing so, the study identifies the principal drivers of organisational change, documents the process of change evaluates the impact on workers' experience. Thus, as a corrective to much recent labour process theory the research offers both an 'objective' and 'subjective' account of change over an extended time.

The contrast between workers' experience of working in the clerical departments and in the call centre could not be starker. Almost every element of work from which workers derived satisfaction and purpose was abruptly dismantled. In their place workers had to endure the restrictive and controlling nature of call centre work. The relative absence of resistance to such a transformation is shown to be a consequence of failures in collective organisation, rather than the totalisation of managerial control, as the postmodernists and Foucauldians would have it.

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## **Introduction**

Industrial sociology and the related fields of ‘Organisational Behaviour’ and ‘Human Resource Management’ are littered with accounts that have, it is argued, incorrectly asserted that ‘new’ conceptual frameworks are required to understand contemporary workplaces. Many grandiose assertions have been made about paradigm shifts in employment and labour markets (*e.g.* Castells, 1996; Piore and Sable, 1984) that have supposedly overcome alienation at work, secured workers’ commitment and rendered Marxian analysis of the labour process redundant.

The ‘big picture franchise’ (Thompson, 2003) of the knowledge economy, which heralds the emancipatory impact of new information technologies, and have informed the UK government’s strategic approach to work and employment issues (Nolan, 2007), is just the latest paradigm-break-theory proclaiming the end of industrialism and Fordism (Baldry et al, 2007: 1). It is widely assumed by practitioners and policy makers that knowledge-work will come to dominate employment and will result in a decline for ‘old economy’ physical and unskilled labour and growth in knowledge intensive work requiring higher levels of skill and life-long learning (DTI 2004b). However, few of these optimistic assertions, or those of other paradigm-break-theories are located in empirical work (Baldry et al, 2007: 2) and even fewer have been realised (Kersley et al, 2006).

Empirical studies have left no doubt that significant changes have occurred in UK workplaces over the previous thirty years (*e.g.* decline in trade union efficacy,

casualisation of employment and the growth of the service sector and of particular relevance to this thesis, the diffusion of call centres as a preferred means of organising interactive service work). However, workplaces have also been shown to retain much continuity with the past (Kersley et al, 2006). Historically, labour process theory, influenced by a Marxian framework has offered an apposite approach to studying work under capitalism. Providing the best means to critically examine capitalism from the perspective of workers (Braverman, 1974; Friedman, 1977; Gough, 2003; Thompson, 1989) labour process theory has been successfully used to reveal the illusory nature of claims that the indeterminacy of labour has been resolved and workplace arrangements restructured along consensual lines.

The influence of Braverman's (1974) *Labour and Monopoly Capital*, upon scholars of work and employment can not be overstated. Despite having being subjected to almost thirty years of continuous criticism and qualification (e.g. Burawoy, 1979; Friedman, 1977; Knights, and Willmott, 1990) which has threatened to divert attention from the central validity of his original conceptions of deskilling, control and task fragmentation, Braverman's thesis still retains an important conceptual influence upon radical writers within the labour process tradition (e.g. Baldry et al, 1998; Tinker, 2002).

However, in recent times, there has been an abundance of plant level studies purporting to be studies of the labour process, which reveal only brief snap-shots of organisational life and often fail to recognise or consider the influence of political economy and consequently, result in a dislocated analysis of change at work. It is argued here that

although often revealing detailed accounts of management ‘strategy’ towards work and employment, these studies represent a backwards step in the development of labour process theory given their apparent privileging of managerial action over further assessment of the specifically capitalist nature of employment. Furthermore, it is surprising, and regrettable, that many such accounts consistently omit the voices of workers whose testimony may have informed their production. Armstrong’s (1988: 143) conclusion that ‘labour process’ is all too often used as a synonym for the study of work in general, remains an apt judgement on much recent labour process theory.

To mistake the meaning of ‘labour process’ in this way is to misrepresent the history and purpose of labour process theory as understood by Braverman and most of the ‘second wave’ labour process theorists that followed him.. At the heart of Marx’s original analysis of the labour process under capitalism, which influenced so many of these early contributions to what became known as the ‘labour process debate’ was a desire to bring about social change through revealing the exploitative basis of the employment relationship, in which capital appropriates surplus value created through labour power. Insights drawn from a historical analysis of capitalism had allowed Marx to identify a number of distinct tendencies, such as alienation and capitalist control, which albeit unevenly, compel capitalists to constantly transform the labour process, in order that profits are maximised.

This thesis seeks to make a number of contributions to labour process theory and more broadly to knowledge of the dynamic nature of work under capitalism. In examining the

changes in the organisation and experience of clerical work at British Gas since the 1970s this research reasserts the centrality of historical method to original conceptions of labour process theory. In utilising oral history techniques to examine the experience of change amongst a cohort of employees who worked continuously over three decades at the research site the research restores workers' voices to accounts of change.

By combining these qualitative data sets with company and trade union documentary evidence, the principal drivers of organisational change are identified, the process of change documented and the impact on workers' experience evaluated. Thus, as a corrective to much recent labour process theory the research offers both an 'objective' and 'subjective' account of change over an extended time

The thesis makes a further contribution by examining past labour processes of a privatised utility. There is only limited literature covering the labour processes of this strategically important sector of the economy and with the exception of Taylor *et al.* (2003) and Ellis and Taylor (2006) little is known about what the 6,500 clerical workers employed by British Gas actually do, or the conditions under which they do it. The work of O'Connell Davidson (1993), which concentrated on the water industry illustrated that changes in the labour process did not result in commensurate changes to the employment package. This research is supported by similar work looking at the public sector, which reported the political economy of change (Colling and Ferner 1995) and a further body of literature can be identified on related areas and themes such as the Post Office, the railways and the ports (Fairbrother, 1994; Martinez-Lucio, 1993; Turnbull, 1992).

Despite insights which can be drawn from this body of work the relative age and focus limits their contribution to our understanding of the changes wrought in public utilities. This thesis, therefore, aims to overcome a weakness in our existing knowledge, specifically in relation to the gas industry.

The importance of this industry can be seen in the size of their workforces and the obvious strategic and practical importance of the provision of energy. The history of these industries is of public ownership, high trade union density and formalised industrial relations systems. The over-riding objective of the utilities was providing customer service and public good. Since privatisation, in the 1980s employment in the Utilities has undergone such changes as the introduction of atypical employment contracts, increases in direct communication and a decline in trade union influence. These changes mirror general trends across the economy and, therefore, provide further, un-chartered territory for assessing their impact.

The specific objectives of this study are:

- 1) To reconstruct past clerical and call centre labour processes of Granton House.
- 2) To examine objective changes in the organisation of clerical and call centre work
- 3) To examine workers' subjective experiences of change at the level of the workplace.
- 4) To identify underlying causes for changes in the organisation of clerical and call centre work.

5) To identify and explain worker/union responses to changes in work organisation.

In order to meet these objectives, the thesis is divided into nine chapters. The first three chapters comprise a literature review, which considers the three main interrelated themes of this study. Chapter One outlines and discusses Marx's writings on the labour process under capitalism and Braverman's *Labor and Monopoly Capital*. It is argued here that their work provides a foundation upon which a conceptual framework can be constructed to inform this study. In accepting the dynamic and contradictory nature of capitalism, Marx successfully grasped the inherent contradictions within the labour process itself (Kelly, 1982: 2) and as he studied the development of the capitalist mode of production over a time period in excess of a century a greater understanding of the dynamic of change was realised.

Chapter two considers the main challenges to Braverman's (1974) thesis. It has been argued that, since, second wave labour process theorists were concerned with specific aspects of Braverman's thesis they do not render it invalid. Secondly, like all meta-theory, Braverman's thesis will never be able to explain all contingencies, yet this does not necessarily dismiss the value of its analytical purchase (Noon and Blyton, 1997: 107). Thirdly, many of the 'critics' of Braverman are in practice offering revisions and amendments to the theory rather than rejecting it (Armstrong, 1988: 157). Finally, it is evident that a number of criticisms of Braverman result from a mis-reading of '*Labor and Monopoly Capital*'. Taken together, these conclusions point towards the enduring relevance of Braverman's work. With due account taken of necessary qualifications, it is

argued, Braverman's thesis provides an appropriate framework for examining changes in the organisation and experience of work at British Gas.

Chapter three completes the literature review with an examination of literature on clerical and call centre work. The chapter assesses competing claims of the class position of white-collar workers and in doing so critically evaluates influential studies of clerical work. The latter parts of this chapter assess the nature of call centre work, emotional and cultural control, the form and incidence of workers' resistance and locate the origins and diffusion of the call centre within broader political and economic contexts.

Chapter four restates the research objectives presented earlier and outlines how they were realised through the fieldwork, data analysis and subsequent presentation of findings.

The remaining chapters are taken up by the presentation and discussion of research findings and presentation of conclusions. Chapter five presents a brief history of British Gas in order to connect research findings to the historically contingent conditions in which they originated. The chapter demonstrates how *external* forces influenced the strategic direction of British Gas resulting in *internal* pressures to transform established forms of work organisation. In particular, the privatisation and forced commercialisation of British Gas, by the Conservative Governments of the 1980's and 1990's, constituted political and economic changes which together produced a watershed in the development of the company.

Chapter six is the second of three empirical chapters and presents a detailed account of changes in the organisation of clerical work at British Gas. The primary purpose of the chapter is to reconstruct previous clerical labour processes in order to highlight objective changes in the nature of work. The chapter shows how the introduction of call centre operations signified a qualitative break with pre-existing forms of work organisation. In rapidly becoming established as the dominant mode of customer contact, the call centre replaced all but minor alternative forms of structuring work. Ultimately, in order to deliver shareholder value in volatile markets, privatised British Gas realised its strategic objective of reducing costs, largely through asserting control over a transformed labour process.

Chapter seven completes the presentation of empirical findings. The primary purpose of this chapter is to present a reflective assessment of the significance and meanings workers attached to the changes discussed in chapter six. The contrast between their experience of working in the clerical departments and in the call centre could not be starker. Almost every element of work from which workers derived satisfaction and purpose was dismantled. In their place, workers had to endure the restrictive and controlling nature of call centre work. The universal refrain from workers was that the transition to the call centre had an adverse impact upon their experience of work.

Chapter eight assesses the significance and meaning of the empirical data previously presented and explores relationships between the organisation and experience of work at Granton House. The chapter also considers the significance of research findings for

labour process theory and understanding of call centre literature. In doing so, the chapter reveals that radical restructuring of work and broader workplace arrangements is shown to have been a consequence of a number of significant shocks to British Gas' operating environment within a comparatively short-time. The chapter contrasts clerical and call centre work, as performed at British Gas, and despite these two distinct and competing forms of work being presumed to be similar (Holman, 2002) it is suggested they differ in all but the least significant ways. The evidence presented provided a further critique of Braverman's failure to explicitly consider the potential for workers to successfully resist change. Through being prepared, and able to, confront management at the point of production and resist or moderate management plans to alter work arrangements, unions were for a considerable period of time able to protect members from intensification and preserve their, albeit limited, autonomy over their task execution. Although changes in the internal political environment of Granton House and the market conditions faced by British Gas all influenced the unions' position, the decision to largely withdraw from contesting issues of work organisation had profoundly negative consequences for members.

The final chapter restates the main findings of the study, draws out the thesis' contribution to knowledge and makes some suggestions for future research.

# **Chapter One – The origins of Labour Process Theory**

## ***1.0 Introduction***

The development of the capitalist mode of production provoked widespread study of work organisation. This interest has been stimulated by two contrasting motivations. Firstly, there were those who sought to improve the effectiveness of capitalist production. Early writers in this tradition included Babbage (1832) and Smith (1986). In the early nineteenth century Taylor (1964) continued the search for the one best way to organise production with his principles of scientific management. Secondly, others have reviewed the effects of capitalism upon workers' skills, experiences and consciousness and challenged the rhetoric that such an organisation of work is natural and inevitable (Marx, 1976; Braverman, 1998; Edwards, 1979; Friedman, 1977). The origins of both sets of motivations lie in the desire to analyse the nature of industrialisation (Thompson, 1989:11). Important contributions from both supportive and critical traditions have helped our knowledge of the labour process under capitalism.

This chapter is the first of three literature reviews and outlines and discusses Marx's writings on the labour process under capitalism and Braverman's *Labor and Monopoly Capital*. The understanding of work in concrete circumstances has been hugely influenced by the work of Marx and Braverman. It is argued here that their work provides a foundation upon which a conceptual framework can be constructed to inform this study.

The chapter is organised into two main sections, each considering the work of Marx and Braverman in turn. The links between this theoretical architecture and empirical findings of this research will become clearer later.

### ***1.1 Marx's conception of the labour process***

In *Capital*, Marx was attempting to ‘...reveal the economic law of motion of modern society’ (1976:92). In doing so, Marx developed a number of essential concepts such as alienation and capitalist control, and through examining them within economic and historical contexts sought to explain, in both abstract and specific terms, the nature of work within the capitalist mode of production. Although recognising the broader scope of Marx’s work, on political economy, a significant part of the first volume of *Capital* focused upon the centrality of labour to humanity. It is these sections of Marx’s work that are discussed below. This section outlines Marx’s definition of the labour process, the concept of labour power and identifies the source and nature of surplus value.

#### ***1.1.1 The labour process***

According to Marx the basis of all human societies is the labour process, a process involving humans cooperating in order to transform nature so as to meet their own needs. The term ‘labour process’ emphasises that production is a process that occupies time and space and underlies the inseparability of labour from production itself (Hassard and Rowlinson, 2001: 88). Marx (1976: 284) defined the labour process as comprising three

elements, independent of any particular social formation; '(1) purposeful activity, that is work itself, (2) the object on which that work is performed, and (3) the instruments of that work.' Taken together these components form the general preconditions of all production (Thompson, 1989: 39). During the labour process the human and technical elements interact and '...hence, man not only effects a change of form in the materials of nature, he also realises his own purpose in those materials' (Marx, 1976: 287). Marx (1975: 1032) described labour as having a '...two-fold relationship: on the one hand as a natural, on the other as a social relation – social in the sense that it denotes co-operation of several individuals, no matter under what conditions, in what matter and to what end.' In essence, Marx was arguing that human beings are fundamentally social creatures and was challenging the political economists and their individualistic theories, which sought to explain the emergence and workings of capitalism with reference to an unchanging nature and eternal human species (Callinicos, 1999: 81).

Considered in its most general sense, the labour process refers to man's efforts to 'appropriate the materials of nature in a form adapted to his own needs' (Marx, 1976: 290). Given that the purpose of production is to create goods that serve needs Marx called its output a use value. Its value lies in being of use to someone. In order to produce use values the worker must first conceptualise how to perform the required task. Thus, the product of the labour process is a result of conscious thought. According to Marx (1976: 174) the conscious and purposive nature of human labour differentiated it from animal labour, which is instinctive. Like other animals man is part of nature and is motivated by the need to survive and reproduce himself. However, through 'conscious life activity'

(Marx, 1975: 276) man has many ways in which to meet his needs and is capable of changing and improving upon their methods of production. This consciousness is inseparable from the productive activity in which humans engage (Callinicos, 1989: 80).

Use values are not only produced through the labour process but also enter into it in the form of means of production. According to Marx whether a use value, such as labour power, is regarded as raw material, as an instrument of labour or as a product is dependent entirely upon its function in the labour process. Furthermore, whenever use values enter the labour process as a means of production they lose their character and become a mere factor in the process (Marx, 1976: 289).

### *1.1.2 Labour and value*

However, this abstracted and universal account of the labour process reveals nothing about the social conditions under which it occurs. The specific features of capitalism derive from the capitalist's purchase of the necessary components of the labour process and the consumption of labour power. According to Marx, the essential preconditions of the capitalist labour process are the existence of a class of people with sufficient resources to be able to employ others and to provide the means of production necessary for production to occur and another class of people who themselves lack ownership of the means of production and only have their own capacity to work to sell. Under capitalism, the worker operates under the control of the capitalist to whom his labour belongs.

However, it is not labour *per se* that workers sell but their labour power. Workers make available their capacity to work for a pre-determined time period and as such, are selling the potential for output. The distinction between labour and labour power highlights the necessarily incomplete nature of employment contracts (Steedman, 1982) and the indeterminacy of labour (Thompson, 1989). It is for this reason that Marx referred to labour power as variable capital. The useful qualities possessed by labour power can only be realised through its consumption and the reason for the capitalist's interest in it is to acquire the difference between the value of labour power and the value which that labour power creates in the labour process. According to Marx, the capitalist's consideration of labour is therefore quantitative, concerned only with the amount of time taken to produce a given quantity of products. Under capitalism, the product of the labour process like labour itself becomes a commodity. As Marx commented:

...the capitalist incorporates labour, as a living agent of fermentation, into the lifeless constituents of the product, which also belongs to him. From his point of view, the labour process is nothing more than the consumption of the commodity purchased, i.e., of labour power... The labour process is a process between things the capitalist has purchased, things that belong to him' (1976: 292).

Marx argued that capitalists are not interested in production for direct consumption but rather commodities and the exchange values that they embody. Through the labour process the capitalist seeks to produce commodities that have a market value greater than the cost of making them. The labour process is thus '...particular use values of production but also abstract exchange value and capital' (Gough, 2003: 8). Use values therefore, must be distinguished from exchange values. According to Marx, the defining characteristic of labour power, that sets it apart from other means of production, is its capacity to create surplus value, value greater than is necessary to maintain and reproduce

it. For the capitalist then, the function of the labour process is to create value, and hence for capital accumulation, and becomes inextricably linked with the struggle for profitable production (Cohen, 1987):

The value of labour power, and the value which that labour power valorizes...in the labour process, are two entirely different magnitudes; and the difference was what the capitalist had in mind when he was purchasing the labour power...What was really decisive for him was the specific use-value which the commodity possesses of being a source not only of value but of more value than it has itself (Marx, 1976: 300-1).

By paying the daily or weekly value of the labouring power of the workman, the capitalist has, therefore, acquired the right to use or make that labouring power work the whole day or week...The value of the labouring power is determined by the quantity of labour necessary to maintain or reproduce it, but the use of that labouring power is only limited by the active energies and physical strength of the labourer. The daily or weekly value of the labouring power is quite distinct from the daily or weekly exercise of that power...The quantity of labour by which the value of the workman's labouring power is limited forms by no means a limit to the quantity of labour which his labouring power is apt to perform (Marx, 1976: 321).

Thus it is in the labour process itself, rather than in the exchange for labour power, that surplus value is extracted from workers and exploitation occurs (Himmelweit, 1991; Mohun, 1991; Rowlinson and Hassard, 2001). The source of surplus value comes from 'unpaid labour', time beyond the point that the value of output produced by a worker has been paid for in wages. The capitalist does not have to pay extra for this surplus as they have already paid the full cost of employing the worker. In hiring the worker and agreeing to pay wages the capitalist purchases the right to the use and exchange values which are produced through the labour process.

The consumption of labour power, like all other commodities, takes place out of sight of the market, within the 'hidden abode of production' (Marx, 1976: 279). This obscuring of

exploitation made it appear 'natural and inevitable' rather than historically contingent and socially constructed.

### *1.1.3 The hidden abode of production*

In order to maximise production of this surplus value the capitalist has a vested interest in directing the labour process so as to ensure that the '...work is done in a proper manner, and that the means of production are applied directly to the purpose, so that the raw material is not wasted, and the instruments of labour are spared i.e. only worn to the extent necessitated by their use in work' (Marx, 1976: 291). Any superfluously expended labour is wasted as it does not affect the quality of the product nor enter into its value. It is important to note that the control exercised by the capitalist is

...not only a special function, arising from the nature of the social labour process, and peculiar to that process, but it is, at the same time, a function of the exploitation of a social labour-process, and is consequently conditioned by the unavoidable antagonism between the exploiter and the raw material of his exploitation...It is not because he is a leader of industry that a man is a capitalist; on the contrary, he is a leader of industry because he is a capitalist. The leadership of industry is an attribute of capital, just as in feudal times the function of general and judge were attributes of landed property (Marx, 1976: 449-50).

This instrumental interest in the labour process also leads the capitalist to seek to revolutionise the technical and social conditions of work. 'Then, with the increase in productivity of labour, the value of labour-power will fall, and the portion of the working day necessary for the reproduction of that value will be shortened' (Marx, 1976: 432). Having established the concepts of surplus labour and value Marx outlined the ways in which capitalist employers attempt to secure and increase the surplus value derived from

the labour power they purchase. According to Marx, capitalists have two main means of achieving such a goal<sup>1</sup>. Firstly, through extending the working day the proportion of the working day that comprises of 'unpaid labour' increases in direct proportion to the additional hours worked. Marx (1976: 432) labelled this absolute surplus value. Although there might be physiological limits, Marx saw the length of the working day as indeterminate with no prospect of determining the maximum length without contention. Furthermore, Marx recognised that there were objective limits to the extension of the working day. If extended too far a deterioration and premature exhaustion and death of labour power occurs. Capital which relies upon labour power alone thus acts against its own interests (Callinicos, 1999). Consequently, this approach to increasing surplus value tended to be relied upon only by those who lacked the means to increase productivity through technological means.

The second means of increasing surplus value produced by labour was through intensifying work, which has the effect of reducing the amount of time required to cover the cost of labour power and thus leaves a longer period of 'unpaid labour'. Marx called this relative surplus value. Although Marx argued that absolute and relative surplus value were to be found in all phases of capitalist development, there was a historical shift in their importance. For Marx, the distinction between these two types of surplus value is connected to the distinction between the formal and real subordination of labour.

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<sup>1</sup> Extending the working day and/or intensifying work do not exhaust the means by which surplus value may be increased. Marx (1976: 655-660) recognised that the cost of labour power might be reduced by substituting skilled workers for those that are unskilled, women or children.

When workers sell their labour power their formal subordination to the capitalist begins (Marx, 1976: 645). Although workers are now directed by their employer the labour process may be relatively unchanged from pre-capitalist modes of production. In contrast the real subordination of labour involves radical and continuous transformation of both the technical and social organisation of production, involving the direct application of science and technology, extending the division of labour and the subordination of the worker to more detailed and greater control by the employer (Marx, 1976: 1019). Marx predicted that under modern industry capital would turn attention to increasing relative surplus value through intensifying the division of labour resulting in the emergence of the detailed worker (Marx, 1976: 464).

#### *1.1.4 The historical development of division of labour under capitalism*

The development of the capitalist mode of production in which these tendencies emerged involved a number of distinct phases. For Marx

capitalist production only really begins...when each individual capital simultaneously employs a comparatively large number of workers, and when, as a result, the labour process is carried on an extensive scale, and yields relatively large quantities of products (1976: 439).

With only limited technical means to reorganise work the labour process under 'manufacture' initially remained largely unchanged. This developmental stage facilitated cooperation between workers but also saw an extended division of labour develop. Co-operation emerged between formerly independent crafts but also between workers operating within the same trade as their work was fragmented. Under the direct authority

of the employer, workers could be set to work on a part of a subdivided production process and as a hierarchy of labour power developed, simpler tasks could be allocated to less skilled and therefore cheaper workers (Babbage, 1832). The hierarchy of labour came about as a greater separation of conception and execution of work was established by the capitalist. The subdivision of work and closer supervision of workers also served to reduce the porosity of the working day and thus further increased output.

This utilisation of a detailed technical division of labour was something Marx saw as specific to the capitalist mode of production, and although it strengthened the power of collective labour it also produced the 'detailed worker'. Collective labour emerged from the relationship of workers to each other in the production process. Given the fragmentation of work the output of each labourer is at the same time the starting point for another. Workers are therefore interdependent, a phenomenon labelled collective labour by Marx. The detailed worker emerges from the fragmentation of work and allocation of its constituent parts to different workers and was a '...specific creation of the capitalist mode of production' (Marx, 1976: 480).

The division of labour under capitalism exists solely to meet the needs of the capitalist and drives to an extreme '...within the workshop, the naturally developed differentiation [of trades] which it found ready at hand in society' (Marx, 1976: 459). Marx differentiated between the specific form of division of labour seen under capitalism and those organised around family, tribe or territory seen in earlier societal forms. For Marx (1976: 474) the two forms of division of labour differed '...not only in degree but also in

kind.’ Because pre-capitalist forms of division of labour emerged in order to produce use values for consumption within a community there was an absence of division of labour within the workshop. In contrast, the capitalist division of labour exists to maximise surplus value produced by labour power. Furthermore, the division of labour within the workshop implied the authority of the capitalist over men that are reduced to components in a production process planned, directed and executed to serve his interests alone.

According to Marx (1976: 481-82) manufacture,

...converts the labourer into a crippled monstrosity, by furthering his particular skill as in a forcing-house, through the suppression of a whole world of productive drives and instincts...Not only is the specialised work distributed among the different individuals, but the individual himself is divided up and transformed into the automatic motor of a detail operation...which presents man as a mere fragment of his own body...What is lost by the specialised workers, is concentrated in the capital that confronts them. It is a result of the division of labour in manufacture that the worker is brought face to face with the intellectual potentialities of the material process of production as the property of another, and as a power which rules over him.

Even the most fervent advocates of detailed division of labour recognised the impact that such an organisation of work had on workers. In particular, Adam Smith (1986: book 5 ch 1 IIIxxx) noted that workers who performed a few simple operations ‘...generally became as stupid and ignorant as it is possible for a human creature to become.’ For Marx (1976: 484), such a division of labour ‘...attacks the individual at the very roots of his life’. Under the given social conditions Marx argued that the division of labour could take no other form than a capitalistic one. Rather than affording workers the means to realise their full potential, the capitalist labour process is alienating. The means of production are owned by a minority of society, the majority own only their labour power

and production is for profit appropriated by the capitalist, rather, than for consumption by producers. Thus, the unique quality of human beings is ‘...stultified and indeed inverted through capitalism’ (Grint, 1998: 87), a condition Marx labelled alienation.

Marx delineated the concept of alienation into four conceptually discrete spheres. Firstly, alienation is derived from the absence of control by the producer over the product. This absence of control reduces workers’ humanity and sustains alienation through reproducing capitalist relations. The second facet of alienation stems from the ever increasing division of labour under capitalism. Fragmentation of the labour process renders work meaningless and degrades the general orientation to work from being one of creative liberation to forced labour. The third aspect of alienation emerges from the market economy and commodity exchange as these necessarily set each productive group of workers in competition with each other, thereby reducing the social exchange between individuals to economic exchanges of commodities. Finally, the repetitive nature of work under capitalism blurs the distinction between human and animalistic labour. The continual fragmentation of work and separation of conception and execution leads to the destruction of creative content of production<sup>2</sup>.

However, the reduction in skill and increase in capitalist control over workers, existing under ‘manufacture’ was historically contingent (Thompson, 1989: 46). Workers formed craft unions and there was widespread resistance to attempts to deskill work through extending the division of labour. The strength of worker resistance was rooted in the

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<sup>2</sup> What set Marx’s writings on alienation apart from earlier socialists was his analysis of the way in which capitalism creates the material and social conditions of its overthrow (Callinicos, 1999: 83)

existing nature of the labour process and capitalists soon came to recognise the limits to control realised through division of labour alone. Under the stage of capitalism Marx labelled 'modern industry', the division of labour was greatly extended and extensive mechanisation introduced as capitalists continuously sought to cheapen labour costs in order to maximise surplus value. The factory system afforded capitalists new means by which to control workers (Marglin, 1976) and intensify work.

With the production of relative surplus value the form of production is altered and a specifically capitalist form of production emerges (Marx, 1976: 1024). Under modern industry production was organised around systems of machines and the labour process was constantly revolutionised as suitable technological developments emerged. The labour process became increasingly socialised as its 'real lever...[was] increasingly not the individual worker [but] labour power socially combined' (Marx, 1976: 1039-40).

According to Marx the purpose of constantly transforming the labour process is to increase the rate of exploitation through creating relative surplus value and under modern industry machinery was increasingly relied upon to achieve this. Machinery, like every instrument for increasing the productivity of labour, is intended to cheapen commodities. The impetus for the design of much technology, under modern industry, was to undermine workers' organisation and increase capitalist control over the labour process (Thompson, 1989:48).

The impact of greater mechanisation was a reduction in workers' skills. According to Marx, the hierarchy of specialised workers, which emerged under 'manufacture' was eroded over time and the deskilling and mechanisation of the new conditions tended to homogenise labour. With a greater substitutability of labour and decrease in heavy physical labour greater numbers of women were employed which served only to further undercut and dilute existing skill levels of the workforce (Thompson, 1989: 51).

Marx argued that the capitalist system compelled employers to reduce the cost of production in order to increase the rate of surplus value. For Marx (1976: 438)

The object of the development of the productivity of labour, within the context of capitalist production, is the shortening of that part of the working-day, in which the worker must work for himself, and the lengthening thereby, of the other part of the day, in which he is free to work for nothing for the capitalist.

It is an essential feature of capitalism that no single producer controls the economy and therefore individual producers are forced to compete with each other to sell their produce and realise their surplus value. Reducing the cost of production allows the capitalist to sell their product at a price below their social value thus undercutting his competitors, but still above their individual value, so realising extra profit. However, this advantage would not last for ever as other capitalists are compelled by the same 'coercive law of competition' (Marx, 1976: 436) to adopt the new techniques to prevent themselves from being undercut. Each capitalist is interested in raising the productivity of labour only as a means of outstripping his competitors. The effect is to force all capitalists to conform to the law of value and to constantly increase labour productivity.

However, Marx (1976: 553-64) recognised that even under modern industry the tendency to revolutionise production and exercise greater control over labour was checked by organised resistance. The concept of 'real subordination', discussed earlier, was meant to convey the new and more powerful control mechanisms embodied in modern industry. However, Marx recognised that the transition from formal to real subordination was a complex process, was not uniform or entirely coherent (Elger, 1982: 31). As Thompson (1989:52) notes 'the thrust for control was always tempered by worker resistance, modifying and multiplying the variety and means used to subordinate labour.' Such an example indicates the difficulties in understanding the interpretation and use of Marx's concepts of the capitalist labour process. Nevertheless, the value of Marx's analysis in understanding contemporary work can not be overstated.

Given Marx's conviction that the capitalist mode of production must be constantly revolutionized it is clear that Marxist analysis must be constantly reviewed and updated in new conditions if it is to continue to be useful in analysing the nature of work under capitalism. The discussion now turns to Braverman's attempt to do just that with the publication of *Labor and Monopoly Capital* in 1974.

### ***1.2 Braverman's development of labour process theory***

The publication of *Labor and Monopoly Capital* came after a 'long and largely barren period when work became a forgotten issue' (Thompson, 1998: 67) and at a time when levels of industrial conflict were rising across Europe and the USA and the workplace

was once more 'a contested terrain' (Edwards, 1979). In 1974 the capitalist division of labour was no longer a hidden aspect of life but was being openly challenged by millions of people (Renton, 2000). The discovery that the capitalist division of labour lay at the centre of many of these disputes (Crouch and Pizzorno, 1978; Donovan Report, 1968; Gorz, 1976) prompted Braverman to re-examine the nature of work and challenge contemporary accounts that made optimistic claims (Gorz, 1967; Mallet, 1975) about rising skill levels and the emergence of a new working class.

Braverman successfully reinstated the imperative of capital accumulation (Littler, 1982: 25) as the 'fundamental dynamic determining the incessant transformation and tendential degradation of labour in capitalist societies' (Elger, 1982: 23). The book combined a critical, and pessimistic, account of the changing nature of work with an analysis that provided a fundamentally convincing, yet straightforward explanation for both the direction of change and a vehement and eloquent indictment of its effect upon workers.

The impact 'Labor and Monopoly Capital' had on industrial sociology should not be over-stated. According to Coombs (1978: 96) prior to Braverman's publication 'the last person to write anything of substance on the labour process was Marx himself.' The book reshaped the whole field of industrial sociology, and opened up the possibility of a single history of work which would overcome the hitherto fragmented study of work. In the words of Littler (1982: 26), 'Braverman's major contribution was to smash through the academic barriers and offer the potential for the birth of a new, integrated approach to the study and history of work'.

However, 'Labor and Monopoly Capital' should not be understood purely as an academic event. It was a book written for workers, written in an accessible style and clarity of expression, by an active socialist whose life had been shaped by processes that he wrote about (Renton, 2000). Indeed, one of the strengths of his book was its connection to 'real work'. Whilst many sociologists had previously described the detail of how other peoples' working lives were organised, few managed to capture with such clarity how they experienced work.

Because of his background Braverman produced a 'profoundly political book' (Renton, 2000) that was very much a critique of dominant trends within academic Marxism. In returning to Marx's thoughts on the nature of the labour process under capitalism Braverman resurrected ideas that had largely been neglected (Brown, 1992) and provided '...a focus for the renewal and development of Marxist studies' (Elger, 1982: 23). In particular, Braverman saw the need for '...a more economic Marxism which was more closely rooted in the realities of workers lives' (Rose, 1988). Braverman updated and renewed Marxist analysis of the labour process through considering inter- and intra-occupational shifts which had taken place in a phase of twentieth century American capitalism known as 'monopoly capitalism' (Baran and Sweezy, 1968). Whilst doing so, Braverman re-introduced the critical and de-mystificatory element long missing from Marxist political economy (Coombs, 1978).

### *1.2.1 Labor and Monopoly Capital: The influence of Marx*

The first three chapters of *Labor and Monopoly Capital* draw closely from *Capital* (Marx, 1976). Like Marx's, Braverman's account had a strong historical emphasis recognising that labour processes under capitalism are products of a distinct set of social relations and not '...instantaneous creation[s] of laws' and that '...every society is a moment in the historical process' (1974: 8-9). Although, 'Labor and Monopoly Capital' was clearly influenced by Marx's writing it would, however, be a mistake to see Braverman's contribution as simply a restatement of Marx.

By developing the partial insights present within Marx's theory of the labour process, through applying it to 'subsequent historical development(s), taking a fresh look at skills, technology and work organisation' Braverman identified the 'greater possibilities for widespread deskilling through the use of new forms of technology and science in the service of capital' (Thompson, 1989: 73). This is particularly evident in Braverman's analysis of changes in the labour process of the new service industries and clerical work (*see chapter four*).

Braverman set out to explain the apparent contradiction between the apparent need for higher skills given the increasing automation of work and the mindlessness of work for most. Avoiding premature assumptions about the existence, or otherwise, of a new working class he examined the development of the entire working class, concentrating on its objective structure. For, Braverman

The distinctive capacity of human labor power is...not its ability to produce a surplus, but rather its intelligent and purposive character, which gives it infinite adaptability and which produces the social and cultural conditions for enlarging its own productivity, so that its surplus product may be continuously enlarged (1974: 56)<sup>3</sup>

### *1.2.2 The central importance of scientific management in Labor and Monopoly Capital*

Braverman argued that the separation of conception and execution realised through scientific management had led to a degradation of work in twentieth century USA. In developing Marx's notion of control, Braverman isolates the fundamental principles of the system, provided a detailed and vivid account of why Taylor's work became capitalists' dominant approach to maximising control over the labour process and discussed its dehumanising effect on work. Braverman presented a different periodisation of the transformation of the labour process to that of Marx, by arguing that it was through scientific management, rather than mechanisation, that the transition to real subordination was realised.

For Braverman, the general managerial setting of tasks and taking responsibility for maintaining order and discipline was insufficient, even within the factory despotism described by Marx (Thompson, 1989: 74). In Taylorism, capitalists had a means to increase managerial control over the labour process. Furthermore, Taylor asserted his principles of management provided a 'scientific' justification for such a reorganisation of work and thus removed conflict. For Braverman (1974: 62) Taylor promoted the issue of

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<sup>3</sup> Braverman also went beyond Marx by explicitly linking a theoretical model of the class structure to that of the labour process under capitalism (Thompson, 1989: 86).

managerial control over production to unprecedented dimensions and asserted management's right to dictate to workers the precise manner in which work should be performed. Whilst recognising that Taylor's scientific management emerged from a wider scientific - technical revolution, Braverman (1974: 83) argued that it 'rendered conscious and systematic the formerly unconscious tendency of capitalist production.' Braverman also argued that Taylor was 'virtually alone in giving clear expression to principles (of the role of management) which are seldom now publicly acknowledged' (1974: 77). For Braverman it was

impossible to overestimate of the scientific management movement in the shaping of the modern corporation and indeed all institutions of capitalist society which carry on labor processes' (1974: 60).

He asserted that prior to Taylorism, management was presumed to have the right to control labour, but in practice this entailed the direction of tasks with little day-to-day authority over how labour was performed. Braverman argued that Taylorism added a new dimension of control that vastly increased managerial power: it emphasised the absolute necessity [of] dictation to the worker of the precise manner in which the work is to be performed' (Braverman, 1974: 90). But specifying how work was to be performed required work to be fragmented. Management therefore gained greater control over workers and the production process.

In his assessment of Taylor's version of scientific management, Braverman attacked its ideological foundations dismissing both its alleged scientific nature and the neutrality of

both management and technology utilisation. Firstly, Braverman was cynical about Taylor's scientific assumptions. To Braverman, scientific management

...lack(ed) the characteristics of a true science because its assumptions reflect nothing more than the outlook of the capitalist with regard to the conditions of production... It enters the workplace not as the representative of science but as the representative of management masquerading in the trappings of science (Braverman, 1974: 59)

Braverman also argued that what Taylor was concerned with was not the scientific organisation of work but rather a science of the management of others' work (Braverman, 1974:62). It is evident from Taylor's own words that he believed managements' insufficient knowledge of the labour process prevented it from defining what level of output constituted a proper day's work.

The great defect of common management is that their starting point, their very foundation, rests upon ignorance and deceit, and that throughout their whole course in the one element which is most vital both to employer and workman, namely the speed at which work is done, they are allowed to drift instead of being intelligently directed and controlled (Taylor, 1964b: 45)

The principles of Taylor's scientific management emerged in the course of his struggles with workers at Midvale Steel works over raising productivity and it was there Taylor recognised the need for power relations in the workplace to be restructured. As a Gang Boss Taylor met resistance from his group of workers as he attempted to raise productivity amongst them. Out of these experiences Taylor developed a number of principles, summarised by Braverman:

Thus, if the first principle is the gathering together and development of knowledge of the labour process, and the second is the concentration of this knowledge as the exclusive preserve of management – together with its converse, the absence of such knowledge among workers – then the third step is the use of

this monopoly of knowledge to control each step of the labour process and its mode of execution. (1974: 119)

Such a summary in no way misrepresents Taylor. For Taylor, control over production relied upon control over the decisions that are made in the performance of work. The scientific knowledge of the labour process would allow management to fragment the labour process and allocate the constituent parts to different workers in order to cheapen labour. In essence this principle reasserts the Babbage principle (Braverman, 1974) and, as evidenced in the quote below, shows that Taylor understood and incorporated earlier concepts.

The full possibilities (of scientific management) will not have been realised until almost all of the machines in the shop are run by men who are of smaller calibre and attainments and who are therefore cheaper than those required under the old system (Taylor, 1964b: 105).

For Braverman (1974: 86) the Tayloristic notion of control resulted in the division of the labour process between two distinct sites. Each labour process is planned in advance, the means of execution defined in precise terms and productivity measures assigned. The result of such preconception is that the physical production process is mirrored in paper form before, during and after its execution. Under such arrangements, the conceptual phase of productive labour now also serves as a control function (Armstrong, 1988: 143). The emergence of the planning department is best associated with this principle of scientific management and is the physical embodiment of the separation of conception and execution of tasks. As Taylor noted

establishing a planning department merely concentrates the planning and much other brainwork in a few men especially fitted for their task and trained in their especial lines. (Taylor, 1964b: 66)

The primary impact of Taylor's scientific management, according to Braverman (1974: 83) then was to reduce the worker to a level of undifferentiated labour capable only of performing a series of simple tasks. In other words, scientific management was invoked to erode craft skills and therefore eradicate the basis of differentiation between groups of workers resulting in a homogenisation of labour. The separation of conception and execution of tasks 'is the most decisive single step in the division of labour taken by the capitalist mode of production' (Braverman 1974: 87) and this process had been accelerated throughout the twentieth century as organisations grew in size and trained, managerial, personnel became available. The link with degradation and control of the labour process is highlighted below.

The dehumanisation of the labour process in which workers are reduced almost to the level of labor in its animal form...becomes crucial for the management of purchased labor. For if the workers' execution is guided by their own conception it is not possible...to enforce upon them either the methodological efficiency or the working pace desired by capital. (Braverman, 1974: 78)

The process of separating conception and execution necessarily provides two distinct groups of workers and has a confusing impact upon the working class creating new occupations such as administration and planning roles that afford them the prospect of higher skilled work. However, before an impression of upskilling is provided, Braverman argued that the logic of degradation applied to these new occupations, such as clerical work (1974: 90). Over time Tayloristic methods of work organisation become generalised and absorbed into definitions of efficiency under capitalism resulting in the degradation of work and homogenisation of labour.

In essence, Braverman argued that all other forms of work organisation were gradually replaced with one based on the degradation of labour through task fragmentation and tight control by capital. A strength of Braverman's analysis of Taylorism is to show, in some detail, how scientific management had been extended to a '...wider area of the occupational structure' (Thompson, 1989: 76)<sup>4</sup>. As such, labour has little choice but to accept degraded work in order to survive.

To avoid accusations of determinism though, it is important to note that Braverman recognised that the impact of the scientific-technical revolution on skills would vary and could certainly not be predicted on the basis of some inflexible law. The following quotes are apt illustrations of this.

To the next question – how is the labour process transformed by the scientific-technical revolution – no such unitary answer may be given. This is because the scientific and managerial attack upon the labour process over the past century involves all its aspects: labor power, the materials of labor and the products of labor (1974: 169).

This displacement of labor as the subjective element of the process and its subordination as an objective element in a productive process now conducted by management is an ideal realized by capital only within definite limits and unevenly amongst industries. The principle is itself restrained in its application by the nature of the various specific and determinate processes of production. Moreover, its very application brings into being new crafts and skills and technical specialities which are at first the province of labor rather than management. Thus in industry all forms of labor co-exist: the craft, the hand or machine detailed worker, the automatic machine or flow process (1974: 169).

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<sup>4</sup> Chapter three of this thesis considers Braverman's discussion of how scientific management was applied to clerical work.

### *1.2.3 The nature of technology under capitalism*

Braverman (1974:116) recognised the difficulty of management obtaining complete control over the labour process through scientific management alone. In common with Marx, Braverman argued that the adoption of machinery was also relied upon. During the scientific - technical revolution, capital realised the value of appropriating science for its own use through funding specific, targeted research that would aid the pursuit of profitability through increasing control of the labour process. This recognition, by Braverman, was a development of Marx's analysis that restricted capital's role to adapting technology that was already available rather than creating their own (Thompson, 1989: 78). Through appropriating science, capital utilised rhetoric about mechanisation being a manifestation of human progress to disguise its impact upon the worker - further degradation of their work. The successors of Taylor, notably Gilbreth, extended the logic of mechanisation to humans themselves and viewed workers as machines photographing and timing each motion and subjecting it to revision in line with the principles of efficiency.

Braverman (1974: 125) saw the study of motions, independently from a specific task as bringing to life Marx's notion of abstract labour and the reduction of labour to a commodity. Braverman again echoing Marx also argued that technology needed to be understood as a product of a specific set of social relations, in which it is produced (1974: 128). Although acknowledging that Taylor was not concerned primarily with the development of technology, Braverman argued that his work laid the foundations for a

rapid development of progressively more sophisticated machinery (1974: 130) as it provided fixed motion paths of work that could be replicated by machines. Each technological advance acts as an impetus for subsequent improvements in the efficiency of work organisation establishing a continuous cheapening and replacement of labour by machines. Indeed the very effectiveness of machines is increasingly defined with reference to how they supplant labour in the production process (Braverman, 1974: 129).

Due to the relations in production, under capitalism, machinery is put to use to control labour and to extend the trend of cheapening it. Braverman argued that the adoption of machinery by capital in this way further diluted the workers' knowledge of the labour process as a whole, and became the source of 'enslavement and helplessness' for most of the working population (Braverman, 1974:134). As new technology is developed the process of mechanisation approaches the level of 'social insanity' (Braverman, 1974: 141) as capital refuses to accept any level of productivity as acceptable. In order to maximise surplus value capital constantly seeks ever-increasing output and where this cannot be achieved through mechanisation the process is degraded. This continual pursuit for increased productivity leads capital to revise notions of efficiency and '...constantly overhaul all aspects of its performance' (Braverman, 1974: 117) leading to the labour process being continually reconstituted. Mechanisation relieves labour by mechanical means what Taylor attempted by organisational methods, decisions, judgement and knowledge of the labour process.

Although, Braverman recognised that in the early stages of technical change new skills are created he challenged the view that operating machinery necessarily requires the possession of higher levels of skill (1974: 156). The general tendency to degrade work through separation of conception and execution and an extended division of labour soon reassert themselves<sup>5</sup>. Such an analysis is a useful counter argument to deterministic views of technology, such as that of Blauner (1964). Such accounts have tended to mistake the removal of physical labour and employment in more congenial environments with actual increases in skill and knowledge (Nichols and Beynon, 1977).

### ***1.3 Conclusion***

Perhaps the greatest strength of Marx's analysis lay in the rejection of the received wisdom that the division of labour under capitalism was in some way natural or superior. On this basis, Marxist analysis can be used to critique the social character of division of labour and the development and utilisation of machinery (Thompson, 1998: 57). In addition, Marxian analysis clearly recognised the asymmetric power distribution within the labour - capital relationship and located the source of fundamental antagonisms between them within production itself.

In accepting the dynamic and contradictory nature of capitalism, Marx also successfully grasped the inherent contradictions within the labour process itself (Kelly, 1982: 2). The distinction between labour and labour power highlights an inherent tension within

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<sup>5</sup> Braverman's account of the degradation of computer programming is an example of this tendency.

capitalism. On the one hand, when labour power is bought in the market it is treated like any other commodity, but within the labour process itself, labour must be treated as a non-commodity (Friedman, 1986) as workers enter into the social relations of production.

As Marx studied the development of the capitalist mode of production over a time period in excess of a century, a greater understanding of the dynamic of change is realised. Although Marx may have underestimated the variety of processes involved in industrialisation (Kumar, 1978) and exaggerated the distinctions between stages of capitalism (Berg, 1979, Littler, 1982) it is remarkable just how many of Marx's concepts figured so prominently in future developments (Thompson, 1989: 56). Task fragmentation, deskilling, the separation of conception and execution and the control imperative of capital are all incomplete processes, but nonetheless still provide a basis for studying the organisation of work today.

In updating Marx's analysis of the labour process under capitalism and applying it to subsequent historical developments Braverman produced a seminal book whose words are still influential amongst those interested in a sociology of work. However, Braverman's contribution was not an attempt to create a new paradigm of industrial-sociology; rather he attempted to subvert sociology, accusing it of contributing to the promotion of pro-capitalist ideology (Spencer, 2000: 224). The approach taken by Braverman challenged previous accounts of the 'universal' nature of work regardless of the political and economic context in which it is performed and experienced (Spencer 2000: 225). In formulating his thesis Braverman successfully demonstrated how

Tayloristic methods of work organisation were absorbed into capitalist notions of efficiency by modern management and highlighted the impact upon the working class. The appropriation of science, by capital, and increasing mechanisation condemned labour to perform degraded work and the nature of capitalism was presented as the antithesis to human production. The publication of 'Labor and Monopoly Capital' stimulated the labour process debate and addressed theoretical gaps left by Marx and despite being subjected to criticism still provides 'a focal point of reference' for the continuing debate (Thompson 1989: 88) and understanding the politics of the workplace (Sattel 1978: 39).

Taken together the works of Marx and Braverman provide the beginnings of a conceptual framework through which to study changes in the organisation and experience of work that are the focus of this thesis. However, in order to better appreciate their relative strengths it is necessary to now consider the criticisms and revisions they have been subjected to. The next chapter discusses the contribution of 'second wave' and more recent labour process theorists.

## **Chapter Two – Labour Process Theory: Moving Beyond**

### **Braverman**

#### ***2.0 Introduction***

The publication of Braverman's '*Labor and Monopoly Capital*' in 1974, stimulated a debate on the nature of the labour process and rejuvenated critical scholarship on work organisation. Braverman's contribution has proved influential in furthering understanding of the nature of work under capitalism, despite having been challenged by subsequent authors. Assessments of Braverman's work have focused on whether the impulse of capital accumulation alone provides a sufficient explanation of deskilling and the subordination of labour (Burawoy, 1979; Friedman, 1977; Wood, 1988; Knights and Willmott, 1990), his conflation of Taylorism with management authority itself (Edwards, 1979, Friedman, 1977; Littler, 1982, Wood, 1988) and his failure to consider subjectivity in shaping outcomes between capital and labour (Burawoy, 1979, 1985, Willmott, 1989). Other critical evaluations of '*Labor and Monopoly Capital*' focus on contingencies that may ameliorate or even reverse deskilling tendencies or accuse Braverman of romanticizing craft work (Cutler, 1978; Littler, 1982). Braverman has also been criticised for failing to situate craft labour in its particular historical context and industrial settings (Littler and Salaman, 1982), under-estimating strategic alternatives to labour degradation in the pursuit of capital accumulation (Friedman, 1977a; Palmer, 1975; Kelly, 1982), omitting consideration of the importance of tacit skills (Mainwaring and Wood, 1985) and ignoring domestic non-waged work (Beechey, 1982; Knights and Willmott, 1986).

Taken together these revisions and refutations of Braverman's work provoked the claim that his thesis has 'died the death of a thousand qualifications' (Eldridge, 1983: 96).

However, criticisms that Braverman failed to anticipate specific historical and organisational contingencies do not always stand up to scrutiny (Tinker, 2002). It is argued here that although 'second wave' labour process theorists (Friedman, 1977, Edwards, 1979 and Burawoy, 1979 and 1985) made important contributions through addressing 'theoretical gaps' left by Braverman, they do not render the theoretical foundations of '*Labor and Monopoly Capital*' redundant. Indeed, these writers supported much of '*Labor and Monopoly Capital*' and in the main, relied upon a similarly broad historical sweep in formulating their conclusions. Only Burawoy (1979: xiv and 1985: 21 - 68) explicitly contests Braverman's thesis and provides an alternative assessment of work under capitalism, concentrating on subjectivity in the labour process and worker consent in reproducing capitalist relations.

Braverman, like Marx, was attempting to propound a law of motion of capitalist society and as Armstrong (1988: 146) argues

...if the legitimacy of such an enterprise is accepted at all, it can only be engaged by empirical work at its own level'. Unexplicated counter-instances no more disprove such laws than rockets or hurled stones disprove the laws of gravity.

Many of these 'unexplicated counter instances' which Armstrong spoke of emerged in the 1980s and throughout the 1990s when as Storey (1985: 194) claims the '...labour process theory bandwagon ran into the sand' and many sought to reject the theoretical frameworks provided by Braverman and Marx. In seeking to advance labour process

theory it was felt necessary to transcend the limitations of Marx and Braverman. Alternative inspiration was sought in empirical analysis (Wood, 1982 and 1988; Littler, 1982 and 1989) and more recently in the postmodernist turn influenced by readings of Foucault (Knights, 1989; Willmott, 1989) and Thompson's (1989) largely unsuccessful attempt to identify a 'core' labour process theory. These recent contributions to labour process theory, in largely abandoning Braverman's thesis have returned to the plant-based sociology, studying a snapshot in organisational life which '*Labor and Monopoly Capital*' sought to challenge. It is argued here that many critics of Braverman have largely disconnected debates on production from the capitalist system and as such represent a backwards step in the development of labour process theory.

This chapter considers the main challenges to Braverman's (1974) thesis. In doing so, it will become apparent that the nature of work organisation under the capitalist mode of production is more complex than a reading of Braverman seems to suggest. However, at least some of these challenges are '...directed at a Bravermansque straw man and rests on a failure to distinguish adequately between different levels of analysis' (Thompson, 1989: 104). The adoption of a micro level analysis by Burawoy (1979) and the use of a similar approach by Friedman (1977) to form a revised macro analysis of change in work organisation, in part represent departures from Braverman's methodological approach and render comparisons problematic. Even Braverman's most trenchant critics concede that:

Fine grained detail...was beyond the scope of Braverman's analysis...(as)...*Labor and Monopoly Capital*...was intended to provide an overview of trends and a stimulus for the revitalisation of critical studies of work and class, not to present a precise specification of the organisation and control of

each and every form of capitalist labour process (Knights and Willmott, 1989:11).

In assessing criticisms of Braverman the chapter is organised thematically as follows; the means of control adopted by capital, the nature of worker resistance and, finally, the role of consent in the labour process.

### ***2.1 The 'means of control' adopted by capital.***

The first criticism of Braverman focuses on his conceptualisation of control. The pivotal role Braverman assigned to Taylorism (Burawoy, 1979; Edwards, 1979; Friedman, 1977; Herman, 1982; Sattel, 1978) and its unsuitability as a means of organising work in the post-fordist era (Frenkel, et al. 1999, Sewell and Wilkinson 1992) have been the source of much criticism. Empirical studies claimed that Taylor's system of production gained only a 'toehold' in certain small scale typically non-unionised workplaces (Edwards, 1979; Herman 1982; Littler, 1982; Sattel 1978) and met with resistance from workers and politicians (Brecher 1978, Palmer 1975). For Edwards and Friedman much of the importance attached to Taylor's scientific management related to its ideological impact upon the managerial profession, as opposed to the actual implementation of his ideas.

The extent to which his particular system was implemented is difficult to estimate, but it seems clear that the theoretical importance of Taylor's work outweighed the extent to which his pure system was used in practise. (Friedman, 1977: 93)

### *2.1.1 Alternatives to Taylorist control strategies*

The first to offer an alternative account of capitalist control was Friedman (1977) who argued that under monopoly capitalism organisations competed through sales efforts as opposed to price competition and were therefore able to adopt alternative control mechanisms. For Friedman, the reduction of managerial control strategies to Taylorism alone failed to acknowledge the occasions when it is in the interests of managers to pursue other strategies which leave some discretion in the hands of employees. The choice for capitalists over which approach to controlling labour should be adopted, is presented as being largely dependent upon the strength and nature of labour resistance and is broadly categorised as being between 'responsible autonomy' and 'direct control.' Friedman argued that the coming of monopoly capitalism increased the use of responsible autonomy because of the increasing strength of labour in conditions of full employment. Such an approach was presented as the antithesis of Taylorist direct control.

The responsible autonomy type of strategy attempts to harness the adaptability of labour power by giving workers leeway and encouraging them to adapt to changing situations in a manner beneficial to the firm. To do this top managers give workers status, authority and responsibility...The direct control type of strategy tries to limit the scope for labour power to vary by coercive threats, close supervision and minimising individual worker responsibility. (Friedman, 1977:78)

Friedman (1977: 78-82) argued that techniques which seek to constrain worker discretion deprive capitalists of the unique creative capability of labour, is likely to produce resistance from workers, may prove too expensive and may reduce flexibility. According to Friedman (1977: 95) the inherent contradiction of direct control lay in the impossibility

of its ultimate vision, the control and direction of every element of the labour process by capital.

Through adopting a responsible autonomy approach capitalists attempt to harness the adaptability of labour power through providing areas of discretion and encouraging workers to adapt to situations in a way that is beneficial to the organisation (Friedman, 1977: 78; Nichols and Beynon, 1977). This is achieved through internal labour markets and institutionalising trade unions in order to prevent conflict producing work stoppages (Friedman, 1977: 96). In essence, the adoption of responsible autonomy represented a strategic alternative to scientific management. However, responsible autonomy was not an alternative to the subordination of the worker, but, rather, an alternative means of achieving it (Friedman, 1986: 118).

Friedman (1977) was not the only writer to recognise that the development of control strategies by capital did not stop with Taylor's scientific management (Burawoy, 1985: 35; Edwards, 1979: 98; Littler, 1989: 49; Wood, 1982: 14). For Edwards, the contested terrain of the workplace resulted in capitalists experimenting with different control mechanisms, altering their approaches in response to learning from previous mistakes and when confronted by worker resistance. Scientific management is thus presented as *one* such experiment, rather, than representing *the* definitive practice of management (Edwards, 1979: 101).

Edwards (1979) presented a model of control mechanisms based on historically successive dominant types. The simple control of the entrepreneur was followed by the technical control provided by the assembly line and finally, bureaucratic control where control is embedded in the social and organisational structure of the organisation through job descriptions and internal labour markets.

The failure of 'simple control' influenced a move towards structural control comprising two distinct strategic choices, technical control and bureaucratic control. Firstly, in outlining technical control Edwards emphasised that technology provided capital with 'leverage in transforming purchased labor power into labor actually done' (1979:112). As in Friedman's (1977) concept of direct control, under technical control, machinery is utilised as the primary means for regulating the labour process, with control embedded in the structure of the production process that necessarily results in workers reacting to the pace of the line, rather than setting it. The technical control strategy resulted in continuous production lines 'providing unambiguous direction of what the worker should do next' (Edwards, 1979: 118) and mediating conflict over the transformation of labour power into labour. The mechanised direction and pacing of work dramatically altered the relation between foreman and worker with the assembly line assuming part of the former's role (Edwards, 1979: 119). With the development of machinery with feedback mechanisms, the potential existed for the evaluation of output to be conducted automatically, further enhancing the exercise of technical control and concealing the social relations that produced it (Edwards, 1979: 125). A contemporary manifestation of

such a phenomenon can be found in the use of Automatic Call Distribution (ACD) systems to pace and direct call centre work (*see chapter four*).

The implications of technical control included the tendency to create a common experience of degradation amongst labour linking workers in the production process and resulting in escalating conflict to plant wide level (Edwards, 1979). Such conditions proved favourable for building unionism and saw the end of technical control as an adequate means of control in itself (Edwards, 1979: 126-129).

Following the failure of technical control, bureaucratic control emerged. The basis for control under this approach, as with Friedman's (1977) concept of 'responsible autonomy, lay in company procedures and rules and provided an alternative approach to securing structural control. For Edwards bureaucratic control:

... is embedded in the social and organisational structure of the firm and is built into job categories, work rules, promotion procedures, discipline, wage scales, definitions of responsibilities and the like. Bureaucratic control establishes the impersonal force of company rules or company policy as the basis for control. Bureaucratic control attempted to routinise all of the functions of management in the way that technical control had routinised the first function. Capitalists were to retain overall control of the enterprise's operations through their power to establish the rules and procedures. But once the goals and structure were set, the management process was to proceed without need of...the conscious intervention or the personal power of foremen, supervisors or capitalists (Edwards, 1979: 131).

The trend towards bureaucratic control began once unions had become established and made attempts to modify and regulate technical control leading to a joint regulation of the workplace with management. Incremental pay structures and internal promotion ladders were provided as positive incentives for workers to co-operate in transforming their

labour power into labour (Edwards, 1979: 138-143). Essentially, organisations were attempting to strike individual bargains with workers that if they committed themselves through maximising productivity and avoiding conflict, rewards were available in pay increases, job security and promotion. Although unions were instrumental in moves towards bureaucratic roles, increasingly workers came to face an impersonal organisation more or less alone as the work environment became less conducive to unions and strikes or other oppositional activities (Edwards, 1979: 120). Increasingly unions accepted the organisation of work and directed attention towards non-control issues such as wages, fringe benefits and promotion procedures.

Both Friedman (1977: 86) and Edwards (1979: 179) argued that workers, and firms, could be segregated into core and periphery with different control types likely to be adopted in each. For Friedman the responsible autonomy strategy was more likely to be adopted for core workers with direct control utilised for peripheral workers. For Edwards (1979: 179) capital's adoption of control mechanism was influenced in part by product markets and the location of the firm within them.

### *2.1.2 The inadequacy of 'ideal' typologies.*

The work of both Edwards and Friedman has been subjected to critical assessment. Several authors have claimed that their idealised types of control are inadequate for furthering understanding of the nature of management control of labour under capitalism (Littler, 1989; Penn, 1982; Wood and Kelly, 1982; Armstrong, 1985, Storey, 1985;

Hyman, 1987). In particular, Littler argued the concept of bureaucratic control was constructed at a broad level of generality and failed to account for the structuring of control through less formal means than rules and procedures.

Essentially Edwards proposed a linear model to explain management approaches to the control of labour with each successive strategy seen as evolving from the previous one. The dynamic of change between these types of control and the nature of their creation is under developed. Through omitting details of dissent to a chosen approach, management is portrayed as homogenous, capable of imposing its will upon labour, whose interests are aligned with those of capital. Such a view has been challenged in subsequent literature which has highlighted the political nature of management decision making (Armstrong 1985; Burawoy, 1985; Storey, 1985) and has argued that management interests are not always consistent with those of capital (Willmott 1984; Armstrong, 1989).

Friedman's two ideal types of management strategy were inadequately defined to be effective means of analysing and understanding managerial approaches to controlling the labour process (Wood and Kelly, 1982: 82). Responsible autonomy was variously described as comprising of worker discretion and commitment to organisation goals, as counselling, suggestion schemes and as the concession of improved material benefits such as high wages and job security (Friedman, 1977, 1977b). Defining a strategy in terms of various techniques is unsatisfactory as their use by management will not necessarily be part of a responsible autonomy approach. It is important to assess the motivations for their introduction and their impact upon workers and recognise that

management may pursue both types of strategy simultaneously (Wood and Kelly, 1982: 79, Zimbalist, 1979: xxi). For example team-working which may reasonably be supported to involve some measure of responsible autonomy has been successfully revealed as involving increased levels of peer surveillance and intensification of work (Delbridge, et al 1992; McKinlay and Taylor, 1998). Friedman was guilty of accepting at face value the theories of responsible autonomy as defined by management techniques rather than critically assessing them in the concrete conditions of their implementation.

Despite the numerous criticisms made of Braverman no one now seriously doubts that scientific management was about controlling the labour process and that it involved the degradation of work, or that it remains the bedrock of modern work design. Although Taylor's system as a whole is subject to fundamental weaknesses, the process of transferring the planning and control of production from the shop-floor to the office is now a virtually universal practice (Gilchrist, 1970: 123 cited in Armstrong, 1988).

### ***2.1.3 The 'missing subject': the case of resistance***

Friedman (1977b) argued that Braverman portrayed a one sided view of control, through omitting a discussion of how worker resistance influences capital's selection of control strategies. In drawing attention to the contested nature of the employment relationship, but not seeking to theorise it, Braverman has been accused of treating labour as passive (Schwarz, 1977: 161). This incomplete return to Marx is said to weaken Braverman's thesis (Schwarz, 1977: 162) and presents the transition from craft work to Tayloristic

forms of work organisation as simplistic and non problematic (Littler, 1982: 122). In Braverman's analysis Taylorism is said to '...come alive as a managerial steamroller that crushes in a blitzkrieg like manner all resistance to its thrust for control' (Herman 1982). Braverman is criticised for ignoring the role of worker resistance in successfully challenging the spread of Taylorism (Edwards, 1979: 103; Friedman, 1977: 82).

Rather than accepting Marx's notion of the movement between stages being mainly a technical matter, Friedman (1977: 45) argued that the relative strength of worker resistance resulted in an uneven pace and nature of change across and within industries. Although Friedman (1977: 48) defended Marx's realisation of the potential for worker resistance he criticised Marx's focus on the overthrow of the capitalist mode of production at the expense of theorising how contradictions may be accommodated.

According to Friedman:

Worker resistance must be seen as a force (thrown up by the basic mode of production) which affects capitalist development, rather than simply a force which may eventually result in the destruction of the capitalist mode of production (Friedman, 1977: 49).

In assessing the impact of worker resistance upon the development of capitalist productive activity, Friedman (1977: 50) argued that three of its features needed to be understood. Firstly, resistance takes on either individualistic or collective forms, with the latter subdivided into organised or spontaneous forms. Secondly, the ability of workers to resist change in work organisation is uneven. Finally, Friedman (1977: 54) argued that some forms of resistance can be manipulated by management to their advantage. Whilst trade unions do address some of the power imbalance within the capitalist mode of

production they also reflect that imbalance as they only deal with the day-to-day struggles within capitalism (Lane, 1974). In a sense, through institutionalising trade unions management utilise them to ensure the maintenance of their managerial authority through offering concessions (Anderson, 1977; Flanders, 1975; Friedman, 1977: 55).

The implication of Friedman's analysis is that certain groups of workers are likely to be able to resist proposed changes, to varying degrees, resulting in an uneven direction of change in the organisation of work. Such a realisation *appears* to challenge Braverman's central argument that all work was universally subjected to continual degradation under the capitalist mode of production. Although, Braverman recognised that degradation was not a linear tendency, since new technologies may result in temporary upskilling, and, despite asserting the revolutionary potential of the working class, did not explicitly consider the role for worker resistance in influencing the form and outcome of change in work organisation. From a reading of Friedman's work a more central role for workers in influencing their fate, can be assigned. This is an important qualification and suggests that in understanding changes in the organisation of work, over time, the role of workers' resistance and the actions of trade unions need to be understood.

Recognising the impact, or potential impact, of worker resistance is clearly associated with the formulation of the concept of responsible autonomy (Friedman, 1977: 79). The maintenance of managerial power over workers is not automatic or straightforward but must be continuously re-negotiated to ensure its reproduction. This may involve management conceding a degree of direct control over the labour process in order to

maintain the more fundamental relations of production. Friedman demonstrated that the popularity of direct control and responsible autonomy varied over time depending on the relative strength of labour. The adoption of responsible autonomy by capital has only been seen under conditions of extreme pressure from labour at times of tight labour markets and abandoned as soon as conditions permitted (Ramsay, 1977). The significance of such a finding for this thesis will become apparent once the empirical data is assessed (see chapter nine).

The ability of workers to resist management attempts to reorganise and extend control over the labour process challenges Braverman's assertion that scientific management completed the real subordination of labour. Braverman failed to adequately explore the connections between formal and real subordination and their linkage to changes in the capitalist labour process over time. Returning to Marx, Elger (1979: 65) argued the transition between formal and real subordination was a complex process beset with contradictions and achieved unevenly across different sectors.

Following the thrust of this critique the concept of real subordination considers only the exchange value aspect of the relationship highlighting capital's motivation for reducing labour to a commodity as far as possible through enforcing the wage form, abolishing dependence upon workers' skill and initiative and separating them from ownership of the means of production. However, the use value aspects of the capital-labour relationship may stand in contradiction to such moves, as acknowledged in the following quotes.

To develop the forces of production capital must seek to develop labour as a subjective force to unleash labour's power of social productivity rather than

abolish these powers. Thus in the use value aspect of its relation with labour capital will seek a purely co-operative relationship in order to abolish the antagonism between the worker and the means of production that its capitalist form throws up (Cressey and MacInnes, 1980: 13).

For even though capital owns (and therefore has the right to control), both means of production and the worker, in practice capital must surrender the means of production to the 'control' of the workers for their actual use in the production process. All adequate analysis of the contradictory relationship of labour to capital in the workplace depends on grasping this point (Cressey and MacInnes, 1980: 14).

Capital's need to continuously revolutionise the means of production to maximise surplus value required it to suppress its own dominance in the workplace and develop labour as a subjective force in production (Cressey and MacInnes, 1980: 15). The argument that labour cannot be reduced to such a limited and mechanical place within the production process is crucially important (Brown, 1992).

Labour also has contradictory motives within the relationship with capital in resisting their subordination to the goal of valorisation, whilst at the same time having an interest in the maintenance of the relationship and therefore the viability of the unit of capital which employs them. Thus, the labour process can be seen as a joint creation, the outcome of class struggle rather than an inherent logic of capitalism alone.

### *2.1.3.1 Assessing Braverman's omission of resistance*

Despite some significant theoretical contributions in understanding the nature and impact of worker resistance in shaping workplace arrangements, it is important to contextualise Braverman's omission of resistance before using it as a reason to abandon *Labor and*

*Monopoly Capital*. Braverman's omission was no oversight and reflected a level of analysis and a political era when opportunities for resistance were diminishing. Braverman felt it necessary to develop a concrete picture of the working class as a class *in* itself before considering it as a class *for* itself. Braverman laid stress on the former as a means to bring forward the latter. As Yates (1999: 10-11) argues '...[f]ar from ignoring the class struggle, Harry Braverman in *Labor and Monopoly Capital* has provided us with an invaluable weapon in that struggle; for how can we struggle effectively unless we know exactly what it is we are struggling against.' Braverman's contention that opportunities for resistance were in recession can in part be understood through his connection with Baran and Sweezy (1966). In Baran and Sweezy's formulation monopoly capitalism was victorious and workers were reduced to victims. Braverman's omission may also be understood as a reaction against the sociological writing that defines concepts such as class and alienation in solely subjective terms (Brown, 1992: 192).

In a brief response to his critics in 1976, Braverman remarked that he had placed self imposed limits on his analysis and, whilst recognising the need for progress to be made in understanding class consciousness, left the task to others. Braverman did however deny claims that he was pessimistic about the future of working-class consciousness:

I have every confidence in the revolutionary potential of the working classes of the so-called developed capitalist countries. Capitalism, will not, over the long run, leave any choice to these classes, but will force upon them the fulfilment of the task which they alone can perform. This presupposes an enormous intensification of the pressures which have only just begun to bear upon the working class, but I think there is no question that it will happen. I have long tended to agree with those who think it will be a long time coming (1976: 123).

However, that Braverman's vivid critique of the demeaning effects of management's degradation of work is not matched by an analysis of what workers have done, or could do, to resist such control is regretful. The absence of any extended consideration of resistance leaves the impression that managers enjoy complete control, have all the initiative and that workers are inert. That such a view is clearly at odds with Braverman's revolutionary politics does not justify his failure to avoid the confusion and represents a missed opportunity in *'Labor and Monopoly Capital'*.

#### *2.1.4 The nature of control assessed.*

Friedman's and Edwards' recognition of a plurality of means of controlling workers is welcome and makes it possible to account for some of the apparent anomalies created by an uncritical reading of Braverman (Brown, 1992). However, neither Friedman nor Edwards can be said to have exhausted the possible means of control exercised by management over the labour process, or to have identified all the conditions which may make one set of control measures necessary or desirable for management. To pursue such issues further requires closer attention to the notion of control in the labour process (Storey, 1985; Hyman, 1987).

Storey (1985: 198) introduced the notion of layers and circuits of control. This perspective indicated that management attempt to realise control over the labour process through clusters of mechanisms and structures rather than through a single unified approach such as scientific management. The notion of circuits of control was also

presented in order to indicate oscillations over time. Worker resistance curtails the range of management choice of approach and realising control over the labour process is rarely about selecting between rules *or* targets as Friedman and Edwards suggested, but is likely to involve both. As such, different control *mechanisms* are utilised in different areas of the employment relationship simultaneously which renders any notion of a consistent approach or *strategy* useless. In attempting to retain control management are continually experimenting with the levels and circuits of control. This dynamic perspective on control contrasts with the static and ordered control mechanisms of Friedman and Edwards' typologies.

Edwards and Scullion (1982: 325) argued that the exercise of management control is also restricted by both the law and trade unions which results in control being continuously renegotiated. As not all levels of management are concerned with control as an end in itself they focus attention on controlling the areas that they see as being of central importance to their role, productivity and efficiency. This often leads management to ignore areas that do not threaten the existing structure of control (Edwards and Scullion, 1982: 329). Although retaining control was in the long term interests of management, in the short term such moves were likely to cause conflict on the shop-floor which may threaten other interests such as maintaining productivity.

Whilst the negotiated nature of control now appears as a common theme in labour process theory it is vital not to forget the exploitative basis of capitalist production (Braverman, 1974; Marx, 1976). Although workers are able to alter some of the terms of

their subordination, the fact remains that the capitalist has the right to determine the general conditions of operation within the workplace. In an impressive attempt to elaborate the nature of the capitalist employment relationship Edwards (1989: 139) argues that the employment relationship is characterised by 'structured antagonism'. The capital-labour relationship does not involve continuous conflict nor does it imply established sets of interests for both parties. Rather, groups of workers and managers are each likely to have broad ranges of interests and thus, the nature of control in any given context is a result of the struggles between both groups. Control should not be seen as straightforward and non problematic resulting from clear, consistent intentions of either workers or management. Instead, Edwards argued that there were two levels at which control operated:

Seeing control in terms of the outcome of struggles enables a distinction to be drawn between detailed and general control. The former refers to the immediate work processes and is a zero sum category; if workers control a given issue, then capitalists cannot do so... General control refers not to intentions but to patterns of effects. It reflects the extent to which workers are successfully subordinated to the production of surplus value (Edwards, 1989: 143 - 145).

The notion of detailed control over all issues concerning the organisation of work can best be viewed as a frontier of control (Edwards, 1989: 143; Goodrich, 1920) as opposed to assigning complete control to either workers or managers. Control over productivity targets and overtime arrangements can be exercised by either workers or management at any given time and need not be a permanent arrangement. The notion of a frontier of control illustrates the contested nature of employment and overcomes the failures of earlier approaches which presented management as omnipotent, or overestimated the impact of worker resistance. General control, as a concept, builds upon earlier work by

Burawoy (1985) in highlighting that consent is an important feature in reproducing workplace relations. As a concept it attempts to indicate compliance, from workers, with arrangements in particular areas of the employment relationship such as start times and length of working day.

#### *2.1.5 Questioning the exclusive concentration on labour control*

Braverman has also been criticised for underestimating the diversity and complexity of management objectives. The assumption that management share a single intention – to control labour – ignores the diversity of management interests, and the fact that these interests may compete with each other (Batstone et al, 1987; Buchanan and Boddy, 1983, Child, 1985). Whilst labour control objectives may be relevant, when examining management motives for re-organising work they must be understood in the context of broader business goals (Noon and Blyton, 1997). As Kelly argued:

It is not simply the extraction of surplus value in the labour process which is problematic for capital, but the realisation of that surplus through the sale of commodities in markets...In other words we need to consider the full circuit of industrial capital as the starting point for analyses of changes in the division of labour: purchase of labour power; extraction of surplus value within the labour process; realisation of surplus value within product markets (Kelly, 1985: 32)

In a parallel argument, Littler noted that the fundamental compulsion of capital accumulation can be met in various ways at different times. Control of the labour process is only one, albeit important, way of appropriating surplus value,

The assumption that increasing capital accumulation entails intensifying control of the labour process in an unmediated way is based on the idea of the continued centrality of labour and the labour process, but this may vary through different

stages of capitalist development. It is important to realise that appropriation of surplus value may occur not only in the labour process, but through other mechanisms, namely in the sphere of circulation through pricing policy and via state taxation. It could be argued that under monopoly capitalism the centrality of control over labour diminishes and the extraction of surplus value now occurs via monopoly pricing and taxation (Littler, 1982: 28-9).

Consequently there will be considerable difference, for substantial periods of time, in the degree to which control of the labour process is *the* central issue for management. There may also be 'space' for variation in the means of control that are adopted (Brown, 1992: 191). Critics of Braverman contend that rather than focussing exclusively on the point of production he should have examined the contradictions within and between the moments in the circuit of capital (Kelly, 1985: 32; Wren, 1982). Such a reading of Braverman, however, requires readers to ignore the whole of Part III of *Labor and Monopoly Capital*, particularly those chapters on the universal market, the role of the state and the modern corporation (Tinker, 2002: 256). Despite Kelly claiming to move beyond Braverman in considering management action throughout the full circuit of capital, it is evident that Braverman was aware that the search for new products, and markets '...interrupts and sets limits on the parallel search for means of deskilling and extending management control of labour power' (Armstrong, 1988: 147). Despite claims to the contrary Braverman does not propound a universal law of deskilling; rather, he claims a general tendency for deskilling to occur exists under capitalism and recognised that this is only realised under specific conditions:

The displacement of labor as the subjective element of the process and its subordination as an objective element in a productive process now conducted by management is an ideal realized by capital only within definite limits and unevenly amongst industries. The principle is itself restrained in its application by the nature of the various specific and determinate processes of production (Braverman, 1974: 172).

## ***2.2 Consent and the labour process: Burawoy's contribution***

The previous discussion centred on the nature of control and resistance and was stimulated by Braverman's concentration on objectivity and the assumption of the structured antagonism of the capital–labour relationship. However, if the arguments of Cressey and MacInnes (1980) are accepted then control of the labour process appears a more complex and contradictory matter (Brown, 1992: 213). Capitalist employers are necessarily involved in trying to secure workers' *consent* whilst simultaneously retaining control.

### *2.2.1 Burawoy and the manufacture of consent*

An important departure from Braverman's account is Burawoy's perspective presented in two influential texts 'Manufacturing Consent' (1979) and 'The Politics of Production' (1985). A central argument of the latter work is that capitalist social relations can not be taken for granted:

...the interests that organise the daily life of workers are not given irrevocably; they cannot be imputed; they are produced and reproduced in particular ways. To assume, without further specification that the interests of capital and labour are opposed leads to serious misunderstandings of the nature of capitalist control (Burawoy, 1985: 28).

According to Burawoy (1979: 17) each mode of production needs to produce the means for its reproduction and therefore the fixation on conflict at work, by Braverman amongst others, has overstated the role of coercion. For Burawoy (1979: 21) the distinctive feature

of capitalism is not the separation of conception and execution of tasks but the securing and obscuring of surplus value by capital. Securing and obscuring surplus value poses a challenge for capital and rather than relying on coercion as the dominant solution, workers' consent is mobilised through the establishment of an internal state. In addition, workers rely on the realisation of profit, by capital, to ensure their future employment and herein lies the material basis for what Burawoy (1985: 34) called the hegemonic production regime.

In essence, Burawoy rejected the classical Marxist concept that interests under capitalism can be assigned in relation to the means of production. Far from labour being a homogenous class united in opposition to capital, Burawoy (1979: 12) argued that conflict and consent are products of a particular organisation of work. The interests of workers are shaped by their experience of the production process rather than through their class. In developing the argument Burawoy (1979: 135) dismisses the notion that ideology is imported into the workplace from schools, family or the media. Burawoy argued that the labour process was relatively autonomous and that production outcomes could best be understood with reference to relations at the point of production.

In eschewing the traditional conflictual view of the employment relationship Burawoy studied changes in the labour process of a machine shop utilising Roy's (1945) study of the same plant to highlight change over time. For Burawoy (1979:51) work on the shop floor is constituted as a series of games where workers try and 'make out' that is to say, earn bonus in a piece rate system.

The constitution of the labour process as a game is a result of workers attempting to overcome the relative deprivations of their work and surroundings (Burawoy, 1979: 78). Through playing the game, workers, it is claimed ameliorate the strain of performing repetitive and monotonous tasks and the goal of making out becomes an art that challenges their ingenuity. The game acts as an ideological mechanism through which 'necessity is presented as freedom' (Burawoy, 1985: 38). The construction of the game is not directed against the interests of management and therefore supervisors are active players in a game that delivers quota production (Burawoy, 1979: 80).

The implications of entering the game are the production and reproduction of consent to its rules, and through making out workers accept the social relations under capitalism. The game is regulated by management in ensuring that the rules do not become too restrictive or too loose so as to maintain worker interest in making out. This role will often involve junior management ignoring instructions from senior management if they believe that it will affect the chances of workers successfully making out.

### *2.2.2 An assessment of Burawoy's contribution*

Although Burawoy's publications have much to commend them, notably in promoting the centrality of the workplace as a focus of study (Peck, 1982: 84) there are a series of fundamental problems with his analysis.

Firstly, Burawoy is overly pessimistic in his portrayal of labour acquiescing to the rules of the game. It is not made clear why workers initially chose to play the game or their preoccupation with success, as a means of escaping the tedium of work, as opposed to collectively organising to alter it. Due to Burawoy's insistence that ideology is formed at the point of production and the apparent ineffectiveness of the union, in the plant he studied, the question of resistance is lost in his formation of a generalised theory of work under capitalism. It is important to state that Burawoy's pessimism is not being judged against any over-optimistic notion of the revolutionary potential of labour; rather, it is argued that to gain an understanding of the process of change the role of resistance must be considered (Friedman, 1977). Burawoy's omission of resistance is as unacceptable as Braverman's. Peck succinctly presents the portrayal of labour in Burawoy's analysis as follows:

...workers appear as pawns in a contest whose unfair rules are beyond their grasp. Unable to recognize fundamental injustices inhering in capitalism, committed to short term objectives that parallel business priorities, and reluctant to jeopardize immediate payoffs by disturbing prevailing authority patterns, they are duped into stepping up production and thereby intensifying their own oppression (Peck, 1982: 85).

Secondly, in attempting to demonstrate that ideology is produced at the point of production, rather than through class relations more broadly, Burawoy is guilty of over emphasis. By his own admission his attempt to support his assertion through empirical data is limited. Furthermore, Burawoy downplays the influence of gender and race in generating ideology (Peck, 1982:81) to say nothing of the formation of consciousness as rooted in community.

Burawoy presented his case study Allied as a representative workplace without providing supporting evidence. The allegedly harmonious relations at Allied are used to argue that a general move away from conflict in the wider economy has occurred (Gartman, 1982: 94). Such a claim fails to recognise the disparity of practice between competitive and monopolistic sectors of the economy and the importance of coercion under monopoly capitalism. Although, Burawoy was correct in highlighting the importance of consent in the capitalist production process, coercion is too easily removed from consideration. As Braverman made clear, consent to the existing organisation and control of work might rightly be considered as coerced as it is conditioned by the absence of alternative ways of securing the means of existence.

Burawoy (1979: 190) sees no difficulty in attributing to all management the shared objective of securing and obscuring surplus value. Clearly it may be easy to accept that managers may readily identify with the objective of producing surplus value as a means of advancing or even justifying their position in the hierarchy. However, attributing the common objective of obscuring surplus value is tantamount to suggesting a conspiratorial theory of capitalist organisation (Knights and Willmott, 1989: 547) and repeats problems with Braverman's fetishism of Taylorism.

The notion of a general shift towards consensual relations at work has been challenged by events after the publication of Burawoy's work. During the 1980s and 1990s, in Britain, management were encouraged to 'break procedures, tear up agreements and appeal directly to the workforce' (Thompson, 1989: 169). Such movements have challenged

notions of industrial citizenship advocated by Burawoy and act as a useful reassertion of the enduring potential for conflict in the employment relationship. Burawoy was reflecting on a historically specific situation at Allied. In order to demonstrate any generalised move away from conflict it is necessary to examine the apparent acquiescence and explain its origins effectively. The metaphor of work as a game, supported by strong social pressures is pervasive in explaining reproduction of such relations but not their creation.

### ***2.3 Furthering our understanding of the subjectivity of labour***

The subjective element of labour has been an important issue within labour process theory. Even prior to Burawoy, Braverman's objective account of the labour process was criticised (Aaranowitz, 1977: 162; Cressey and MacInnes, 1980: 20). However, a common criticism of these authors was that whilst they recognised the need to incorporate the notion of workers as active individuals (or collectives) struggling against power, no adequate conceptualisation occurred (Knights, 1989: 297; Knights and Willmott, 1989: 538; O'Doherty and Willmott, 2001: 457; Willmott, 1989: 336). Indeed, Thompson (1989b: 114) argued that 'the construction of a full theory of the missing subject is probably the greatest task facing labour process theory'.

Postmodernist writers see this failure to adequately theorise worker subjectivity as evidence of endemic failures in the conceptual toolkit of labour process theory. The postmodernist 'attack' on labour process theory has taken the same form that

postmodernist critiques have taken against other social scientific theories (Jaros, 2005). Labour process theory is accused of being *essentialist* due to its assertion that exploitation is an essential characteristic of capitalist production, *totalising* because its focus on labour exploitation at the expense of other (equally) relevant discourses of domination and *deterministic* because of the assumption that management are compelled to react to the control imperative. Another criticism sees labour process theory as fraught with untenable dualisms. Knights and Willmott (1989: 544) are critical of the inadequate dualism of determinism-voluntarism promoted in labour process theory that simply views subjective action as being voluntary in contrast to objective behaviour that is controlled. An alleged fear of 'ideological contamination by voluntarism' (Knights and Willmott, 1989: 545) is said to have prevented labour process theorists from developing a theory of subjectivity.

Arguably the main reason that subjectivity has been neglected within labour process theory was Marx's failure to adequately address the issue himself (Aaronowitz, 1978: 140). Such an omission was then amplified by Braverman's conscious exclusion of subjectivity and left uncorrected by subsequent critiques of '*Labor and Monopoly Capital*' (O'Doherty and Willmott, 2001: 459; Willmott, 1989: 337). Individuals were only considered by Marx as the personification of economic categories and bearers of class relations and interests that are determined by the laws of the capitalist system (Willmott, 1989: 338). It is argued that such an approach failed to account for how the dynamics of change in the labour process were '...impeded as well as impelled by anxieties about identity and attachments to routines which are fuelled by the

individualising effects of capitalist relations of production' (Willmott, 1989: 339). For these postmodernist critics of orthodox labour process theory, power rather than profit is the driving force in the labour process (Nichols, 1992).

To facilitate a new approach postmodernist writers have relied upon a particular interpretation of selective Foucault texts. For Foucault (1982: 217) power does not exist outside of its exercise and therefore can not be confused with the transformative nature of labour or the practise of consent (Knights, 1989: 319).

...power is embedded in social practises such that it transforms individuals into subjects who secure their sense of meaning and reality through its exercise. That is to say, although power is exercised over others, it is necessary to appreciate how those who are subjected to (and by) its truth effects are themselves active participants in the process through which power relations are reproduced (Knights and Willmott, 1989: 541).

Foucault (1982: 212) drew attention to subjugation arguing that it results from the effects of modern technologies that force individuals back in on themselves so that they become tied to their own identity. The comparative social isolation experienced by subjects, as a result of the individualising impact of modern power, is said to render them vulnerable to the very demands that such power makes of them (Knights and Willmott, 1989: 550). Willmott (1989: 371) argued that subjects seek to promote their self identity because of '...anxieties aroused by the individualising of subjectivity within the capitalist mode of production'. The sense of self identity becomes shaped through recognition and reward from others and this provides the basis for self subjugation as subjects participate in activities which are exploitative in order to preserve their stable identity. The relations of production under capitalism are said to exacerbate the sense of insecurity that attends the

separation of object and subject. Individualised career structures and supervision arrangements increase pressure on workers to achieve self validation in their actions but has the 'unintended consequence of concealing from labour the extent to which its pursuit of such opportunities has the contradictory effect of reinforcing its dependence on capital' (Willmott, 1989: 363).

The contradictory nature of these technologies of power - that they can have positive as well as negative effects for the subject - is said to weaken individuals' resistance in consenting to their operation. Whilst such technologies of power can be utilised by subjects to enhance their circumstances they also render individuals uncertain because under systems of surveillance they can never be sure of meeting the expectations of others (Knights, 1989: 321). Anxiety of failure has the effect of placing individuals in competition with each other for the scarce rewards of recognition and isolates them from others. A common response to such uncertainty is to develop a mental distance from those conditions of domination which contradict the subject's sense of independence (Knights and Willmott, 1989: 548). However, rather than proposing a grand theory of power Foucault argued that relations of power are '...historically constituted configurations of practices' (Knights and Vurbakis, 1994: 172). Thus power needs to be understood in socio-historical settings which prevents grand theory and suggests that case study analysis is needed. According to Knights and Vurbakis (1994: 174) in attempting to propose grand theory unexpected and apparently inconsistent findings are ignored in order that neat and ordered accounts can be presented.

However, here Foucauldian analysis confronts a fundamental contradiction; it must retain the objective foundations of labour process theory if it is to assert the historical specificity of capitalist production. Marxist insights tend to enter Foucauldian analysis in an ad-hoc manner that appears ceremonial (Tinker, 2002) and serve merely to provide a conceptual connection to previous labour process research. As Spencer (2000: 236) notes:

Ironically, given Willmott's (1995) claims of 'schizophrenia' in labour process theory, he and other Foucauldian authors display their own schizophrenic attitude towards Marx and Marxism. Marx is excessively 'objectivist', on the one hand, but possessive of useful 'objective' insights, on the other...Inconsistencies develop as Foucauldian writers seek to square this conceptual circle by embracing certain Marxist concepts and categories. Thus, in the case of value relations, for example, there is outright hostility to the 'functionalism' of value theory. Conceptualising labour as the servant of valorisation supposedly leaves it bereft of subjective content. Yet, on the other hand, value categories are used to define the 'imperatives' of the capitalist labour process, and also the source of labour exploitation.

The key problem of Foucauldian analysis is the narrow focus on self identification, which concentrates attention on the individual in specific workplaces and disconnects workers from the broader social context of specifically capitalist value production (Spencer, 2000: 237; Tinker, 2002; Thompson, 2003; Thompson and Newsome, 2004). Such a diversion from the original 'core' of labour process theory led Thompson (1993) to label postmodernism a 'fatal distraction'. In addition, the narrow focus on subjectivity risks shifting attention towards the effects of capitalism and away from capital itself.

The dislocation of power from capitalism succeeds only in obscuring the essential class dimension of labour subordination and promotes a conservative political agenda (Callinicos, 1989). As Thompson and Ackroyd (1995) argue the disembodied nature of power in Foucauldian analysis renders resistance problematic. As there appears to be no

specified source of power it is not clear who or what workers should oppose. Furthermore, postmodernists' assertion that seeking a stable identity is a futile response to the problems of insecurity under capitalism and their inability to conceive of any alternative responses appear to negate the point of resisting. Ironically, this theoretical neglect of resistance (Smith and Thompson, 1998) replicates one of the central problems identified by early critics of Braverman (Thompson and Ackroyd, 1995). Capitalism looks all the more secure in view of the diversionary emphasis on concrete praxis surrounding the self defeating search for stable identity (Spencer, 2000: 238). The agency-centred approach focuses on contingency to the wider neglect of deeper structural forces with the result that capitalist production is taken for granted. Anxiety and insecurity are treated as unproblematic and their social underpinnings never fully explicated.

The postmodernist difficulty in forming a '...socially efficacious political project is compounded by epistemic precepts that are logocentric and sovereign' (Tinker, 2002: 268) and result in debates degenerating into a perpetual dance of undecidability (Bernstein, 1987). Such difficulties arise from the general eschewing of theorising which is characteristic of postmodernism. Terry Eagleton offers a tailor-made cover for the discomfort that should arise from extolling postmodernist analysis (if such a concept is not an oxymoron):

Why bother to debate...when you can argue that all social analysis is blinded and indeterminate, that the 'real' is undecidable, that all action beyond a timorous reformism will proliferate perilously beyond one's control, that there are no subjects sufficiently coherent to undertake such actions in the first place, that there is no 'total' system to be changed anyway, or that there is such totality but it is always terroristic, that any apparently oppositional stance has always already

been included within what it resists, and the way the world is no particular way at all, if indeed we can know enough about it in the first place to even assert that? (1990: 92)

The postmodernist critiques do not amount to a fundamental refutation of Braverman's thesis or those of much subsequent labour process theory. At best, they amount to admonishments on how 'essentialist, totalising, deterministic and dualistic concepts can (and in some LPT research, has) created analytical tendencies, specifically tendencies towards dogma and myopia, that have limited LPT's ability to advance our understanding of the nature of work under capitalism' (Jaros, 2005). Postmodernist critics of labour process theory, however, are hesitant to conclude its core concepts are wrong and should be abandoned. Indeed, most postmodernists concede that capital and labour are specifically capitalist entities, that capital dominates the employment relationship and through it, exploits labour.

Postmodernism represents a break from the very things that core labour process theory advocates. The gulf is huge and a consequence of the postmodernist's abandonment of materialism and realism in favour of a relativism which is incompatible with labour process theory as it is broadly understood.

#### ***2.4 Assessing the state of labour process theory***

Over fifteen years after the publication of Knights and Willmott's (1990) '*Labour Process Theory*' many of the problems confronting the labour process debate remain unresolved. Presently, there is an abundance of plant level studies that fail to consider

how workplace dynamics link with the broader political economy. This approach necessarily produces a dislocated analysis of change at work, which typically fails to adequately contextualise workplace developments. Although there are some attempts to redress the failure to consider political economy (Taylor and Bain, Thompson, 2003; Thompson and Newsome, 2004) they are rare. Armstrong (1988: 143) noted the tendency for 'labour process theory' to be used as a synonym for the study of work in general, an impression, which misrepresents the history and purpose of LPT. As Jaros (2005: 11) highlights '[I]n practice there has been a tendency to take the concept of 'relative autonomy' too far, treating it more as absolute autonomy'. Whilst many of these studies have yielded detailed descriptions of key facets of contemporary work they have not resulted in much progress towards understanding modern capitalism. With the widespread belief that market turbulence has increased since the 1980s, following privatisation and de-regulation (Taylor et al, 2004), and the continued dominance of neo-liberalism (Callinicos, 2001: 7) there is a pressing need to restore political economy to the heart of LPT. Marx (1976) and Braverman's (1974) analysis of work within broader analytical perspectives were a key strength of their work. Both authors sought to link a critical study of work with social change, (Tinker, 2002; Renton, 2000) something lacking from much contemporary research purporting to fall within the labour process tradition.

A further inadequacy of many plant based studies has been the relatively short time period in which case study data is collected and analysed (Armstrong, 1988: 153). Such a 'snap shot' approach has failed to reveal the historical development of the phenomena

being studied and has created the potential for misrepresentations of the direction and impact of change at work to emerge. At the 'core' of labour process theory must be a commitment to understand the historical transformation of work. Many of the alleged new paradigms of work (flexible specialisation, knowledge work and lean production) have been based upon snapshots of specific moments in time and have rarely been supported by the vast amount of empirical work on work under new capitalism (Sennett, 2006).

#### *2.4.1 Thompson's (1989) core theory*

This chapter has argued for a return to a traditional core of labour process theory found in the works of Marx and Braverman and the second wave labour process theorists. Thompson (1989: 241-246) too has forcefully argued in favour of the need for a core LPT to ensure that focus is restored to debate, and to restate links to broader political economy. His core-theory comprises four elements:

Firstly, as the labour process generates the surplus, and is a central part of both man's experience in acting on the world and reproducing the economy, the role of labour and the capital-labour relation is privileged as a force for analysis...Second, there is a logic of accumulation which forces capital constantly to revolutionise the production process...The third point follows from the above. There is a control imperative. Market mechanisms alone cannot regulate the labour process...Fourth, the social relation between capital and labour is based upon structured antagonism (Thompson, 1989: 243-244).

According to Thompson, the core theory contains the means for directing labour process research but does not tie itself to particular forms of skill utilisation or control mechanisms. In highlighting the fact that the theory derives from 'systemic qualities of capitalism', (Thompson and Smith, 2001: 57) the authors point out that it needs to be

applied to specific contexts but that ‘...analysis has to be empirically sensitive to the interaction between structural, national and other institutional dynamics’ (Thompson and Smith, 2001: 57).

Thompson’s (1989) core theory has, however, been criticised for repeating the error of many contemporary labour process theorists, in abandoning the ‘*labour theory of value*’ (Tinker, 2002). The consequence of this abandonment of an integral part of Marx’s original conception of the labour process has been a cessation of the search for laws of motion that are at the crux of capitalism. The source of profitability is seen not as exploitation of labour via the production process, but through price manipulations in labour and product markets (Kelly, 1982). Thompson’s core theory assumes that while capitalist production ‘necessarily incorporates relations of exploitation (it) need not depend on the notion of labour alone creating value...Rather, it rests on the appropriation of the surplus labour by capital based on its ownership and control of the means of production’ (Thompson, 1989: 99-100). The claim that exploitation is not dependant on the *labour theory of value* is not consistent with widely understood meanings of the term (Jaros, 2005). As previously discussed in chapter two, exploitation is defined as the difference between the value of labour extracted from workers and the value of labour power purchased. From this straightforward definition it is legitimate to ask if exploitation is not dependent on the labour theory of value, what is it dependent on? This contradiction is at the very heart of Thompson’s core theory. His notion of exploitation depends implicitly on the labour theory of value even though it explicitly rejects it (Jaros, 2005: 20). The reassertion of the essential nature of Marx’s labour theory of value to his

account of the labour process means that it must be retained in any notion of ‘core’ theory. As the original ‘core’ of labour process theory provided by Marx, Braverman and the ‘second wave’ writers there seems little value in abandoning it for Thompson’s version.

## ***2.5 Conclusion***

This chapter has considered the main lines of criticism of labour process theory and in particular, Braverman’s thesis. It has been argued that since second wave labour process theorists were concerned with specific aspects of Braverman’s thesis they do not render it invalid. Secondly, like all meta-theory Braverman’s thesis will never be able to explain all contingencies, yet this does not necessarily dismiss the value of its analytical purchase (Noon and Blyton, 1997: 107). Thirdly, many of the ‘critics’ of Braverman are in practice offering revisions and amendments to the theory rather than rejecting it (Armstrong, 1988: 157). Finally, it is evident that a number of criticisms of Braverman result from a mis-reading of *‘Labor and Monopoly Capital’*.

Taken together, these conclusions point towards the enduring relevance of Braverman’s work. With due account taken of necessary qualifications, Braverman’s thesis, it is argued, provides an appropriate framework for examining changes in the organisation and experience of work at British Gas. *‘Labor and Monopoly Capital’* stands out in the degree to which it penetrates the hidden abode of production (Foster, 1998: x) and speaks to a present day that differs markedly from the times in which it was written. It also still

provides an effective means to ‘...debunk academic dogmas of management, [and] popular nostrums about skill upgrading via education’ (Tinker, 2002: 274).

Before, and some may argue since, Braverman, there has been a tendency to define the workplace in general terms with researchers neglecting the specifically capitalist character of work. Braverman’s revolutionary intent was to reconstitute production as a process under the control of labour. The widespread departure from Braverman by latter day labour process theorists has seen this task largely abandoned as internal connections between workplace transformation and capitalist exploitation are blurred. It is extremely disappointing, if not a little ironic, that some thirty years after the publication of *Labor and Monopoly Capital* commentaries on work can too often be criticised for neglecting the specificities of capitalist production (Spencer, 2000). If increasing insecurity of work and ever more sophisticated approaches to controlling labour are not to be understood as natural phenomena, it is necessary to reassert the centrality of critique to labour process theory. In Spencer’s words the challenge is to ‘...rejuvenate the radicalism of labour process analysis’ (2000: 240). Braverman’s contribution still provides the means to meet such a challenge and essentially represents the heart of labour process theory that has been sadly neglected.

Despite the various challenges to Braverman’s thesis a complete revision has yet to be offered. The subsequent studies of Friedman, Edwards and Burawoy, in particular, have themselves been seen to contain theoretical weaknesses. Nevertheless, they and others have made important contributions that have furthered our understanding of the labour

process under capitalism, and have led us to accept qualification of Braverman. The explicit consideration of a role for worker resistance in amending the exercise of capitalist control is perhaps the most significant contribution. Although Braverman sought to justify the exclusion of subjectivity, its exclusion weakens his account. To avoid repeating this error it is apparent that this study must examine how workers have sought to challenge any attempts by British Gas management to reorganise their work and increase labour subordination. This study must also examine under which conditions workers will succeed in opposing management initiatives, and conversely those that will result in failure.

The next chapter discusses the white-collar labour process and examines the impact the emergence of the call centre has had for workers.

## **Chapter Three – The Non-Manual Labour Process**

### ***3.0 Introduction***

In Britain, as in other advanced capitalist countries, white-collar work has come to dominate definitions of work (Smith et al, 1996). The restructuring of the British economy, encouraged by neo-liberal policies of successive governments throughout the 1980s and 1990s resulted in significantly increased numbers of workers occupying non-manual roles. The transition to a ‘service economy’ created jobs where mental or intellectual activity is more requisite than purely manual or physical labour. For some, such a move towards ‘intellectual labour’ signified a paradigm shift in the nature of work, resulting in a concomitant reduction in alienation for workers (Castells, 1998; Frenkel et al, 1998; Winslow and Bramer, 1994), and offered opportunities for social mobility (Goldthorpe, 1980). Other writers have challenged these optimistic accounts, arguing that any historical distinctions between manual and non-manual work have largely been eroded (Barker and Downing, 1980; Braverman, 1974; Crompton and Jones, 1984; Crompton and Reid, 1982; Glenn and Feldberg, 1977).

This chapter reviews these contrasting claims. The chapter is organised into two main sections assessing literature on clerical work and call centres in turn. The section concerning clerical work acknowledges the difficulties in defining white collar workers, briefly considers Marxist and Weberian approaches to defining the class position of workers and then proceeds to assess the contribution of Klingender, Lockwood,

Braverman and Crompton and Jones. The latter parts of this chapter assess the nature of call centre work, emotional and cultural control, the form and incidents of workers' resistance and attempts to contextualise the origins and diffusion of the call centre.

### ***3.1 Clerical work***

There are now 4,373,150 clerical workers in the UK (ONS, 2007)<sup>6</sup>, approximately 12% of the working population. Perhaps surprisingly for such a significant occupational group, clerical workers have, in comparison with manual workers, been largely neglected by social scientists (Austrin, 1991; White, 2002). The work of Lockwood (1958), Braverman (1974) and Crompton and Jones (1984) remain the most frequently cited sources, despite over twenty years having passed since the most recent of these was published. Furthermore, despite increasing numbers of clerical workers in most industries, academics have tended to concentrate attention on specific sectors. Notably, clerical work within banking and insurance has attracted a disproportionate amount of coverage with significant sectors of the economy largely neglected. Much of what is *known* about clerical work is largely based upon a comparatively small number of accounts which typically consider financial institutions.

To date, little attention has been paid to clerical work within the public sector, nor, in the former nationalised industries. In examining clerical work at British Gas this thesis contributes to a broader understanding of the occupation. This study breaks additional

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<sup>6</sup> This figure is the total number of people employed in the clerical and secretarial SOC category and does not include those in junior managerial and administration occupations.

new ground in examining the transformation of a workplace, as a call centre replaced former clerical operations. Generalised comparisons of clerical work and call centre work have appeared elsewhere (Batt, 2001; Garson, 1988; Taylor et al, 2001) but only Fisher (2004) has studied the effects of a call centre replacing clerical functions within a single workplace<sup>7</sup>.

### *3.1.1 Who is a White-collar Worker?*

The notion of a clearly differentiated class of mental or non-manual labour has traditionally informed British employment legislation and has also provided the basis for occupational classification schemes utilised in official statistics such as the census (Bain and Price, 1972: 338; Hyman and Price, 1983: 3). The importance of establishing any distinction between manual and non-manual workers rests upon both the need for clarity of definition within academic research, namely understanding which groups of workers are being considered in a particular piece of research, but more importantly that differences in character, experience of work and position within the social division of labour may well shape behaviour and attitudes of non-manual workers.

Several means of establishing a distinction between manual and non-manual labour have been adopted in the past, but none have been universally accepted.<sup>8</sup> Similarly, attempts

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<sup>7</sup> However, Fisher's interest was around the impact such a transformation had on industrial relations within the civil service, rather than explicitly considering work organisation.

<sup>8</sup> The most common has been to characterise white-collar work as predominantly intellectual as opposed to manual. Such an approach developed at the time when access to the educational qualifications required for white-collar work was restricted to those who could afford it, and manual work still typically involved a

to adequately define who should be classified as a white collar worker have also failed. Definitions of white-collar work have been based upon objective aspects of job content (Croner, 1962), work environment and function of the work itself (Girod, 1961 cited in Bain and Price, 1972). However, all such attempts have been too simplistic and the problem of definition remains (Carter, 1995).

In light of the failed attempts to adequately identify the distinguishing features of white-collar work, any notion of a useful manual/non-manual dichotomy must be challenged (Ramsay et al, 1996). Many of the traditional ‘symbols’ of difference between manual and non-manual workers were largely illusory in nature and had been maintained by employers, in part, to prevent white-collar workers from realising the exploitative basis of their employment, and uniting with manual workers in opposition to capital (Braverman, 1974). Throughout this chapter the term ‘clerical worker’ is used purely as a descriptive term rather than implying any fundamental differences between such workers and those performing manual jobs. It is recognised that such terminology is not wholly satisfactory due to popular inferences that may be made from it with regards to class position, income etc but it is believed clerical worker provides the best ‘label’ for the group of workers to be studied in this research.

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high level of physical exertion (Bain and Price, 1972: 326). Other writers have sought confirmation of the intellectual nature of white-collar work in employers’ pay policies towards the different types of workers.

### *3.1.2 Marxist and Weberian approaches to the class position of clerical workers*

Early debates on clerical workers attempted to relate changes in occupational structures to theories of class. There was extensive debate over the nature of social class and the application of classificatory schemes (Ramsay et al, 1996). Some writers analysed the status of clerical workers within a 'new middle class' (Prandy et al, 1982). Others sought to develop a related notion of a 'service class' (Abercrombie and Urry, 1983; Gould, 1980; Goldthorpe, 1982), sometimes as a rejection of Marxist explanation invoking a convergence between manual and non-manual work. Finally, others took to charting the contours and limits to the 'new working class' (Hyman and Price, 1983). In part, such varied conclusions can be accounted for by differences in Marxist and Weberian approaches to defining class position.

Interestingly the class position of white-collar workers appears to have troubled Marx. In attempting to locate clerical workers within the twofold class model Marx highlighted the function as contributing to the realisation of surplus value as opposed to its creation. As capitalism expanded more resources were needed to focus on the co-ordination and control of production activities. According to Marx clerical workers do not stand in exactly the same relationship to capital as manual workers as they do not produce any surplus value of their own (Marx, 1990b: 288). Marx recognised that the growth in numbers of clerical workers was always the result of expanding production and never the cause of it. However, Marx argued that clerks were still useful to capital as their function was to assist in reducing the cost of realising surplus value. As the clerk should save the

capitalist more than the cost of their own salaries they can be said to perform unpaid labour and are therefore a source of profit (Marx, 1990b: 293 - 294).

Although Marx saw clerical workers as relatively privileged, in comparison to manual labour, he argued that the advance of the capitalist mode of production would inevitably erode these differences as office work was subdivided and simplified in order to reduce its cost. In addition, Marx saw the expansion of public education as a threat to the clerks' monopoly on literacy. For Marx the differences in income and job content which gave the appearance that clerks belonged to a distinct class were simply a transitory phase of capitalist development with assimilation into the working class awaiting them.

Attempts to assess developments in clerical work and the emergence of new skills, since Marx wrote, using a simple class dichotomy have proved problematic. Such issues have encouraged some sociologists to interpret class in a more differentiated manner and '...to emphasise the processes whereby objective class position may be overlaid by less tangible social definitions' (Hyman and Price, 1983: 19). Both of these considerations were pivotal in Weber's writings on class.

Weber (1968: 302) defined class by the '...typical probability of 1 procuring goods 2 gaining a position in life 3 finding inner satisfactions, a probability which derives from the relative control over goods and skills and from their income producing uses within a given economic order.' Like Marx, Weber utilised the distinction between the propertied and propertyless but emphasised the heterogeneous nature of each grouping. The life

chances of an individual would be dependent upon the type of property owned and the type of services that the propertyless could offer prospective employers. For Weber, class structure was therefore, highly differentiated with clerical workers explicitly excluded from the working class.

The contrasting conclusions on the class position are reflected in the contributions of Klingender (1935), Lockwood (1958), Braverman (1974) and Crompton and Jones (1984), to which the discussion now turns.

### *3.1.3 The proletarianisation of clerical workers.*

Although recognising the changing composition of a ‘middle class’ since Marx wrote, Klingender argued that their political character had not changed. For Klingender clerical workers formed part of the working class for the same reasons that manual workers did, namely they lacked ownership of the means of production. As such clerical workers were subjected to the same inherent tendencies of proletarianisation, a consequence of capitalism that affects *all* workers:

Clerical workers like manual workers are in the grip of a declining capitalist system which, in obedience to its own law that the motive force of industrial activity and the clerical processes associated therewith is profit, and faced with the necessity of trying to overcome the tendency of profit to fall, seeks at every stage to restore the level of profit by reducing directly and indirectly the standard of life of the worker by hand and brain alike. Thus the attacks on wages, thus the passing down of work from one class to a lower paid class below, thus the displacement of men by women on lower rates, thus the introduction and extension of machines (Klingender, 1935: *x*).

Klingender (1935) offered a number of useful insights into the nature of clerical work in the nineteenth century. The relationship between clerk and employer is described as almost feudal in nature with clerks seen as family servants by the employer (Klingender, 1935: 2). The nineteenth century clerk was seen as a member of the middle class, socially at least, and this influenced their behaviour relying on pleading to their employer's gentlemanly instincts to grant them the remuneration that would enable them to fill the place in society that their rank entitled them. Only rarely did clerks recognise that the only way to improve their position would be to fight like the working class (Klingender, 1935: 17). For Klingender, like Marx, the relatively privileged position the clerk enjoyed was nearing an end due to a proletarianisation process which began following the introduction of compulsory education in 1870.

Klingender argued that clerical workers had experienced economic, technical and social proletarianisation. Between 1896 and 1914 clerical salaries fell in real terms following the introduction of compulsory education and the feminisation of clerical work (Klingender. 1935: 22). According to Klingender both of these trends had a dramatic impact upon the social standing of clerical workers. By 1930 about one in three clerks were drawn from working class families and only 12 per cent were children of clerks Klingender (1935: 65). In a relatively short period of time then, clerical work had been transformed from the type of positions which clerks held aspirations that their sons would hold, and which were only available to a privileged minority, to one which is readily available to increasing numbers of working class men and women in general. From an

objective perspective clerical workers could no longer claim membership of the middle classes.

Large scale amalgamations and mergers, the popularity of scientific management and increasing use of machinery saw the emergence of the 'modern office', and brought together vast numbers of clerical workers just as the concentration of capital in industry brought together former craftsmen and cottage workers into the factory (Klingender, 1935: 58). The adoption of machinery such as the typewriter completed the technical proletarianisation of clerical labour just as in the factory and saw the emergence of the office factory which finally destroys the former craft basis of their trade (Klingender, 1935: 61). Mechanisation made the reduction in higher paid positions and the cessation of recruiting office juniors inevitable in the long term but the economic slump of the 1930s ensured the process was accelerated.

#### *3.1.4 Lockwood's Blackcoated Worker*

Following Klingender's contribution, the study of clerical work was largely neglected until the publication of Lockwood's *The Blackcoated Worker* in 1958. Lockwood rejected Marx's definition of class, along with Klingender's account of false consciousness amongst clerical workers. Lockwood also challenged the utility of terms such as 'propertyless' and 'proletarian', viewing them as crude 'blanket' terms which impose homogeneity of experience and attitudes where there is little evidence to suggest any. Adopting a neo-Weberian approach, Lockwood assessed the class position of

clerical workers by considering their economic position, their work situation and their status situation.

Lockwood rejected the argument that *all* office work had been proletarianised and argued that the ‘clerical aristocracy’ still retained a relatively higher economic status than manual workers. Lockwood (1958: 47) did concede that by the 1920s there were clerks, particularly females, earning less than unskilled workers but also stated that there were others earning salaries which no manual worker could hope to equal.

In assessing the nature of change in the work situation of clerical workers Lockwood, like Klingender before him, drew attention to the impact of scientific management and amalgamations in explaining the growth in size of the modern office. For Lockwood, scientific management:

...brought in its train an obsession with the elaborate accounting of production costs and market demand. Scientific management initiated office mechanisation (Lockwood, 1958: 36).

However, Lockwood (1958: 72) disputed claims that the office was now comparable to the factory in size and organisation. According to Lockwood (1958:75) clerical workers employed in manufacturing industry were typically employed in establishments in which the average number of clerks was twenty six or less. In contrast seventy-five per cent of all manual workers in manufacturing were employed in establishments with over one hundred employees.

Lockwood also drew distinctions between the social relations of the office and the factory. Despite an extension of the division of labour utilised in the office, clerical workers typically worked in small groups and were distributed throughout the organisation. Only in the case of highly standardised typing operations did 'pooling' of clerks take place resulting in an 'isolated class of operatives' (Lockwood, 1958: 78). The standardisation and simplification of office work were dependent upon scale of operations with any such moves potentially resisted by clerical workers and managers alike. For Lockwood (1958: 79) the relationships between clerical workers and supervisors were still largely personal, unlike the harsh, impersonal and largely instrumental relations in the factory. Therefore, not only were clerical workers physically separated from each other they also retained a close identification with the managerial and supervisory cadres of industry that they aspired to join.

Lockwood argued that in the office, mechanisation was typically introduced to support existing clerical functions rather than replacing them. The utilisation of machinery led to changes in the administrative division of labour as specialised 'data processor' roles began to be created to facilitate executive decision making processes. Lockwood, acknowledged that this separation of conception and execution had implications for the future promotion prospects of clerks, as the knowledge they acquired of the production process was restricted. The increasing number of data processing jobs degraded the position of junior clerical workers and placed them in a similar position to factory workers in terms of the nature of their job content. Where mechanisation took place, there

was an accompanying increase in the number of younger clerks, predominantly female recruited specifically for these degraded jobs (Lockwood, 1958: 92).

In contrast to Klingender though, Lockwood held that clerical work remained distinct from manual work and superior in terms of the social status it conferred. The cleanliness of the job, the rewards available and the education required all gradually established themselves as the key determinants of a person's social standing. Among clerical workers status consciousness worked to dampen any incipient feeling of identification that they may have had with the manual worker. In addition, the perceived 'snobbishness' of the clerk only reinforced the class consciousness of the manual worker and further weakened any likelihood of common experiences being realised (Lockwood, 1958: 99).

Lockwood recognised that the combined impact of compulsory education, scientific management and automation and the resulting relative decline in clerical salaries was sufficient to mean that the clerk could no longer claim membership of the middle class. However, Lockwood (1958: 125) argued that this should not lead to claims that clerical workers are part of the working class, as strictly speaking they belonged to neither class. The finding of the ambiguous status of clerical workers was recognition by Lockwood that the prestige of an occupation may be determined by many criteria which are not always entirely consistent with one another. In terms of social background, education, working conditions, proximity to authority and the opportunity for upward mobility meant that clerical workers could still claim a higher status than most manual workers. However, their economic proletarianisation and the emerging trends of job content

degradation meant the experience of work of clerks in the lower echelons of the clerical hierarchy were becoming more like manual workers. Differences between clerical and manual workers were now a matter of degree rather than kind, with a great deal of overlap existing between the white-collar proletariat and the working class bourgeoisie (Lockwood, 1958: 126).

### *3.1.5 Braverman and the degradation of clerical work.*

The next important consideration of clerical workers came from Braverman with the publication of *'Labor and Monopoly Capital'* in 1974. Braverman's analysis of the capitalist labour process (*see chapter two*) revealed the universality of the forces operating on labour irrespective of its specific character. His account of clerical work highlighted how the application of technology, speed up, Taylorism, fragmentation and routinisation strategies intensified work, increased productivity and extended control of most white-collar occupations in ways which mirror the experience of manual workers. For Braverman (1974: 240) early attempts to assess the class position of clerical workers were hampered by the underdeveloped nature of the clerical labour process at that time. Such a finding emphasises the value of Braverman's broad historical method in revealing the direction and impact of change in capitalist labour processes.

Braverman (1974: 203) argued that modern day clerical workers represented a new stratum created in the last few decades of the nineteenth century and considerably expanded since. Braverman accepted the accounts of the character of nineteenth century

clerical work provided by Klingender and Lockwood but argued that this stratum of early capitalism had long disappeared. The changing gender composition of clerical work and the erosion of relative economic advantages of clerks are cited as evidence of the creation of the new strata. These trends transformed the traditional craft basis of clerical work and resulted in fragmented and routinised jobs.

Under monopoly capitalism clerical functions increased considerably in size and were separated from the process of production, being carried out mainly (or in some cases, totally) by clerks. The development of capital transformed the traditional operating functions of the employer into the work of a mass of clerical workers with the activities of control and appropriation becoming labour processes themselves (Braverman, 1974: 208). Braverman argued that these processes were organised and conducted according to the same principles that govern the organisation of manual labour:

Here the productive processes of society disappear into a stream of paper - a stream of paper, moreover which is processed in a continuous flow like that of the cannery, the meatpacking line, the car assembly conveyor, by workers organised in much the same way. This ghostly form of the production process assumes an even greater importance in capitalist society...[because] the representation of value is more important than the physical form or useful properties of the labor product (Braverman, 1974: 208 - 209).

The expansion of clerical work, to the extent that it formed a distinct labour process, created the need for capital to control it, in order to minimise its drain upon surplus value. According to Braverman, the modern office, unlike the small nineteenth century function, was not characterised by personal relations and mutual obligation. Instead, as office sizes grew, personal ties were cut and replaced by impersonal discipline with the emergence of the office manager and the application of scientific management to standardise work and

ensure its allocation on scientific grounds, rather, than the whim of the supervisor (Braverman, 1974: 212).

Initially office managers concerned themselves with reorganising clerical procedures and rearranging office space<sup>9</sup>. Braverman argued that the technical division of labour was revised to the extent that most clerical processes resembled the continuous flow line procedures of the factory. The process involved the separation of task conception and execution, with management taking responsibility for the planning of work organisation and any activities requiring interpretation or decision making. Traditionally the office held a monopoly over ‘conception, planning, judgement and the appraisal of results’ (Braverman, 1974: 216). However, once the logic of scientific management was applied to the office this monopoly was transferred to an ever decreasing group of workers with office work for most clerks becoming just as much a site of manual labour as the factory floor. For Braverman the rationalisation of most office work and the replacement of the traditional clerk with the detailed worker proceeded easily because of the nature of clerical work itself. Paper was far easier than industrial produce to rearrange according to the needs of the organisation once the volume of work grew large enough. In short, the application of scientific management to the office was the embodiment of the ‘Babbage’ principle (Braverman, 1974).

According to Braverman the logical outcome of applying the Babbage principle was the transformation of clerical work into a process of data preparation for computers with as far as possible the removal of all brain work, so that clerical work becomes manual

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<sup>9</sup> See Baldry et al (1998) and Baldry (1999) for a discussion on the reorganisation of office space.

labour. This process placed clerical labour on an equal footing with manual labour and removed the utility of any the traditional distinction between manual and white-collar work (Braverman, 1974: 225). Technological developments in electronics and computing had a considerable impact upon the level of mechanisation in the office. The computer required data to be recorded in a predetermined manner in order that it could be understood and this necessarily imposed a low level of discretion upon clerical workers even amongst those not working directly with the computer (Braverman, 1974: 234).

Automation of office functions had reduced salaries as a proportion of total costs and had resulted in the relocation of the office towards the warehouse and industrial districts of cities (Braverman, 1974: 243). At the same time Braverman argued that distinctions between the clerical and manual labour markets had been eroded with workers for the respective jobs increasingly recruited from the same family backgrounds. For Braverman, the polarisation of office employment and the growth at one pole of an immense mass of wage workers had unambiguously clarified the position of clerical workers as working class:

The apparent trend to a large non-proletarian 'middle class' has resolved itself into the creation of a large proletariat in a new form. In its conditions of employment, this working population has lost all former superiorities over workers in industry, and in its scales of pay it has sunk almost to the very bottom (Braverman, 1974: 245).

### *3.1.6 Deskillling and Gender in Clerical Work.*

Crompton and Jones (1984) similarly reject Lockwood's account as being inadequate. Their study of clerical work in a local authority, a clearing bank and a life assurance

company broadly supported Braverman's contention that clerical work had been proletarianised. The key analytical contribution of Crompton and Jones was to correct the gender blindness of previous accounts. They argue that 'the office proletariat is not a mass [of wage workers, as Braverman argued], but stratified by age, qualification and most particularly by gender' (Crompton and Jones, 1984: 210). There still remained differences in remuneration, career prospects and status *amongst* clerical workers and *in relation to* manual labour.

For Crompton and Jones (1982: 127) 'place' in the social division of labour is not given simply by virtue of individual ownership or non ownership of the production but also by the extent of control of productive forces. For them, the defining features of the 'middle layers' of employment were not only their superior conditions in relation to manual workers, but also that within the social division of labour many carried out functions of capital and exerted some control over the means of production. Changes in the organisation and content of clerical work may affect not just the skill of the clerk but also the extent of their control in these respects, and thus their position in the social division of labour (Crompton and Reid, 1981). 'Place', therefore, may prove as an important test of proletarianisation as condition (Crompton and Jones, 1982: 127).

Crompton and Jones (1984) rejected notions that clerical workers formed a distinct class as such a notion was founded upon the presumption of spurious homogeneity of the category. Furthermore, they also rejected assumptions that occupations can be utilised as reasonable indicators of class position. Suggesting that the service class includes a

continuum from proletarianised, deskilled routine non-manual workers to senior non-manual workers who in effect perform the functions of capital, they re-establish the notion of structurally ambiguous class locations. Seeking to identify and employ structural relations of production within a more textured and less deterministic analysis, founded upon careful empirical examination of condition and identity of a specific group of workers, is more fruitful than reliance on narrower classification schemes (Smith, 1987; Ramsay et al, 1996).

The proletarianisation of clerical workers had been challenged by Goldthorpe (1980) and Prandy et al (1982) on the grounds that most men are promoted out of clerical positions at an early age thus they were not proletarians. However, Crompton and Jones (1984: 79) argued that deskilling and the reduction in the number of promotional places clearly affected the validity of such theories that reject proletarianisation. Their research demonstrated that a considerable proportion of men spent the majority of their working lives waiting before they achieve unambiguously management positions, if they achieve them at all. For Crompton and Jones promotion to supervisory roles could not be seen as a move to management nor as evidence of a class move, because the fragmentation of work tasks meant the title 'supervisor' was appearing at lower levels of the job hierarchy than hitherto. The career trajectory of the male clerk was also fragile as it depended upon the continual reproduction of 'promotional places', high wastage rates amongst of younger clerks and low levels of promotion amongst women in general (Crompton and Jones, 1984: 81).

In summarising their findings Crompton and Jones argued in support of claims of a proletarianisation of clerical work. For them the majority of places generated within the occupational structure of clerical work are proletarian as they lack any technical skill. However, the importance of social definitions of skill and the heterogeneity of clerical workers was reasserted. For Crompton and Jones (1984: 210) these differences between clerks had important class and stratification implications with reasonably well educated young men who followed organisational rules have been able to progress upwards through the internal labour markets. For the male clerk, despite technological deskilling (*see 3.1.6.1*) the bureaucratic career had been largely preserved. For women the picture was quite different:

The male career rests on the continuing subordination of non-manual females. The bulk of the deskilled, routinised work in the modern office is carried out by women, most of whom will never be promoted (Crompton and Jones, 1984: 243).

In considering the future prospects for clerical workers Crompton and Jones (1984: 246) noted the increasing levels of education acquired by younger female clerical workers along with the fact that they were delaying the start of child rearing and condensing it into a smaller time frame. Whilst the likely effects of such changes were difficult to assess, Crompton and Jones concluded that as male promotion was in part dependent upon women's failure that their position was under threat:

We believe...that the deskilling, routinisation and fragmentation of non-manual work is not a trend that will be reversed and that the office proletariat of the future is likely to include an increasing proportion of men, as well as women (Crompton and Jones, 1984: 250).

Crompton and Jones agreed with Braverman's analysis of the impact technology had upon clerical work. For Crompton and Jones (1984: 46) it was unquestionable that the computer deskilled much clerical work and that as a consequence control within the organisation was centralised. Following computerisation, much clerical work was stripped of skill specificity which rendered the clerk of value to a specific organisation, resulting in ease of substitution of clerical labour and a consequential reduction in their cost.

Subsequent studies have reported similar findings with information technologies playing an integral role in transforming work organisation (Baldry et al, 1998; O'Connell Davidson, 1993; Ramsay et al, 1996; Wright-Mills, 1951). Whilst mindful of the dangers of technological determinism it appears clear that much of clerical work has been subdivided, routinised and rendered monotonous through extensive adoption of information technology.

### *3.1.7 Clerical Work in Privatised organisations*

Before moving on to consider literature on call centre work it is appropriate to briefly consider studies that have examined the impact of privatisation on clerical work and those who perform it. There is a small body of literature on how privatisation has affected the experience of work and industrial relations frameworks within the water industry and the railways that may provide useful insights and conceptual frameworks for this dissertation.

A useful starting point is the work of O'Connell Davidson (1990) into the effects of privatisation upon clerical work in a water company. This research challenges misconceptions that Post-Fordism is the new industrial paradigm, delivering higher skilled work and improvements in terms and conditions for workers. In contrast, O'Connell Davidson's account provides support for Braverman's notion of the degradation of work, describing the intensification of work, following the introduction of a new IT system. The 'New Office Systems Strategy' simplified many of the clerical tasks and facilitated a reorganisation of the labour process to overcome the rigid task division of labour that was characteristic of previous work organisation.

A key finding of O'Connell Davidson's study is that changes in the labour process were not accompanied by improvements in remuneration despite management accepting that clerical workers were now expected to work harder. The management's view was that staff now needed to expect things to change and 'buying' acceptance of new workplace arrangements was no longer an option. Decisions on conditions of employment were more to do with achieving parity with competitors than rewarding staff for accepting changes in work organisation (O'Connell Davidson 1990). This is reflected in the quotation from a Personnel Manager below:

We are offering about the same employment package as other employers in the area asking for the same skills.....So our people can't think to themselves 'I'll go down the road and get a job working in the old way, or a better paid job' because those jobs aren't there. (quoted in O'Connell Davidson 1990 p 700)

Privatisation saw management dismantling the characteristics of the nationalised industry without feeling the need to offer anything in return. This represented an attempt to

unilaterally alter the wage effort bargain in the favour of capital utilising arguments about 'market forces' and the need to be competitive. However, O'Connell Davidson highlights that outcomes are dependent upon negotiations and labour's ability to win concessions.

It is difficult to draw causality between these changes in work and privatisation as British Rail and British Coal faced many of the same pressures despite remaining in public ownership. (Ferner 1987, Winterton 1990). However, market pressures do contribute specific pressures for change albeit indirectly. Firstly, these pressures provide management with an 'excuse' to reorganise work in order to increase control and extract maximum surplus value. In addition, the need to achieve profitability is certain to focus attention on all costs of which employee costs are generally the highest. The management of the employment relationship has become more short term and pragmatic with the influence of accountants increasingly resulting in pressures to attack cost inefficiencies wherever they are (Colling and Ferner 1995). However, Ferner (1987) acknowledges that one of the major variables in understanding workplace outcomes arising from privatisation and related competitive pressures is the state of the labour movement.

In a broader study of the effects of privatisation upon workers, Saunders and Harris (1994) concluded that privatisation is typically carried out at the expense of workers. Whilst the rhetoric of popular capitalism promised a share in greater prosperity the effects of privatisation for workers directly affected by it have been fears over job security, challenges to terms and conditions, intensification of work, decreased morale and the substitution of the public service ethos for the profit motive for clerical workers.

The authors highlighted a polarisation of experience, which saw senior management receiving improved pay and conditions and welcoming their new found freedoms to manage.

### **3.2 Call centre work**

It is evident from Table 3.1 that there has been significant growth in the number of call centres and call centre positions, although the rate of growth has decreased over recent years. By the end of 2007 it is estimated that there will be 5980 call centres with 647, 600 agent positions in the UK.

Table 3.1 The number of call centres and agent positions in the UK 1995-2007

<b>Year</b>	<b>Number of call centres</b>	<b>Growth rate (%)</b>	<b>Number of agent positions</b>	<b>Growth rate (%)</b>
2007	5980	2	647,600	5
2006	5845	3	616,700	6
2005 <sup>10</sup>	5700	3	581,800	8
2004	5535	4	538,700	9
2003	5320	5	494,300	7
2002	5065	5	460,200	7
2001	4825	8	430,100	11
2000	4470	12	387,500	17
1999	3990	15	331,200	25
1998	3470	13	264,900	30
1997	3070	12	203,800	20
1996	2750	8	169,800	18
1995	2515	n/a	143,900	n/a

Source: DTI (2004).

<sup>10</sup> Data for 2005-2007 is estimated.

The origins of the call centre lies in its adoption by First Direct and Direct Line Insurance in the late 1980s (see Taylor and Bain, 1999) attempting to acquire a niche market position. The cost advantages of call centres and claims that they offered enhanced customer service led first to other financial companies and then organisations across a wide range of sectors, establishing call centres.

Before proceeding to an analysis of relevant literature it is useful to define a call centre. A call centre can be defined functionally, by its integrated use of telephone and computerised technology:

We define a call centre as a dedicated operation in which computer utilising employees receive inbound – or make outbound – telephone calls, with those calls processed and controlled either by an Automatic Call Distribution (ACD) or predictive dialling system. The call centre is thus characterised by the integration of telephone and VDU technologies (Taylor and Bain, 1999: 102).

Taylor, et al (2002: 134) further extend this definition to take account of interactive voice response (IVR), call blending and ‘the development of web-enabled multi media contact centres.

### *3.2.1 The nature of call centre work*

In general, accounts of call centre work have not been flattering. Call centres have been described as ‘electronic sweatshops’ (Garson, 1988), twentieth century panopticons (Ferne and Metcalf, 1998) and ‘assembly lines in the head’ (Taylor and Bain, 1999). Much call centre research has revealed the extensive monitoring of agents, the imposition of quantitative and qualitative targets, routinised nature of task execution and limited

prospects for career advancement. In such accounts call centre work typically bears the hallmark of the engineering model (Batt, 2001; Herzberg et al, 1998), with the application of scientific management principles of job design supported by technological developments in telephony and computing transforming the ‘...office of the future into the factory of the past’ (Garson, 1988: 10).

In an early account, Fernie and Metcalf argue that the use of computerised technologies in call centres provide management with an uncontested ability to exert covert, distant control over workers. They contend that perfected, unobtrusive surveillance of workers, limited worker autonomy, the measurement and display of all aspects of performance and the ‘silent’ monitoring of front line interaction with customers all serve to internalise control. The self disciplined worker, isolated from other workers and faced with the need to be continually able to take calls, effectively controls themselves, which renders direct supervision unnecessary. The pessimistic tone of Fernie and Metcalf’s argument suggests a continuous degradation of conditions in call centres. Although the panoptic perspective has been subjected to extensive criticism (Bain and Taylor, 2000; Callaghan and Thompson, 2001; Knights et al, 1999, 2000; Taylor and Bain, 1999 – see section 3.2.2) it was nonetheless influential in UK debates.

Frenkel et al (1998) reject such negative presentations of call centre work. They argue that the call centre is better understood as a hybrid of bureaucratic work organisation and professional work, where worker discretion has been enlarged and the problem solving components have given rise to challenging, complex occupations. Frenkel et al suggest

that call centre work requires workers to be knowledgeable and flexible to meet increasingly demanding, and variable, customer needs and thus, there are limitations to the engineering model and standardisation of work procedures. Workers must exercise judgement to meet customer needs and it is therefore inappropriate to adopt methods of simple control to manage employees (Leidner, 1993). Instead, workers should be armed with information not instructions (Macdonald and Sirianni, 1996).

Although Frenkel et al (1998: 962) accept that management control over workers, in call centres, is 'pervasive and continuous' they argue that monitoring and surveillance are as much consensual as controlling. The objectivity of technology allegedly ensures that the data collected simply serve to cement agreed performance norms that are accepted by workers as supervisors adopt a facilitative, rather than a directive role. In their words:

Normative consent to managerial requirements, encouraged by facilitative management, was central to workers' qualified support for the way in which their work was measured and controlled (Frenkel et al, 1999: 145).

Such an optimistic account has been subjected to extensive criticism, not least because it overstates the positive elements of call centre work and portrays an image of call centres not borne out by research. Claims that customised service work necessitates creativity and 'more than just routinised patterns of behaviour' underestimates the degree of standardisation present in call centres (Taylor et al, 2002: 135). Thompson et al (2001) also reject Frenkel et al's claims that the mass customised bureaucracy model represents the dominant type of call centre and their equation of front-line service work with professional knowledge work. For them, Frenkel et al's proclamation of the professional call centre workers' ascendancy ignores the reality that much of the growth in call centre

employment 'has been concentrated in high volume operations, characterised by large workplaces and routine work (Thompson et al, 2001: 938-9). Although call centre workers in their study used some technical or product knowledge their work was 'characterised largely by reliance on tacit social competencies, standardisation and limited discretion' (Thompson et al, 2001: 930) Thus, they claim, Frenkel et al were incorrect in equating call centre work with professional knowledge work. Instead, knowledgeability in work, they suggest, is a more meaningful and accurate description of front-line service work, than 'knowledge-work'.

Following these early accounts, the necessity of acknowledging the heterogeneity of call centres was soon realised. There is a diversity of call centre types, within which different approaches to work organisation are adopted (Batt and Moynihan, 2002; Houlihan, 2002; Taylor et al, 2002). Distinctions between call centres can be made according to the quantity of calls taken and the quality of the interaction (Taylor et al, 2002: 136) in addition to, the scale and nature of the operation, the physical layout, the types of calls taken (URCOT, 2000) and the organisational strategy in managing the operation (Wallace et al, 2000).

Batt and Moynihan (2002) identify three main varieties of call centres (mass production, professional service and mass customisation) and argue that the role of technology, skill requirements and use of human resource incentives differ in each.

The mass production type call centre is characterised by task routinisation, process automation and call scripting used in conjunction with automatic call distribution systems (ACDs) that are configured to distribute calls to agents according to pre-programmed instructions (Batt, 2000; Houlihan, 2002; Taylor and Bain, 1999). The focus here is to maximise output and minimise costs. Typically, management information systems are integrated within ACDs and continuously collate data on a range of agent performance measures including time to answer a call, the number of calls taken per hour and the percentage of time spent '*in clerical*' - unavailable to take calls. Work is often repetitive, monotonous and highly pressurised. In the mass production type call centre, absence rates and labour turnover are high and well above the norm for other types of office work (Kinnie et al 2000; Taylor et al, 2003). The mass production call centre not only typically requires agents to consistently meet demanding quantitative and qualitative targets, it deprives them of potential means of relieving concomitant pressures. Pressure to maximise time available to take calls combined with the inability to have meaningful interactions with colleagues and relentless volume of calls received within the mass production call centre are all potential hazards to workers' health (Taylor et al, 2003). Workers who experience pressures to work fast and face high workloads are more likely to experience higher levels of emotional exhaustion (Deery et al, 2004).

In contrast, within the professional service call centre the goal is to provide quality customer service (Batt, 2000; Batt and Moynihan, 2002). In this setting, work is said to be increasingly customised to the needs of the customer and workers are empowered to use discretion in decision making and not required to follow call scripts as routinised

responses are said to impair the service provided to customers (Ashforth and Humphrey, 1993). Workers may also call upon other teams of experts within the organisation to meet customer demands (Batt and Moynihan, 2002; Deery and Kinnie, 2002; Frenkel et al, 1998). The semi-professional status of workers is acknowledged in providing favourable work relations, and relatively generous employment conditions (Frenkel et al, 1998).

Between these two extreme models are various hybrid forms of call centre which Batt and Moynihan (2002) call mass customisation. The goal of such call centres is to compete by offering a customised, quality service at a competitive price. To do so, organisations utilise some level of automation and Taylorised work organisation, found in mass production models, combined with some level of attention to service quality and customer loyalty found in the professional service model.

Whilst Batt and Moynihan's (2002) typology is useful in recognising the diversity in call centre types, and thus avoiding the crude generalisations that portray all call centres as either panoptic cages (Ferne and Metcalf, 1998) or workplaces where workers are a key strategic resource (Frenkel et al, 1998: 957-8). Taylor et al (2002) point out that call centres differ not only *among* themselves but *within* themselves in terms of quality and quantity of work performed. It is also necessary to recognise that management in all call centres simultaneously pursue the contradictory goals of quantity and quality (Korczynski, 2002; Taylor and Bain, 2001; Taylor et al. 2002) As Taylor et al (2002: 172) acknowledge:

Management efforts to attain what is perceived to be the requisite balance between the quantity and quality of calls presents a perennial challenge, in that any prioritisation of quantity has implications for quality, and *vice versa*. There are no 'pure' call centres in which management policy is dedicated exclusively to either qualitative or quantitative objectives. In even the most quantity-driven operation, the aim is to ensure that the customer receives comprehensible information; conversely, employees in the most quality conscious centres are monitored, do not enjoy unlimited time on the telephone and, *de facto*, are expected to handle a minimum of calls.

### 3.2.2 *Emotional and cultural control in call centres*

Although many accounts of call centre work have emphasised management's widespread utilisation of targets, monitoring and surveillance techniques and utilisation of ACDs in pursuit of maximising productivity, it would be a mistake to view these systems as the only form of control present. Call centre work is a good example of interactive service work, which Leidner (1993) defined as work involving face to face or voice to voice interaction with customers. In such work, the management of particular attitudes or feelings – often referred to as emotional labour – are combined with product knowledge in order to maximise the quality and quantity of output (Taylor, 1998).

For Taylor (1998: 86-7), it is necessary to incorporate emotional labour into any analysis of 'the new workplace', which call centres may be considered an example. Taylor also maintained that emotional labour had grown in importance since Hochschild first coined the phrase in her 1983 study. In her study '*The Managed Heart*', Hochschild defines emotional labour as:

the management of feeling to create a publicly observable facial and bodily display... [which is] sold for a wage (1983: 7).

Hochschild argues that there are two types of emotional labour. The first, 'surface acting' entails giving the impression of feeling an emotion that one does not experience. Her second type, 'deep acting', involves deceiving oneself as well as others. Here, real emotion has replaced feigned emotion (Hochschild, 1983: 33). Deep-acting, or ensuring workers internalise organisational propaganda, according to Hochschild, offers organisations tangible benefits particularly in industries where competitive advantage can be gained through quality of service. However, the negative consequences of emotional labour for workers' psychological and physical well-being were also acknowledged:

When rules about how to feel and how to express feelings are set by management, when workers have weaker rights to courtesy than customers do, when deep and surface acting are forms of labour to be sold, and when private capacities for empathy and warmth are put to corporate uses, what happens to the way a person relates to her feelings or her face? (Hochschild, 1983: 89).

In attempting to avoid negative consequences of emotional labour, workers seek to develop abilities to de-personalise, emotionally detach and distance themselves from the job they do. Management's control of workers' emotions, then, is not absolute and workers move between surface and deep acting, at times rejecting both (Taylor, 1998: 86-7; van den Broek, 2004). Callaghan and Thompson (2002: 248) concur and building on Bolton and Boyd's (2002) work see control of emotions as 'contested terrain' viewing workers as skilled in the management of emotion rather than being passive providers of emotional labour.

In an attempt to secure quality service outcomes, organisations have often attempted to instil values of good customer service by way of cultural or normative control (Callaghan

and Thompson, 2002; Korczynski et al, 2000; Leidner, 1993; van den Broek 1997, 2004; Thompson et al, 2002). Through recruitment and induction processes (Callaghan and Thompson, 2002; Frenkel et al, 1998; Korczynski et al, 1999; van den Broek, 2004), training programmes (Korczynski et al, 1999; Thompson et al, 2002), a strong emphasis on teamwork (van den Broek, 2004; van den Broek et al, 2004) and the use of performance appraisals (Korczynski et al 2000) the aim is to transform workers' characters and personalities (Leidner, 1993: 37), develop in them an internalised commitment to service quality in an attempt to address the indeterminacy of labour (Thompson, 1989), and thus secure workers' active cooperation in realising organisational objectives.

As Belt et al (1999: 18) observed, call centre agents present 'the personality of the firm to the customer over the telephone.' The manner in which workers express their feelings towards customers can have an important effect on customers' perceptions of service quality (Peccei and Rosenthal, 1997). As a consequence organisations have placed significant emphasis on recruiting workers with the right skills and attitudes to do the job (Callaghan and Thompson, 2002; Frenkel et al, 1998; Korczynski et al, 1999; Thompson et al, 2001; van den Broek, 2004). In particular, Thompson et al (2001) found that social, rather than technical, skills were the most important and valued attributes even in highly standardised call centre operations. Frenkel et al (1998) similarly acknowledged the importance of workers possessing an ability to stay calm under pressure, having a friendly disposition and active listening skills. It is evident that as well as being expected to execute their tasks competently and efficiently, call centre workers are held

accountable for their emotions (Hochschild, 1983). Employees are expected to display emotions that help create a desired 'state of mind' in the customer (MacDonald and Sirianni, 1996).

Recently a number of authors (Hutchison et al, 2000; Kinnie et al, 2000; Wallace et al, 2000; Houlihan, 2002) have examined the suitability of Wood and de Menezes' (1998) concept of high commitment management practices within call centres. For them, there is a contradiction in the way that workers in mass production type call centres are managed and controlled, given their importance in delivering customer service (Kinnie et al, 2002). This contradiction is enshrined in Korczynski's (2002) insistence that call centre work is imbued with two contradictory logics, the simultaneous requirement to be cost-efficient and customer oriented. Agents are monitored for their tone of voice, helpfulness and enthusiasm (Callaghan and Thompson, 2001; Taylor and Bain, 1999; Taylor et al 2002) as it is commonly asserted that such behaviours are crucial in service oriented organisations (Schlesinger, and Heskett, 1991) but such behaviours are more likely to be secured through commitment oriented human resource systems (Leidner, 1993; Schneider and Bowen, 1993).

In common with other alternatives to direct or technical control, such as Friedman's (1977) responsible autonomy and Edwards' (1979) bureaucratic control, high commitment management practices do not seek to *usurp* the control imperative itself, but rather, are best seen as alternative means of overcoming the indeterminacy of labour. Kinnie et al view high commitment management practices as an adjunct to technical

control, in managing the labour process and reconciling 'internal demands for cost savings, the service expectations of customers and the pressures of increasingly tight labour markets' (2000: 967). In designing high commitment management practices

the central assumption is that management... are creating the conditions for employees to become highly involved in the organisation and to identify with its overall goals. In this way it is then assumed that they will perform consistently at a high level, as well as show initiative and a willingness to "put themselves out for the organisation" (Wood and de Menezes, 1998: 488).

This strand of thought can be traced back to Friedman's (1977) concept of responsible autonomy and Walton's (1987) differentiation between control and commitment strategies. Although the concept is often 'nebulously defined' (Baker, 1999) the adoption of high commitment management practices is said to combine 'fun and surveillance' (Kinnie et al, 2000) and typically includes the development of career ladders, heavy emphasis on functional flexibility and team-working, high involvement of workers in the management of quality and fun activities such as dress down days and social events out-with work time. Typically, authors advocating the adoption of high commitment management practices in call centres have drawn on evidence that such practices can potentially overcome the monotonous and repetitive nature of call centre work (thus potentially improving job satisfaction for workers and reducing labour turnover) whilst also having a positive effect on customer service and organisational performance (Schneider and Bowen, 1993; Batt, 1999; Kinnie et al, 2000). However, the significant cost of implementing such practices is also noted.

Although some authors have placed call centre work in the vanguard of new theories of post-bureaucratic service work (Frenkel et al, 1999, Korczynski et al, 2000) such an

approach neglects the role played by economic structures, such as labour market and local economic pressures in conditioning the strategies of firms and the options open to workers (Beirne et al, 2004). Evidence of high commitment management practices in UK call centres is still rare (Houlihan, 2002; Wood and Menezes, 1998) and although Hutchinson et al (2000) and Kinnie et al (2000) argue that they are appropriate for low discretion work environments, they are more traditionally associated with high-end, non-routine work (Callaghan and Thompson, 2002). Although recognising heterogeneity, the *modus operandi* of call centres – cost minimisation and maximising productivity, vulnerability to higher than anticipated call volumes and the presence of highly visible, quantifiable performance dimensions - restrict the opportunity for any management initiatives, such as high commitment management, that may adversely impact upon efficiency through imposing additional costs, without any certainty of returning quantifiable benefits. Nor should management recognition of apparently contradictory ways of managing and directing call centre workers be ‘equated with a progressive evolution or straightforward realignment of work systems and markets’ (Beirne et al, 2004). Commercial imperatives often result in disincentives to change work organisation or environment and ensure that the inherent contradictions of call centre work remain. As Houlihan noted, the:

orthodox design of the call centre is clearly rooted in a control paradigm. In simple terms, the use of commitment approaches in the call centre attempts to remedy the problems of control by modifying that control. This does not suggest a fundamental paradigm shift (2002: 82).

The relative success of normative control, however, has been questioned (van den Broek, 2004). In contrast to Korczynski (2001) and Knights et al (1999) van den Broek found no

evidence to suggest that either management's application of normative or cultural initiatives had replaced managerial discipline with self-discipline. The size and history of Tellcorp combined with union involvement at the site undermined the effectiveness of normative initiatives (van den Broek, 2004: 12). Her study also found support for Callaghan and Thompson's (2001) contention that normative control operates alongside, rather than instead of, technical control and 'embodied significant levels of managerial co-ercion and therefore attracted varying levels of resistance' (van den Broek, 2004: 19). This finding alone reveals the incompleteness of normative or cultural controls and thus affords workers the potential to resist. Furthermore, although workers expressed concern for customer satisfaction, this should not be misrepresented as employees self-disciplining themselves.

As others did before her, (Bain and Taylor, 2000; McKinlay and Taylor, 1996), van den Broek presented evidence that workers had rejected aspects of normative control. Workers recognised the contradiction between supervisors promoting 'the soft quality customer focus' (2004: 12) whilst simultaneously pushing quantitative performance measures onto CSRs. Similarly, the existence of 'teams' without 'team-work' was apparent to workers (van den Broek et al, 2004). For these authors teams in call centres are formed for administrative convenience, promotion of intra and inter-team competition and to overcome the alienation of call centre work.

### *3.2.3 Workers' responses to call centre work*

A key dividing line between accounts of workers' resistance to the routinisation, pacing and monitoring of their work has been between purveyors of a Foucauldian perspective of call centres as 'electronic panopticons' (Ferne and Metcalf, 1998) and a more traditional labour process approach that stresses greater continuity in patterns of control and resistance (Bain and Taylor, 2001; Callaghan and Thompson, 2001; Mulholland, 2004; Taylor and Bain, 1999; van den Broek, 2004; van den Broek et al, 2004).

Early accounts of call centres ruled out the prospect of workers successfully challenging the pacing and direction or monitoring and evaluation of their work (Ferne and Metcalf, 1998: 29). Other writers have argued that workplace resistance has been eliminated through human resource management practices directed at individualising the employment relationship (Kinnie et al, 2000). Similarly, Frenkel et al (1998) believe that in the mass-customised bureaucracy type call centre, management have obtained worker ambivalence through balancing the standardisation of task execution with a degree of work autonomy. In such accounts 'management is triumphant, and it is suggested that discipline has replaced conflict' (Mulholland, 2004:710-11).

These pessimistic accounts of the pervasive and all-powerful nature of management control have been widely refuted. Given the indeterminacy of labour, workers even under the most difficult conditions retain and articulate agency (Callaghan and Thompson, 2001: 29; Taylor and Bain, 1999; Thompson, 1989). However, to date, in part influenced

by the 'postmodernist turn', the call centre literature that has considered agency, has been marked by a disproportionate focus on individualised forms of resistance (Knights and McCabe, 1998; 2000; Knights and Vurdubakis, 1994; Sewell and Wilkinson, 1992). Resistance is seen as response to management dictates interfering with workers attempts to find fulfilment 'by transforming their work into a more aesthetic, pleasurable and creative experience' (Alferoff and Knights, 2002: 184). Alferoff and Knights suggest that workers resist by escaping into, or embracing their work and 'engaging in a morally righteous critique of managers who were seen to fail to live up to their responsibilities for service quality' (2002: 200).

Knights and McCabe (1998) and Knights and McCabe (2000) are typical of such accounts. Although they report widespread resistance amongst banking staff, Knights and McCabe reduce the scope of resistance to individualised escape routes that only serve to reproduce workers' subjugation. Knights et al (1999) argue that an important aspect of call centre work is the incorporation of managerialist discourses of quality within workers' construction of self-identity in providing quality service to customers. The rationale behind this self-discipline was attributed to loyalty to the brand and to the customer that diminished the necessity for control sanctions and surveillance.

It is ironic that the Foucauldian inspired perspective, which was originally motivated by broadening understanding of workers' subjectivity has done so much to reduce its scope.

Writers from a more traditional labour process tradition have been concerned with challenging such narrow conceptions of worker agency. These writers have revealed

workers disregarding call scripts (Sturdy and Fineman, 2001), securing more favourable shift patterns by threatening to leave (Taylor and Bain, 1999) and learning to manipulate quality monitoring arrangements (Callaghan and Thompson, 2001; Tyler and Taylor, 1997) and bonus systems (Taylor and Bain, 1999). Accounts have also emphasised that collective demands for improved working conditions have also proven effective (Fisher, 2004; Taylor and Bain, 1999, 2001). At the same time there is evidence that union density in call centres is growing, with more than half of all call centres in the UK now recognising at least one trade union (CCA, 2007).

In their study of six UK financial sector call centres, Taylor and Bain presented evidence of how trade unions had begun to play some role in restricting the parameters of managerial authority. In doing so, they convincingly argue that call centres are fertile grounds for union recruitment and suggest that seeking to address workers' concerns at the point of production, would provide a fruitful source of union renewal.

In significant ways trade unions have contested the 'accepted custom' of, for example, management-initiated disciplinary actions which follow employee failure to attain unachievable targets. In other cases they have fought to prevent what in their absence, or through lack of vigilance, could have become 'accepted custom', like the humiliation of having to wear dunce's caps. Trade unions, particularly at the crucial workplace level, are coming to recognise that the effective representation of their members, and the ability to recruit non-members, means going beyond traditional bargaining items, although of course these remain very important (particularly pay). New agendas need to include the range of issues and concerns which arise directly from the nature of the call centre labour process and systematically challenge management-defined frontiers of control (Taylor and Bain, 2001: 62).

In her study of an Irish call centre Mulholland (2004) showed how workers have collectively challenged workplace arrangements without trade union involvement. Faced

with a union that appeared unable to secure agreements over work intensification, productivity and pay, workers constituted a series of informal resistance practices, which they labelled *slammin'* (pretending to take calls and faking sales), *scammin'* (work avoidance and unauthorised absenteeism), *smokin'* (taking additional work breaks) and *leavin'* (resignation) (Mulholland, 2004: 713). Although at first sight such resistance appears opportunistic and individual, the adoption of collective strategies of disengagement from management and denial of *slammin'*, suggests that there 'is wider, subtle involvement amongst other workers' (Mulholland, 2004: 714). Defensive alliances emerge organically between workers and involved collusion, collaboration and co-operation in challenging the frontier of control. Similarly, Beirne et al (2004) reported how workers shared their tacit knowledge to find time to 'catch a breath' between calls or to avoid some of the monitoring systems. Such resistance was, however, underpinned by:

notions of decency, equity and fairness and the need for operators to be visibly seen to be pulling their weight. Tensions and conflicts were part of this, challenging the simplistic notion of value internalisation from a workgroup as well as a corporate perspective.' (Beirne et al, 2004: 107).

Such informal collective practices arise from workers' shared experience of work and suggest that Martinez-Lucio and Stuart's (1997) 'collective worker' offers a better analytical framework than post-structuralist accounts, for understanding the complexity of call centre resistance (Mulholland, 2004: 709). The terms of the call centre employment relationship are, and will remain, contested (Taylor and Bain, 1999: 115). There is no doubt that the combined systems of control in call centres are formidable, and unprecedented in white-collar work, nevertheless, opportunities for resistance remain.

### *3.2.4 The Call Centre: Origins, Development and Political Economy*

From the preceding analysis it is evident that a great deal is known about work organization, surveillance, managerial control strategies and other central concerns of labour process analysis. However, as Glucksman (2004) recently observed, a weakness of much of the call centre literature is the tendency to treat call centres as ‘self-standing sites of work’ and to detail their ‘internal workings’, at the expense of providing broader analysis. Typically call centres appear in much of the literature as disembodied entities, abstracted from their political and economic contexts (Ellis and Taylor, 2006). It is argued here that historical context and legacy are critical for understanding the very essence of the call centre and for grasping the full significance of the profound consequences for work organisation and the experience of work that its emergence has generated.

Exceptions to the decontextualised and ahistorical treatment of the call centre include those scholars who have identified organisational antecedents. Bain et al (2002) and Taylor and Bain (1999), particularly, locate developments within the Taylorism of clerical work and Batt and Moynihan (2002) argue that because there were always limitations in applying mass production principles to clerical work, call centres represent an ‘exceptional case’, precisely because mechanisation now spread into customer contact work.

A focus on the workplace, and work relations alone, however, cannot reveal the most important drivers of organisational change (Thompson, 2003). In order to provide for a more complete understanding of the call centre, it is necessary to simultaneously adopt a wide-angle lens, to broaden the perspective beyond the workplace, and a long lens, to provide historical depth (Ellis and Taylor, 2006). When evaluating how and why the call centre became an organisational imperative for companies restructuring interactive customer contact processes, it is necessary to emphasise, although not over-privilege, the impact of technological innovation and application (Cave et al, 2002; Miozzo and Ramirez, 2003). Dramatic increases in computing capacity, and associated price reductions, enabled the transmission and processing of vast amounts of data, and integration with new interactive voice technologies. The *key* technological innovation was the Automatic Call Distribution (ACD) system which enabled calls to be routed to available agents, within, *or* between, call centres (Miozzo and Ramirez (2003: 69).

The importance of these technological developments for structuring and pacing work, for increasing labour productivity and for monitoring and measuring output, is often downplayed by authors who argue that the variability of the customer-agent interaction places strict limits on the extent of routinisation and standardisation possible (Frenkel et al, 1999; Korczynski, 2002). Despite variations between call centres, these ICTs undoubtedly influenced work design and the social technology of relationships leading to a convergence in the direction of standardisation (Houlihan, 2002: 68).

Such technologies also collapsed distance and facilitated geographical flexibility, permitting location and re-location to regions, cities and towns with lower (notably labour) costs and supplies of skilled labour (Bristow et al, 2000; Richardson and Belt, 2001)<sup>11</sup>. Economies of scale can be realised through the concentration of functions that would otherwise be decentralised. From this perspective, the *raison d'être* of the call centre lies in its promise to cut costs and maximise profits through the drawing together of customer servicing, or selling, channels (Ellis and Taylor, 2006).

However, mindful of avoiding technological determinism it is also necessary to acknowledge that the rapid diffusion of call centres is as much the product of political and economic factors; the impact of deregulation and privatisation, the intensification of competitive forces and underpinning everything, the systemic compulsion to maximise profits and reduce costs (Ellis and Taylor, 2006; Taylor and Bain, 2007). By the early-1990s, there were abundant examples from financial services and telecommunications of the benefits that the lean production, call centre model could bring. At the same time efficiency enhancing technology was being intensively applied (DTI 2004) throughout mass production call centres, where the potential to realise economies of scale was greatest and competitive pressures most pronounced (Taylor and Bain, 2007).

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<sup>11</sup> The increasing trend to offshore to India should be regarded as an extension, however dramatic, of the spatial dynamic that is inherent in the call centre project (Taylor and Bain, 2005).

### **3.3 Conclusion**

This chapter has examined the degradation of clerical work from an occupation which formerly had bourgeois aspirations to one that has much in common with manual work. Although authors disagree about the most significant causes and extent of this transformation, few dispute that it has occurred. The following quote from Baldry *et al.* succinctly captures the causes and effect of change.

White collar work has been progressively routinised, feminised and stripped of its early attendant aspirations to bourgeois status, the workplace in which it is conducted has become less personalised, more subject to hierarchical delineation and structuring and less open to immediate control by its occupants (Baldry *et al.*, 1998: 167)

The emergence and diffusion of the call centre have only served to exacerbate and speed up many of these tendencies. Most notably, the mass production type call centre, characterised by task routinisation, process automation and call scripting used in conjunction with automatic call distribution systems (ACDs) to pace and direct work are contemporary examples of the degradation of clerical work identified by amongst others, Braverman and Crompton and Jones.

However, the call centre labour process has been shown to have distinctive characteristics that mean it can not be viewed as simply an evolutionary development in clerical work. Instead, call centres represent a qualitative break with the past. The integration of telephony and ICTs, within the call centre supplemented by a combination of normative and cultural controls have transformed both the organisation and experience of work to such an extent that it must be considered distinct from clerical work that preceded it.

Although only receiving brief attention, the account of the impact of privatisation on clerical work provides a useful means to compare the workers' experience of the same change at British Gas. Although recognising that these findings are contingent upon wider political, institutional and economic factors they nevertheless resonate with the account presented within this thesis.

## **Chapter Four – Research Methodology**

### ***4.0 Introduction***

The objective of this chapter is to outline how the research aims presented in the introductory chapter, were realised through the fieldwork, data analysis and subsequent presentation of findings. This chapter is organised into five sections, each examining and justifying the decisions involved in the following key areas; designing the research, resolving ontological and epistemological matters, adopting an oral history approach, data analysis/presentation and identifying limitations of the research.

The choices available to the researcher and the decisions made on selection, and rejection, of research methods are presented in detail to facilitate the assessment of the credibility and validity of the study's findings (Boulton and Hammersley, 1996: 283; Cresswell, 1998:3). Such a thorough description of the research process is also an important part of the researcher's reflexivity in assessing the approach taken and how this is likely to have influenced the findings.

### ***4.1 Epistemological and Ontological considerations***

When designing and conducting their studies researchers are influenced by a specific paradigm or set of assumptions that guide their inquiries (Cresswell, 1988: 74). In order that the reader can contextualise the research findings it is important that such assumptions are made explicit. Recently, researchers within the social sciences have

begun to pay greater attention to epistemological and ontological positions available and their impact upon the design of research and analysis of findings (Benton and Craib, 2001:9). Traditionally it was common for researchers to think in terms of ‘...two available extreme perspectives’ (Ackroyd and Fleetwood, 2000: 3) on reality. Firstly, there is the view that there is an objective world that exists independently of those who research it and is able to be ‘known’ through empirical research (positivism). The second view is that the reality is constructed through discourse and that there is no objective world to know (postmodernism).

Increasingly, social science researchers are recognising that social structures and the meanings that participants attribute to their experiences must be included within any explanations of events (Ackroyd and Fleetwood, 2000: 4; Benton and Craib, 2001: 119; Outhwaite, 1987: 20). For these researchers approaches such as critical realism offer an alternative to the traditional dichotomy and provide a ‘...common-sense ontology’ (Outhwaite, 1987:19).

The debates surrounding positivism, critical realism and postmodernism are complex but necessary to understand in order that researchers can explain and justify the choices they take. This section will provide an overview of positivism and critical realism in order that their different assumptions can be identified and assessed. As this research has adopted a broadly critical realist perspective it is necessary to provide a justification for this selection.

#### *4.1.2 Positivism and the empiricist view of knowledge*

Positivism is often regarded as the original epistemological position and is most commonly associated with the natural sciences (Benton and Craib, 2001: 13; Outhwaite, 1987: 5). The histories of science and theories of knowledge are closely entwined with the natural sciences, in particular, justifying their methods and knowledge by adopting an empiricist view of knowledge. This empiricist view holds that any genuine claim of knowledge should be testable by others through observation and experiment. Positivism seeks to distinguish between scientific knowledge that can be tested and verified and beliefs that cannot and holds that scientific knowledge is the highest form of knowledge. The focus upon testability and verification was an attempt by early scientists to exclude God's intention or 'nature's way' as explanations for phenomena not yet understood (Benton and Craib, 2001: 16). For these scientists experimentation and observation was seen as the means to gain knowledge of the world and formulate universal laws and theories to explain its workings. However, a necessary consequence of the empiricist position is that only observable phenomena can truly be known.

Rather than being based exclusively upon limited sets of observations these laws generalise to form universal propositions (Outhwaite, 1987: 7). At the heart of positivism is the notion of causality and the belief that a given law can be used not only to explain, but also to predict that a phenomenon will occur when the situation under which the law was formulated is repeated. This is only possible because of the 'scientific' approach to research adopted by researchers holding a positivist view and

requires that representative samples be used. Furthermore, positivist research adopts a deductive approach to theory formation.

Positivism holds that the ‘...external environment is not open to subjective interpretation’ (Wass and Wells, 1994: 10) and therefore humans react to stimuli in the same way as inanimate objects. This unitary view of science influenced the adoption of a positivist perspective amongst early social scientists. Such a view proffered the opportunity to avoid the fundamental problems of forming social scientific concepts and basic terms in favour of ‘...more or less arbitrary definitional postulates leading to formalised theories’ (Outhwaite, 1987: 10).

The methodologies of the early social scientists were formulated against the influential proposition that science involved experiments, observations and constructing testable laws and that for social science to be accepted it too must adopt such principles. The nineteenth century French philosopher Auguste Comte is acknowledged as devising both the terms ‘positivism’ and ‘sociology’ (Halfpenny, 1982; Keat and Urry, 1975). For Comte, disciplines progressed through different types of knowledge systems as they matured and it was only when adopting the scientific system that its findings could be held to be truthful. Through accepting positivism, reliable scientific knowledge would be generated which could then be applied to control the behaviour of individuals and groups within society thereby increasing the discipline’s legitimacy.

#### *4.1.3 The realist perspective*

The applicability of the positivist approach within the social sciences has been questioned by many. For these critics positivism had changed epistemology, the theory of knowledge, into a methodology of science (Outhwaite, 1987: 13) through failing to recognise the conditions in which science was conducted and that specific ‘interests’ within a society set the conditions for possible knowledge. Furthermore, positivist approaches to social sciences were seen as a ‘...vehicle of technocratic manipulation of human beings and a servant of the status quo in advanced capitalist societies’ (Outhwaite, 1987: 14).

By the 1970s the more reflexive social scientists were beginning to realise the ideological basis of science and that it was often difficult to objectively prove theories they held. This was often because such theories were critical of structures within society that were all too often accepted as naturally occurring.

Bhaskar (1978) advocated critical realism as an alternative philosophy of knowledge. The realist perspective accepts that an independent reality exists but that our knowledge of it is relative rather than absolute. Critical realism emphasises the desire to utilise this knowledge to change undesirable or unacceptable realities and is therefore emancipatory in intent. According to Benton and Craib (2001: 120) there are four key features of critical realism that distinguish it from other philosophical positions. Firstly, critical realism does not assess whether the truth claims of any given science at any given time are true or not. Secondly, the approach is reflexive about the conditions under which knowledge is generated and accepts that there is a

variety of means of representing reality. Thirdly, critical realism accepts that the appearance of things can be misleading and that in attempting to understand reality and uncover misleading appearances in-depth analysis and further research is required. Critical realism requires a more complex and sophisticated explanation and account of research findings than often seen under positivism. It is not sufficient to seek to explain 'why' something happens by saying that it always does (Outhwaite, 1987: 21). Finally, the insistence on the existence of an independent reality and the necessity for in-depth research to uncover misleading appearances implies that presently held beliefs would always be subject to correction by future research findings. This is in stark contrast to the universal laws of positivism and the unknowable world of postmodernism.

Fundamentally, critical realism is a philosophical attempt to examine the ways in which knowledge is generated and there is a clear focus on ontological concerns. This is in contrast to the epistemological focus of positivism and postmodernism where ontology is assumed to follow logically from epistemology (Ackroyd and Fleetwood, 2000: 10).

Bhaskar (1978: 20) argued that for science to be possible the world must be made up of real things and structures. This philosophical argument, 'intransitive dimension', was premised on the basis that science comprised a mixture of perception and experimentation and that the former implied the independent existence of the objects to be perceived. A further argument regarding the nature of experimentation led Bhaskar to distinguish between sequences of events and causal laws. In Bhaskar's perspective scientific experimentation was a practical intervention that sought to

isolate just one process in order that it could be studied without the interference of its interactions with other processes. The implication of such an approach to science was that regular event sequences would inevitably be seen. However, as experiments are a simplification of reality these event sequences are produced by the scientist rather than by the 'laws of nature'. The independence of the 'laws of nature', from the experimenter, can therefore be logically asserted. For Bhaskar (1978: 29) the laws discovered by experiments are tendencies of the process under study that may or may not occur in regular and observable event sequences when interacting with other processes outwith the artificial environment of the experiment. Bhaskar argued that this meant that theories could only be used to explain events rather than predict their occurrence. Prediction is only possible if the experiment's closed system is mirrored in the natural or social world.

Bhaskar (1978:36) concluded that something about the structure of the intransitive dimension could be inferred from the analysis of the nature of experimentation. Such an analysis implied a stratified reality comprising of three levels. Firstly, there exists the 'real world' of mechanisms, powers and tendencies which science seeks to discover. Secondly, there is an 'actual' level of sequences of events and actions which may or may not occur in a more complex and less predictable manner outside of the experiment. Finally, there exists an 'empirical level' of reality comprised of observable events and experiences which is necessarily a sub-set of the 'actual level'. A distinctive feature of critical realism is the acceptance of a stratified reality in contrast to the more restricted positions of naturalism and idealism (Benton and Craib, 2000: 125).

#### 4.1.4 Critical realism and the social sciences

Having outlined the realist account of science it is necessary to assess its implications for the social sciences. The debate centres on whether or not the study of the social world is inherently different from that of the natural world. There exists considerable disagreement amongst realists on this point and a number of different perspectives are offered. Firstly, there is the perspective that denies the reality of social structures and advocates a commitment to methodological individualism in the social sciences (Harre, 1986). Secondly, there is Collier's (1994) assertion that the social sciences can never be regarded as 'true' science because of the impossibility of experimental closure when studying the social world.

In contrast Bhaskar (1998) outlined a position of 'critical naturalism' and argued that it was possible to have a science of the social world in the same sense as a science of the natural world but not necessarily in the same form or using the same methods. Indeed, Bhaskar (1998: 48) outlines three limitations of adopting a naturalist perspective of the social sciences. These limitations are that social structures unlike natural ones *do not* exist independently of the actions that govern them, or of the agents' conceptions of what they are doing in their activity and finally, may only be relatively enduring. In short, social structures are activity-dependent, concept-dependent and are space-time-dependent (Ackroyd and Fleetwood, 2000: 11; Benton and Craib, 2000: 133; Outhwaite, 1987: 54). The implication of this last limitation is that the tendencies discovered may not be permanent. However, for Benton (1981) structures in the natural world need not be permanent either and that in order to be studied structures only need to be sufficiently enduring to facilitate investigation.

Similarly, Ackroyd and Fleetwood (2000: 11) point out that although social structures do not exist independently of the agents who reproduce them they do exist separately from those who study them and it is therefore wrong to reduce reality to accounts of reality as advocated under post-modernism.

The concept and activity dependency of social sciences actually facilitates the study of the social world rather than limiting it (Bhaskar, 1998: 63). The beliefs and values held by actors about their social life represent a valuable resource in uncovering what a given society must be like in order for people to act within it and understand it in the ways that they do<sup>12</sup>. The purpose of social science is to re-describe the object of study in such a way that captures the complexity of its reality. In doing so the social scientist must move between the differing levels of reality and consider both the outcomes and events uncovered as well as the conditions or structures that make such actions possible. The ‘openness’ of the social world dictates that consequences or outcomes cannot be predicted, however, they can be explained (Ackroyd and Fleetwood, 2000: 15; Outhwaite, 1987: 57). For realists then, explanation displaces prediction as the primary goal of scientific study.

To conclude, critical realism provides an alternative philosophical foundation to those of positivism and postmodernism. The advantages of the approach have been demonstrated and provide a justification for its adoption within this research. Critical realism provides an insightful critique of the extreme positions of positivism and postmodernism and provides the means for the research aims to be realised. Having

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<sup>12</sup> Bhaskar (1998: 65) regarded the investigation and critique of the capitalist mode of production in Marx’s *Capital* as an example of such theorising.

outlined these critiques the researcher asserts that critical realism provides the best framework to inform the design and execution of this research.

## ***4.2 The Oral Histories approach to research***

Having outlined the decisions regarding epistemology and ontology it is necessary to consider the choices made regarding the various types of research methods available. This research is largely, but not exclusively, based upon the collection of oral testimonies and the following sections outline the approach and provide a justification for its adoption.

With the exception of Studs Terkel's influential 'Working' (1976) the oral histories methodology has rarely been utilised within industrial sociology and it is necessary therefore to provide the reader with an overview of the approach. This section will briefly outline the origins of oral history, detail its theoretical underpinnings and provide a justification for its adoption within the research.

### *4.2.1 What is oral history?*

As with many academic terms it is difficult to present a universally accepted definition of oral history with Shopes (2004: 1) describing it as a '...maddeningly imprecise term.' Indeed both formal, rehearsed accounts of the past delivered by senior public figures and informal conversations about the 'old days' amongst friends have been referred to as oral history.

However, in attempting to distinguish between oral history as a discipline and informal conversation Shopes (2004: 2) suggests that oral history may be understood as:

...a self conscious, disciplined conversation between two people about some aspect of the past considered by them to be of historical significance and intentionally recorded for the record.

#### *4.2.2 The development of oral history*

The tradition of collecting and disseminating oral accounts of events and cultures is a long and respected one, dating back to the ancient civilisations of Greece and Rome (Henige, 1982: 7; Kessler-Harris, 1985: 1; Ritchie, 1995: 1; Thompson, 2000: 25). Indeed, oral history is as old as history itself. The works of Homer, Herodotus and Thucydides are widely regarded by historians to provide insightful and corroborated accounts of major events in the ancient world. The use of oral history is also evident throughout time, being utilised by early Christians when compiling the New Testament, by Celtic families to increase their prestige and notoriety and by the Normans in compiling the Domesday Book (Henige, 1982: 9).

It is apparent that prior to widespread literacy amongst populations the oral history approach provided the only realistic means of sharing stories and folklore that were considered important within a society. By the end of the seventeenth century, in Europe, the collection and dissemination of oral data was becoming rare as primary written records in the forms of treaties, charters and registers began to be produced. The written record began to be viewed as a more objective, accurate and official version of events and soon began to be preferred over oral records.

According to Shopes (2004: 2) the early attempts to record first hand accounts of the past can only be referred to as oral history if the most generous definition of the term is applied. For Shopes the absence of facilities to create audio or visual records of the testimonies raises questions about the reliability and veracity of such accounts and leads to her positing the view that oral history began with the work of Allan Nevins at Columbia University in the 1940s and his formation of the Oral History Association.

However, early oral history projects were predominantly concerned with the recording of the stories of the 'elite' such as business leaders and politicians. The same was true of the subject of history as a whole with the focus on telling the story of those in the administrative and governing classes (Grele, 1985: 200; Hammond and Sikka, 1998: 79). Even within social history where the working classes occasionally appeared the focus largely remained upon aggregated data such as population size and occupational categories (Thompson, 2000: 5).<sup>13</sup> To illustrate the point further, the study of labour history has privileged the accounts of trade unions and other working class political organisations that were large enough and successful enough to either leave records of their own histories or have them commissioned (Thompson, 2000: 5). The voices of the 'ordinary' members of the working class, and in particular those of women, were largely absent in traditional labour history accounts.

It was not until the 1960s and 1970s that oral history widened its scope to include non-elite groups such as racial and ethnic minorities, women and labour activists (Armstrong and Beynon, 1977; Liddington and Norris, 1978; McCrindle and Rowbotham, 1979). In part this shift in emphasis was a response to the social changes

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<sup>13</sup> Notable exceptions include E.P. Thompson's (1963) *The Making of the English Working Class*.

occurring in the late 1960s with non-elite groups challenging the privileged position of those exercising power in society (Hammond and Sikka, 1996: 80; Henige, 1982: 21; Kessler Harris, 1985: 3). Oral historians provided a glimpse into the lives of those who generally did not, or could not, record their own stories and revealed insights into their lifestyles, beliefs and values (Kessler Harris, 1985: 3; Ritchie, 1995: 4). During this time there was a convergence between history and sociology encouraged by the founding of the 'new' universities of the 1960s and their interest with the historical dimension in social analysis (Abdi, 2001: 2; Thompson, 2002: 73; Hammond and Sikka, 1996: 80).

This new social history was less concerned with recording 'what happened' instead, focussing on the meanings participants attach to events, phenomena and experiences (Portelli, 1981: 99). The unique value that oral testimony bestows upon the researcher is the speaker's subjectivity. Oral accounts tell us not only what people did, but what they wanted to do, what they thought they were doing and looking back what they now think they did. In reconstructing the past the historian has to look as much to what informants conceal, and to the fact that they do, as much as what they tell (Portelli, 2002: 69).

If the methodological approach to research is broad enough it is possible that a cross section of the subjectivity of a group or class may emerge (Portelli, 1981: 100). What participants *believe* is a historical *fact* as much as what 'objective' records hold actually happened. Through comparing oral accounts with other written sources the opportunity to contrast the experiences and beliefs of participants with the 'objective' history of events and challenge established understandings of the past arises. Through

recognising these differences the researcher is reminded that ‘...memory is not a passive depository of facts, but an active process of creation of meanings’ (Portelli, 1981: 101). Therefore, a unique value of oral testimonies lies not so much in their ability to accurately preserve the past, but, more to elucidate the changes wrought by memory. Such changes reveal the participant’s attempts to make sense of their past and to give a form to their lives (Hubbard, 2000: 10).

Oral historians eschew any notion that there is a single version of history awaiting discovery by researchers (Hammond and Sikka, 1996:81). Instead, the various participants who shape it view history differently but for political reasons certain accounts are afforded greater legitimacy and represented as objective truths (Abdi, 2001: 2; Carr, 1964: 14). Oral history is an unashamed attempt to redress the balance and present the views of the disenfranchised to problematize conventional understanding of the past. The result is the potential to secure a richer history and greater understanding of the multiplicity of experiences within any given group or society.

#### *4.2.3 The distinctive value of oral history*

Through recording the firsthand accounts of a variety of storytellers, oral history has made a considerable contribution to democratising the historical record (Shopes, 2004: 2; Thompson, 2000: 9). By moving beyond the use of written records the historian has a multiplicity of sources at their disposal in an attempt to reconstruct the past. According to Thompson (2000: 6)

Reality is complex and many sided; and it is a primary merit of oral history that, to a much greater extent than most sources, it allows the original multiplicity of standpoints to be recreated...It provides a more realistic and fair reconstruction of the past, a challenge to the established account. In so doing, oral history has radical implication for the social message of history as a whole.

The motives of those historians who have collected oral histories have differed from Terkel (1976) who saw instrumental value in recording how 'ordinary' people think and feel, to Lynd (1969) who argued that the oral history approach could help develop a shared consciousness amongst participants, which may have value in transforming society. To what extent oral history is capable of realising such lofty aims as Lynd presents is unclear but as Thompson (2000: 3) argues:

Oral history is not necessarily an instrument for change; it depends upon the spirit in which it is used. Nevertheless, oral history certainly can be a means for transforming both the content and the purpose of history. It can be used to change the focus of history itself, and open up new areas of inquiry; it can break down barriers between teachers and students, between educational institutions and the world outside; and in the writing of history...it can give back to the people who made and experienced the history, through their own words, a central place

The collection of oral history requires historians to cross the artificial boundaries between the academic institution and the world outside but also between the professional and the ordinary member of the public. The oral history is the product of the interviews and is a collaborative endeavour as the interviewer comes to learn from others who are different, *because* they are different (Kessler Harris, 1985: 6). The reconstruction of the past becomes a more inclusive process and provides the potential for participants and historians to gain from the process. The process of being asked to record their lives or experiences of certain events can provide participants with a sense of dignity and self worth through handing on information to future generations (Hubbard, 2000: 4).

The transformational potential of oral history is clear and it is unsurprising that the approach has been popular amongst socialist historians. There is a long tradition of social commentators, such as William Cobbett, Charles Booth and Beatrice Webb, collecting and sharing oral histories of the working class in the hope of stimulating social change (Thompson, 2000: 42). There is a power of clarity within oral testimonies that can prove useful evidence for those challenging the status quo. This power is derived from the fact that only those who have experienced particular events or phenomena can truly explain and outline what the reality was like and inform our collective understanding of the past. For the historian the responsibility is to reproduce these accounts along with the meaning that participants attach to their experiences. This will necessarily lead to a more varied and therefore complex reconstruction of the past but is one that is more likely to represent the reality of an event or phenomenon, as those that experienced it would recognise. According to Thompson (2002: 27) only such a history can facilitate social change:

History should not merely comfort; it should provide a challenge, and understanding which helps towards change. For this the myth needs to be become dynamic. It has to encompass the complexities of conflict. And for the historian who wishes to work and write as a socialist, the task must be not simply to celebrate the working class as it is, but to raise its consciousness. There is no point in replacing a conservative myth of upper class wisdom with a lower class one. A history is required which leads to action; not to confirm, but to change the world.

Through history a social group can acquire knowledge of the wider context of their collective struggles, and becomes capable of a wider transformational role in society (Gramsci, 1971: 324). It is only through understanding the origins of their 'common sense' beliefs and understandings of the past can participants consciously decide to adopt, reject or amend them.

#### 4.2.4 *Justifying the selection of the oral history approach*

Weaknesses in recent labour process theory have already been discussed in chapter three and the researcher believes that the oral history methodologies provide an opportunity to address a number of them.

Firstly, oral history offers a means to return to the historical analysis of the capitalist mode of production found within the work of Marx (1976), Braverman (1974), Friedman (1977) and Edwards (1979). These authors were interested in understanding how the capitalist mode of production evolves *over time* and what impact such change had upon workers. Such a long-term perspective helps minimise misreading the significance of specific developments and produces a more complex, and ultimately realistic account of reality. Furthermore, the distinctive contribution of labour process theory lies in its ability to generate understanding of generalised tendencies inherent within the capitalist mode of production, rather than seeking to understand the specificities of each and every organisation. Although Armstrong (1988) posited such a position sixteen years ago there is still a paucity of longitudinal and historical research within labour process theory.

Oral history has also had a significant impact upon historical practice and democratized the study of the past by recording the experience of people who have been hidden from history (Perks and Thomson, 1998: foreword). Consequently, the oral history approach offers the potential to restore participants' voices in published accounts of the labour process under capitalism. The espoused emancipatory intention of labour process theory was outlined in chapter two along with the failure of present

methodological approaches to realise such aims. The oral histories approach to research represents an opportunity to move nearer to realising the intentions of labour process theory.

### ***4.3 Research techniques and method***

The following sections provide a comprehensive account of how the research was designed and carried out. The intention of this account is to provide the reader with an understanding of how the findings presented, within the next three chapters, were generated. Furthermore the following sections allow the reader to draw conclusions on how the chosen approach may have influenced the research findings.

#### *4.3.1 Purposive selection of industry and workplace*

The constraints of time and accessibility influenced a purposive clustered selection of British Gas Trading's Granton House location in Edinburgh as the research setting. The researcher recognises that the population comprises a larger number of privatised utilities and that the findings, from this research, may not be applicable in these other settings. As an ex-employee of British Gas at the location chosen, access to subjects was more easily secured and a greater contextual understanding of the issues they raised enhanced the quality of research. The selection of a purposive sample is entirely consistent with exploratory research (Kent 1993) and oral history (Hammond and Sikka, 1996: 88) with the relative merits well understood. This approach supports the desire to focus on understanding situations and generating ideas on perceptions and motivations from key informants.

The research analyses and investigates change in the organisation and experience of work over an extended time frame. As a principal concern is the impact that privatisation may have had, the relevant population was defined as all employees with an industry start date prior to 1986. This information was obtained directly from Centrica's payroll system and can be guaranteed to be a complete sampling frame. The research is concerned solely with the experience of clerical workers and therefore the job titles, 'Customer Service Representative' and 'Senior Customer Service Representative' were used as a further sampling criteria. The sample comprised forty-three subjects with twenty-five females and eighteen males with various industry start dates prior to 1986. The mean start date was found to be 1978.

In an attempt to reduce the number of refusals a letter of invite was issued to all potential participants outlining the aims and purpose of the research, an assurance of confidentiality and the conduct of interviews particularly that they would be recorded (Appendix one). Once an acceptance was received back a second letter was issued confirming the arrangements for the interview and providing further details of the mechanics of the interview (Appendix two). In total forty interviews were conducted with CSRs between November 2002 and December 2003.

It is necessary for researchers to consider the length of time a project utilising qualitative research interviews can take particularly when attempting to reconstruct up to forty years of history as in this research. Often limitations regarding the duration of access necessitates a decision to be made regarding the number of participants to be interviewed. However, prior to leaving employment with British Gas the researcher

negotiated permission to interview participants during working hours and to retain access to the workplace for sufficient time in order to complete the fieldwork. Such a level of access enabled the researcher to design a methodology which more than adequately provided the means to address the research aims.

#### *4.3.2 Selection of Research technique.*

The relatively small size of the sample influenced the selection of qualitative research methods focussing on in-depth semi-structured, individual interviews. The focus of the research was to analyse the experience of change so qualitative techniques were considered more suitable than quantitative ones. The qualitative method of data collection maximises the opportunity for subjects to state uniquely what they have experienced, opinions, give examples and ideas and attitudes (Kent 1993). Furthermore, qualitative research techniques are more adept at capturing data to help explain organisational processes as well as results, and attempting to elucidate individual and group experiences of work (Cassell and Symon, 1994: 1).

Finally, qualitative methods are useful for exploratory research due to their investigative nature and as little is known about the changes within the privatised utilities they are well suited as they are more appropriate than quantitative methods and recognise the subjectivity of experience.

#### *4.3.3 The qualitative interview*

The researcher recognises that within qualitative research there are a multitude of techniques available, each with their own advantages and disadvantages. Rather than

presenting a discussion of each it is sufficient to justify the selection of the chosen technique. The interview is the most widely used qualitative method due to it being a highly flexible technique and one capable of producing data of depth and clarity (King, 1994: 14).

The individual interview was preferred to group sessions as the research attempts to understand the changes in individual experiences which may be concealed through the process of group dynamics (Fielding and Thomas, 2001: 129; Thompson, 2000: 234). Whilst recognising that group discussions have their advantages, the individual interview is better suited for the research aims as it allows the capture of both majority and minority opinions, and eases the recall of participants' intimate and personal experiences (Kent 1993).

Again the researcher faced choices of the particular type of interview to select and adopted a semi-structured qualitative form. This particular form of interview is most appropriate:

Where individual perceptions of processes within a social unit...are to be studied prospectively, using a series of interviews...[and] {w}here individual historical accounts are required of how a particular phenomenon developed (King, 1994: 16).

The semi-structured interview afforded the best opportunity to elicit these candid reflections and decrease the likelihood of misunderstandings or poor quality data. The interviews included questions that probed areas of ambiguity and allowed both the author and participant to seek clarification where necessary which helped prevent misunderstandings and saved time in analysis. These characteristics were felt to be crucial to the aims of the research and therefore validate the approach. In short the

method chosen is more interactive than the questionnaire and produces more nuanced, subtle and revealing results.

#### *4.3.4 Question Design*

There is a danger of familiarity when researchers choose to adopt interviewing as a chosen method of data collection (King, 1994: 14). As the method is so commonly utilised researchers may feel that there is little need to expend much effort in designing and conducting a qualitative research interview. This section demonstrates and justifies the steps taken in designing the qualitative interviews utilised within this research

The initial catalyst for the selection of interview questions was the literature review (chapters 1-3). The literature highlighted a number of key lines of enquiry that needed to be explored to achieve the aims of the research. These were supplemented by the researcher's own knowledge of the events to be studied. Following the literature review the researcher created a predetermined set of topics, each with a selection of questions, to form a broad structure for the interview. However, no attempt was made to limit the interview specifically to these areas. Consistent with the adoption of the oral history approach, the data to be collected from the interview was viewed as a shared authority, and therefore the participant had an equal right to influence the topics discussed and the information revealed.

The researcher accepts the subjective nature of research and believes that the inherent value of investigating unexpected lines of enquiry validates such an approach. The

danger of retaining too close a control over the interview is that the researcher fails to capture data that may broaden understanding of the phenomena under study. Furthermore, Kvale (1983: 174) argued that the purpose of the qualitative interview was to capture descriptions of the participant's life and an understanding of the meaning they attach to particular experiences. Such a purpose can only be realised if the participant is allowed to inform the researcher of how best such aims can be realised. After all, the participant is best placed to describe *their* life and explain how *they* derive meaning from a given experience.

In using relevant employees as key informants, the research findings were led by them rather than by the author seeking to support or challenge existing research. This process was supported by in-depth structured interviews with shop stewards, trade union officials, HR professionals and senior managers/directors. These interviews increased the depth of knowledge acquired through gaining a potentially 'better' informed perspective of change.

In creating the interview guide the dangers of non-sample errors were recognised. In an attempt to minimise this careful consideration was given to question construction and the set of questions were 'piloted' with a group of five British Gas Trading employees to check their understanding of meaning. Throughout the interview the author sought to check and clarify participant understanding. The pilot interviews proved a useful opportunity to supplement and amend the topics to be discussed at the interviews. It became clear that participants had differing views to the researcher as to what was considered an important topic to discuss and also attached different meanings to experiencing them. Throughout the interviews the schedule of topics to

be discussed evolved and altered depending upon the responses participants gave. The research aims were the only fixed focus of the interview and the researcher remained flexible in realising them. As such the researcher acted as a 'guide' rather than a 'controller' and this was consistent with the notion of the interview as an interactive process rather than a fact gathering exercise (Anderson and Jack, 1991: 25; Bozzoli, 2002: 149).

As oral history is jointly constructed the researcher cannot remain outside it and must actively guide, probe and challenge participants without closing off the lines of enquiry they raise. The researcher adopted a critical approach to the interview style in order that technique could be developed throughout the data collection. After each interview the tapes were listened to and performance assessed in order to better achieve the balance between letting a participant speak freely and probing and guiding them.

#### *4.3.5 Conducting the interviews*

Prior to the interview starting the researcher welcomed the participant and restated the purpose of the research, the issues surrounding copyright and explained how the interview would proceed. At this point the participant was advised that no single history was being sought, instead it was the unique version of events and experiences that the researcher was seeking. The researcher encouraged participants to speak freely and at length by suggesting that the interview was their opportunity to record their history. In collecting oral history the most important skill for the interviewer to

develop is listening (Anderson and Jack, 1991: 16; Morrissey, 1970: 110; Thompson, 2000: 226)

The interview schedule began with routine demographic questions as an attempt to further relax the participant in order that full and detailed answers could more easily be secured later on. By leaving the 'tougher' questions, requiring reflection on past experiences, until later there was a greater chance of having established a good rapport by the time the participant was asked to answer (Fielding and Thomas, 2001: 128; King, 1994: 21; Morrissey, 1970: 111; Shopes, 2004: 3; Thompson, 2000: 222).

As the interviews were intended to capture detailed answers regarding experience of changes in work organisation open questions were used when initially discussing a new topic. Following the participant's initial answer a combination of closed questions and further focused open questions were utilised to probe for clarification and further details.

As the interviews involved discussing up to forty years of service it was not feasible to complete them in one session. Typically interviews lasted between five and six hours in total and were completed over two or three sessions. Far from disrupting the interview's flow the researcher found that the breaks between sessions allowed the participants to reflect on what had been discussed and this aided memory recall. Often at the start of the next session participants would refer back to events they had already discussed in order to add extra detail such as an anecdote that had just been recalled. The researcher has no doubt that the length of time spent with participants and his 'insider' status greatly contributed to the richness of the data collected.

## ***4.4 Data analysis and presentation***

### *4.4.1 Data preparation*

Presented with nearly two hundred hours of taped interviews the researcher faced the challenge of rendering the data usable. It was felt that transcribing the interviews represented a necessary precursor to understanding their meaning. In order to minimise errors an experienced secretary transcribed the interviews verbatim.

The researcher was sensitive to the fact that the spoken word can easily be ‘mutilated’ when written down (Samuel, 2002: 389; Tonkin, 1992: 59; Thompson, 2000: 260) and therefore decisions had to be made as to how best to preserve the integrity of the oral history collected. Some distortion of meaning is inevitable when producing a transcript, as it is unusual to record pauses, note tone of voice or capture gestures in the written transcript. To what extent the transcript is required to retain the characteristics of the spoken word depends on the research aims. It was never the intention for this research to conduct linguistic analysis therefore the transcripts did not include phonetic speech, pauses or emphasis.

However, the transcripts did contain an unedited version of the taped interview. All false starts in answering questions, grammatical errors and repetition were included so that the transcript was as close an accurate reflection of the spoken word as the research aims required (Boulton and Hammersley, 1996: 286). In order that the participants’ answers remained meaningful when transcribed the questions asked by the researcher were also included in the transcript. The inclusion of the questions was

recognition that the interview was the product of both the participant and the researcher and that their omission may make the narrator appear to be speaking without any prompting (Frisch, 1990; Portelli, 1991:103).

In part, the decision to stay as true to the taped interviews as possible was also influenced by the responsibility to preserve the original evidence to facilitate its use by other researchers in the future (Samuel, 2002: 392, Thompson, 2000: 259).

Upon receipt of the transcripts the researcher read through each one whilst simultaneously listening to the taped interview in order to check accuracy. When using others to transcribe interviews it is possible for organisational specific language to be misunderstood and therefore incorrectly transcribed. This quality checking process also afforded an opportunity for the researcher to begin searching for meaning within the interview.

Once a transcript was checked a copy was sent to the participant to review. All participants were afforded the opportunity to elaborate on any points they had made, clarify points where they feel their answer is confusing or to raise new areas for discussion. This proved to be a useful stage in the editing process and ensured that names of places, events and people in the participant's story were accurately recorded. The researcher also took the opportunity to ask any follow up questions that arose from his reading of the transcript. A more intangible benefit was that in continuing the participant's involvement in the research its exercise was more inclusive (Morrissey, 1970: 118). Those interviewed were seen as participants within the research rather than subjects of it (Cassell and Symon, 1994: 6; Hammond and Sikka, 1996: 88).

Once a transcript had been finalised a bound copy was given to the participant to keep.

#### *4.4.2 Data analysis*

The vagaries of qualitative analysis are well documented (Bryman and Burgess 1994; Cassell and Symon, 1994: 11; King, 1994: 25; Boulton and Hammersley, 1996: 282) and careful consideration must be given to understanding the data set and forming conclusions. In drawing conclusions qualitative researchers must note sequences, patterns or relationships and seek explanation.

The most obvious distinction between quantitative and qualitative data is that the former comes already coded and the latter does not (Boulton and Hammersley, 1996: 288). The question of analysing qualitative data has received much less attention in literature than the process of its collection and there are no established rules to inform the process (Jones, 1985: 56). In analysing qualitative data sets appropriate codes need to be designed and then data sensitively fitted to them.

An essential preliminary stage of analysis is getting to know the data set and this can only be done through its reading and re-reading. To begin with a subset of the transcripts was subjected to a combination of mechanical and interpretative analysis. The purpose of this initial screening was to generate a coding frame to organise the data and facilitate the discovery of meaning. Whilst reading the subset of transcripts notes about possible meanings, reoccurrences of phenomena or events and commonly expressed views were made in the margins.

Once these transcripts had been read and assessed an initial coding structure was devised. The coding structure was influenced by the literature reviewed in chapters two, three and four, the questions asked during interviews but also the data itself. Through the reading of a subset of transcripts it became clear that participants attempted to understand and recall their experiences with reference to a number of similar categories such as their impact on ‘happiness’, ‘feelings of worth’ or ‘freedom to move around’. It seemed logical to the researcher to utilise these categories in analysing and presenting the research findings. Such an approach is consistent with the intention of reproducing a reality that would be recognised by the research participants (Boulton and Hammersley, 1996: 291; Delbridge and Kirkpatrick, 1994: 56; Jones, 1985: 56). Through using the participants’ language the researcher increases their understanding of those interviewed and this assists in subsequently analysing the data in such a way that is sensitive to their historical point of view (Grele, 1985: 39)

To facilitate analysis the complete data set was then subjected to reduction by coding responses into the categories in order to ease understanding, comparison and presentation. Throughout this process the researcher remained open to discovering new codes and was careful not impose a predetermined structure upon the data. The coding process was instead a dialectical process of fitting data to codes and codes to data (Friedlander, 2002: 316). The coding process was carried out manually rather than using any of the available software. The reason for manually analysing the data was to enhance the researcher’s familiarity with the data and to avoid the adoption of a rigid quantitative type approach to the coding structure typical of software packages

(Seidel, 1991). Furthermore, the researcher was keen to develop a unique approach to data analysis rather than restricting the approach to that used by a particular piece of software.

When coding the data, the original composition of answers was preserved so as to maintain the context in which the answer was given and in recognition of the fact that the meaning of a response can be better understood in context (Samuel, 2002: 391). By ‘splicing’ fragments of text together or by ‘cutting and pasting’ single sentences from extended answers the original meaning can be distorted (Portelli, 1981: 103). Such a process also privileges the person making such decisions and is against the ethics adopted within this research. The researcher recognised that by coding the data, in any way, disrupts its original meaning to some extent and that this is unavoidable. In an attempt to minimise this effect a unique reference was attached to each segment of data coded that allowed it to be located in the complete transcript. Such a process allowed the researcher to verify the meaning of a segment of data, through reference to its preceding sections where necessary.

#### ***4.4.2.1 Validation of data***

One of the major challenges to the credibility of oral testimony surrounds the researcher’s ability to verify its validity (Lummis, 2002: 273). Most of the concern regards participants’ ability to accurately recall their experiences of events from their past. The process by which the process of memory works is far from understood and the potential for the past to be recast in order to project a more favourable image to others is well documented (Lummis, 2002: 274; Shopes, 2004: 6). In order to present

credible findings the researcher must demonstrate the process by which they have sought to validate their findings.

As part of the data analysis each transcript was checked for internal consistency and any apparently contradictory statements highlighted. Two types of contradictions arose: contradictory assessments of events and experiences and secondly, inconsistencies in the detail of answers referring to the same event. Almost all of the contradictions were of the first type and through discussions with participants it became clear that they reflected assessments of an event from multiple perspectives reflecting the changing perceptions of events over the course of time.

Comparing and contrasting participants' responses to questions on the same event can also aid assessment of data validity. If through analysing such responses there is sufficient congruence it is fair to conclude that collectively they represent an accurate recall of a given event as experienced by the participants (Schrager, 1983:90). Although competing accounts may be found amongst those outside of the participants' group it does not make either of them invalid (Portelli, 1981: 102; Thompson, 2000: 273). Rather, together they simply represent alternative and competing accounts that are likely to have been influenced by the relative position of the participant/group during the particular event. Furthermore, it should be noted that much of the oral testimony collected referred to personal experience, is valuable precisely because of its uniqueness and therefore cannot be *verified* directly by using other sources.

However, it is common practice amongst oral historians to compare and contrast collected testimonies with other available sources (Kessler Harris, 1985: 5; Lummis, 2002: 279; Schrager, 1983: 87; Shopes, 2004: 6; Thompson, 2000: 273). The researcher consulted written records – including company documentation, government reports and union bulletins – to establish a timeline of critical organisational events and record ‘official’ accounts of the changing nature of work organisation at British Gas. Through contrasting the two data sets it was possible to establish the similarities and differences between them and to seek explanations. Written records were also able to provide alternative assessments, and extra details regarding the changes seen throughout the period of time the research was focused on. Through adopting multiple data collection approaches the researcher was better able to present a more meaningful reconstruction of the participant’s experiences.

The dangers of using ‘official’ written records were recognised and there was no intention to view them as more objective than the oral data collected. Evidence such as company documentation can often be subjective, fragmentary and politically motivated (Forster, 1994: 149). Written records were used as a means of supplementing the oral data collected rather than correcting it. The very process of consulting alternative sources and engaging with them to explain any differences between them improves the credibility and validity of research findings through calling upon multiple perspectives of reality.

#### *4.4.3 Issues of data presentation*

Having collected and analysed oral testimonies a number of choices need to be made surrounding its presentation. In particular, researchers confront questions over authorship, the medium of publication and the form of interpretation or analysis (Thompson, 2000: 265).

As the research was carried out to facilitate the submission of a thesis a number of the choices made were influenced by existing university regulations and established practice within industrial sociology. Rather than discussing all of the options available to researchers (see Thompson, 2000: 265-308) this section outlines and justifies the choices made within this research.

Firstly, the issue of authorship was discussed and agreed with participants during the preliminary stages of the research. In order to satisfy the requirements for the submission of a thesis the authorship of the findings had to be assigned to the researcher. However, the researcher has explicitly acknowledged the joint creation of the research findings and the valuable input of all participants in generating understanding of the changing nature and experience of the changes studied throughout this chapter.

Secondly, choices regarding the medium of presentation were similarly restricted by the regulations covering the submission of a thesis. When publishing, research findings need to be presented in a written form and conform to established academic structures – namely linking findings with established knowledge and featuring critical

analysis and discussion of their significance. The very process of publishing results leads to a further dilemma; regarding what constitutes an acceptable level of analysis and interpretation.

The question of interpretation and analysis appeared to be ethically more problematic. The emancipatory and participant centred approach of oral history has been noted throughout this chapter and there are potential tensions between such an approach and the mechanics of analysis and interpretation. These tensions arise from the difficulty of processing raw data into research findings without concealing the voices of the stories' narrators. If the narratives are presented verbatim and without any analysis it may appear that the researcher was claiming that they had no influence over their content and form (Hammond and Sikka, 1996: 89) and runs the danger of 'atomising historical interpretation' (Lummis, 1983: 111). The role of the interviewer in the production of qualitative data has been well recorded elsewhere (Hammersley and Atkinson, 1995; Hyman, 1954; Shapiro and Eberhart, 1947) and therefore it is futile to give the impression of neutral impact.

On the other hand the scholarly requirements to analyse the data creates the impression that the testimonies only gain significance when the professional expertise of the researcher is brought to bear upon the transcripts. This certainly appears a misleading perspective at best and at worst, arrogant. There is also a danger that over analysing the texts can result in participants' voices only being used where they confirm the researchers preconceived theories (Behar, 1990: 226; Kahn, 1981: 9; Thompson; 2000: 244). Such an approach obscures the true contribution of the

participants and sees the researcher upstaging them rather than sharing authority (Frisch, 1990).

Given the size of the data set and the regulative restrictions placed upon the format of the research it was not feasible or possible to present transcripts in their totality and without any analysis and interpretation. Thompson (2000: 298) has suggested a means of attempting to balance the requirements of naming silenced lives with academic requirements for analysis by showing how local practices and experiences are shaped by broader macro influences. Sociological theories such as Marxism are often largely divorced from the experience of the individual and Thompson believes that oral history can help improve understanding of the ways in which macro level structures impact upon the individual. Oral history reveals the ways that individuals are shaped by such macro level structures and the decisions which individuals make in response to them. In short through linking oral history with sociological theories such as labour process theory there exists the potential to gain insights into how individual subjectivity is shaped by the structures of capitalism. Provided that the researcher avoids the temptation of selectively picking quotes to support a predetermined position they can reveal the experiences of individual participants whilst theorising about the experiences of the group as a whole. Through presenting the variety of individual experiences revealed through the oral testimonies the claims of overly deterministic sociological theories, including labour process theory, can be problematized.

Aggregating individual narratives in order to study experience at a group level can be further justified through recognising that each participant's account of the past already

contains the perspectives of others. Participants do not create their narrative for the first time in the course of the interview (Schrager, 1983: 76) as they are already well developed through being told to others and amended as a result of the reflection and interaction of others. The experiences and opinions of others are often involved within the participants' accounts and this reflects the fact that history is experienced as a social phenomenon rather than an individual one. Therefore if oral history is to move beyond biography to provide a historical account it must proceed beyond the individual to a social experience (Lummis, 1983: 114).

The congruence between testimonies added further weight to this view and provided a justification for the decision to present the experiences of the participants as a group within this research. Within the empirical chapters the research findings are presented in such a way that realises the intention of assessing the collective experience of the changing nature of clerical work but without imposing a single version of events. Where contradictory assessments of change were uncovered they are presented. The researcher accepts that the accuracy of this assertion is difficult for the reader to assess without access to the research data. However, the content of chapters eight and nine in particular should demonstrate the competing accounts of change uncovered, and will hopefully provide sufficient evidence of the researcher's sensitive handling of the data collected.

#### ***4.5 Limitations of research***

The author believes that the methodology adopted allows the research aims to be met but recognises certain limitations of the approach. The relatively small sample, with

its narrow focus on one location, means that any results and conclusions cannot be taken as being representative of the company as a whole. In forming conclusions the 'scientific' weaknesses of qualitative data were recognised and care was taken in assuming the degree to which generalisations can be applied even within British Gas Trading, as a whole, let alone other Utilities.

The participants interviewed within this research were essentially a self-selecting sample of a much larger population. The sampling criteria used included continued employment with British Gas and the job title of CSR. By definition such an approach excludes a great number of potential participants that may have had competing perspectives of change that may have challenged the findings presented within chapters seven and eight of this thesis. However, when designing research, decisions on the boundaries of investigation must be made due to the constraints of time, resources and availability of participants (Van Maanen, 1988: 4). If the researcher had greater time available and the means of contacting ex-employees the testimonies collected may well have produced a more complex and fuller version of the impact of the changes in work organisation upon those that experienced them. It would certainly have been interesting to explore the reasons why the ex-employees chose to leave British Gas and how they viewed their experiences with the company now that they are 'outsiders'.

The vast amount of literature concerned with the labour process debate forced the author to be selective in presentation of arguments and debates due to space constraints. This selection may have been influenced by personal values or beliefs and may lead some to question the validity of the research. The research methodology and

assessment of the findings were both influenced by the literature reviewed and it is possible that exposure to other sources of knowledge may have led to different outcomes. However, when conducting research it is neither possible nor necessary to review everything that has been written about the chosen field. Rather, it is necessary to familiarise oneself with the central debates and competing perspectives within a chosen field of academia. The researcher believes that this has been achieved and that a rigorous approach to designing and conducting the research was adopted. The purpose of this chapter has been to demonstrate the approach taken and ultimately the reader must assess the claims of plausibility and credibility made by the researcher.

#### ***4.6 Summary and Conclusions***

This chapter has outlined the methodological approach taken in the research at British Gas and provided a justification for its adoption. The discussion began with an assessment of the alternative philosophical positions within scientific research and argued that critical realism is the most convincing account of the nature of reality. The oral history methodology was shown to share many of the philosophical assumptions of critical realism and to offer a unique means of resolving weaknesses of labour process theory.

The chapter has also provided a detailed account of how the research was designed and carried out. In particular, considerable attention was paid to carrying out an oral history approach to research as the researcher recognises that readers are unlikely to be familiar with such a methodology. It has been argued that oral history offers the

potential to combine objective and subjective accounts of change to produce more realistic representations of the past.

The researcher recognises that there is no ‘one best way’ to conduct research and that all available options are only likely to result in partial success. Researchers face many constraints including time, resources and access and it is important that the limitations of the chosen approach are recognised. Given the constraints faced by researchers, the paucity of other oral history accounts of changing organisation of work can be understood, at least in part, by the length of time such an approach can take. However, the researcher asserts that such an approach reveals useful insights that other approaches fail to capture. Given the time available to the researcher, and the level of access secured, the oral history method was a suitable and interesting approach to realising the research aims.

It is now necessary to turn to the research findings, which are presented in the next three chapters.

## Chapter Five – A history of British Gas.

### 5.1 Introduction

This is the first of three empirical chapters drawing upon research into changes in the organisation and experience of clerical work at Granton House. To contextualise fieldwork data presented in subsequent chapters, a brief history of British Gas is presented. Such an account demonstrates how *external* forces influenced the strategic direction of British Gas resulting in *internal* pressures to transform established forms of work organisation. In particular, the privatisation and forced commercialisation of British Gas by the Conservative Governments of the 1980's and 1990's, constituted political and economic changes which together produced a watershed in the development of the company.

While privatisation and forced commercialisation were the decisive environmental factors, it is acknowledged that no direct and immediate causal chain linked *external* shock and *internal* change in work organisation. Indeed, an important research finding is the continuity in forms of work organisation between the latter stages of one era and the beginning of another. The impact of macro-level events upon the labour process is not direct and simple, but complex and non-linear. Mindful of Hyman's (1987) caution to appreciate the gap between strategy and outcome, salient mediating factors include management's ability to specify in detail how workplace change can be effected, the availability (or otherwise) of facilitating technologies and the feasibility of negotiating change through existing industrial relations machinery at national and local levels.

The purpose of this chapter is to detail and explain the key macro level events that altered the external environment in which British Gas operated<sup>14</sup>. This discussion provides a chronological framework which facilitates the analysis of changes in the organisation and experience of clerical work which dominate chapters seven and eight.

The chapter is organised into five sections, each examining a particular time period in the organisation's history. These time periods are intended to act as a heuristic device to aid exposition rather than representing tightly defined historical periods. Dividing events into discrete historical frames is always an arbitrary process (Friedman, 1977: 31), and the researcher remains sensitive to this fact. As such, no claims to clear quantitative and qualitative demarcations between each era are made. When deciding on where to draw the boundary between one period and the next, a timeline of important political and organisational events that fundamentally altered the environment in which British Gas as a Company and Granton House as a workplace operated.<sup>15</sup>

Each period has been given a title which, it is hoped, will capture its essential character: Establishment (1948–1971), Growth and Continuity (1972–1978), Regulation and Privatisation (1979–1992), Transformation (1993–1996) and The New

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<sup>14</sup> The term 'macro level' has been used to explain events that occur in the external environment that the company as a whole operates in and actions taken by the Corporation on a National basis as opposed to a Regional response. This latter definition is important due to the decentralised structure of BGC and BG plc.

<sup>15</sup> The researcher recognises that in defining important events choices are exercised about what to include and what to omit. The events considered in devising the historical eras are detailed in Appendix Three and include all Parliamentary Acts specifically relating to British Gas, instructions from the Minister for Energy, other external events that affected the demand for gas or any other area of operation and responses from British Gas at a corporate level.

World (1997–2003). Although the first describes an era preceding the research period nonetheless it is useful in understanding the formation and early development of British Gas, and identifying the source of some latter day tensions.

## ***5.2 Establishment (1948 – 1971)***

During the 1940s the gas industry underwent dramatic change that ultimately led to its nationalisation in 1948. Traditionally the gas industry had comprised over a thousand local gas companies under a mix of private and municipal ownership (Vickers and Yarrow, 1988:246, NationalGridTransco, 2004: 2). With the exception of the First World War there was only modest co-ordination of policy between these companies (Reid and Allen, 1970).

In 1944 The Ministry of Fuel and Power commissioned a Committee of Inquiry, under the Chairmanship of Geoffrey Heyworth to review the structure and organisation of the Gas industry and recommend changes in order to develop and cheapen gas supplies. Whilst the Heyworth Report, published in December 1945, did not itself recommend nationalisation, it formed the basis of the Gas Act 1948 which brought the gas industry in England, Scotland and Wales into public ownership.

In the aftermath of the Second World War the level of general government expenditure rose to a new plateau with high taxation allowing governments to adopt an increasingly collectivist approach to delivering public services (Farnham and Horton 1994). Atlee's post war Labour government had been elected on a mandate of economic and social reform and was committed to bringing the 'commanding heights'

of the economy into national ownership. The nationalisation programme brought gas, electricity, coal, iron, steel, road haulage and the airlines into the public sector and increased the public payroll by one million employees (Farnham and Horton 1994, Saunders and Harris 1994). Belief in the benefits of public ownership had been stimulated by the apparent failure of private enterprise to ensure a stable economy in the 1930s and was further influenced by Keynesian economics (Saunders and Harris, 1994: 8; Farnham and Horton, 1994: 5). However, the Treasury saw the added advantage of utilising the surpluses created by the industry to finance the interest on government bonds (Helm, 2003:20).

The Gas Act of 1948 facilitated the compulsory purchase of privately owned gas companies and the transfer of municipal concerns to central government<sup>16</sup>. The 1,062 gas companies were rationalised into twelve Area Gas Boards, each an autonomous body with its own Chairman and Board structure<sup>17</sup> (Reid and Allen, 1970; NationalGridTransco, 2004). The Gas Council, comprising the twelve regional Chairmen, was also formed to liaise between the twelve Boards and the Ministry of Fuel and Power (and subsequently the Ministry of Energy).

At the time of being nationalised, the gas industry involved the production and distribution of town gas rather than the natural gas used today. The reliance upon expensive coal and inefficient plant to produce town gas constrained the industry's expansion due to the high prices that needed to be charged to recoup costs (Reid and Allen, 1970: 56; Robinson, 1994: 1). Throughout the 1950s and 1960s a search for

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<sup>16</sup> The nationalisation of the gas industry came after coal and electricity had already been brought into public ownership.

<sup>17</sup> The twelve Area Gas Boards were: Scottish, Northern, North Eastern, North Western, West Midlands, East Midlands, Wales, Eastern, North Thames, South Eastern, Southern and South Western.

alternative sources of gas was a priority for the Gas Council and a number of options were formulated including improving the efficiency of plant technology, substituting oil for coal in the production process and liquefying natural gas obtained from overseas (Reid and Allen, 1970; NationalGridTransco, 2004: 2, Grieve, 1996: 3).

However, when, in 1962, an Esso/Shell survey discovered a vast natural gas field in the North Sea a domestic solution to alternative sources of gas was afforded (Glaister, 1997: 189; Helm, 2003: 1, Reid and Allen, 1970: Vickers and Yarrow, 1994: 247). The subsequent discovery of North Sea Gas in BP's West Sole Field in 1965 fundamentally altered the nature of the gas industry and facilitated its expansion but also provided a new set of challenges (HMSO, 1967; Reid and Allen, 1970; NationalGridTransco, 2004). Since the infrastructure of gas pipes and appliances used for town gas was incompatible with natural gas a new transmission network and the alteration of appliances was needed if North Sea gas was to be utilised.<sup>18</sup> Such an undertaking required a programme of significant investment and a co-ordinated engineering effort. The conversion to natural gas, which began in 1966, took ten years to complete (BGC Annual Report, 1977: 3).

This conversion process was assisted by the 1964 Continental Shelf Act which provided the Gas Council with the first option to buy all gas landed from British areas of the North Sea (Robinson, 1994: 2; Vickers and Yarrow, 1988: 256). The Gas Council was also awarded ownership of licenses that the oil companies required for extraction. The subsequent 1965 Gas Act empowered the Gas Council '...to manufacture gas, to get or acquire gas in or from Great Britain or elsewhere, and to

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<sup>18</sup> All domestic appliances and commercial boilers needed altering due to differences in calorific values between town gas and natural gas. The calorific value is a measure of the heat energy a unit of gas provides.

supply gas in bulk to any area board' (HMSO, 1965: 21). The Gas Council's 'right to buy' and the oil companies desire to maximise income from the sale of gas, in order to fund the extraction of oil, led to the formation of 'Take or Pay' contracts<sup>19</sup>. This arrangement was mutually beneficial to both industries and established a long-term perspective in the Gas Council's and Area Boards' approach to running the industry.

### ***5.3 Growth and Continuity (1972 – 1978)***

The Gas Act of 1972 produced the next major structural upheaval of the industry, by abolishing the Gas Council and establishing the British Gas Corporation (BGC) as a fully integrated company in 1973 (NationalGridTransco, 2004: 3). The Act conferred responsibility upon BGC to build the integrated national transmission and distribution system, but also saw the company diversify upstream into oil excavation, and downstream into showrooms and appliances. The Act was a move towards centralising the Gas industry in terms of strategy and direction, but the twelve Gas Boards it created retained considerable autonomy.<sup>20</sup>

The Gas Act also placed financial restrictions upon BGC, limiting borrowing and requiring that their reserves were sufficient to meet total outgoings (BGC Annual Report, 1973: 11). The Act was a *first* and limited attempt at regulating the industry and reducing the 'burden' on the public purse.

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<sup>19</sup> These contracts were signed by the Gas Council and oil companies awarded licenses to exploit oil reserves. They were commonly for duration of 25 years and formed an agreement that the Gas Council would buy a pre-determined amount of gas, from the oil company, for a specified price per therm. This gas had to be paid for regardless of whether it was taken.

<sup>20</sup> The twelve Gas Boards replaced the Area Gas Boards established in 1948 but the geographical area covered remained the same. The Area Boards were renamed as Gas Boards under the 1972 Gas Act. For example the Scottish Board was renamed as Scottish Gas Board.

The dominant themes of this era include: BGC’s financial performance, marketing activities of BGC and developments in industrial relations and customer service. Each is explored in turn.

### 5.3.1 Financial performance of BGC.

Evidence from BGC’s Annual Reports, during this period, suggests that the Corporation was focused upon meeting Government expectations for Nationalised industries, to eliminate deficits by spring 1976 (BGC Annual Report 1975). The consolidated profit of £25.1 million, which BGC announced in 1976 ushered in a profitable period, as seen in Table 5.1 below.

Table 5.1: A summary of BGC Profit (Loss) Account as judged against Government targets

	1974 <sup>21</sup>	1975	1976	1977	1978
Profit/Loss before compensation (£ million)	-42.3	25.1	31.5	180.3	360.7
Profit/Loss as % Turnover	-2	1.6	1.6	7	12.1
Government Target	4	4	4	4	6.5

Source: (British Gas Corporation, Annual Reports 1975 – 1979).

Increased profitability between 1975 and 1979 was due to increases in the price of gas and an expanding customer base. For example, the considerable increase in profits in 1977 was mainly due to a 20 percent increase in the price received for gas sold, at the request of the Government<sup>22</sup> (BGC Annual Report, 1977: 3). As a condition of a recently secured International Monetary Fund (IMF) Loan the Government instructed all nationalised industries to reduce their debt owed to the Treasury by becoming a net

<sup>21</sup> BGC financial year at this time ran from April 1<sup>st</sup>. The results shown in the table are taken from the report that covers the majority of that year i.e. the results shown under 1974 are taken from the 1974/75 Annual Report.

<sup>22</sup> There was also a 9.6 percent increase in the volume of gas sold in 1977.

payer in exchanges with central Government. Even before this instruction BGC had been a net contributor to public funds as can be seen in Table 5.2 below

Table 5.2 BGC's Financial position with UK Government.

	1974	1975	1976	1977	1978
Debt with Central Government (£ millions)	1651.4	1574.5	1438.5	835.4	115.5
Net amount paid to Central Government (£ millions)		277.1	265.9	638.3	682.1

Source: (BGC Annual Reports 1974 – 1978)

The Gas Act 1972 also introduced targets for profit levels as a percentage of turnover. The initial rate of return expected by the Government was 4% (Table 5.1), a rate against which BGC had judged its own performance for some time. By 1977, BGC was delivering a significant profit and exceeding Government expectations regarding the rate of return on investment. The contribution made by BGC to the Treasury was further enhanced when their favourable impact upon the balance of payments was considered. It was estimated that conversion to natural gas had cost some £2000 million by 1975, but the savings to the UK's balance of payments from gas substituting for imported oil in factories and commercial premises, were estimated at some £1000 million per annum (BGC Annual Report 1975: 7).

### *5.3.2 Marketing Activities.*

In addition to the engineering challenge BGC required a successful marketing campaign to promote gas as an alternative to electricity and oil for both domestic and industrial/commercial customers. The need to sell future supplies of gas, purchased under 'Take or Pay' contracts led BGC to adopt a general strategy of expansion (Reid

and Allen, 1970; BGC Annual Report 1974) through promoting gas to builders of new homes, national advertising campaigns and designing and selling gas appliances. Increases in customer numbers are shown in Table 5.3.

Table 5.3 The growth in BGC's Customer base.

Number of customers at year end (Thousands)	1973	1974	1975	1976	1977	1978
Domestic	12990	13119	13365	13642	13963	14323
Industrial	70	69	69	69	70	75
Commercial	499	494	491	489	483	485
<b>Total</b>	<b>13559</b>	<b>13682</b>	<b>13925</b>	<b>14200</b>	<b>14516</b>	<b>14883</b>

Source: (BGC Annual Reports 1973 – 1978).

By 1978, gas supplied 45 percent of energy consumed by the British domestic market as compared to 22 percent in 1972 with the rising popularity of gas central heating the main contributing factor. A three-fold increase in the volume of domestic gas sales occurred between 1968 and 1978 (BGC Annual Report, 1979: 26).

### 5.3.3 Industrial Relations.

During this period negotiations on pay and conditions of employment between BGC and trade unions were constrained by Government policy. Both the Social Contract and Incomes Policies established the parameters of negotiations and shifted the focus away from remuneration to other conditions of service issues (Taylor, 1982: 202; Blyton and Turnbull, 2004: 125).

The industrial relations framework of BGC comprised a hierarchy of negotiating bodies that reflected the organisational structure of the company. The National Joint

Council (NJC) for Gas Staffs and Senior Officers (GSSO)<sup>23</sup> was the supreme body that negotiated on substantive issues such as pay and hours of work. The second tier of negotiating machinery were the Regional Joint Councils (RJC) which had responsibility for implementing National agreements within their respective geographical area and dealing with any disputes escalated from the Local Joint Councils (LJC). The LJC formed the third tier of bargaining machinery and were established in 1977 at the request of the NJC. The remit of the LJC was to be ‘...a joint forum in which matters of mutual interest will be considered and areas of potential misunderstanding prevented or removed’ (GSSO Handbook, 1977: 17). In addition the LJC dealt both with unresolved local issues and formulated local agreements covering procedural matters.

Like at other nationalised utilities (O’Connell Davidson, 1993) the approach to industrial relations at British Gas from the 1970s into the early 1990s was bureaucratic and often confrontational in nature. A plethora of national and local agreements were produced by the various negotiating bodies and the established patterns of conducting negotiations afforded trade unions significant opportunities to act as a break on change. This lengthy quote from a UNISON National Officer who has twenty years experience of representing members in the gas industry describes the approach taken towards to industrial relations at this time.

Q How would you characterise the approach to industrial relations in the nationalised BG?

A Essentially it was a nationalised industry type culture, which was bureaucratic, it was them and us it was confrontational, because the way it was structured it encouraged you to have your side and they have their side. So all the cat and mouse negotiating games that you can play, and you can

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<sup>23</sup> Staff within BGC were graded by Job Title. The three categories were Gas Staffs, Senior Officers and Senior Management. There was a separate Council for Senior Management. Initially there were separate Councils for Gas Staffs and for Senior Officers but these were merged in 1974.

still play them if you want to now, we were encouraged to play. And then you would have the safety mechanisms that come in to pull you back when you play those games i.e. the off-record or off-line officer contacts etc etc. The way we did things in the old British Gas would have been – there's a problem, or there's an issue that we need to look at, how do we do it? We set a working party up. So a working party has to be preceded by a trade union side meeting of that working party. That's half a day. If you are really organized you have it on the day of the meeting. But we didn't always used to do that. We used to get away with murder. So we might have had it the day before or the night, the lads can go out and have a few beers on the piss, come in, if you are not careful you have an extremely fractious meeting the next morning because they have got a hangover. If you are lucky they are not, you come in, we have a meeting with the employer. Papers tabled. Can't read it there and then, have to take it away. There's a principle. So you take the paper away. It takes a couple of weeks to read it, another meeting, trade union side. That could go on for months. Nevertheless, it worked...we got some good Agreements this way and were able to regulate the pace of change. Back then management respected the unions even when we weren't getting on....I mean there was a real respect for procedure, you just didn't do anything fast back then. You didn't come from like being recruited on the shop floor, or whatever we call it these days, to a few months later being the rep. And a couple of weeks later you are not only the rep you are on the national committee now. In the old days it was like, you were recruited, if you showed interest in being a rep someone would do a thorough review of your character, your background etc etc before they decided if they were actually going to accredit you. You then might get accredited as a junior rep. Eventually you might get on the branch executive committee, because you didn't all get on there. From there you might go to the region. Serve your time in the region, you might get the regional chair or you might get the national seat. That's like years. During that time you have been indoctrinated into that is the way the system works, that's how we do business. So there's rigidity when you come up (Edward Killion, UNISON Senior National Officer, Aged 44).

Due to restrictions on delivering wage rises the NJC agreed a number of improvements in other areas. During this period a thirty-seven hour working week was agreed along with flexi-time, improvements in annual leave, redundancy pay and maternity provisions. In 1976 an agreement was signed that required all employees recruited by BGC to join one of the recognised trade unions<sup>24</sup> (GSSO Handbook, 1977: 142).

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<sup>25</sup> The Director General led an office of staff that was referred to collectively as The Office of Gas Supply (OFGAS).

#### 5.3.4 Customer Service.

The funding restrictions BGC faced and the uncertainty over their ability to control long-term gas costs sharpened the focus on continuing improvements in the efficiency of operating procedures, particularly within the area of customer service. By controlling internal costs, and increasing the effectiveness of customer service procedures, BGC sought to maximise cash flow and offset any increases in gas costs (BGC Annual Report, 1978: 3).

This period saw a significant increase in computerisation within the areas of customer service and management information. This early use of computers, which involved Visual Display Units (VDUs), that displayed limited aspects of a customer's billing history on a read only basis, was primarily seen as a means of delivering faster customer service and thus reducing unit costs. The small telephone bureaus dealt with customer enquiries relating to servicing of gas appliances and reporting of gas emergencies.

### ***5.4 Regulation and Privatisation (1979 – 1992)***

The election of the Conservative Government in 1979 brought changes in the nature of regulation faced by BGC. Previously, both Conservative and Labour Governments had accepted that a state monopoly in the gas industry was a natural state of affairs. Although privatisation was not mentioned in the Conservative's 1979 election manifesto, this period saw a radical change in the relationship between BGC and the Government. A number of significant regulatory changes, privatisation and referrals

to the Monopolies and Mergers Commission culminated in the statutory monopoly over supply being gradually eroded.

The post-war settlement, that had included broad acceptance of natural monopolies and an extensive public sector, had come under threat during the 1970s, as economic recession, triggered by the oil crisis of 1974, and rising levels of industrial conflict, stimulated the emergence of alternative theories for managing the economy and in particular the public sector. Attacks on the Welfare State were dominated by economic concerns with some claiming that the high taxes needed to sustain it, caused inflationary pressures which resulted in a weak economy (Bacon and Eltis 1976). The inefficiencies of monopolies and their potential to abuse their power were additional arguments for change presented, but it was only following the adoption of such ideology by the right wing of the Conservative Party that the pace of change accelerated.

The 'new right' critique of the post-war settlement embodied neo-liberal principles and drew on the work of public choice theorists and American political economists (Farnham and Horton 1994). Their key values were individualism, personal freedom and inequality, the antithesis of the collectivism, social rights and equality associated with the previous settlement. A fundamental belief in the supremacy of markets significantly reduced the role of government, restricting it to the provision of some public goods where the market had no incentive to do so. It would be incorrect to portray the Conservative governments from 1979 onwards as simply a vehicle for these ideas, but nevertheless their influence upon legislative programmes is evident. It

is against this background that the privatisation and subsequent marketisation of British Gas must be understood.

#### 5.4.1 Financial Performance of BGC

In 1979 the Conservative Government changed the external financing limit (EFL) placed upon BGC, to require the generation of an extra £190 million in cash. The EFL was an agreed limit of annual net cash flow of the business inwards or outwards and a negative target required BGC to deposit the relevant amount of funds with the Treasury, to be used to fund future costs. As Table 5.4 shows the EFL targets set by the Government were substantial and saw considerable sums of money deposited with the Treasury.

Table 5.4 BGCs Financial performance against Government EFL Targets.

	1980	1981	1982	1983	1984	1985
Government EFL Target (£ millions)	-400	49	-87	-43	-188	-176
Actual EFL performance	-409	39	-230	-45	-189	-190

Source: (BGC Annual Reports 1980 – 1985).

In addition to changes in the EFL the Government required all nationalised industries to repay any outstanding loans secured from the Treasury by the end of 1979 and increased the return on assets targets they faced (see Table 5.5). Initially the rate of return expected was 9 percent but this figure was subsequently amended to an average of 3.5 percent over three years (1980–1982) because of the impact of the recession. These two measures embodied the Government’s position that nationalised industries could no longer rely on public funds to finance them.

Table 5.5 BGC Financial Performance against Government Targets

	1980	1981	1982	1983	1984	1985
Profit/Loss before compensation (£millions)	381.1	311	663	668	651.2	688
Profit/Loss as a % of Turnover	4	3	5.7	5.3	3.9	3.9
Government Target (3 year duration)	—	3.5	—	—	4	—

Source: (BGC Annual Reports 1980 – 1985)

A central aim of the Conservative governments was to significantly reduce the size of the public sector and allow markets to govern distribution of a wider move to better reflect the true price of gas, and to increase public funds at a time of increasing social security costs. The levy was subsequently introduced in 1981 costing BGC £1,300 million pounds over the next three years.

The Government also introduced a new performance target in 1981 requiring BGC to achieve a 5 percent reduction in unit net trading costs per therm of gas sold in 1982/83 compared with 1980/81 (BGC Annual Report, 1982: 4). A target of a 12 percent reduction by 1985 was subsequently announced. Such a target was intended to improve the efficiency of BGC and further increase profits. With hindsight it is clear to see that the increases in gas prices, focus upon increasing efficiency and the rate of return on assets were intended to make the subsequent privatisation a more attractive proposition for investors. The performance of BGC against this target is shown in Table 5.6 below.

Table 5.6 BGC's percentage reduction in net unit trading costs per therm of gas sold in 1982 & 1985 compared with 1981 prices and measured against Government Targets

	1982	1983	1984	1985
% Reduction in net unit trading cost per therm of gas	5.1	4.6	8.9	12.5
Government Target (%)	5	—	12	—

Source: BGC Annual Reports 1982-1986

In total BGC exceeded Government's financial targets throughout this period and was not reticent in promoting the contribution it made to the UK Treasury.

Through its sizeable contributions to the Treasury in taxes and gas levy, the many orders placed for a whole range of goods and services and the provision of reliable, competitively priced energy supplies, the Corporation has played its part in efforts to minimise the effects of recession and to preserve employment. (Sir Denis Rooke, BGC Chairman BGC Annual Report 1983:3).

In common with the previous era BGC was a net contributor to the Government of some £3012 million between 1979 and 1986 with £2275.3 million paid between 1983 and 1986 (BGC Annual Reports, 1983 – 1986). The contribution BGC made to the Treasury brings into question Thatcherite attacks on nationalised industries for being a drain on public funds.

#### 5.4.2 Early Regulation (1979 – 1986)

In 1980 a MMC Report into BGC's monopoly over the sale of gas appliance recommended that the Corporation either withdraw from the market completely, or reduce its influence on the trade by changing accounting procedures to remove cross subsidisation. BGC refused to choose between the two options, arguing the government should decide since this was essentially a political decision (BGC Annual Report, 1981: 10).

The trade unions recognised by BGC formed a co-ordinating body, Gas Unions Against the Report for Dismantling the BGC (GUARD) to launch a public campaign against the MMC Report findings (Lord, 1983: 98; NALGO, 1983). GUARD argued

that the MMC Report would cost up to 30,000 job losses and that the domestic consumer would suffer. The MMC Report acknowledged that any ban on BGC retailing would lead to showrooms closing, which in many towns would not be replaced by any private sector retailer.

For the unions, the Government's ruling would be of critical importance for the future of BGC as an integrated utility. It was clear to the unions that BGC had been able to develop work practices, methods and techniques that had conferred benefits of economies of scale. If BGC was forced to withdraw from retailing it would seriously hinder the installation and service function and this would in turn have a negative impact upon general maintenance work. The same workforce was used for both installation and servicing work. Therefore, any withdrawal from the retailing of gas appliances and their subsequent installation would lead to reductions in the size of workforce. This reduction would hinder general maintenance work. In short, the unions felt that privatisation of appliance retailing and the closure of showrooms would threaten the efficiency and integrity of the whole of BGC (Lord, 1983: 101, NALGO, 1983).

In July 1981 the Government announced their acceptance of the more radical option of BGC's withdrawal from the retailing of appliances, which entailed the disposal of its showrooms over a five-year period. These measures exceeded the Commission's proposal, only to end appliance sales. A timetable was established for the disposal of showrooms over the next five years and the Government stated that legislation would be introduced to enforce this decision (Lord, 1983: 103).

The Government's ruling generated considerable opposition, with the gas unions organising a one-day strike on 13<sup>th</sup> July 1981 (NALGO, 1981: 79). The trade unions were vehemently opposed to any attempt to reduce BGC's activities in order to further the interests of private retailers. A major concern of the unions was that the Government would use the MMC Report in furtherance of its widespread attack on public sector activities and jobs (NALGO, 1981: 82). It was feared that decisions on the gas showrooms, and possibly the Corporation as a whole, would be made on the grounds of political dogma rather than any appreciation of the real interests of gas consumers and workers (Lord, 1983: 106; NALGO, 1983).

By autumn 1981 the Government conceded that they could not proceed as fast as they wished. The Secretary of State for Energy, Nigel Lawson, announced in October that the safety aspects of the proposed privatisation would require complex legislation for which there was no parliamentary time available in the 1981-82 sessions. However, it was agreed that BGC close seventy showrooms in 1984 and to separate the accounts for the Retail division from the rest of BGC in order that the financial viability of the showrooms could be better assessed.

The Government did introduce the Oil and Gas (Enterprise) Bill in the winter of 1981 which gave the Secretary of State wide discretionary powers to order BGC to dispose of any part of the Corporation. This enabling Act was to be used within a year to instruct BGC to dispose of a majority interest in all its oil assets. As oil and gas reserves are typically found together, exploration for only one of the fuels was always difficult, if not impossible. By 1983 all such interests, were vested under the control of the Secretary of State for Energy by 1983, without compensation to BGC. This

transfer of ownership not only affected BGC financially but also increased the challenge of sourcing sufficient gas reserves to meet future demands.

The 1982 Oil and Gas (Enterprise) Act also removed BGC's right to first offer of any British natural gas and enabled North Sea producers to supply large industrial customers direct utilising the Corporation's pipeline (HMSO, 1982). This was the first of a number of such moves that ultimately led to the complete removal of BGC's monopoly over the supply of gas (Vickers and Yarrow, 1988: 257).

#### *5.4.3 Privatisation*

On the 7<sup>th</sup> May 1986 the Secretary of State announced to the House of Commons that the Government intended to introduce legislation to privatise BGC, and came shortly after British Telecom (BT) had been privatised (Vickers and Yarrow, 1988: 259; Saunders and Harris, 1994: 5; Foreman-Peck, 1994: 334; Farnham and Horton, 1994: 13; Colling and Ferner, 1995: 495). The 1986 Gas Act renamed BGC, British Gas plc, removed their monopoly in supplies over 25,000 therms per annum and facilitated privatisation in December 1986.

However, the privatisation of BGC only occurred after a debate on the actual mechanics of transferring ownership to private shareholders (Hammond et al, 1986: 254; Vickers and Yarrow, 1988: 268). By the mid-1980s there was a difference of opinion between Nigel Lawson, as Chancellor of the Exchequer, and Peter Walker the Secretary of State for Energy, over how privatisation should proceed. Lawson advocated the creation of an energy market which envisaged the break up of BGC into

separate regional companies. In contrast, Walker desired a privatised gas company that could compete on an international stage and favoured retaining the Corporation's integrated structure. The latter position was strongly supported by Sir Denis Rooke, the BGC Chairman, who saw privatisation as a means of removing restrictions on diversification and expansion.

Since the privatisation of British Gas was to be the largest such transfer of ownership seen in the UK it posed a significant political risk to the Government. Thus it is perhaps unsurprising that the safer option of retaining the integrated structure was taken (Vickers and Yarrow, 1988: 270; Saunders and Harris, 1994: 15). The privatisation needed the support of BGC Directors if it was to proceed smoothly and their position had already been made abundantly clear. Ensuring privatisation in advance of the 1987 General Election necessarily restricted the scope for reorganising the Corporation. In short, the approach to privatising BGC was influenced by Government pragmatism rather than ideology.

For Denis Rooke it was the unknown nature of *regulation* that BG plc was to face, rather than privatisation *per se* that posed the most serious threat to operations. Such trepidation was well founded, as following privatisation the regulatory regime faced by BG plc was to have a far greater impact than privatisation.

...what can be said is that the key to a successful transition to the private sector lies in the appropriateness of the regulatory arrangements and the capital structure of the new company (Sir Denis Rooke, BGC Chairman BGC Annual Report 1985:3).

#### 5.4.4 Post-Privatisation Regulation (1986 – 1992).

The 1986 Gas Act created a Director General of Gas Supply appointed by the Secretary of State<sup>25</sup>. The function of the post was to regulate the supply of gas through the national transmission system and to impose a price control structure upon BG plc. The first incumbent of the post was James McKinnon whose troubled relationship with Rooke was to prove influential in shaping future events.

The regulatory regime established by the Office of Gas Supply (OFGAS) followed a similar approach that the Office of Telecommunications (OFTEL) had adopted with BT, and centred on price control. Regulation of maximum average gas prices was imposed in the form of RPI-x, where RPI was the Retail Price Index and 'x' an amount stipulated by OFGAS (Vickers and Yarrow, 1988: 263; Beesley, 1997: 393). The initial control period (1987-1992) set 'x' as 2, meaning that increases to gas prices had to be restricted to 2% below the rate of inflation (BG plc Annual Report: 1987: 9). The control initially applied to the tariff segment of BG plc's market, including domestic customers, The non-tariff, or contract segment, which comprised 30 percent of BG plc's revenue, was left largely untouched at this point (Beesley, 1997: 399). The lack of regulation BG plc faced in the very profitable large usage market segment created resentment both from other suppliers of gas and from customers who felt they were faced with discriminatory pricing policies (Robinson, 1994: 7). In 1987 Sheffield Forgemasters Ltd complained to the Office of Fair Trading (OFT) about BG plc's pricing in the non-tariff market. The complaint was one of a number received by the OFT and so an inquiry into the pricing strategies of BG plc commenced. The OFT report concluded that BG plc had abused its monopoly

position through charging different prices to customers in similar circumstances and insisting on short term contracts. The issue was promptly referred to the MMC to investigate further.

In October 1988 the MMC reported that BG plc was guilty of ‘...extensive discrimination in the pricing of supply of gas to contract customers’ (MMC, 1988: 10). Having reached such a conclusion it is unsurprising that the MMC ruled that such an abuse of monopoly power was against the interests of customers. The recommendations made within the report included placing a requirement for BG plc to publish a schedule of prices to contract customers and to contract initially for no more than 90 percent of any new gas-field (BG plc Annual Report, 1989: 3). The Report intended to facilitate the introduction of competition within the contract market and contained provisions for a review of progress within five years. If sufficient levels of competition did not develop over the next five years, the MMC made recommendations for a wider reaching inquiry into whether structural change of the gas industry was required. This approach to regulation has been described as ‘regulatory handicapping’ as it provided the opportunity for new entrants to increase their supplies of gas and also to undercut BG plc having viewed the publicly available tariff structure they operate to (Helm, 2003: 246).

The 1988 MMC Report was reviewed in 1991 by the OFT in an inquiry to assess BG plc’s level of compliance with agreements made. The OFT concluded that BG plc had broadly complied with agreements but that such agreements had not altered their dominant position in the market. In the public interest the OFT sought further remedies to BG plc’s dominant position and changed approach to structural regulation

(Helm, 2003: 247). The OFT recommended that BG plc be required to release a significant proportion of contracted gas, decrease their market share in the contract segment and to separate their transmission and distribution divisions from those involved in supplying gas to customers (BG Annual Report, 1989). The report also stated that if agreement was not reached with BG plc, over how to implement these changes, a referral to the MMC would follow. In issuing this warning the OFT was supported by OFGAS, as both bodies were now committed to introducing competition into the gas market.

The initial agreement between BG plc and the OFT in 1991 included a commitment, by the former, to reduce its share of the contract gas market from 90 per cent to 40 percent and to establish a separate division to manage the transportation and storage system ‘...on a transparent and non-discriminatory basis with equal access for British Gas and its competitor suppliers’ (BG plc Annual Report, 1991: 1). In addition BG plc’s monopoly over supply in the 2,500 to 25,000 therms per annum market was removed exposing the Corporation to further competition.

For the first time BG plc now faced pressure to alter its structure and the negotiations with OFGAS highlighted important differences of opinion between the two parties as how to proceed. In particular the question of what rate of return on the gas transportation system BG plc should be expected to achieve proved insurmountable (Vickers and Yarrow, 1988: 273). This discussion became entwined with the second price control review and OFGAS indicated that it would make a limited referral to MMC on these matters. However, because of a lack of confidence in the Regulator’s approach, BG plc wanted a comprehensive review of the whole of its gas supply

business. Consequently, on 31<sup>st</sup> July 1992 BG plc made an application to the President of the Board of Trade for an MMC inquiry (BG Plc Annual Report, 1992: 3). The Department of Trade and Industry accepted the application and announced that such a review would take place.

By this time, Peter Walker had joined the BG plc Board and had been replaced by Michael Heseltine as Secretary of State for Energy.<sup>26</sup> As both individuals were of a similar political outlook BG plc were confident that a Walker-Heseltine coalition would result in an acceptable outcome (Helm, 2003: 249). However, the MMC panel included Geoffrey Whittington and Michael Beesley, both leading advocates of change in utility regulation. The former was concerned with the financial arrangements of BG plc and the latter with its structure. The recommendations of this report would radically alter the structure of the gas industry and have dramatic consequences for BG plc (see section 5.6.1 below).

#### 5.4.5 Customer numbers

Throughout this period BGC continued to expand the size of its customer base (see Table 5.7). Again most of this expansion was concentrated within the domestic market although once restrictions on converting industrial plant from other fuels were lifted in 1983 some expansion was achieved (BGC/BG plc Annual Reports, 1986-1993).

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<sup>26</sup> Peter Walker joined the BG plc Board in 1990 and remained until 1996.

Table 5.7 The growth in BGC's Customer base.

Number of customers at year end (thousands)	1980	1981	1982	1983	1984	1985	1986
Domestic	14694	14930	15135	15347	15638	15925	16189
Industrial	78	81	81	83	82	83	87
Commercial	492	495	496	499	494	499	501
<b>Total</b>	<b>15264</b>	<b>15506</b>	<b>15712</b>	<b>15929</b>	<b>16214</b>	<b>16507</b>	<b>16777</b>

Source: (BGC Annual Reports 1980 – 1986).

Total customer numbers continued to grow throughout the rest of this period with BG plc having over 18 million customers by 1993 (BG plc Annual Report, 1993: 3).

### ***5.5 Transformation (1993 – 1996)***

This period saw tensions between BG plc and the Regulator coming to a head. The outcome of these disagreements over the approach to, and nature of, regulation British Gas should face was a structural transformation of the British gas industry. Within this three year period British Gas would lose its monopoly status, de-merge into two separate companies, be exposed to competition and shed over half of its workforce. Consequently, the significance of this period for this thesis can not be overstated. It is during this time that the antecedents of the wholesale reorganisation of work, detailed and discussed in the next three chapters, are located.

#### **5.5.1 The second MMC report and the 1995 Gas Act**

The MMC inquiry, requested by BG plc, reported in 1993 and argued that there was a fundamental conflict of interest between BG plc's ownership of the national transmission system and being one of the organisations using it (MMC, 1993: 178;

OFGAS, 1994: i). In order to promote competition there needed to be a separation of BG plc's two roles. This took the OFT recommendation of creating a separate division within BG plc one stage further by calling for separate ownership of the two businesses by the end of March 1997. The report also agreed with OFGAS that the second tier of price control should be based upon RPI – 5 but with separate price controls for supply and distribution to be implemented following de-merger (OFGAS, 1993: 24).

When the Government ruled on the MMC recommendations, the situation facing BG plc changed. The MMC report required co-operation from BG plc and the agreement of the Secretary of State for Energy if it was to be implemented. The requirement to de-merge was dropped by the Government in favour of bringing forward the timetable for introducing full competition into the British gas market. The domestic tariff monopoly enjoyed by BG plc was to be phased out from 1996 and fully opened to competition by 1998. The MMC report had argued that competition in the domestic gas market should not be considered until after a de-merger had taken place (MMC, 1993: 126).

The Government's decision to drop the requirement for de-merger was in part due to vigorous lobbying by BG plc. The Corporation's fight against fragmentation had been ongoing since the announcement of privatisation. However, BG plc did agree to introduce a 'Chinese Wall' between its supply and transmission divisions and to run them as though they were separate businesses (BG Plc Annual Report, 1995: 3).

The 1995 Gas Act which provided the basis for transforming the gas industry is best seen as a compromise deal between the Government and BG plc. Again, concerns over Parliamentary timetables and a forthcoming general election influenced the approach adopted. Since the Labour Party did not oppose the second reading of the Bill lest they were seen as opposed to competition, it received Royal assent with little trouble.

The Gas Act altered the role of the Director General of Gas Supply to include responsibility for securing competition, rather than simply promoting it (OFGAS, 1994: 9). Although Nigel Lawson's arguments for introducing competition into the gas market had failed in 1986 they were successfully resurrected in the 1995 Gas Act (Lawson, 1992). The nature of regulation was to change from 'regulatory handicapping', to enforcing BG plc to lose market share. Domestic competition was to be rolled out on a phased basis starting with Cornwall from 29<sup>th</sup> April 1996. Customers in the rest of Britain would be included in the competitive market by 23<sup>rd</sup> May 1998<sup>27</sup>.

Competition had existed within the contract market since 1989, and, by 1994, BG plc's market share had declined to 27 percent (BG Plc Annual Report, 1994: 8). In the 2,500 to 25,000 therms per annum market BG plc had lost 26% of its market share within a single year (BG Plc Annual Report, 1994: 8). This early experience of operating in a competitive market concerned BG plc, prompting the Board to call for early lifting of restrictions on price control, in order that a 'level playing field' could be established (BG Annual Report, 1995: 3).

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<sup>27</sup> Domestic gas competition was introduced across Scotland and the North East of England in November 1997

### 5.5.2 BG plc restructuring

In response to the 1993 MMC Report, BG plc announced it was to restructure in order to manage the supply and transmission divisions as if they were separate entities. BG plc was split into five businesses within the domestic market: Public Gas Supply (PGS), Contract Trading, Transportation and Storage, Servicing and Installation and Retail. The new organisations were to have much flatter hierarchies and utilisation of generic job descriptions to increase labour flexibility (BG Annual Report 1993: 2).

British Gas management estimated that reorganisation would take three years to complete, cost £1,650 million and result in the loss of some 25,000 jobs (BG plc Annual Report, 1993:2). An enhanced redundancy programme was put in place to aid the reduction in staff numbers and significantly, considerable investment in information technology was planned for. The anticipated total savings of the restructuring were estimated to be £600 million per annum. The impact of the restructuring upon the size of BG's workforce is shown in Table 5.8. The actual number of jobs lost following the MMC report exceeded management estimates and was nearer 40,000.

Table 5.8 The reduction in BG plc's workforce following the 1993 MMC Report.

	1993	1994	1995	1996	1997
Number of staff employed by BG plc at year end	76500	60800	50001	48832	36616

Source: (BG plc Annual Reports (1993 – 1997)).

In addition to workforce reduction BG plc's restructuring programme was an attempt to introduce a new culture and business model to the Corporation (BG Plc Annual

Report, 1995:10). The traditional hierarchical structures and decentralised approach to customer service were seen as inappropriate for operating in a competitive environment. In particular considerable changes were to be made to the processing of customer enquiries. Investment in a new telephony infrastructure and the introduction of a new national billing system, to replace the regional systems were significant innovations. The customer service departments of BGT underwent a transformation from performing clerical processing to becoming a Call Centre.

The rate of employee departures had implications for the level of customer service offered by BG plc (see chapter eight). Between mid 1995 and early 1996 complaints about poor customer service from British Gas' call centres appeared weekly on the influential BBC consumer affairs programme 'Watchdog'. BG plc had been awarded the Charter Mark in 1993 for excellence in customer service (BG Plc Annual Report, 1993: 5), but as a result of customer service problems and rising levels of complaints that accompanied the expansion of the call centre, had it revoked in 1996 (BG Plc Annual Report, 1996: 2). As part of British Gas' license to supply gas ninety percent of calls received were to be answered within thirty seconds. During what workers referred to as the 'grade of service crisis' in 1995 less than one percent of calls was being answered within service standards.

### *5.5.3 The impact of restructure on Industrial Relations*

Although the redundancy programme is perhaps the most visible manifestation of change following the MMC Reports and new organisational structure it was by no means the only one. At the same time British Gas sought to transform the way

industrial relations were conducted. The first issue that management sought to tackle was the bureaucratic approach to industrial relations that had been the hallmark of previous years. From the organisation's perspective the turbulent environment in which it now operated required a more 'responsive' system that was able to reach agreements quickly. Although senior management at British Gas continued to see value in working with trade unions they made it explicitly clear that the terms of participation were non-negotiable. Unless the unions were willing to abandon historical practices that so effectively acted as a break on the pace and extent of change, they would lose their strategic influence. This intention to reorganise industrial relations is consistent with what happened in other organisations following privatisation (Colling and Ferner 1995, Winterton 1990, Ferner 1987, Fairbrother 1994).

Q How did all of the changes in British Gas' environment affect industrial relations?

A I remember Dave Sturzaker (ex-NALGO National Officer) coming back, just before we had the big job loss announcements [1993]. He had been up with Cedric [Brown – former Chairman of British Gas] and he took Dave through the changes that were going to come up and one of Dave's points was, the days of having lengthy working parties and all that have gone, we are going to have to make decisions quickly, we are going to have to move quickly, otherwise they will bypass us. That's what I have been told too and it's not a threat, they are just trying to get me to understand that's the way a competitive business will operate. And that is now how we operate. If you can accommodate the change and you don't get in the way, you can influence it. If you are seen to get in the way, they will just bypass you (Edward Killion, UNISON Senior National Officer, Aged 44).

Another obvious impact of organisational restructuring upon industrial relations was the almost wholesale change in personnel. On both sides of National, Regional and Local Joint Councils many chose to accept redundancy. This sudden loss of so many experienced reps at any time could not have happened at a worse time given the

implications restructuring would ultimately have on the organisation of work and members' experience of it.

Q What impact did the VR programme have on the trade union?

A We haemorrhaged expertise, at the time of the 20,000 which then became 25 which ultimately was 30 odd thousand job losses, we haemorrhaged experienced reps and we suffered for a short period of time, a year, a year and a half, whatever, we suffered. There was so much going on at the time it really was the worst time to lose so many experienced reps. It is clear to me now that we were in no fit state to hold back the tide. The other thing you have got to remember is much of the membership just had pound signs in their eyes as they were leaving on VR Edward Killion, UNISON Senior National Officer, Aged 44).

From 1994 onwards British Gas began using agency workers to cope with increasing volumes of work. No recognition agreement existed between the unions and employment agencies and these new staff saw little value in becoming members. Those long serving employees who remained with the organisation, distracted by the dramatic nature of change, often failed to establish any meaningful connection with the agency staff and consequently expended little energy in attempting to recruit them. This was the first time in the organisation's history that a significant body of non-unionised labour was present within the area offices.

#### 5.5.4 Renegotiating Take or Pay Contracts

The proposed introduction of competition into the domestic gas market created the likelihood that BG plc would be buying gas, under the Take or Pay contracts, which it could not sell. The introduction of competition would inevitably see BG plc losing significant numbers of customers and would result in the Corporation holding an excess supply of gas at a cost price higher than that which competitors enjoyed. The

future demand for gas from BG plc was now an unknown factor but the level of supply was fixed.

Initially BG plc attempted to renegotiate the contracts with the oil companies in order to reduce their future liabilities. However, there was little incentive for the oil companies to forego a future income stream from BG plc especially as they knew the Corporation had sufficient funds to meet their commitments (Helm, 2003: 253). These difficulties ultimately led BG plc to announce a de-merger of its supply business from the transmission and distribution divisions in 1996. The 'Take or Pay' contracts were placed within a new company called Centrica along with British Gas Trading (BGT), formerly PGS, Service, Retail and the Morecambe Bay gas field. The brand name of British Gas was transferred to the new company along with the customer base. The transmission and distribution businesses, along with exploration and research and development divisions, formed Transco plc.

### ***5.6 The New World (1997 – 2003)***

The future prospects for Centrica depended on its ability to resolve the 'Take or Pay' contract problem. Without Morecambe Bay Centrica would not have been viable as a supply business alone, such was the liability of the 'Take or Pay' contracts (Helm, 2003: 254). In their 1995 accounts BG plc had made a provision of £83 million to represent the difference between the purchase price of the gas paid for but not taken, to add to the £650 million already paid out (BG Plc Annual Report, 1995: 3). Such a significant burden provided the impetus for Centrica to significantly reduce costs to counter reduced revenue from gas sales and to mount a successful entrance into the

electricity market. This period also saw Centrica diversifying into overseas energy markets and into other service industries.

### 5.6.1 Competition in Gas and Electricity

The roll out of competition in the British energy market continued throughout this period. As Table 5.9 shows Centrica saw a significant loss of market share in the domestic gas market, but not to the extent of losses in the industrial and commercial sector. In total, the customer losses in the gas market equated to some five million customers. This represented a considerable loss of income and Centrica attempted to offset this by entering the electricity market with a dual fuel proposition.

Table 5.9 Centrica's market share in the British Gas and Electricity markets

Centrica Market Share (%)	1998	1999	2000	2001	2002
Domestic - Gas	82	73	69	67	64
Industrial and Commercial – Gas	24	23	24	25	27
Domestic – Electricity	3	10	15	21	22
Number of Electricity Customers	850,000	2,600,000	4 000,000	5,400,000	5,795,000

Source: (Centrica Annual Reports 1998-2002)

The timing of competition was unfortunate for Centrica as gas prices were falling due to a general excess of supply in the market. As Centrica was unable to alter its prices in the competition areas it was inevitable that competitors would take market share. Centrica's prices were fixed both by the price of gas secured under the 'Take or Pay' contracts and governed by OFGAS price controls. The new entrants to the market were able to secure cheaper gas than BG plc and to undercut other suppliers to gain market share. As electricity markets were yet to be liberalised, electricity suppliers

were able to offer dual fuel services at a time when Centrica could not (Centrica Annual Report 1997: 3).

Until the mid 1990s it was anticipated that competition in the British electricity markets would precede its introduction in gas (Centrica, Annual Report, 1999; Helm, 2003: 153). This was primarily because the electricity industry was organised on a regional basis with an allegedly more simple structure that would facilitate a straightforward liberalisation. However, due to problems in developing the necessary information technology to co-ordinate the transfer of customers between suppliers competition did not begin until September 1998. Competition was rolled out on a phased basis starting with four Public Electricity Suppliers' (PES) Areas: Eastern, Manweb, Scottish Power and Yorkshire. The remaining PESs followed between October 1998 and May 1999.

Centrica was quick to make the most of the liberalisation of electricity markets and launched a number of advertising campaigns promoting their dual fuel proposition (Centrica Annual Report, 1998: 16). Customer service staff were incentivised to promote electricity in every appropriate customer interaction (BGT, 1998). The entrance into electricity proved remarkably successful and resulted in Centrica becoming the largest electricity supplier by 2001 (Centrica Annual Report, 2001: 3). By 2002 Centrica had a customer base of 18.8 million, larger than that of BG plc prior to competition in the gas industry. The combined customer bases made Centrica the largest energy supplier in the UK (Centrica Annual Report, 2003: 3).

### *5.6.2 Diversification*

As well as entering the electricity market, Centrica diversified by offering a number of related home services. Centrica viewed itself as a customer focused organisation and adopted a broad mission of ‘taking care of the essentials’ (Centrica Annual Report, 1999: 1). The customer database was Centrica’s greatest asset and their strategy was to maximise its value by selling an increasing number of services to its customers. This meant that the call centres became sites of strategic importance and this strategy was inspired by both the need to increase revenue but also to protect market share.

In an attempt to further diversify and position itself for further liberalisation of world energy markets, Centrica acquired gas and electricity interests in Canada, North America and Europe. It is clear that Centrica recognised the importance of establishing businesses that were not subject to regulatory pressures in order to maximise the chances of survival.

### *5.6.3 Further restructuring*

In addition to diversifying, Centrica continued a plan of restructuring the businesses it inherited from BG plc. This section particularly focuses upon the reorganisation of BGT, as it is the focus of this research.

The restructuring of BGT was stimulated by the need to reduce costs in light of declining market share in gas and to improve overall profitability. At the time of de-

merger BGT was expected to face a considerable challenge if profitability was to be secured (BGT Business Plan presentation, 1997).

In 1997 the Performance Enhancement Programme (PEP) began with a wide-reaching remit to benchmark BGT operating costs against the Regional Electricity Companies (RECs) and make appropriate recommendations. The programme contained a number of distinct projects including the Reward Strategy and 'Organise to Win' (OTW).

The PEP benchmarking initiative focussed upon the cost of servicing a customer comprising of metering, billing and cash collection activities. The results emphasised that the cost to BGT of servicing a customer was £22.10 as compared with £16.30 paid by the RECs (PEP presentation 1998). The purpose of the supporting projects was to reduce this differential through making £104 million of savings in operating costs. The process of realising these cost savings would involve applying the test of 'best value' to every customer service operation. BGT would now consider outsourcing, greater application of technology and reorganisation of customer service structures to achieve this.

#### *5.6.3.1 Reward Strategy*

In 1997 BGT concluded negotiations with the trade unions over a new system of remunerating employees. Traditionally employees' salaries were determined by their place on a pay scale relevant to their job grade. The pay scales comprised a series of incremental increases with employees advancing up the scale with seniority. The salary scales were reviewed annually through collective bargaining and any increase

applied evenly across the board. Both BGC and BG plc had traditionally offered salaries in the upper quartile of the industrial and service market (BGT Reward presentation, 1997).

The new Reward arrangements introduced market related salaries comprising starter and spot salaries for each job. These salaries were obtained using market data supplied by Hay and were based upon the market median (GSSO Joint Agreement on Salaries, 1998: 1). Any employee deemed to be fully competent in their job received the spot salary with the starter salary awarded to those who were not. This agreement largely removed pay from collective bargaining with future salary increases being linked to movements in the market median salaries from the data supplied by Hay.

The move from paying salaries which were within the upper quartile to being in line with the market median resulted in 68 percent of GSSO staff being in receipt of salaries, under previous arrangements, which were higher than those provided under new arrangements (UNISON, 1997). A one-year wage freeze was introduced for these staff and an agreement reached that they would only receive half of the annual market movement until their salary was aligned with the spot salaries.

For the first time a Performance Management System (PMS) was also included within the remuneration package. This scheme provided the opportunity for employees to earn a bonus of four-percent of basic salary if performance targets were met (GSSO Joint Agreement on Performance Management, 1998: 5). For call centre agents bonus was paid if 'stretch' targets were met. Typically, these 'stretch' targets were between twenty and twenty five percent higher than the minimum expected level of

performance. The Reward Agreement was an attempt by BGT to realign remuneration with their position as a company now operating in a competitive market.

As part of the Agreement that reformed reward arrangements, British Gas entered into a Partnership deal with the trade unions. The purpose of this agreement was to 'promote a positive employment environment, based on openness, trust and confidence, whereby the major partners within the Business will work together to deliver a competitive and successful business balanced by maximum employment security' (GSSO, 1997: 1). The Agreement contained a re-deployment procedure to be used where a 'need' for job losses was identified and provisions for an 'early and timely consultation' (GSSO: 1997: 2) had failed to preserve the positions. Under the Agreement trade unions would receive an annual presentation of the organisation's business plan, including the workforce implications of any structural or operational changes planned. In recognition of workers' financial investment in the organisation, through enduring wage freezes and reductions in future salary expectations the agreement provided for a share of company profits providing that Centrica's financial performance exceeded targets. The payment was worth two percent of base salary and was non-consolidated.

The origins of the Partnership Agreement are located with UNISON's desire to maintain a strategic influence in decision making. Having subjected BGT's accounts to independent scrutiny as part of the negotiations on new pay arrangements, UNISON was fully aware of the financial pressures faced by the organisation. Recognising the likelihood that these financial pressures would subsequently lead to pressure to reduce labour costs UNISON saw partnership as a strategic response to an

uncertain future. Through the Agreement UNISON believed that they could best protect members' interests by seeking to influence decision makers at the national level of British Gas and to a lesser extent Centrica.

#### *5.6.3.2 'Organise to Win'*

Another means of achieving necessary cost reductions was the OTW project that led to a full re-organisation of BGT's Area Offices. As a legacy of the regional organisation of BGC and BG plc there were eight regional customer service offices each performing a full range of processes dealing only with customers from their geographical area. The OTW project divided these eight sites into four call centres, three billing offices and one national sales office. The call centres were in Edinburgh, Leeds, Croydon and Southampton, with the billing offices in Manchester, Solihull and Barnet. The national sales office was to be located in Cardiff and was established to foster a sales culture within BGT and manage the launch of entrance into the electricity market (OTW Business Case, 1997).

The OTW programme aimed to deliver significant cost savings through economies of scale and greater process management enabled through developing 'centres of excellence'. The 'benefits' of the new structure were intended to deliver a reduction in workforce of 927 and net revenue savings of £15.382 million over three years (OTW Business Case, 1997). With the cost of OTW estimated to be £12.25 million the potential for a one-year payback existed.

To facilitate the new structure a wholesale migration of processes between sites was necessary. This took place between 1997 and 1998 and radically altered the nature of work for the vast majority of BGT employees. As chapter seven highlights this period saw more change for customer service staff, than many had seen in their previous twenty plus years of service.

Technology was central in facilitating the new structure and the associated savings it was expected to deliver (OTW Business Case, 1997). In the Call Centres the existing ACD equipment was replaced with BT's Featurenet 5000 system that enabled in theory the creation of a virtual call centre. The intention was for the four call centres to operate as a single entity with calls being allocated to free agents in whichever call centre they were located. This system allowed specific call types to be directed to appropriately trained agents and therefore aimed to increase productivity through reducing 'idle time'. In the Billing centres scanning of documents, automated processing and electronic forms were to be utilised to increase the speed of processing and reduce errors.

The new structure was BGT's attempt to react to the changed environment it faced. By re-organising along process lines the company was attempting to be able to react to changes in market share by closing offices. Shortly after OTW was completed the Croydon and Barnet offices were shut with the loss of 1200 jobs (UNISON 1998). As chapter seven shows, particularly in the case of Croydon, the closures were not down to a reduction in workloads but rather BGT wanting to increase productivity levels by getting the work done through less people.

The OTW project was the first to happen since the Partnership Agreement had been signed. The trade unions co-operated with the project despite reservations that the new structure would render office closures more likely given the economies of scale that were to be expected. Having recently signed the Agreement and after almost a year of negotiations to keep the offices open, the trade unions accepted the closure once they had secured enhanced redundancy pay, careers advice and access to help with gaining new employment for those affected.

## ***5.7 Summary***

This chapter has presented the significant economic, political, legislative and regulatory changes that have had far-reaching impacts upon the operation and structure of British Gas. Since 1979, the established structures have been subject to privatisation, marketisation and restrictive regulation. At times change was incidental, at others qualitatively significant. In all an accumulation of changes at a macro and organisational level ultimately had a significant impact on the way work was organised and experienced.

Yet, the process was not direct and immediate, but indirect and delayed. Nevertheless, the accumulated pressure of external and internal change coalesced in the period 1993-1996 and subsequently led to the most significant changes in work organisation and the labour process. This period involved the gradual erosion of BG plc's monopoly of supply and ultimately led to the company's break up. The influence of neo-liberal political ideology exercised through the actions of OFGAS and the MMC was to transform the nature of the gas industry.

The next chapter examines how these macro level changes impacted upon the organisation of work. Many of the organisational responses detailed in this chapter had wide reaching consequences for those employees that experienced them.

## **Chapter 6 – The Changing Organisation of Clerical Work at British Gas**

### ***6.0 Introduction***

This chapter is the second of three empirical chapters and presents a detailed account of changes in the organisation of clerical work at British Gas. The approach taken is predominantly descriptive with the significance and meaning of findings explored in chapter nine. The primary purpose of this chapter is to reconstruct previous clerical labour processes in order to highlight objective changes in the nature of work. The ways in which research participants experienced these changes and their personal accounts of meanings they attach to them are dealt with in the next chapter.

This chapter is organised into three sections, each examining a particular time period in the organisation's history. It is argued here that each period is significant for understanding changes in the organisation of clerical work at British Gas. However, these time periods differ from those utilised in the previous chapter as if to emphasise the absence of direct correlation between external shocks in British Gas' operating environment and changes in work organisation. Within each section a number of sub-sections focus upon defining features of the organisation of work which emerged from the data as most significant and interesting. Taken together they provide the reader with as complete a reconstruction of past labour processes as is possible given the limitations of the research project.

Within British Gas there existed a diverse range of clerical processes, requiring various levels of knowledge and time to complete and were performed by workers within a hierarchy of clerical positions. Given such situational factors the researcher is faced with choices over how to adequately present findings on the nature of work, in order that the reader can assess their credibility and reliability and subsequently, gain sufficient insight and understanding to evaluate arguments presented throughout this thesis. As such the account that follows is not intended to represent a complete assessment of *all* clerical functions performed at Granton House. Rather, the purpose of the following sections is to provide an account of the organisation of archetypal clerical processes that demonstrate the stark contrasts between the nature of back-office and call centre operations.

The following sections reconstruct the labour processes of clerical workers from the Records and Billing, Metering, Debt Control and Cash Receiving departments. These four departments together comprised the core of the British Gas billing process and as such were of critical importance in valorisation. Given, the changing political and economic environment that British Gas has operated in during the previous forty years, it is perhaps unsurprising that the organisation of such a core set of processes were radically transformed. Chapter six has already shown that expanding the customer base, ensuring data accuracy, cash collection and minimising bad debts had been longstanding objectives of British Gas. It was within these four departments that work processes were designed and performed in an attempt to realise these objectives. Historically, these

departments comprised between sixty and seventy percent of clerical workers at Granton House.

For the purposes of this study, these departments provide an excellent basis for drawing the contrast between back-office and call centre operations. All records, billing and debt *functions*, and most of those in metering, continued to be performed in the new call centre environment, even though the *process* changed. The clerical workers interviewed, therefore, typically remained within the same area of work, although labour process and task performance changed with the call centre's advent. In sum, this study benefits from examining discontinuities in work organisation and task execution within similar broadly-defined business functions.

## ***6.1. 'Before the Flood' – The Organisation of Clerical Work Prior to the Call Centre (1970-1995)***

### *6.1.1 Work Organisation*

Here we consider clerical work in the three most important departments; 'Records and Billing', 'Metering' and 'Debt Control'. While work organisation was not homogeneous across Granton House and discrete paper-based clerical routines existed, and while differences existed between departments in terms of, *inter alia*, levels of required knowledge and time to complete tasks, it is possible to provide an overall, archetypal

depiction of the nature, experience and ethos of clerical work that prevailed during the 1970s, throughout the 1980s and even, to a lesser extent, into the early 1990s.

#### **6.1.1.1 Records and Billing**

In the largest clerical department, Records and Billing, 250 clerks were responsible for creating and maintaining accurate customer records and producing bills. Distinct sub-processes included meter installations, removals, exchanges and billing. Customer correspondence was also answered within the department.

Clerical work at Granton House was stratified with several distinct hierarchical grades in each department, and employees performed tasks commensurate with their seniority and/or level of knowledge. Included within each department was a group of clerks responsible for sorting out the mail and dividing letters and job cards by process. The most straightforward clerical processes within Records and Billing were creating accounts and cancelling and reissuing bills and these were typically performed by new starts. In line with the other departments discussed below clerical work within Records and Billing was organised on a geographical basis, with a team of clerks responsible for one of six areas<sup>28</sup> and employees allocated to a specific process type.

Clerks working on cancelling and reissuing bills worked through bundles of tear off slips that customers had detached from their estimated gas bills and upon which they recorded

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<sup>28</sup> The six geographical areas covered by Granton House were Glasgow, Renfrewshire, Central Scotland, Edinburgh, Tayside and Aberdeenshire.

their meter reading. Clerks viewed customers' accounts on the organisation's mainframe computer and ensured the meter read was consistent with the last actual reading.

It was not until 1986 that all clerks in Records and Billing had a computer on their desk and could complete the process of cancelling and reissuing bills through direct input onto the customer's record. Prior to this time, access to a computer was restricted, as each department shared a pool of terminals and sections of clerks were allocated a specific time period in which they could use them. Clerks organised their workload around their sections' allocated two hour slot at one of the computers. During this time clerks would check and verify as many of the customer readings as possible and make a note of the action they needed to take. It was largely left up to individual clerks to organise how the section's computer time would be allocated between workers. Typically, this process was determined largely by workloads, and was achieved informally with clerks taking it in turn to draw up a rota allocating individual clerks to specific time slots each day.

During periods of high workload it was often not possible to check all of the meter readings during their allocated time slot so clerks often attempted to secure computer time allocated to other sections within Records and Billing. Clerks would approach their colleagues in these sections and attempt to secure any time which was to be unused. Although it was supervisors who were responsible for initially allocating computer time to each *section* they took no part in this informal process of *reassigning* access. This is just one of many examples of supervisors having relatively little involvement in the management of individual clerks' workloads (see section 6.2).

Having verified the details provided by the customer, the clerk would cancel the appropriate number of estimated accounts and re-bill the customer. In order to do this a number of manual forms were raised and passed to the Punch Room for processing. The information was then updated onto the customer's account details held on the mainframe and a bill automatically issued.

Q So tell me how you actually cancelled and reissued a bill...

A Say they had five bills that were estimates you had to cancel, that was five manual forms you had to complete. The first just showed the amount of money that the bill was for but you had to work that out yourself...no systems in place to do it for you back then. You had to divide it up into amount of gas used by converting units used into therms and calculating the cost, add the VAT and standing charge and record the figure. You then had to copy the details of the bills you were cancelling onto paper forms and place them all in order with your new bill at the front. The Punch Room would only punch things in the order that you gave them so you had to get it right or it would screw up the record (Margaret Norris, CSA, Aged 47).

Clerks raised these paper forms during the parts of the day in which they did not have access to the computer.

Having demonstrated competence completing the simpler tasks clerks were typically transferred to more challenging or responsible roles. One such process was the finalisation of accounts following a change of tenancy. Although not particularly complex the consequences of making errors in finalising accounts were more serious than those in cancelling and reissuing bills. If accounts were incorrectly finalised it could lead to debts being assigned to the wrong customer, problems in gaining warrants of entry to disconnect supplies at a later date or effect all subsequent bills.

Clerks working within this section were allocated bundles of meter readers' job cards, customer letters, bill stubs and internal forms sent from the gas showrooms. To maintain the integrity of the organisation's customer database British Gas required meters read each time a change of tenancy occurred. Upon receipt of work, clerks would check customers' accounts and establish what action was necessary. Again clerks would record any action to be taken on the paper-work and process it when back at their desk. The process of finalising an account may have involved arranging a meter reader to collect the final read, actioning the returned readings or re-billing an account that had previously been finalised to an estimated reading where an actual read had subsequently been submitted or obtained.

Like most of the clerical processes at Granton House finalising accounts involved clerks passing information to other departments to action, such as arranging a meter reader to visit a particular property, and then receiving the resulting information back to process. To obtain a final meter reading the clerk had to complete a metering folio with the customer's name and address, last meter reading, meter serial number and then pass this to the metering department for issue to a meter reader. Upon receipt of the final read and having verified the details on the computer the clerk then completed a number of paper forms to raise a bill and finalise the account. Details of the final meter reading and the previous actual read were recorded along with any known forwarding address, date of reading, bill amount and name of new tenant where this was known. These forms were then passed to the Punch Room to input onto the mainframe in order to update the customers' records.

The most experienced and knowledgeable clerks were responsible for updating customer records following meter exchanges or removals. Again the consequences of making errors whilst performing this activity meant that supervisors ensured that only those clerks who had proven their abilities were given this work. If incorrect meter details were input onto records, the whole billing process, including debt collection, was disrupted. All of the clerical activities performed on customer accounts depended upon accurate meter details having been input with the correct opening read.

In updating meter records, clerks worked off engineers' job cards which recorded the details of the exchange or removal. Meters were *exchanged* due to faults, age or a conversion from prepayment to credit payment terms. Meters were *removed* following disconnection of supply for non-payment of accounts or as a result of a property being demolished. Reasons for the exchange or removal determined the particular range of tasks which clerks were required to complete. For meter removals, the clerk would complete the necessary paperwork to request that a final bill be issued. For meter exchanges, the clerk would record the exchange details on one form, the new meter details and opening read on another and finally, any outstanding balance on a separate form. The completed forms were then sent to the Punch Room to update the customers' records.

In 1980 this process was the first to have access to direct input onto the customer database. Rather than passing the completed paperwork to the Punch Room clerks passed

it to one of two input clerks within their section. The input clerks had a computer on their desk and once the details were checked input them into the relevant input fields on a number of different pages. These details were then updated overnight. Following pressure from the trade unions this newly created post was regarded as an S3, equivalent to that of a Senior Clerk. By 1986 clerks within Records and Billing had a computer each and were able to input directly onto the customer's accounts. However, they were not awarded a re-grading as by this time most clerical workers in Granton House were using computers for direct input. It would appear that the trade unions had been able to secure the re-grading for the initial input clerks due to the scarcity of experience in data entry. User guides were written to provide clerks with a step-by-step guide as to how input data onto the computer and the original input clerks acted as team experts.

#### **6.1.1.2 Metering**

Metering clerks were responsible for administering the meter reading process. Customer correspondence was also dealt with. The Metering department worked closely with Records and Billing and were jointly responsible for the billing process.

The main responsibility of metering clerks was to manage the allocation of workloads to meter readers in order that each customer's meter was read twice a year. A team of clerks were responsible for each geographical area and worked from print outs detailing all meters which were required to be read in any given quarter. The print-outs listed properties by 'walk order' which ordered premises by proximity to each other and provided an optimum sequence in which to read meters in each area. The role of the

metering clerk was to divide their area's walk order into manageable daily workloads for each meter reader they were allocating jobs to. In conjunction with the Metering manager each clerk agreed what constituted an achievable number of visits within a day depending upon the size and population density of their area. Having agreed this maximum daily workload the clerk divided the walk order accordingly to ensure that within the next thirteen weeks all premises were visited.

Print-outs detailing the walk order were received by clerks a day before the metering folios (job cards), in order that the first week's work for each area could be planned. Clerks were advised how many meter readers were working in their area each week and planned workloads accordingly. As the availability of meter readers varied each week due to illness, holidays and other absences the clerks only planned work one week ahead. In planning workloads, clerks had to take into account the number of ad-hoc requests for readings, pre-warrant reads<sup>29</sup>, work from previous week's allocation that had yet to be read and those customers requiring their meter to be read monthly. Having marked off on the walk order the premises to be visited the following week the clerks would then locate the appropriate folios and batch them into bundles of two hundred, with a cover sheet detailing the walk order numbers. These work requests were then issued to the Metering Managers in the regional depots to allocate to specific meter readers to visit the following week. The metering clerk would then record on the print out how many folios were issued, which parts of the walk order they covered and when they were issued.

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<sup>29</sup> As a safety requirement all meters had to be read at least once every two years. If a meter had not been read for eighteen months a pre-warrant letter was issued to customers advising them that unless a reading was obtained that a warrant would be obtained to gain access.

As the meter readings were obtained they were recorded on the folios and passed back to the Metering department. The clerks then marked on the walk order print that they had been received. The meter readings and date of visit were then recorded on a manual form and passed to the Punch Room to input onto the customer's record. The meter readers retained the folios for any properties where s/he had been unable to visit or gain access so that they could visit them again later.

At the end of each month a mainframe generated report was produced which listed all of the premises at which meter readings had been obtained. The purpose of this report was to allow clerks to assess the accuracy of their manual records and to monitor progress against the walk order. Where incorrect meter readings had been input onto the mainframe clerks had to raise manual forms to amend the reading and arrange for the customer's account to be cancelled and reissued. A further report was generated daily that detailed folios that had been issued seventy days ago and that no reading had been recorded. The clerks had to liaise with the Metering manager in the relevant regional depot and attempt to find out what had happened to the folio. Where paperwork had just not been returned but a read had been obtained the clerk would send the reading to the Punch Room in order to get it updated on record. Eighty days after the folios were issued the mainframe calculated an estimated account for each account that did not have a meter reading returned.

In 1981 the role of the metering clerks was segmented into batching work and input work. Two new roles of Batching Clerk and Input Clerk were created with the latter

receiving a re-grading, as had occurred in Records and Billing the previous year. The impact of this change was that Batching Clerks retained responsibility for the issuing of work and booking in returned folios, investigation of missing folios and liaising with the regional depots. In addition batching clerks also had to sort the returned folios into the various work types, batch them into bundles of fifty and attach a control sheet detailing date received, batch number and job type. This information was then recorded in a ledger and the work placed in a basket for the Input clerks to process. The Input clerks entered the information from the folio into the relevant computer screens and indicated that the folio had been cleared. The Batching Clerks recorded daily batch clearances in their ledger and monitored outstanding workloads within the department.

As throughout the early 1980s British Gas successfully expanded its customer base there were increased numbers of premises needing visited and billed. Like most of the clerical activity within Granton House, Metering was labour intensive and delays in inputting meter readings delayed the issuing of bills, and hence affected the organisation's cash-flow. In 1984 in order to reduce the time taken to input the readings two scanners were purchased. The Metering folios were adapted so that the scanner could read the information and record it on a magnetic tape that could then be read by the mainframe. Thousands of folios could be read each day and the process only required one person to load and monitor the scanner. The purchase of the scanner saw the input clerks reassigned as batching clerks to assist with allocating the increasing number of folios to the meter readers.

The process of inputting meter readings was fully automated in 1993 when the meter readers were issued with hand held terminals into which they recorded their readings. Each night the meter reader downloaded their data file through a phone line and onto British Gas' mainframe and the information was updated onto the appropriate accounts and bills issued.

### **6.1.1.3 Debt Control**

Debt Control managed unpaid domestic accounts in line with the Debt and Disconnection Policy which formed part of British Gas' statutory license of supply. Clerks issued standard letters to customers, dealt with the responses, answered incoming calls and set up payment arrangements with customers. As warrants were required to gain entry to customers' property and disconnect supply in circumstances of unpaid debt, clerical work here was more regulated by company procedure than in other departments.

Print-outs detailing accounts unpaid thirty five days after issue were generated automatically by the mainframe and were processed by clerks in Debt Control. Standard letters were written to customers offering payment plans, prepayment meters and advising them that their supply would be disconnected if the account remained unpaid. Before computerisation the content of these letters was dictated onto a tape and passed to a typing pool for transcription. Once typed the letters were returned to Debt Control where clerks checked them, sent them to customers and placed a copy in the customer's file.

Unlike in other departments, clerks within Debt control received telephone calls from customers seeking to make arrangements to settle their account. Clerks worked in groups with workloads organised in the same geographical section seen elsewhere in Granton House and shared a phone with one other colleague. In stark contrast with the call centre that subsequently replaced this department, these calls were not scripted, monitored, recorded or subject to qualitative or quantitative targets.

Four clerks were responsible for debt follow up in each of the six areas. In response to customer requests, clerks would complete paper forms to set up a payment plan, arrange an installation of a prepayment meter or re-bill the account if the debt was based on an estimated read. Forms that required payment plans to be set up were passed directly to the Punch Room for input. The remaining forms were passed to Records and Billing and Metering as appropriate.

If the accounts were left unpaid after forty two days another print was generated and this resulted in a different group of clerks arranging for a Debt Rep to visit the customer in an attempt to gain payment or arrange for a prepayment meter to be fitted. On a daily basis clerks received a job card for each outstanding account and were responsible for planning a visit from a Dept representative and writing to the customer advising them on which date they would call. The job cards along with copy of the letters sent to customers were issued to the Debt reps on a daily basis with visits planned at least seven days in advance. For each geographical area there were between two and seven British Gas Debt

representatives who were based at the regional depots. Debt reps visited specific towns within their geographical area on specific days and clerks had to plan workloads accordingly. In conjunction with Debt supervisors in each depot clerks agreed upon the number of visits that could be completed each day.

Having visited a customer the Debt rep would return their job cards along with details of what action needed to be taken. Clerks would then complete appropriate paperwork in order that the appropriate action could be taken. Where a Debt rep was unable to secure appropriate payment terms from customers the account was progressed for disconnection. Clerks would write to the customer advising them that a warrant of entry was being applied for and the date that their supply would be disconnected. A warrant for entry and disconnection of supply detailing the amount owed, the date of the last visit and the date of the planned disconnection would be raised by the clerk and signed on behalf of British Gas by a supervisor. The warrant along with a copy of a letter sent to the customer was issued to the Debt rep seven days in advance of the visit. The warrants were then taken to a Justice of the Peace and authorised.

Debt reps rang the bureau each day to establish whether arrangements for settling accounts had been made with customers who were due to be visited. The same check was made immediately before disconnecting the supply in order to avoid any illegal disconnections. Following the disconnection the job card was returned to the debt clerks who updated the details on the customer's file and passed the information to Records and Billing for processing.

The organisation of this work remained largely unchanged until the work migrated to Oldham in 1995. The only notable changes came with the introduction of direct input to Debt Control in 1985 when clerks were able to raise the standard letters themselves using a word processor. The following year clerks were also able to set up payment arrangements and arrange meter exchanges through the computer rather than completing manual forms.

#### **6.1.1.4. Cash Receiving**

Within cash receiving clerks were responsible for sorting customer payments, allocating them to accounts and performing a range of elementary accounting procedures. In total an average of thirty clerks worked in cash receiving.

Upon joining cash receiving, clerks were typically assigned to the department's most basic activity, payment processing. Until the mid 1980s, as with all other clerical processes at British Gas, this activity was a manual process due to the absence of computers. Another contributory factor in determining the manual nature of this process was the relative immaturity of the direct debit scheme. Until the mid 1990s customers favoured payment by cheques, postal orders, cash or gas stamps, and such behaviour therefore required a clerical process to ensure payments were correctly posted onto accounts.

Customer payments were received in the mail each day and junior clerks sorted them by type. Clerks then recorded the amounts paid and noted which accounts they referred to. These details were recorded in a ledger which detailed customer reference number, date, payment slip number and amount of payment made. There was a different ledger for each of the six geographical areas and at the end of each day one clerk was responsible for totalling the amount of payments processed and recording it in the ledger. A batch number was assigned to each day's work and the details were then ready to be posted on to the customers' accounts.

To assign payments to a customer's account clerks recorded the details onto paper forms which were then passed to the punch room where operators prepared the data to be entered onto the mainframe. This activity was performed by a different group of clerks than those responsible for sorting the mail and recording the details. Typically, this role was performed by clerks above the age of eighteen and with a minimum of a year's service.

It took one working day for the Punch Room to process the information and produce a report showing what had been recorded on the mainframe. Upon receipt of this report clerks in Cash Receiving then checked details on the report against the entries in the ledger to ensure that no errors had occurred in inputting the data onto the mainframe. This verification process was performed in the afternoon of each day. Any information that was incorrect had to be amended through completing another manual form indicating the incorrect data and stating what it should be replaced with. Following an amendment

another report would be generated for final verification. Each team of clerks were responsible for ensuring the accuracy of customer accounts within their area.

In 1984 a Comptometer was introduced into Cash Receiving which automated the transfer of many payments onto customer accounts and altered the organisation of work. From this time all tear-off slips from the bottom of a customer's bill were separated from other payment forms. Details from these slips were still recorded in the ledger in the same way but were not entered onto forms for the Punch Room. Instead, the slips featured barcodes that could be scanned by the Comptometer which then produced a magnetic tape that was fed directly into the mainframe. The processing of all other types of payment remained the same.

The Comptometer dramatically sped up the processing of payments but did not result in a reduction in manpower. As chapter five demonstrated, this period saw yearly increases in customer numbers for British Gas and the organisation was attempting to reorganise labour processes to cope with this. The introduction of the Comptometer saw four clerks moved away from processing payments and given responsibility for resolving enquiries from the Gas Showrooms. As British Gas expanded its customer base it also raised its profile in the High Street through opening new showrooms. Increasingly throughout the 1980s these showrooms became the primary means of customers raising queries about the accounts. Where a customer had an enquiry regarding a payment they had made on their account the showroom staff would contact Cash Receiving. After consulting the relevant ledger the clerks, now assigned to this role, would advise the showroom staff what to inform the customer.

### *6.1.2 The Importance of Knowledge*

Until 1993 clerical work was stratified, with several distinct hierarchical grades in each department, and employees performing tasks commensurate with their seniority and/or level of knowledge. BGC typically recruited 'new starts' as juniors aged 15-17 and assigned them to routine activities such as sorting mail and counting job cards, and only when deemed 'responsible' were they moved to customer account work. This indefinable attribute of 'responsibility' was acquired by 'new starts' through observations of more experienced colleagues and formal training. It was, though, more a rite of passage based on the judgment of experienced workers than the product of formal supervisory assessment. Clerical pay-scales reflected this calibrated hierarchy, with grades ranging from S1, for routine batching and counting roles, to S3 for Senior Clerks who had 'team expert' roles and, perhaps, some supervisory responsibility. The bulk were within the S2 pay-scale, dealing with routine customer enquiries and planning work for operational staff.

This premium placed on knowledge was not a result of pressure from the trade unions, but rather a pragmatic safeguard against costly processing errors. As up until the early 1980s processes were almost exclusively manual operations there were no 'intelligent systems' to assess the appropriateness of the actions the clerk was requesting. Consequently, British Gas sought to minimise exposure to costly errors through controlling which processes clerks performed. The organisation of clerical work at British Gas was premised upon the basis of specialisation.

### *6.1.3 The Pace of Change*

Until 1993 clerical work was performed within a relatively stable environment. Following their recruitment clerks were allocated to a department and they soon came to realise that it was unusual to be asked, or to request, to transfer to another. In the main this stability was the result of the importance placed on specific process knowledge already discussed. The data collected demonstrates that participants saw little change, considered significant, prior to the voluntary redundancy programme in 1993.

Granton House was the Regional headquarters of British Gas (Scotland) and as such decisions on the location of clerical processes were made 'in-house'. Perhaps the only significant process migrations seen followed the decentralisation of certain clerical processes to regional depots between 1976 and 1976. Up until 1995 clerks worked under narrowly defined job descriptions with titles such as 'Records Clerk' or 'Cash Receiving Clerk' and this necessarily constrained management's ability to move staff between departments. However, there is also a noticeable lack of changes in processes and procedures. One of the participants emigrated to South Africa for ten years (1975-1985) and reported surprise at the lack of change she noticed on her return:

Q After returning to work at Granton House after a ten year absence how had things changed?

A To be honest I was quite surprised how little it had changed. I was very surprised actually. I thought there would have been massive changes but there wasn't really, to be honest. I still found my way around the place and knew what I was supposed to be doing. I just seemed to remember, no problem at all. (Frances Cartwright, CSA, Aged 54).

The redundancy programme of 1993-1995 saw the introduction of new generic job descriptions and heralded a noticeable increase in the pace of change. The organisation of Granton House into process-based departments occurred when the site was opened in 1969 and in the main was retained until 1997 when the OTW programme saw Granton House become a Call Centre<sup>30</sup>.

#### *6.1.4 The Culture and Social Relations of Work*

The work culture of Granton House was the product, and legacy, of a nationalised industry, having developed in a period of corporatism. It also reflected its institutionalised industrial relations framework, in which trade unionism exercised considerable influence. Without romanticising what was indisputably the performance of routinised white-collar work, since a premium was placed on clerical knowledge and professional service, it would be more apt to characterise the labour process as ‘responsible autonomy’ rather than ‘direct control’. Workers demonstrably enjoyed a level of discretion within their quotidian work routines, being relatively free to visit the canteen, take comfort breaks and converse with colleagues.

Q Were there any work breaks provided apart from lunch?

A Used to go to the canteen but it wasn’t an official break as such. Never, as long as I have been here have there been official breaks at all although we have always been trying to get them. It never seemed to be a problem going to the canteen at half nine or twenty to ten. Obviously the place didn’t clear but folk going back and forward. I think as long as you did your work they didn’t mind you going to the canteen for whatever or going for your coffee and things like that. It certainly wasn’t restricted as in, you know, timed at the toilet or

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<sup>30</sup> There were process migrations in 1995 when the business units were formed. For example any processing work associated with Service work migrated to Uddingston, the location of the Scottish Gas Service headquarters.

somebody watching. You were free to walk about (Margaret Norris, CSR, Aged 47)

Symptomatic of the relatively relaxed atmosphere were attitudes to working time. Following the introduction of flexi-time in 1976, clerks managed their own work time provided by month end they had met their contractual obligations. There was a tacit understanding that clerks would collectively agree working hours to ensure sufficient staffing levels throughout the day.

#### ***6.1.5 Supervision and the absence of performance management***

Given the diverse range of clerical activities performed at Granton House it was not surprising to discover that the role of the supervisor differed across departments. From the data collected it is clear that these differences can in part be attributed to the nature of work being performed. The relatively informal work environment of the clerical operation and the nature of work afforded the opportunity for supervisors to adopt differing approaches when overseeing their team. Although different styles of supervision were accepted by senior management, a supervisor's responsibility to ensure that 'the work gets done' necessarily placed limits on the breadth of a range of approaches. Although supervisors did not have a completely free choice over how to 'manage' their clerks they were afforded considerably more discretion than they would enjoy in the Call Centre.

### **6.1.5.1 Records and Billing**

Within Records and Billing the supervisor's primary responsibility lay in managing the various workflows within the department. The wide range of processes required the supervisor to make decisions on prioritising particular tasks and allocating work accordingly. Consequently, Records and Billing clerks had a higher level of contact with the supervisor than those in other departments. At the start of the day the clerk would see their supervisor and receive an allocation of the work that had been prioritised. Throughout the day supervisors collected completed work, recorded clearances and issued additional work. As supervisors were appointed from within the teams they were familiar with the work their clerks were doing and were able to provide support and guidance on complex cases. Supervisors within Records and Billing were seen as 'technical experts' and were typically appointed because of their extensive process knowledge (see section 6.1.2).

Clerks within Records and Billing were expected to complete daily worksheets detailing the number of clearances that had been completed that day. The worksheets detailed the various clerical processes that were performed within the department and clerks simply recorded their total clearances against each one. These worksheets were to assist the supervisor manage workflows, rather than being used as a performance management tool. Clerks did not receive feedback on their output levels and no formal performance targets were in place.

However, evidence was found of informal work norms existing for each process. The specific origins of such norms is unclear with clerks only able to report that they became aware of a 'typical' day's clearance through observation of others and in some instances had been advised of them by the clerk who initially trained them<sup>31</sup>. These work norms seemed to facilitate the daily clearance of workloads within the duration of the working day. Clerks were rarely asked to assist other departments and these work norms helped ensure that the typical volume of work received each day was sufficient to occupy the clerk for the whole of their working day.

Q Was there any monitoring of work or performance targets in Records and Billing?

A Not really. You did a worksheet but it was just basically so they could do the figures (clearances), what you got in, what you cleared etc. It was up to them to make sure that the work was done. If the work was cleared you could relax. (Nellie Saunders, CSA, Aged 51)

Supervisors recorded clearances on a department wide basis rather than by individual and indeed clerks were not expected to submit their name on the worksheet. Instead, on each supervisor's desk was a register in which the clerk was expected to place a tick against their name after submitting a worksheet. The supervisor would then ensure that the number of worksheets received was the same as the number of clerks present that day. The system was run largely on trust with little means of clarifying who had not submitted a worksheet if the numbers did not tally, other than asking. The completed work such as meter reading cards or meter installation reports provided the supervisor with a manual means of verifying that the number of clearances claimed matched the actual total processed. The research respondents reported that they only saw supervisors physically

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<sup>31</sup> During the interviews the researcher did explore whether the purpose of these work norms was to restrict output in some way. However, no evidence of such activity was discovered.

checking totals periodically as a means of ensuring that workflow totals were correct. Typically, this manual checking was done a couple of times a year.

### **6.1.5.2 Debt Control**

Within Debt Control supervisors fulfilled a similar role as their counterparts in Records and Billing. Here supervisors were responsible for allocating work and ensuring that incoming calls were answered. Supervisors also took over complex calls and dealt with customers who wished to escalate their call. However, the technical element of the supervisor's role had an added dimension within Debt Control and was a key responsibility. Although clerks planned warrants and issued them to the Debt Reps the responsibility for their final authorisation fell upon supervisors. The supervisor was responsible for ensuring that the disconnection policy had been followed correctly prior to the warrant being executed.

### **6.1.5.3 Metering and Cash Receiving**

The nature of work within Metering resulted in supervisors having little involvement within the work of clerks. Within Metering clerks were relatively autonomous and supervisors' primary role was in managing the workflow across the department. It appears to have been common for supervisors to spend large amounts of time away from the section leaving clerks unsupervised.

Clerks were required to provide weekly updates to supervisors detailing progress of the meter reading returns against plans. Supervisors were responsible for compiling reports on the number of estimated readings that were to be issued and to manage the Must Read process. In addition the supervisor acted as a link between the clerical teams in Granton House and the Meter Reading staff based in regional depots. In Metering, supervisors were often seen as remote and benign figures:

Q So how much contact did you have with your Supervisor in Metering?

A As little as possible (laughs). They were only really there if you had a problem or needed to book a holiday. You were in full control of your job and you had sort of a routine where things were done on a certain day. You just got yourself through. A lot of it was preparation for the metering folios coming up, that kind of took up a lot of time. You got left alone to get on with it. You did it yourself. No one chased you. No one said that you had to do this. You knew what you had to do and you did it. (Sally Burnett, CSA, Aged 52)

Similarly, supervisors within Cash Receiving had little involvement with the work of their clerks. Despite the fact that clerks were making decisions regarding payment of accounts which had financial implications, supervisors did not closely scrutinise the work of their clerks.

Within Metering the nature of work again influenced the approach to measuring work output. Clerks' performance was largely assessed against whether the objective of issuing the required volumes of work each quarter was achieved. Any failure to issue work in a planned and controlled manner across the quarter would result in the meter readers either having too little or too much work. As the work was issued from the metering clerk to the Senior Metering Inspector progress against anticipated plans was monitored. However, it

is important to note that the nature of this monitoring was geographically remote in nature and was not primarily an assessment of the quantity of work performed each day.

The pace of work within Metering was fairly steady throughout the year as equal amounts of work were allocated to meter readers each day. The amount of returned work to process depended upon the relative success of meter readers in securing readings. Towards the end of the quarter clerks would often find the volume of returned work increased as meter readers worked overtime in an attempt to complete their quota of readings.

Whilst there were differences in the role of the supervisor across departments a number of generalisations can be made. The main duties of the clerical Supervisor involved managing workflow, making decisions on the prioritisation of work-streams and the allocation of work. The supervisor typically had little direct involvement in the work of their teams although in Cash Receiving and Debt Control they did have responsibility for authorisation of requests from clerks. The nature of supervision was relatively distant and rarely restricted the autonomy of clerical workers in organising their work.

Within all four clerical departments management recognised that the manual nature of clerical processing, and the wide variety of customer enquiries, necessarily resulted in highly differentiated levels of output from clerks. There was a tacit understanding that certain clerical duties took longer than others and supervisors were sensitive to the fact

that performance levels would vary across their section and from day to day depending on what tasks were being performed.

Q So what was the pace of work like in Records and Billing?

A Depended on how much work you had (laughs). Basically if you only had half a basket of work you would make it last or if you were a bit tired you would just take it easy. Nothing was really ever said. As I said I think they just accepted that you had your good days and your bad days because you could get work that was awkward. Everybody knew the area that I worked on [Glasgow] was a bad area and your meter inspector could have had a bad day and his notes and everything were a mess or he wasn't able to read many meters. It was accepted that some people did x work and others y basically (Rachael Jones, CSA, Aged 46)

## ***6.2 'The Old Order is Rapidly Fading': The Emergence of the Call Centre (1995-1998)***

While the preceding period had witnessed minor, incremental adjustments in work organisation, the years 1995 to 1998 represented a watershed at British Gas' Granton House. Reorganisation was abrupt and far-reaching, constituting a profound discontinuity in clerical processing and customer servicing. More change occurred in this concentrated burst than had taken place in the previous quarter century. Pivotal to the transformation was the introduction of sophisticated call centre technologies, which facilitated radically new job design and social organisation of work. By the early-1990s, when BG plc management were forced to confront the central problem of labour cost reduction, there were abundant examples from financial services and telecommunications of the benefits that the lean production call centre model could bring; remote servicing, economies of scale, an augmented division of labour, the unprecedented measurement of output in clerical work, close monitoring of workers and radical innovation in the use of working time.

## *6.2.1 Work Organisation*

### **6.2.1.1 Records and Billing**

The introduction of a new billing system Tariff Gas Billing (TGB) in 1995 automated the updating of meter exchanges and removals as details were received from Transco via a data transfer. By this time a separate Home Movers telephone Bureau had been established to finalise customer accounts. Many of the Records and Billings clerks left during the voluntary redundancy programme and of those that remained with the company most transferred into Home Movers. A small team of clerks was retained in records to act as a liaison team with Transco. However, in 1997 this work was also migrated to Solihull as part of the OTW programme and these workers joined the newly form 'Pre-payment' call centre, taking calls from customers with token or card meters.

### **6.2.1.2 Metering**

The introduction of TGB in 1995 also automated the process of dividing walk orders and in 1997 all remaining back office metering activities were migrated to Manchester. Metering clerks underwent telephone training and formed a small bureau dealing with customer requests for meter readings and responding to Must Read letters sent by clerks in Manchester. However, by 1998 this work too was moved into the General Bureau and the metering clerks became call centre agents dealing with a wide range of enquiries which are discussed below.

### **6.2.1.3 Cash Receiving**

Throughout the latter part of 1980s and the early 1990s direct debit became increasingly popular amongst customers and British Gas saw advantages in promoting its adoption in an attempt to minimise bad debts. The expansion in the number of direct debit customers and the emergence of telephone bureaux led to the closure of Cash Receiving in 1995. A centralised Remittance Processing Agency (RPA) was established in Oldham which dealt with all payments received by British Gas<sup>32</sup>. Customer enquiries from Scottish customers regarding payments were retained in Granton House but were dealt with by the newly established General telephone bureau which is discussed below. The closure of Cash Receiving coincided with the voluntary redundancy programme and those clerks who remained with British Gas transferred to other Finance activities or to the bureaux.

### **6.2.1.4 Call Centre Work**

The Debt, Prepayment and General Bureaux were established between 1995 and 1997 as many of the clerical processes were either migrated away or partially automated. Agents within the call centre were organised in ‘teams’ of between twenty and twenty five and were supervised by one Customer Manager. Call centre work was organised along identical lines across all three bureaux. In 1995 the bureaux comprised less than a hundred agents, but by 1997 this had risen to in excess of five hundred. By the time the OTW programme had been completed there were over one thousand two hundred call

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<sup>32</sup> This was consistent with the centralisation of many other support activities as outlined in chapter five.

centre agents working in Granton House. As back office activities migrated away clerks transferred to the call centre. The growth of the call centre was further facilitated by an influx of agency staff recruited to cope with unexpectedly high call volumes received between 1996 and 1999. Although previously workers had been hired on temporary contracts for specific short-term projects or peaks in workloads, they had *always* been given contracts with British Gas, rather than an employment agency. The casualisation of employment was the first move by British Gas to restructure its employment practices in response to a rapidly changing external environment.

The call centre initially operated alongside the existing clerical operations but ultimately became the dominant forms of work organisation. By 1994 British Gas management had decided to establish Granton House as a call centre and undertook a process of preparing staff for the transition. From 1995 all clerical staff who were not taking voluntary redundancy were required to spend one morning a week in the bureau answering calls. During peak times calls were overflowed into the Correspondence teams who answered them between writing letters. For nearly all of those remaining at Granton House there was to be no avoiding the transformation from clerical worker to call centre agent.

Whilst in the bureaux agents were logged onto their phone throughout the duration of their working day and received calls automatically through an ACD system. Agents sat in teams of between twenty and twenty-five, with two Senior Customer Services Advisors (CSAs) as first-line supervisors and one Customer Manager with overall responsibility. The team sat at 'banks' of desks typically three wide and two deep. The Customer

Manager sat amongst the team and monitored individual and collective performance via Call Scan. The performance of each bureau measured as a Grade of Service, together with call queuing data was displayed on electronic boards suspended from the ceiling throughout the call centre. The Debt Bureau and General Enquiries Bureau were located in one of the large open plan blocks of Granton House with the Prepayment Bureau taking up the other.

Initially, call types were segmented and agents only received those calls that they were trained to take. Essentially, the types of calls taken required the agents to perform many of the same processes that were previously performed within the clerical departments. Upon receiving a call agents determined the nature of the customer's enquiry and through interrogating their account advised them what action either could or should be taken. Upon completing the call the agent would then enter a clerical code into their phone to prevent further calls from being delivered. Whilst in 'clerical time' agents completed the necessary tasks on TGB. Details of the actions taken along with a summary of the customer's enquiry were then noted on the contact screen for the benefit of agents that the customer may subsequently talk to. Having completed the customer's enquiry the agent would come out of clerical and await the next call. This process was repeated throughout the working day.

To begin with the bureaux only took calls from Scottish customers; however, in 1996 to facilitate the closure of the Northern Regional Headquarters, calls from the North of

England were migrated to Granton House. Agents dealt with the calls in the same manner but updated a separate system (Legacy) until these accounts were migrated onto TGB.

During times where management felt that call centre performance might fall below the statutory grade of service of ninety percent of calls answered within thirty seconds, an instruction was passed out to staff to stop resolving customer enquiries and instead 'take messages'. This involved agents advising customers that they were a switchboard operator, that all agents were busy and taking a summary of the customer's enquiry along with a contact phone number so that a 'call-back' could be arranged. Call backs were collected by Resource Management and reissued to agents to action when call volumes allowed.

During the same time a new call centre, the 'Debt Bureau' was formed. This new call centre took calls from customers with outstanding accounts of between thirty five and forty two days.

### *6.2.2 The Importance of knowledge*

The privatisation of British Gas had led to the centralisation of the organisation and prompted the introduction of the Tariff Gas Billing (TGB) system. This new system included a pre-determined list of tasks that staff could perform and guided the clerk through them step by step. For example if a clerk was required to input a meter exchange they would select the 'Exchange Meter' task from the relevant menu. An input screen

would then appear with on screen notes advising the clerk which information to place where. The billing system also had the ability to compare the data the clerk input against existing billing information. Where the data input was out-with a pre determined range TGB 'flagged' apparently inconsistent entries and required a 'tick-box' to be checked before data was accepted. Although the clerk had the ability to over-ride the query, TGB nevertheless, represented an attempt by management to appropriate knowledge, which previously was the sole preserve of workers. In essence, TGB was an application of the 'Babbage principle' (Braverman, 1974) and represented one of several significant moves towards the degradation of clerical work. A national billing system was a pre-requisite for British Gas's new business model of call centres and billing offices dealing with enquiries from throughout Great Britain. During the next five years further developments in the use of technology continued the degradation of work.

### *6.2.3 The culture and social relations of work*

To facilitate the transition to a call centre operation flexi-time was replaced in 1995 by a new collective agreement, entitled 'Planned Flexible Working.' This agreement gave management the authority to plan the working time of all clerical employees in order to meet operational requirements, extended office weekday opening hours to 8pm and introduced Saturday working for the first time. A centralised Resource Management team was established to forecast workloads and allocate staff working patterns accordingly. Initially all staff were required to work until 8pm one night a fortnight and cover one Saturday a month. However, this was soon changed to one late night a week and two half

day Saturdays a month. All that was required from management to introduce these changes was to satisfy the trade union that workloads required it. As British Gas was essentially learning how to manage a call centre many mistakes in forecasting were initially made. This mismatch between workloads and staff resulted in calls 'queuing up' and grade of service targets not being met. Consequently it was often self evident that working patterns needed to be changed and there was often little the trade union could do to prevent it.

The net effect of PFW was to corrode the hitherto, and much reported, relaxed atmosphere at British Gas. The call centre removed the clerks' ability to plan their own working day; take breaks when they wanted to and converse with colleagues. Incessant call-flow and claustrophobic monitoring of agents' availability and output necessarily restricted their mobility. On pain of disciplinary action, they now had to enter codes at their turrets, indicating when they were 'not ready' to take calls or when they left their workstation. Comfort breaks were restricted to four-percent of working time, fifteen minutes in a shift of seven-and-a-half hours.

#### *6.2.4 The measurement and pace of work*

In the first year of the call centre, management made very little attempt to manage agent performance. Although agents in the General Bureau were told that they should typically be *able* to answer between seventy and eighty calls a day this was not a formal target nor was it monitored. Supervisors did have the means to monitor individual agent's

performance but this was rarely done as there was no tradition of managing performance in this way. However, in 1996 productivity targets were set for agents and their performance against them was measured using an agent performance system. For the first time performance was measured on an individual basis in the call centre and the use of disciplinary action for poor performance became more common. If agents failed to meet qualitative and quantitative targets they were placed on a 'Poor Performers' list and set a performance improvement plan. If agents failed to make necessary improvements in performance disciplinary proceedings were initiated. Management had initially justified the introduction of targets as being a helpful means for agents to assess how productive their day had been. Yet, with the introduction of an element of performance related pay the real reasons for the introduction of targets became clear to agents. The atmosphere at Granton House soon became more frenzied with management having a far greater focus on performance management as call volumes increased. Bureau Drivers with a responsibility for minimising clerical time became a constant feature of work and facilitated a general intensification of work. The following quote recognises the changed approach to managing performance.

Q So was this focus on improving individual's performance something new?

A To the extent it was now, yes. It had always been an option for Supervisors in the past but you knew what types of work staff were doing each day and you were trying to challenge the staff by giving them different types of work so that they knew more. It was a different approach. But now [in the call centre] you could actually pinpoint to a second what everybody was doing. Management were looking for a certain amount of calls to be answered per person. One situation I remember was with one of the team who was very thorough at their job but I knew you wouldn't get any more out of that person in the amount of calls being answered. But the manager wasn't very happy about that and was demanding to see an increase in the volume. Before, there wasn't any emphasis on your call handling, only that you answered the phone when it rang. They didn't have grade of service, you couldn't monitor how many calls were actually waiting to come through, the phone rang, you answered it. You

didn't know if there was ten people waiting to get through, whereas now you do  
(Steve Bailey, SCSA, Aged 49)

As well as being measured against quantitative targets agents were also set qualitative standards against which a random selection of their calls was assessed. These standards were developed in 1997 and assessed calls against more than thirty criteria including tone of voice, customer rapport and whether the correct tasks were completed. The criteria against which agents were assessed were continuously revised as management attempted to produce an outline of the most efficient manner in which to handle any given call. Each agent was expected to achieve an average quality score of at least ninety per cent if disciplinary action was to be avoided and a performance bonus achieved. Agents were meant to have one call per month monitored by their supervisors. However, call volumes often meant that supervisors were required to answer calls themselves and were therefore unavailable to listen to and then assess their agents' calls. The introduction of call recording in 1999 overcame this obstacle and formalised the operation of quality monitoring.

### ***6.3 'In the Wake of the Flood': After the formation of the Call Centre (1998-2004)***

The preceding discussion made it clear that the emergence of the call centre patently had significant and dramatic consequences for the organisation of work at British Gas. The period was notable for the number, and far reaching impact, of changes. However, in the early stages of call centre development many characteristics of call centre work that

would come to dominate workers' accounts of their work were under-developed. In the final period of time considered, developments in both the nature and extent of automation and in approaches to managing performance are significant. If the years between 1995 and 1998 became known for the abrupt and far reaching nature of change, this period would be remembered for developments in performance management that would do much to deprive workers of much of the autonomy and discretion they had previously enjoyed.

### *6.3.1 Work Organisation in the call centre*

Between 1997 and 2000 all British Gas' Debt, Prepayment and General calls were migrated from the other seven area offices to Granton House. These migrations significantly increased call volumes and on a typical day in excess of 120,000 calls were received each day. High levels of sickness absence and staff turnover combined with volatile call volumes increasingly saw management seeking means of intensifying work in order to increase productivity and manage call volumes.

The first attempt at increasing productivity saw management experiment with cross training agents so that they could answer more than one call type. Through cross training agents, management considerably improved their ability to manage call volumes by being able to move towards a virtual call centre. From 1997 Resource Management had begun to overflow prepayment calls into the General Bureau where there was a danger that grade of service would not be met. Agents were rarely given prior warning of such moves

and were often unable to fully resolve the customer's enquiry due to a lack of expertise. For some, this was the first time in their long career at British Gas that they had been expected to operate in unfamiliar functions. For most, the experience of working in a large, busy call centre was traumatic and in stark contrast to their previous roles (*see chapter eight*).

As call volumes increased between 1997 and 2000 agents were expected to complete necessary TGB tasks and record details of the conversation on the customer's record whilst still taking the call. Agents were allowed a maximum of one minute in clerical time per call. This significantly increased the pace of work through reducing the porosity of the working day.

As part of the PEP programme, call scripting was introduced across the call centre in 1999. This new system presented the clerk with a set of options that could be offered to customers calling about a range of enquiries<sup>33</sup>. In 2000 specific call scripting, for each call segment was introduced. By this time an increasing number of clerks were expected to handle calls of more than one type and the Front End system was an attempt to facilitate this without taking agents off-line to train them. The new system not only restricted the freedom of clerks to decide on appropriate solutions to customer enquiries but also reduced the organisation's reliance upon worker knowledge.

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<sup>33</sup> The call scripting required the clerk to ask a set of specified questions to the customer and having input their response were presented with a limited choice of options determined in line with company procedures.

The combined effect of call scripting and Front-End saw the introduction of a new Customer Service Agent (CSR) post for new starts that attracted a salary that was over a £1000 per annum lower than that enjoyed by existing CSRs. These two technological innovations reduced the need for new workers to acquire such a detailed understanding of billing processes than had been hitherto required. Training periods for new starts were consequently reduced from four to three weeks.

### *6.3.2 The relentless march of change*

Between 1997 and 2001 the structure of the call centre continued to evolve and within the three main bureaux a number of ad-hoc teams were established in response to specific initiatives relating to competition or where management wanted to restrict the number of agents specific customer types dealt with. Examples of these specialist teams included the HIT team that was established during the grade of service crisis in 1995 (see chapter eight) and the CEDAR team which answered all calls from customers wishing to change their supplier. Agents were transferred in and out of these teams, often without notice, as supervisors attempted to redeploy 'resources' in response to the ever-changing priorities of senior management. Agents were rarely placed back within their original teams when returning to the main call centre bureaux.

The development of the call centre also saw operational procedures frequently revised and agents were issued with a flood of memos each day advising them of changes. These changes typically required agents to ask for additional information or to change the way

in which they resolved enquiries. Senior management became obsessed with reducing call durations and tightening control over the customer interaction. Processes that had remained relatively unchanged for decades were subjected to continual change once within the call centre.

#### *6.3.4 Performance management and pressure*

In exposing the transformation in the nature of work at British Gas from clerical work to the call centre it is possible to highlight the increasing importance assigned to performance management and the role of the supervisor. The call centre dramatically changed the role of the supervisor, from being generally supportive to being exclusively directive.

Q To what extent has the role of the Supervisor changed over time?

A Well, they are not expected to know your job anymore so they can't really help you with problems. They are also a lot less accessible, I mean although I never really needed to talk to my supervisors in the past I knew I could if I had a problem. Today they are a lot less accessible. Now if you went up to them if they have not already asked to speak to you then you have to make an appointment. You have to go into a code to leave your desk and to speak to you Resources have to give you time off the phones. I feel it's just too much. All I can see of them is that they are there to ensure you meet your targets. They are here to do FARE<sup>34</sup>, tell you if you can or cannot have a holiday and to chase you around the building if you are late logging onto the phone (Lesley Jones, CSA, Aged 48).

At Granton House the supervisor met the call centre agent as a hostile force and is unsurprisingly the source of much of the latter's resentment and frustration at call centre life. Located in the midst of their agents supervisors maintained a watchful eye on call

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<sup>34</sup> FARE is the time management system used by British Gas. All staff below the grade of Senior Officer are required to clock in and out each day. Any variance between clock in times and shift patterns create an anomaly which requires management intervention to clear.

scan, overseeing what each is doing at any particular time, judging whether any call is taking too long and determining why an agent is unavailable. In addition, through monitoring agents' calls and delivering a continuous stream of feedback agents are reminded that everything they do and say may be subjected to scrutiny at a later date. The combination of quantitative and qualitative targets, frame the supervisor's approach to performance management and are in turn used by senior management to monitor their own contribution.

Although the espoused reason for the introduction, in 1999, of call recording technology was to enable legally-binding 'verbal contracts' to be concluded over the phone, and thus remove the need for paper-based direct debit forms, the principal objective was performance improvement. Previously, random call monitoring had been undertaken in 'real time', with a supervisor sitting next to agents. Although experienced as intrusive, agents did at least know that the frequency of monitoring was restricted by supervisor availability and that no permanent record of the detail of customer interaction remained. Now, by contrast, agents knew that every word spoken and decision taken left an 'imprint' that could be later used for monitoring and even disciplinary purposes. In presenting supervisors with opportunities to appraise workers' performance remotely and retrospectively, the introduction of recording contributed significantly to the redrawing of the frontier of control in management's favour.

However, the agency of labour was not totally suppressed. Through experience workers developed an awareness of which supervisors scrutinised Call Scan closer than others and

would alter their behaviour depending upon which supervisor was monitoring the bureau. Due to the size of the call centre it was not possible for a supervisor to constantly monitor each agent all of the time. Workers were only too aware of this and where they believed they could avoid detection, would temporarily amend their clerical code before re-entering a '300' code so as to reset the clock and avoid call scan alarms being triggered. Interestingly though, far from using this as a means of soldiering (Taylor, 1964) workers instead adopted this technique to provide more time to resolve customer enquiries in a hope to secure some satisfaction from their role.

There was also evidence of workers with-holding effort in response to what they saw as an intensification of work. Some agents monitored how many calls they took each hour using 'tally marks' and deliberately aimed to just exceed the minimum acceptable output. Through meeting performance standards workers hoped that they would be 'left alone' by supervisors and have time to either relax or spend extra time on resolving enquiries. This latter motive was more common than the first and suggests workers have largely preserved their longstanding customer ethos. Workers attempted to subvert guidelines wherever possible to ensure customer enquiries were resolved. This was particularly common whilst message taking was in operation, something all subjects disagreed with. It should be remembered though that control over what to offer the customer had been secured by management through IT developments and that essentially what was being seen was limited efforts by clerks to retain an element of autonomy in their roles.

As the researcher was concluding the fieldwork senior management issued 'guidelines' to agents on promoting relevant products to customers and organised promotions to raise

awareness of the potential benefits for the organisation. Prizes were awarded to reward the best performing staff with presentations made in view of other agents. Faced with a reduced market share British Gas was seeking to maximise the revenue received from each customer and to normalise selling as part of an agent's role. It is unclear how these initiatives will develop but it is likely that the measurement of agent performance will include targets on the number of sales made.

#### ***6.4 Conclusion***

For decades clerical workers at British Gas enjoyed a degree of discretion in task performance, exercised some control over working time and pace of work. The day's work was delivered in the morning and clerks therefore could physically see what had to be achieved by the end of each day. The autonomous nature of sections within each department meant it was rare that clerks were ever requested to take on the work of others. In harsh contrast, the call centre abruptly brought targets, monitoring, timed toilet breaks, call queues, repetitiveness and the end of dirigiste supervision. The next chapter assesses how these changes were experienced by the research participants.

## **Chapter Seven – The Experience of Change**

### ***7.0 Introduction***

This final empirical chapter examines the impact upon workers of the transformation in the context and nature of work. The previous chapter demonstrated that the introduction of call centre operations signified a qualitative break with pre-existing forms of work organisation. In rapidly becoming established as the dominant mode of customer contact, the call centre replaced all but minor alternative forms of structuring work. Ultimately, in order to deliver shareholder value in volatile markets, privatised British Gas realised its strategic objective of reducing costs, largely through asserting control over a transformed labour process. The primary purpose of this chapter is to present a reflective assessment of the significance and meanings workers attached to these changes.

The chapter is divided into three main sections corresponding to the three historical periods introduced in chapter five. Each section in turn comprises several sub headings, dealing with workers' perceptions and experiences of the most significant changes of that period in time.

Firstly, the experience of clerical work prior to the introduction of the call centre is assessed. This section looks at workers' perceptions of the labour process, the importance of knowledge, supervision and the nature of management control and finally, work culture.

The second section concerns the dismantling of the old order and the emergence of the call centre. Within this section workers' experience of privatisation, the voluntary redundancy programme and the formation of the call centre are assessed.

Finally, the third section considers the experience of work following the expansion of the call centre. Experiences of dramatic changes in the management of working time, pace of work, performance management and their impact upon the work culture and customer service are discussed.

## ***7.1 'Before the Flood' – Experiencing Clerical Work Prior to the Call Centre (1970-1995)***

### *7.1.1 Experiences of the Labour Process*

The previous chapter revealed the routinised nature of clerical work at British Gas. Despite work essentially involving the performance of repetitive tasks, workers often reported that they derived intrinsic satisfaction from their job. The sources, as reported by workers, of this satisfaction varied, but, an overall impression of 'job satisfaction' emerged from their testimonies.

Most of the workers were still teenagers and had little if any work experience when they first joined British Gas. By their own admission they were more interested in the size of

their wage packets and whether they got on with their colleagues, than with the nature of the tasks they were expected to perform. Rather than expecting their job to lead to a purposeful career, responsibility and elevated social status there is strong evidence that having control and autonomy over their work was far more highly regarded. It is too simplistic to conclude that age alone shaped these aspirations as many of them have endured throughout their working life. The relaxed atmosphere of Granton House (*see 7.2 and 7.1.2*) and the relative simplicity of many clerical processes performed provided an environment conducive to earning a living without facing conditions which were considered too onerous. In essence, clerical work at British Gas provided many workers with what they wanted from a job, an absence of pressure and an acceptable wage. The following quote is typical of many:

Q Looking back at your time as a records clerk, what are your best memories of the job?

A That I knew what I was doing and it was easy you know. I just needed to come in, in the morning and take up where I left off. There was no pressure whatsoever. You had nobody breathing down your neck and there wasn't much that could go wrong with that kind of job...oh and you were getting paid well (laughs). I used to think 'well maybe my job isn't the most interesting in the world but it pays for me to go out more and for a couple of holidays a year'...happy days. (Nora Castle, CSA, Aged 43)

An additional source of job satisfaction appears to have lain in workers' ability to resolve customer enquiries in their entirety which was intimately connected to the belief that workers delivered a quality service to customers. Within prescribed parameters, clerks did have the opportunity to fully resolve queries, seeing tasks through to completion, which both was a consequence of, and served to reinforce, this sense of control and 'ownership'. The organisation of clerical work on a geographical basis as well as the sectional autonomy afforded to workers, resulted in a sense of ownership of enquiries and

a responsibility to fully resolve them. In being afforded the time to see enquiries through to completion a clerk not only felt a sense of achievement, but in addition was able to see an outcome to their efforts. In sum, however routinised and simple much of the clerical work was, a 'final product' resulted. There is little doubt that these tangible outcomes provided meaning to the oft performed routines. Indeed, in contemporary customer service literature it is the absence of any sense of completion that today deprives the call centre operator of any sense of achievement or purpose.

Q What did you enjoy about your work in correspondence at this time?

A I felt I was stretching myself and always trying to learn more but at the end of the day resolving customer enquiries did it for me. I felt that you were more involved with an enquiry from start to finish and given the time you needed to do it properly. That is important for me. Personally I think we had a good customer service and I also think from a company point of view it was important as well. (Sandra Turner, CSA, Aged 49)

In performing their jobs workers were able to seek assistance from colleagues and in turn offer it to others. Work was a collective effort with workers contributing different abilities and effort to completing the required processes.

The public service ethos that characterised the nationalised British Gas shaped management's approach to organising work during this period. Able to commit sufficient resources British Gas adopted a 'generous' approach to staffing levels and consequently, there were typically more than enough staff to clear workloads. In addition, customer enquiries were received as letters, through the showrooms or via returned job cards from meter readers or engineers. Customers did not have the expectation of an immediate response. The combination of these historically contingent characteristics resulted in an organisation of work that afforded workers the time to investigate enquiries fully.

Informed decisions could be made which were based upon a combination of experience and organisational policy. Workers understood the primary purpose of their job was to serve customers and derived pride and satisfaction in doing so. Whilst not wishing to romanticise this as a golden era of clerical work it is pertinent to note the apparent symmetry between outcomes the organisation sought from the labour process and those desired by individual workers. What is striking about workers' testimonies about work during this time is the universal recollection of enjoyment and satisfaction.

Q So what are your best memories of the cancel and reissue job?

A I enjoyed the team I was working in. I got on with the other members of the team and I feel we worked well together. We had a good supervisor to work for and there was a friendly atmosphere. Although you may have had the occasional bad day, overall I enjoyed my time in that section. I enjoyed coming to my work at that time. (Linda Munroe, Compliance Officer, Aged 49)

### *7.1.2 Experiencing the importance of knowledge*

A defining feature of clerical work at British Gas was the importance placed on the acquisition of tacit knowledge and skills by workers. The previous chapter discussed the stratified nature of clerical work and how movement between processes and even promotion itself was based upon workers acquiring the appropriate level of competence. Evidently, this accumulation of tacit and formal knowledge, and progression to expert status bestowed on clerks a sense of worth. This comment is typical of many

Q To what extent was there a feeling that the level of respect that you got from your fellow workers was linked somehow to your relevant knowledge of the organisation?

A In those days, if you were very knowledgeable about your job then you could get other staff asking you for help. You would also help or teach a new member of staff the relevant jobs. You did have the feeling that they were

acknowledging that you knew your job. It gave me more confidence within myself (Linda Munroe, Compliance Officer, Aged 49)

The long-established and relatively unchanging work organisation meant that workers were able to invest time in developing their expertise without fear that the value of such knowledge would diminish over time. The managed progression between tasks of increasing complexity resulted in workers acquiring new knowledge on an ongoing basis and added to their positive experience of work. In essence workers saw a tangible return from their length of service – the acquisition of a valued commodity that bought status, relative autonomy and the chance of promotion.

### ***7.1.3 Supervision and the Absence of Performance Management***

Workers were largely self-managed with a degree of autonomy and self control afforded to those clerks who had demonstrated their competence. This resulted in an approach to supervision best characterised as responsible autonomy. However, the absence of close supervision did not prevent the work from getting done. Through their socialisation into British Gas, workers developed a sense of clerical professionalism and a work ethic that focused upon ensuring enquiries were fully resolved in a timely manner. This approach to work was developed through observation of colleagues upon joining the organisation and further consolidated through the geographical organisation of work. As discussed above, such an approach instilled a sense of responsibility upon workers to ensure that sufficient work was completed. This degree of autonomy enjoyed by workers undoubtedly resulted in workers feeling accountable for the smooth operation of their areas. Rather than

accountability being experienced as an onerous commitment it provided further satisfaction for workers and their testimonies often revealed the advantages of 'being their own boss'. One Records and Billing clerk, when asked whether she found her job satisfying, recalled

Q So what was satisfying about your job?

A I created my own satisfaction...I think it was the fact that I could set my own goals, that was really everything. It was my own niche and it suited my mind as you were left more or less alone. Also, in some ways because I knew I was good at it and as time went on management would come and ask me things as well because they knew I was reliable. You had your own defined job role and you were in control of it, you felt as though you were treated as an individual. They let you have responsibility and you were judged by how you responded and what you got done (Tania O'Connor, CSA, aged 51).

Although it is true that informal work norms were present, it seems clear that the pride and satisfaction workers derived from their tasks meant that stringent management controls were not required to ensure that work was completed. It is evident that an unstated tacit bargain existed; as long as the work was getting done supervisors did not seek to direct workers nor manage their individual performance. As such workers were judged by their results and trusted to manage their workloads and to decide on appropriate actions when completing their tasks. As workers enjoyed their relative freedom and absence of close management control they had a vested interest in maintaining their side of the bargain. As new workers joined the organisation they were socialised into the pre-existing approach to work organisation. Through demonstrating this established approach to work to their new colleagues longer serving workers reinforced its importance and helped ensure its continuance.

Q Why do you think it was that when you first started working here there wasn't all these management controls and yet the work still got done?

A Because people had respect for their supervisors and for getting the job done. I'm sure that if you hadn't been pulling your weight and doing what you were supposed to be doing they would have had a word with you. They didn't have to control you like what they do now. People were happy working for British Gas, on the whole enjoyed their job and didn't need to be watched every second. We knew what we were doing and we just did it. It was the way we were taught. (Frances Cartwright, CSA, Aged 54)

Evidently, a relationship based on trust and respect existed between workers and their supervisors. Supervisors typically had experience of performing the tasks performed by the workers they oversaw and with it an understanding that control over their work was a major source of satisfaction for clerks. As clerks they had enjoyed the same freedom and ensured that they cleared their workloads. Upon becoming supervisors then, they were themselves socialised into existing arrangements and maintained the lightness of supervisory touch. Supervisors knew that these arrangements worked and saw no reason to change them.

The approach to supervision and the knowledge they had acquired as a clerk meant that on the whole clerks generally experienced supervision as supportive. For example, where necessary clerks were able to ask for assistance with difficult enquiries and benefit from their supervisor's greater experience. During such interactions the supervisor focused upon transferring knowledge rather than making judgements about a clerk's competence. As such clerks derived value from the presence of a supervisor rather than experiencing it as an intrusion.

#### *7.1.4 Work Culture*

The relaxed work culture of Granton house was a defining feature of the experience of work at this time. Workers recalled a ‘friendly atmosphere’ where the absence of restrictive management controls, an active social scene and relative freedom to move away from their desk afforded opportunities to get to know their colleagues and further improve their experience of work.

Symptomatic of the informal work culture was the arrangements regarding working time. The flexi-time agreement afforded workers considerable control over their working time and the possibility to more effectively balance social and work life. Workers were, to a considerable extent able to plan their working time around commitments outside the workplace. The agreement on working time did not discriminate between taking time off for personal appointments or to recover from a night out. Furthermore, workers were able to take time off at short notice subject to them making the time up before the month end. Flexi-time afforded workers the means to a life outside of work. The work culture at the time meant that workers did not have to feel guilty for doing so. Only once in the call centre environment would workers recognise the true value of such relative freedoms.

The porosity of the working day meant that workers were able to converse with colleagues whilst performing their tasks without fear of reprisal. As well as providing the opportunity for workers to request assistance from each other with complex enquiries or outstanding work, conversations with colleagues helped humanize the experience of

work. Whilst working, the sharing of stories and gossip with colleagues helped pass the time and provided further meaning to their work. In this way workers did not experience their time at work as an ‘alien’ phenomenon, rather it helped meet some of their social needs.

A natural outcome of these interactions was the formation of friendships and relationships with colleagues. During this time the workforce at British Gas was stable with many of the workers having in excess of twenty years service. The consistency of personnel and the reasonably stable membership of departments meant that friendships naturally developed over time. As workers spent more time with each other, sharing stories, common interests would often become apparent. A number of workers recounted their stories of meeting their partners at British Gas and most revealed that long-standing friendships had developed through work. There were numerous opportunities to socialise with colleagues outside the workplace due to the well-organised social club based in the grounds of Granton House. Many workers belonged to one of the many sports clubs that competed against local teams and those from other British Gas sites. In addition the social club was used as a venue for birthday celebrations, engagements and ad-hoc department night outs. Evidently, workers valued the sociability of Granton House.

Q So looking at your job in the ‘70s and ‘80s what are your best memories?

A Probably the people. People were characters and probably a bit more friendly and helpful and you were able to talk to them whilst you were working. You didn’t have to worry about anybody timing you. There were more opportunities to get to know people and make friends. The office was much more sociable then. I mean the nights out and dances were always packed and then there were the loads of sports clubs too. All in all it was just a lot friendlier and a much more relaxed atmosphere where the work still got done without all the need for big brother stuff. (Nellie Saunders, CSA, Aged 51)

### *7.1.5 Trade union membership*

As previously discussed Granton House was a closed shop throughout the 1970s and early 1980s and reflections on their trade union membership featured prominently in workers' testimonies. In this period the trade unions co-ordinated a number of successful disputes over pay and the defence of jobs. Most prominently recalled was the 'Office Junior's dispute' in 1975, that arose from management assigning juniors roles that were classed as 'adult' jobs. Office juniors were paid on a lower salary scale than clerks and there was an agreement that they should only perform the most routine work. However, in 1975 without being regarded, office juniors were frequently being assigned to roles that more experienced clerks performed. Facing a recalcitrant management the union organised a strike that ultimately resulted in a re-grading for all office juniors working outwith their job description. The following quote recalls one workers recollection of the dispute, and offers a perception of union efficacy:

Q Tell me about the Junior's dispute (Equal Pay).

A Well, we all walked out about two o'clock in the afternoon and never came back to our desks. The union was quite militant at that time, I would say. We were off for two and a half days. I was out on strike. My dad was in the union and he used to say that 'well you have got to go with the majority, and if you think it's right and you are wanting something, well, go ahead and do it'. So in that sense my dad was union-minded. Most of the Records Department literally walked out. You were talking about maybe nine or ten people left in the whole department. In those days if a union meeting was called, practically everybody went to it. Whereas today if a union meeting is called nobody goes. That's it. At union meetings it was standing room only. But, mind you, they were held here, most of them were held in the canteen (Nellie Saunders, CSA, Aged, 51).

There were other successful strikes to limit the number of workers employed on temporary contracts and to prevent a centralisation of I.T and Meter Reading which

would have resulted in job losses at Granton House. That workers not directly affected by these disputes actively took part is reflective of an oft reported solidarity that was characteristic of British Gas at this time.

Q Why did you take part in the strike in defence of IT when you were working in another department?

A To me that's what being a trade union member is all about. An injury to one...and all that. Back then, that's how a lot of folk felt, not just here but in society as well. Although some folk took more persuasion than others when the union called for action we supported it. After all we are the union (Sandra Turner, CSA, Aged 49).

The preceding sections have detailed workers' experiences of employment at British Gas during the 1970s, 1980s and into the early 1990s. In sum, in terms of the extent of discretion clerks enjoyed within a long-established and relatively unchanging work organisation, the pattern of informal knowledge acquisition, the lightness of supervisory touch, the sense of clerical professionalism and expertise, and the absence of individualised and detailed controls over time and output, the contrast with the later call centre regime could not be more marked.

## ***7.2 'The Old Order is Rapidly Fading': Experiencing the Emergence of the Call Centre (1993-1998)***

### *7.2.1 The experience of privatisation*

Perhaps the greatest change for British Gas at the organisational level was privatisation. In 1986 a period of nearly 50 years of public ownership came to an end and British Gas

now had shareholders' interests to consider. However, it is striking that most workers did not experience privatisation as a significant event and recalled very few memories of the transition. Workers typically became aware of the impending change through newspapers and television broadcasts. Once the announcement had been officially made by the government, workers attended a series of meetings where management provided further details and took questions. An ongoing programme of briefings continued throughout the privatisation process.

Reaction to the announcement of privatisation was relatively muted as workers did not perceive the change would have any immediate impact upon their daily experience of work. For many privatisation brought with it the opportunity to claim free shares in the company and the opportunity to realise a quick windfall as workers in BT had done a few years earlier.

Q What were the reactions of the workforce upon hearing about privatisation?

A I don't think people were that bothered really. We had been given a lot of information and reassured that Granton House would still exist. I guess thinking longer term we were a wee bit worried about what the future would bring. Will we have the same control over our jobs, get paid the same money? Will there be an office in Edinburgh? That kind of thing. But in terms of day to day working I don't think anybody gave it much thought really. I guess the free shares may have helped (laughs). (Dave Barber, CSA, Aged 41)

It was the longer term impact of privatisation that concerned workers most of all. Many recalled the redundancies a few years after the privatisation of BT and were uncertain whether similar job losses would follow in Granton House. Understandably, many of the questions posed to management regarded redundancies and the answers provided scant

details as the organisation had yet to form its response. Management did stress that should any redundancies be ‘necessary’ then volunteers would be sought.

Privatisation was the first of many changes to British Gas’ external environment and its consequences would take some time to be realised. For most workers this change took place at a level way beyond their immediate concerns. Providing that privatisation did not close Granton House it was not viewed as something to be overly concerned about.

### *7.2.2 The experience of voluntary redundancy*

The large-scale redundancy programme of the early 1990s was the organisation’s first significant attempt to make internal organisational adjustments in response to the changing external environment. Having experienced widespread customer losses (see chapter five) British Gas sought to radically alter its organisational structure and begin a long-term programme of transforming the organisation of work. Workers insightfully saw the redundancy programme as representing a turning point in their experience of work. This defining moment in their working life, consistently highlighted as marking the end of their ‘old world’ and the beginning of a new order, was traumatic for many.

Q What was your experience during the voluntary redundancy scheme?

A It was very strange because you are used to going into work and seeing the same faces. You got to know people quite well over the years. And then eventually they start dwindling away, quite quick actually, within a year or so I’d say. Quite scary. It was really strange not having all these people that you have worked with for all those years. Many of them were excellent at their jobs and had been a big help to you. Then the agency staff arrive and suddenly you are seen as the experienced one and have to help the new guys out. (Tom Inglis, SCSA, Aged 43)

Q So what are your recollections of the redundancies?

A Difficult times, really difficult. It was quite sad to see a lot of the old faces going and I suppose it made me feel insecure as well because everybody was leaving....(pauses) I can't even describe it, but it was just something that doesn't make you feel very good. It's was like probably being part of a big family and then knowing that you were going to be left on your own to face the uncertainty of what happens next. For ages and ages I felt really lost because I was moved to a section where it was full of new starts. At the time everybody assumed I was agency! I was going to get a t-shirt printed saying I have been here for thirty years (laughs) Joking aside though I had lost a sense of familiarity because you have gone from belonging to a majority group to being a minority. There had always been a kind of pecking order based on experience, but that had all been ripped up now and you had to start all over again (Rachael Jones, CSA, Aged 46).

The quotes above recall a range of emotional responses to the redundancy programme. Workers talked of loss of confidence, uncertainty, concern for the future and sadness at so many of their colleagues and friends leaving the organisation. The metaphor of British Gas as a family and the redundancy programme causing a sense of bereavement is telling. The stable workforce, the quotidian work routines and established social life at British Gas meant that workers had felt a sense of kinship with each other and meant their experience of work was often a collective one. Through large numbers leaving the organisation at the same time the appearance of the workplace changed. Workers lost their sense of familiarity and comfort that they had derived from working under what had felt like a perennial set of workplace arrangements. The stability of the organisation of work, the composition of their departments, the appearance of their workplace and the certainty that things never changed was taken for granted. As such, the redundancy programme threatened the very foundation upon which workers' experience of work rested. It is unsurprising therefore that such emotive and lucid memories were recalled.

The introduction of agency staff added to the visual impact of the redundancies. Familiar older ‘faces’ had been replaced by younger strangers many of whom left shortly after appearing. This was a time of significant labour turnover and represented a greening of the workforce. As vast numbers of experienced members of staff left, the research participants found themselves experiencing mixed fortunes. On the one hand they now found themselves considered the ‘experienced and knowledgeable’ ones but at the same time felt as though they belonged to a minority group. Workers saw the introduction of agency staff as threatening the existing organisation of work. With the loss of so much experience it was likely that British Gas would seek to transform the labour process. The existing organisation of work relied upon workers acquiring the prerequisite knowledge and experience, but reserves diminished as long-serving workers left the organisation. Workers quickly realised that they were to face changes to the organisation and experience of their work. It was not long before the nature and extent of these changes became apparent,

Q To what extent did life at British Gas change after the redundancy programme?

A Personally I think the company had its heart ripped out. It really did. All that experience went. We have had to learn all over again how to do things properly. You had people who were experts in their field on whatever it was and you knew so and so could help you with this or so and so knows how to do that. But then you were in a position that so and so is leaving because he has so many thousands of pounds in their back pocket. The problem was we still needed to do things and now there were less people who knew how to do it. It was crazy. The thing that worried us was that things would have to change now. There wasn’t a chance that we could carry on working as we were with so many people leaving. Of course it is clear now that they didn’t want things to carry on, they wanted change and I guess that’s where the call centre came from. (Peter Yarrow, CSA, Aged 40)

During this time workers had to make the potentially life changing decision of whether to remain with British Gas. Workers below the age of 45 were not eligible for the voluntary

redundancy programme so leaving would have involved no financial reward. As most had worked for British Gas since leaving school their assumptions, expectations and experiences of work derived from employment with this organisation. However, by this time it was becoming apparent that the experience of work was about to be radically transformed and not necessarily for the better. The extent and pace of change concerned some of the workers enough to consider leaving but the personal cost of doing so meant that none did.

Q What do you remember about the redundancy programme?

A That it was a good opportunity for loads of folk to take the package and retire early. I think the management were quite fly really because they knew that probably there would be an awful lot of unrest. So they thought 'well, we'll give them a backhander, let them slide out the door and we will not have any trouble. We can then move in brand new people, they will work to new working practices and everything will be hunky dory. Basically it was a convenient way of changing the culture of the place. The problem for us lot though was that we were too young to take VR and I guess many of us were scared about leaving. I mean I was 15 last time I applied for a job. I'm not really trained to do anything else apart from work for British Gas. What option did I have but to stay? (Steven King, CSA, Aged 46)

The motivation for, and timing of, the redundancy programme was not lost on workers. The need to change the organisational culture featured prominently in internal publications and management began to outline their vision for the new order – the introduction of the call centre.

### *7.2.3 The formation of the call centre and migration of clerical processes*

Prior to the redundancy program management communicated to workers their vision of the new order. Over a period of a couple of years clerical processing would be replaced

with a call centre and workers lost their old job titles and became Customer Service Representatives. To most workers call centres were an unknown entity and they were uncertain what the change would mean for their experience of work. Either through wishing to minimize resistance or through naivety management portrayed an overly optimistic picture of a day in the life of a CSR. Workers soon realised that this vision was not matched by the reality of call centre work. A billing clerk recalled the occasion when she was first informed of the call centre's arrival.

Q When did you hear that Granton House was to become a call centre?

A I guess it was in '94 or '95 when I was on TGB training and my pals were all leaving on voluntary redundancy (laughs). They just kept talking about these things that were going to happen, telling you that you would get a call and deal with it right to the end and used these big words such as empowerment – these were all buzz words at that time. They didn't really use the words 'call centre' though, just that you would be on the phones for so many hours a day. I mean they said that we would be on the phones in the morning and then come off in the afternoon to do correspondence. Turned out kinda different eh? (Margaret Norris, CSA, aged 47)

The organisation of work was not transformed over night and for a period of nearly two years dual models of work organisation co-existed. Although the clerical processing departments of the old world rapidly diminished in size a number of research participants continued to work within them whilst the call centre was developing elsewhere in Granton House. This presence of competing forms of work organisation allowed workers to identify the stark contrasts between them and to form opinions that the impact of the call centre would have on their experience of work. Knowing that ultimately they would themselves transfer into the call centre meant that this was an unsettled time for many. The following quote reveals what the experience of being on the cusp of a new order felt like:

Q What were your thoughts about the emergence of the call centre?

A Well I was working in one of the last functions to leave the office so I watched the new world forming around me and I was absolutely terrified. I was still performing the same old job I'd been doing for years but when I chatted to my pals at lunch they told me about their job in the call centre. Customers abusing you, having to work with strange computer systems and having supervisors shouting at you to work faster. It sounded awful. Until that point I had no idea what a call centre was. They were given three weeks training on the new system and then left to get on with it. It knocked them for six and I was really worried about how I would cope. You know it kind of felt like waiting to see the dentist whilst I was waiting to be sent on my training. You know what I mean? (Sally Burnett, CSA, Aged 52)

The first call centre experience proved shocking for many. The migration of calls from Newcastle which exacerbated excessive already high call volumes, technical difficulties with the Tariff Gas Billing (TGB) system combined with the inexperience of many agents resulted in a precipitous decline in customer service quality. Between late 1995 and spring 1996 it was common for 150-250 calls to be stacked, waiting to be answered, leading to widespread abuse of call-handlers, particularly from customers in the Newcastle area, who resented the closure of their local facility. The sharp contrast between this 'new world' of the call centre and the 'old world' of clerical processing provided an unwelcome foretaste of how their experience of work was to be permanently changed.

Q So what was it like in the call centre during the grade of service problems?

A Bloody horrendous. When things got really bad we were told to tell customers that they were through to the switchboard as no operators were available. Basically they were trying to get the calls out of the queue in a lame attempt to improve their stats. We were to take details of the enquiry on a CEF and it would get done later, well at least that's what we were told. They never were and all it meant was that they rang back again even angrier than they were the first time, you gotta remember how long it took to get through to us then. I thought it was really bad to be told by your bosses to lie to customers. It's outrageous really and would never have happened in the old British Gas. I found it really hard to do because by nature I am a truthful person. I wish I had just told the truth just to see what they would do to me. I mean surely I can't be sacked for

refusing to lie? It was all a sign of things to come though (Nora Castle, CSA, Aged 43)

Through requiring workers to lie to customers management offended their sense of service ethic that was emblematic of the old world order. Providing consistently high levels of customer service and retaining control over the resolution of enquiries was the source of job satisfaction for workers. The call centre led to the break up of their old departments, arrived at a time that many of their colleagues had left the organisation and was now threatening their sense of professionalism. The universal refrain of this cohort of employees was that that the arrival of call centre ruined the quality of their working lives. The following response is typical.

Q How did the arrival of the call centre affect your experience of work?

A My lovely quiet life with no hassle whatsoever had suddenly changed. Then you were getting the odd barney with people and your lovely job that you had liked with no hassle just disappeared. (Nora Castle, CSA, aged 43)

The increased presence and transient nature of agency staff radically altered the oft-reported 'togetherness' which was previously a defining characteristic of the days as a nationalised industry. Those long serving employees who remained with the organisation foresaw the likely impact of such changes:

Q So how did you feel about the emergence of the call centre?

A You know, this was a worrying time for us. We knew what was coming, I mean the call centre and that, but didn't reckon we were gonna be able to anything about it. Before all of this happened [redundancy programme] we felt safe as we stuck together. All the youngsters coming in and leaving after a wee while was the end of all that. Just as we needed to stay strong the heart of the company was being ripped out. Pretty sad when you look back at it, but for sure it was the beginning of the end in terms of being able to stop management doing what they wanted. (Lesley Jones, CSA, Aged 48)

### ***7.3 'In the Wake of the Flood': Experiencing Call Centre Work (1998-2004)***

#### *7.3.1 Working Time, Intensification and the End of the 'Relaxed' Atmosphere*

The emergence of the call centre in British Gas Trading was accompanied by, and dependent upon, the destruction of traditional clerical work patterns. From 1995, through the 'Planned Flexible Working' collective agreement, management had authority to calibrate working time to meet operational requirements, to extend weekday hours to 8pm and to introduce Saturday working. Workers lamented their loss of control over working time and soon began to resent the requirement to work on Saturdays. Through no longer being able to plan their working time workers lost their ability to effectively balance their job with commitments outside of work. The consequences of this are illustrated in the following quote:

Q To what extent did PFW make a difference to you?

A They tell you to relax and have leisure activities but you can't do it because you have to work a shift. They keep trying to change the PFW and you have to have a sound reason to keep your existing shift. Everything is planned around work (Simon Turner, CSA, Aged 52)

The supremacy of 'business requirements' was integral to the PFW agreement. Workers faced having to alter long-standing travel and childcare arrangements as well as social activities often on an ongoing basis. The flexibility within PFW bore a heavy cost for workers without realising any benefits.

Perhaps more acutely sensed though was the impact the call centre had on the ability of workers to converse with each other in any meaningful manner. The nature of call centre work made it difficult to converse with colleagues who sat around them. Even more striking was the restriction placed on the mobility of workers to leave their desk, thus further reducing the opportunity to interact with others. Typical of most call centres, workers were required to enter clerical codes whenever they wished to go unavailable and prevent another call being delivered. These clerical codes were tightly managed (see chapter six) and resulted in workers feeling pressurized to remain at their desk. The requirement to meet numerous performance targets added to the pressure to remain at their workstation. These constraints, which appear as contemporary expressions of what E.P. Thompson (1967) referred to as ‘time thrift’ in his account of employers’ imposition of temporal discipline in the early years of industrial capitalism, were universally detested. This approach to controlling working time was the first of several initiatives to subjugate workers and represented a move away from the responsible autonomy style of management towards direct control.

Q How does it feel having your breaks monitored?

A You are talking to an adult, a mother of two kids, two grown up kids and people talk to you like a child. I’m a responsible person. So what if I have been away for twenty minutes, I don’t do it every day. Again this is where they should understand their staff. (Lesley Jones, CSA, aged 48)

Q How about the pace of work today compared to what you were used to in the past?

A It doesn’t matter what the pace is, it’s never enough. They have got stats for this and that and they will say ‘right your quality is good and your hitting your calls per hour, but why was your clerical such and such or why were your breaks 5%’. It doesn’t matter if you regularly get your calls woe betide you if you take too many breaks. I mean rather than wasting time going to the loo I guess we should take more calls and wet ourselves...maybe that would keep them off our backs. (Nora Castle, CSA, Aged 43)

The call centre gradually eroded all but the most insignificant features of the old order and consequently degraded the experience of work. As well as losing control over their working time, workers lost their sense of autonomy over the execution of their work. TGB codified much of the requisite knowledge to perform a given task and established a predetermined sequence of activities that workers had to follow when resolving each type of enquiry. The online help facility of TGB was superseded by the Front End system which 'guided' the agent through each call prompting them to give particular responses to customers depending upon the nature of their enquiry. The system developments reduced the need for workers to develop expertise in their area of work and were yet another change from previous arrangements.

Q What comments would you make on the knowledge requirement of your jobs in the past, in comparison with what you do now?

A I felt previously you had to know the job, you had to understand the job and have a good working knowledge on it actually to do the work. Whereas now I don't think there is that requirement to have this knowledge nowadays.

Q Why do you not require that today?

A There is a lot more help facilities available via your computer, like on TGB there is what is called front end call scripting to help staff through a call with a customer. There's guides for you nowadays whereas I would say in the past that you had to know what you were doing to be able to do it.

Q What do you think about that?

A Well I think it's sad really because before we actually knew what we were doing and didn't need all this computer help. It's only needed now because we have so many people who don't know what they are doing and aren't given the time to learn. (Linda Munroe, Compliance Officer, Aged 49)

The net effect of destroying the long-standing approach to organising work was to corrode the hitherto, and much reported, relaxed atmosphere. For some, in this brave new world, the prospect was bleak.

Q To what extent has the atmosphere at work changed?

A I think the atmosphere has changed within the company, a wee bit more. I can't really put my finger on it to describe it really...I think there is certainly an element of dissatisfaction between a lot of people and a lot more mumping about things. A lot of unhappiness and stress within it, and people getting shouted at for this. So stress is probably the biggest thing I would say is coming into the environment now.

Q What is causing it, do you think?

A Expectations of things. Company changing their minds. Systems not allowing you to do things. Restrictions. All these types of things are getting to people. Anybody worth their salt would think things were not right, they are not allowed to do the job that they feel they can do and because of that, management systems are making them not offer a quality of service. (Tania O'Connor, CSA, Aged 51)

Q How did you feel about the office becoming a call centre?

A At the end of the day although you had slaved away, working hard, you had felt that everything you had done, you know, had been worth it. And suddenly it doesn't matter, it doesn't matter. It's no longer there. Your job is nothing. (Lesley Jones, CSA, aged 48)

### *7.3.2 Supervision, Performance Management and Lack of Control*

Whilst previously supervisors had been viewed as being supportive, once within the call centre perceptions of their nature altered. Clerks recalled the frenzied atmosphere as performance management became a supervisory obsession. The imposition of monitoring and quantitative targets contributed further to the degradation of work, stripping clerks of what remained of their sense of individuality.

Q To what extent did the call centre affect the work environment?

A The call centre made the environment totally impersonalised. You are not a person anymore; you are actually a badge number. When I started here you had your own individuality, you had your own job to do and you were left to carry on with it. You had responsibility. You were a person. (Maureen Taylor, CSA, aged 56)

Workers, able to make the contrast with the previous work regime, were acutely aware of the loss of control.

Q So how much control over your work do you have in the call centre?

A You don't have control. Your job is to work on the phones as soon as you get in. You have to be logged on to the phone to take the first call, by the time your shift starts, and as you close the last call another one appears in your ear. It's never ending and you just have to sit there and react to these voices. Pretty depressing really. (Steven King, CSA, aged, 46)

Monitoring and correcting individual performance constituted the most significant perceived change in the role of supervisors. Individual agent's output was stringently measured against aggregate team and centre-wide targets, unlike previously, where collective output had simply been recorded.

Q So how was performance managed differently in the call centre?

A Now you could actually pinpoint to a second what everybody was doing. One situation I remember was with one of the team who was very thorough at their job...OK they weren't getting their hundred calls a day, and were only maybe getting seventy, but it was consistent. But the manager wasn't very happy about that and was demanding to see an increase in volume. Before, there wasn't any emphasis on your call-handling, only that you answered the phone when it rang. They didn't have grade of service (targets), you couldn't monitor how many calls were actually waiting to come through, the phone rang, you answered it. You didn't know if there was ten people waiting to get through, whereas now you do. (Steve Bailey, SCSA, aged 49)

Q So what was it like moving to the bureau?

A I found it difficult moving to the call centre because of the pressure they put you under to do things and it's not necessarily that you have got to achieve so many calls per hour or whatever. It's the fact that there always seems to be somebody on your back telling you to do this, telling you to do that or telling you that you are too long doing this, too long doing that. Although some people can do it in a nice way you just never get a chance to relax and catch your breath. You don't even get the chance to do what the customer wants you to do....if it takes more than a minute to raise the paperwork and someone else will do it. Maybe I'm just old fashioned but if a customer has a problem you should be allowed time to sort it out. (Lisa Thompson, CSA, Aged 41)

### *7.3.3 The perceived impact of the call centre on customer service*

Mechanisation not only degraded work but also demeaned the quality of customer service, which deeply offended the professional sensibilities of these experienced clerks. Socialised, perhaps as little as a decade earlier, in an entirely different ethos, some now strove to humanise their working lives by perpetuating older work practices. Confronted with complex queries, agents responded by keeping ‘pending’ files open, working on accounts through meal breaks, and utilising personal contacts in other offices, in attempts to deliver the kind of personalised resolution that had characterised the old office. For a management whose ideal was tightly-scripted and simplified agent-customer interaction, these behaviours were regarded as archaic and wasteful.

It is clear that not being able to deliver the level of customer service that each customer deserved proved upsetting for some. The ‘pending files’ were a limited attempt to retain a notion of service and to derive satisfaction from what was a degraded labour process. The contradictions between objectives sought from the labour process by management and workers had diverged considerably since the days of the clerical departments. Whilst British Gas appeared to be content at offering a degraded level of service in order to pursue ever increasing profits, workers still sought to offer the only level of service they knew – an individualised and personal approach.

Despite management launching a number of campaigns around delivering excellent customer service workers recognised the rhetoric inherent within them. The imposition of

stretching quantitative targets and management's obsession with constantly seeking to increase the pace of work, left little room for delivering anything other than a degraded level of service. Workers often found working in such an environment traumatic:

Q Ok. You have spoken quite a lot about the call centre not being your ideal job. How do you cope with doing the job in that case?

A Erm...You just have to get on with things. You hope at the end of the day it's not been too bad a day but some days are better than others. I think I just get frustrated with the job actually. I get frustrated because I see what other people are doing [on customer's accounts] and I don't like it. I know that everybody will say 'don't take your work home and don't bring your personal life into work' but the two are intermingled somehow and sometimes I can't help but take problems from work, home with me. A lot of the time although I try and cope with the work that I am doing, I sometimes find I can't sleep at night because I am thinking about things that have happened during the day. Not necessarily things I have done wrong but things I could have done differently had I had the time. (Lisa Thompson, CSA, Aged 41)

#### *7.3.4 Perceptions of union efficacy*

Before concluding this chapter it is necessary to consider workers' perceptions of union responses to the dramatic changes in work organisation detailed in chapter six. The effectiveness of the union in preserving favourable workplace arrangements was a defining feature of earlier periods in the organisation's history. However, for those workers who took part in this research the transition to the call centre and the corresponding move towards partnership working had a negative impact upon union efficacy. Perceptions of reduced efficacy appear to be a result of a decline in the union's profile at the workplace level. Although the 'protective' role of unions in disciplinary hearings and sickness absence reviews was still recognised most workers were unsure of what they were doing/had done to challenge what they perceived to be a far reaching transformation of their job role. The dilution of trade union strength which resulted from

the influx of agency staff and the difficulties in reconfiguring call centre work were recognised though. The following quote is typical of the sentiments expressed by workers.

Q What do you think people think of the union today?

A Apart from going into a disciplinary or going into an absence review or whatever, I'm not sure what they do. I think they should fight for something and get it. And just one thing, fight for something and win it, even if it's on a national level. The union used to be strong when it was British Gas and I don't think it's as strong now. I don't think it gets the backing from its members.

Q Why do you think that's the case?

A I don't know. Em. Just by hearing people speaking now that the union doesn't do an awful lot for them. I mean, you hear people speaking saying that they are a waste of space, this, that and the next thing. But, I don't know if it's just because they don't have the backing behind them that they are not able to fight for us. Also what can you do about call centre? They are everywhere and I doubt this place is any worse than the rest. How do you make call centre work more interesting or less stressful? I'm just not sure. I don't think they have got any clout nowadays, to be honest but I think you still need a union though. (Sophie Cunningham, CSA, Aged 53).

## ***7.5 Conclusion***

This chapter has demonstrated the dramatic impact the numerous changes in the organisation of work have had for workers. The contrast between their experience of working in the clerical departments and in the call centre could not be starker. Almost every element of work from which workers derived satisfaction and purpose was dismantled. In their place workers had to endure the restrictive and controlling nature of call centre work. The universal refrain from workers was the transition to the call centre had an adverse impact upon their experience of work.

## **Chapter Eight – Discussion of Research Findings**

### ***8.0 Introduction***

This chapter assesses the significance and meaning of the empirical data previously presented and explores relationships between the organisation and experience of work at Granton House. The chapter is organised into five sections, each attempting to relate the data to key conceptual themes from relevant literature.

The first section seeks to explain why such an extensive transformation in the nature of work at Granton House occurred. In particular, the section explores the combined and related impact of neo-liberalism, technological innovations and the decline in trade union efficacy. It builds upon the account provided in chapter five, moves beyond description and establishes a conceptual framework through which to better understand the changing nature of work. It is here that the value in broadening perspectives on change beyond the workplace and restating the political economy of change becomes apparent.

The second section considers contrasts between clerical and call centre work. The impact of this transition to call centre work is evident from the accounts of the cohort of workers who experienced it, and their reflections provide evidence to suggest the two forms of work are in respects significantly different (Batt and Moynihan, 2003; Thompson et al, 2004). The call centre should not be seen simply as an evolutionary development within

clerical work, but rather involved sharp discontinuities that represented a qualitative break with the past.

The third section examines the significance of the research findings for our understanding of the nature and purpose of call centres. Here, the importance of locating the call centre in historical context is emphasised. Whilst recognising there is more than one type of call centre and call centre workflow (Batt and Moynihan, 2002; Houlihan, 2002; Taylor and Bain, 2001) and that within them customer orientation may differ, the tendency to see the call centre as a 'preferred' means of delivering customer service, lies in its potential contribution to realising cost savings. It is well recognised that call centres have been associated with the restructuring of customer service operations along mass production lines and that this has often adversely affected the experience of work for those within them (Bain and Taylor, 2000; Deery et al, 2002; Taylor and Bain, 1999; Taylor and Bain, 2007; Taylor et al, 2003). This case seems to confirm the position of such authors who have argued that the mass production approach to customer service involves an inherent tendency to degrade the experience of work through restricting worker discretion, exposing them to heightened levels of performance management and requiring the performance of emotional labour.

The fourth section evaluates the implications of the research findings for labour process theory. It is argued that the evidence from the interviews confirm the sort of transformation of work that is recognisable in Braverman's (1974) core thesis. The transition from clerical processing to the call centre involved a more complete application

of Taylorist principles to standardise tasks, get workers to follow detailed procedures and to monitor them for compliance than had hitherto been seen. Whilst the separation of conception and execution patently existed in clerical processes it had been partially modified by permitting workers to exercise a degree of relative autonomy. The transition to the call centre afforded management the opportunity to extend further the separation of conception and execution in order to reconstitute work organisation in the hope of increasing efficiency and cost effectiveness. Of course, Taylorism does not constitute the whole story. It is widely recognised by those who research call centres that emotional labour and social competencies are integral to the call centre agent's role (Frenkel et al 1998; Thompson et al, 2001; Thompson et al, 2004) and that 'tightly specified work regimes are not sufficient to secure quality service delivery' (Deery and Kinnie, 2002). This section concludes with a discussion of the significance and meaning of the use of quality monitoring which were used to supplement technical and bureaucratic control mechanisms.

The fifth section considers the personal cost of these changes for workers. It is evident from this analysis that the transformation of work involved the continual tightening of management control over the direction and planning of work, the fragmentation of tasks and the intensification of work which all adversely impacted upon workers' perceptions of their work. Whilst not claiming that workers shared an identical experience of these changes their testimonies revealed powerful common themes. This section argues that the nature of the change in work organisation at British Gas is similar to that reportedly

happening throughout many workplaces today and which undermine workers' sense of commitment and pride in their work.

### ***8.1 Explaining the external conditions that influenced changes in the organisation of work***

This section discusses the events and external and environmental pressures that compelled management to consider the wholesale reorganisation of work and ultimately led them to embrace the call centre model.

Evidence in chapter five demonstrated that British Gas experienced several major 'shocks' in its external environment during the 1980s and 1990s. The underlying reasons for these shocks have already been well detailed, but it is necessary now to consider why these events led to the radical transformation in the organisation and experience of work. Figures 8.1 and 8.2 provide a simplified representation of the changes in the external variables, which, it is argued, influenced the changes in the organisation of work. It is not possible to identify a simple causal link between the external factors and a given form of work organisation. Rather it is posited that the complex interplay of several historically contingent factors influenced the timing, form and process of change. These figures form the basis of the discussion presented below.

Figure 8.1 The external and environmental pressures that shaped work organisation in the nationalised British Gas.

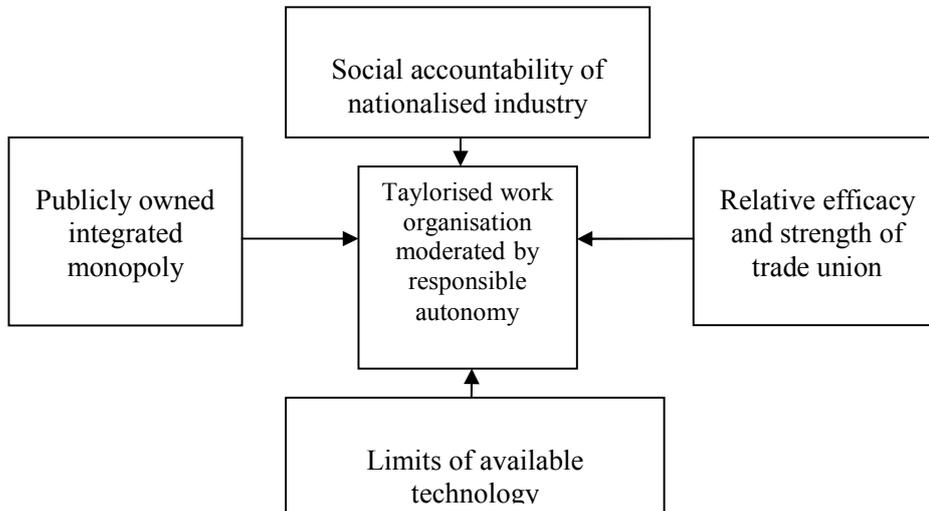


Figure 8.1 highlights the four main forces that shaped the organisation of work in the nationalised British Gas. The stability of work organisation, prior to 1995, can in part be explained by the bureaucratic nature of nationalised industries and in particular by the ability of trade unions to effectively regulate the pace and nature of change at work in the economic conditions of the post war consensus (Glyn, 2006). The existence of a labour-regulated bureaucracy is confirmed by workers' testimonies.

Whilst not arguing that the nationalised industries represented a triumph of socialist planning a number of contrasts with private sector organisations are evident. Firstly, the role of the nationalised industries as one of a number of instruments utilised by the state to implement Keynesian demand management economic policies, has long been recognised (MacInnes, 1987; Millward and Singleton, 1995; O'Connell Davidson, 1993; Shinwell, 1955; Tomlinson, 1982). Consistent with notions of the government as a

‘model employer’ the nationalised industries typically were expected to offer secure employment. Furthermore, governments were also able to shape industrial relations far more directly than could be achieved in the private sector. Indeed, given the potential political costs of disruption to essential public services, governments could reasonably be expected to have an interest in doing so (Strangleman, 2004: 3).

A further factor that contributed to the stability of workplace arrangements was the constraint imposed by available technology upon which to construct alternative forms of work organisation. Given the relatively primitive nature of information technology, it is difficult to see how clerical processing could have been anything other than a labour intensive and manual activity. Until the emergence of more sophisticated, and cheaper, computer based technologies in the 1990s management faced limited alternatives to the existing organisation of work (Miozzo and Ramirez, 2003).

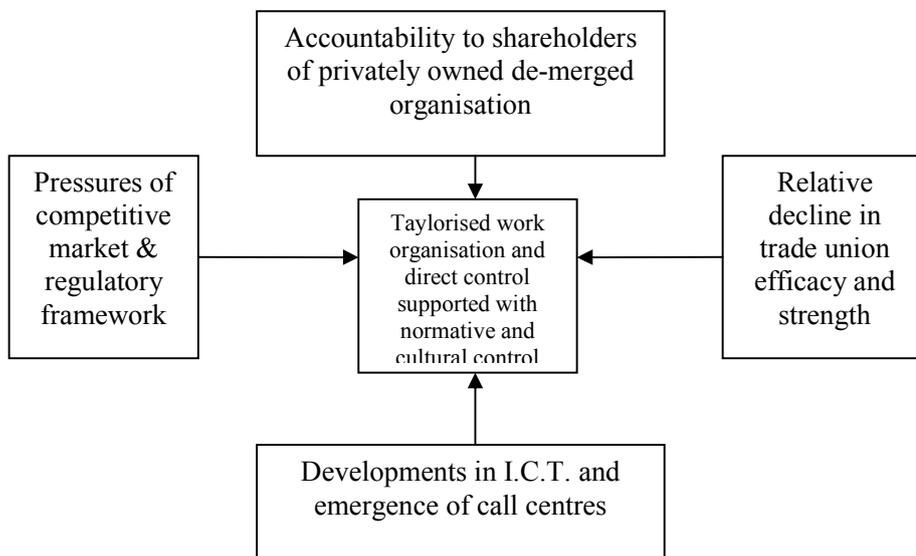
Although the absence of suitable technology would not have prohibited a reengineering of clerical processes without recourse to the call centre, the internal political climate previously discussed meant that any such approach would have faced resistance from workers. A number of defining characteristics of the nationalised British Gas also meant that there was little overt pressure to transform the labour process. Firstly, British Gas was a monopoly and therefore did not face the same difficulties as private sector organisations in achieving and maintaining profitability. Secondly, the organisation’s customer base and revenue stream expanded until the 1990s, a development which had been encouraged by successive governments. Furthermore, the integrated nature of

British Gas diversified risk and provided multiple income streams. So mindful of Kelly's (1985) analysis of the 'full circuit of capital' British Gas was able to produce and realise surplus value through means other than transforming work organisation. Edwards and Scullion's (1982) argument about management control are relevant here. As management are not concerned with control as an end in itself they focus attention on controlling the areas that they see as being of central importance to their role. This often leads management to ignore areas that do not threaten the existing structure of control (Edwards and Scullion, 1982: 329). Given the increasing profitability of British Gas as a nationalised monopoly, in the short-term at least, management saw no pressing need to reorganise workplace arrangements given that such moves were likely to cause conflict on the shop-floor.

Typical of the public sector British Gas bore the 'stamp of a broader political commitment to some form of corporatism' (O'Connell Davidson, 1993: 6) which generated formal bureaucratic industrial relations machinery. The emphasis was placed on seeking to institutionalise conflict. Such an approach necessarily ensured that where the need for change was identified, it could only be realised gradually. The willingness of workers to collectively oppose change further contributed to a conservative approach to change on the part of management. Given that in such bureaucratic environments trade unions successfully defended working arrangements perceived to be beneficial to their members, it is unsurprising that work organisation was so enduring. This emphasis on union resistance reinforces the criticism made of Braverman (1974), that he failed to theorise workers' or union resistance to objective changes of work organisation.

Only when several factors combined to precipitate change were the established labour processes transformed (*see figure 8.2*). What is striking about figure 8.2 is the contrast in British Gas' operating environment following privatisation. Most obviously former barriers to change no longer existed.

Figure 8.2 The external and environmental pressures that shaped work organisation in privatised British Gas.



It was not privatisation *per se* that provided the real impetus to internal re-organisation, but rather the consequences of ensuing regulation and the working through of the implications of commercialisation. It is difficult to overstate the longer-term significance for work of price controls imposed by regulation. BG plc was compelled to focus on minimising 'internal costs' in order to maintain or improve its profitability. Put bluntly, the imperative to reduce labour costs became an obsession for a senior management who

believed that the foremost source of savings lay in what they regarded as the bloated, expensive and labour-intensive clerical operations.

The voluntary redundancy programme had a dramatic effect upon trade unions' ability and willingness to resist the reorganisation of work and in particular the tightening of management control over the planning and direction of work that accompanied the call centre. In short, the redundancy programme and subsequent recruitment of agency staff resulted in a 'greening' of the workforce as most of the older and longer serving workers, including many of the union activists, chose to accept what they saw as generous severance payments rather than face the move into the call centre. Although not obviously an intended outcome for management, the consequence of this recomposition of the workforce was a decline in the union's ability to exercise power. Unison was left without an effective workplace leadership at a time when it was most needed, and was operating with a membership diminished in both size and strength. Equally, though it is conceivable that in 1993 very few workers who chose to remain would have possessed a sufficiently well developed comprehension of the likely experience of call centre work to assess whether it was necessary to oppose. Given the relative naivety of workers and the optimistic scenarios of call centre life espoused by management, it is not surprising that there was a lack of opposition.

Similar uses of redundancy programmes as a precursor for change have been reported elsewhere (O'Connell Davidson, 1993, Roberts, 1993, Strangleman, 2004; Turnbull and Wass, 1995). The knowledge and experience of older workers is often viewed as a

significant barrier to change, but, in the case of British Gas, it was their willingness to collectively oppose change that appears to have been most significant. With the replacement of these workers with agency staff, the power of the union was weakened.

Despite these dramatic and sudden changes in the external environment there remained a number of options available for British Gas management. The chosen approach to change was arguably influenced by the nature of the labour process itself (Gough, 2004: 55; Massey, 1984). The decision to initiate change within the context of the workplace rather than through relocation was a result of both strategic and pragmatic considerations. There would have been practical difficulties in closing down existing operations and relocating and seeking cost reductions through establishing new workforces. Like all workplaces, although to varied degrees, Granton House was locally embedded, reliant on a local pool of labour with firm specific skills and benefiting from long-term relationships with local suppliers and business services (Grabher, 1993; Cox, 1998). Furthermore, as the barriers to in situ change were relatively weak there was little need for British Gas to consider adopting a 'spatial fix' (Harvey, 1982). Although the difficulties of realising change through relocation may not have proven insurmountable, when facing imminent customer losses due to impending competition, the potential loss of additional customers that may have resulted from any decline in service standards was too high a price to consider.

Perhaps more importantly though British Gas faced a strategic choice about altering their geographical presence in regions that were soon to be exposed to competition. As the former monopoly supplier, British Gas had a national presence via its former regional

headquarters and saw competitive advantage in retaining these during the early phases of competition. Several of the new entrants to the gas domestic market were to be the regional electricity companies who were to seek to exploit their experience and records of serving their given locality. British Gas management would have been all too aware of the dangers of centralising their operations and withdrawing from areas where they were to face competition.

The preceding analysis has explained the factors that precipitated such dramatic change in the nature of work which occurred at British Gas. The model presented has taken into account both internal and external factors and attempted to highlight how each is inter-related. Although no attempt is made to suggest a hierarchy of causes, it is argued that the model provides a suitable heuristic device through which to understand change.

## ***8.2 The contrasting nature of clerical and call centre work***

A strength of this research lies in the ability to compare clerical and call centre work from the perspective of a group of workers who have experienced both work types within the same location. Interview and documentary evidence established that the introduction of call centre operations at British Gas signified a qualitative break with pre-existing forms of work organisation. This section considers the main differences between these two forms of work organisation through assessing the approaches to job design, performance management and the nature of control.

### *8.2.1 The organisation of work*

Tables 8.1 and 8.2 summarise the key differences between the organisation of clerical processing and call centre work at British Gas. Whilst mindful of the dangers in generalising from a single case the contrasts suggest a number of significant implications for workers arising from the increasing dominance of the call centre as a means of serving customers. Call centres have replaced existing clerical operations (Fisher, 2004), but more commonly have been viewed as a direct alternative when establishing greenfield operations. Such a trend is evident across both the public and private sectors (see chapter four). Although clerical operations at British Gas were not necessarily representative of all clerical work there is little evidence to suggest that they were wholly atypical of those found in other large bureaucratic organisations (Crompton and Reid, 1982; Fisher, 2004; O'Connell Davidson, 1993). A notable exception is the approach taken to performance management, which is explored in 8.2.2. Likewise, the organisation's call centre operation shares many of the features of other quantitative or mass production type call centres (Bain et al, 2002; Batt, 2000, Houlihan, 2002; Kinnie et al, 2000; Taylor et al 2002). Consequently, it is possible to draw conclusions, albeit tentative ones, regarding the differences between the nature of clerical and call centre work. In doing so, it is accepted that neither clerical processing operations nor call centres are homogenous forms of work organisation. The discussion moves between consideration of the specific differences between the two forms of work organisation at British Gas and differences between clerical and call centre work in general.

Table 8.1 Contrasts in the organisation of clerical processing and call centre work at British Gas.

<b>Clerical Processing</b>	<b>Call Centre</b>
Large number of distinct roles (hierarchy)	Generic roles and cross training
Daily workloads visible at start of shift	Continual delivery of calls throughout day
Some unity of conception and execution within defined parameters	Sharp separation of conception and execution largely realised
Absence of immediate customer presence during task execution	Customer presence during task execution
Discontinuous task execution	Just in time task execution
Flexi-time	Shift systems and extended hours of work
Relatively heterogeneous task performance	Relatively homogenous task performance
Some responsible autonomy	Direct, bureaucratic and technical control
Peripheral emotional control and public service ethos (customer satisfaction)	Emotional labour and private sector ethos (customer value added)

The main advantage, for workers, of the limited variety of clerical work was that it afforded them the ability to master a range of clerical tasks, however routinised, and acquire a portfolio of skills. The lack of uniformity of clerical tasks meant that management could not easily reassign work and workers between sections and to different tasks. This variance allowed workers to develop process specific knowledge and abilities that afforded some sense of ownership and relative autonomy over their task execution.

Notwithstanding some antecedents of the call centre being found in routinised clerical factories such as Granton House, the transformation was not a matter of simple evolution. Rather, the call centre must be viewed as a significant and qualitative break with preceding forms of work organisation that was facilitated by advancements in ICT and attractive to organisations because of its potential to enhance control over the labour process (Batt and Moynihan, 2002; Ellis and Taylor, 2006) and render future changes in work organisation less problematic. Call centres distinctively utilise sophisticated call

routing software that through adopting other technological developments makes it possible to automate or at least standardise simple clerical processes. Apart from reducing the variety of work available, standardisation renders labour more readily replaceable (Miozzo and Ramirez, 2003).

Rather than enjoying a relatively stable position in the organisation and having a hierarchy of roles through which to progress, much call centre work is typically characterised by continually performing a smaller number of repetitive tasks (Taylor and Bain, 1999). Inside call centres workflows can within limits, be redirected through electronic switching to maximise matches between customer demand and agent availability. With the use of standard scripts and online-help-systems management feel comfortable that workers are more able to deal with a broader range of calls types. However, rather than such flexibility providing welcome variety for workers it is often experienced as a source of insecurity and added pressure as they are often unaware of the type of a call to be answered until the customer explained nor always felt competent to resolve the enquiry. The use of online help systems and automated prompts to decision making are not substitutes for process specific knowledge acquired through formal training and the guidance of colleagues. Evidently, in comparison to the clerical operations call centre agents at British Gas were deprived of a precious source of security, control over their own work:

Q So how did the call centre differ from your clerical posts?

A For me the major difference between the call centre and the job as a clerk is that you used to be in control of your own work. You had deadlines rather than targets and you managed yourself. It was kind of like being your own boss. The work used to come in each day and you would prioritise as you knew what your priorities were. Basically, you got left alone to get on with your own work. In the

call centre you are just a body sitting there. That's it in a nutshell basically....and now you have targets and can't even go to the toilet without someone looking at you and timing you. (Maureen Taylor, CSA, Aged 56)

The continual delivery of calls exacerbates the absence of control that workers in mass production call centres often report. The nature of clerical processing means that customers are not physically present whilst tasks are completed. Whilst many other clerical workers had faced intensification of their work (Baldry et al, 1998) clerks at British Gas had the advantage of being able to take time, within reason, to decide what actions were required and could complete them without the added pressure of having to manage their own emotions and exhibit particular social competencies necessary with customer presence. At this time customer service was considered in terms of enquiry resolution rather than narrower concerns of politeness, empathy or friendliness. Although constrained by the need to meet quantitative targets clerical workers required to make outbound calls can assess what they are required to do and plan the conversation before contacting the customer. In the call centre, planning and execution occur almost simultaneously. With the widespread introduction of standard scripts and 'intelligent' computer systems, which prompt agents, only a degraded notion of conception remains.

The tension between organisational attempts to standardise customer service and customers' resistance to such initiatives creates a degree of uncertainty for call centre agents (Fuller and Smith, 1991; Sturdy and Fineman, 2001) which is not experienced by clerical workers. Customers face a potentially contradictory relationship with call centres; on the one hand they may benefit from any price reductions their existence makes possible but they may react negatively to what they perceive as 'robotic' or impersonal customer service. As the customer is not present in clerical operations, they are unable to

exert any immediate pressure upon workers to respond in a particular way. This dissatisfaction can often lead to agents having to deal with argumentative customers and only seeks to exacerbate the sense of lost control:

Q So how does making calls in correspondence differ from taking them in the call centre?

A You can get quite a lot of argumentative customers on the phone nowadays whereas when I was a correspondence clerk you were sort of in control of things. When you are on the phones you just get a customer in your ear and there's no getting away from it. It can be nerve wracking because you do not know what type of call its going to be or how they are going to act until they start talking. You felt in control in correspondence because if you had to speak to customers and that wasn't very often, you could work out what you would say before you rang. As you rang them I guess it felt more like your call too. Today we just have to read out standard scripts and stuff regardless of what customers say. This can set them off and cause grief. Basically, they [customers] are the ones in control of things now. (Jane Young, CSA, Aged 50)

The 'hidden' nature of workloads is another significant feature of call centre work, which sets it apart from clerical processing at British Gas. Although call centres typically display data on the numbers of calls received and those waiting answering, this is updated in 'real time' as new calls are received. For agents the apparently never-ending queue of calls magnifies the effect of the other inherent pressures which characterise call centre work. Improvements in forecasting call volumes and the use of increasingly sophisticated ACD systems have led to significant reductions in the porosity (Green, 2001) of the working day for agents. At the start of each shift, agents working in mass production call centres know that they are likely to be answering call after call after call for the duration of their shift, constantly feeling the pressure to end each one promptly in order to take the next one. Once their shift is over, other agents continue the seemingly continuous cycle of answering calls. This 'assembly line in the head' (Taylor and Bain, 1999) is perhaps the most distinctive feature of call centre work and deprives workers of experiencing

satisfaction from clearing finite workloads. For many, call centre work is monotonous, repetitive and extremely pressurised (Deery et al, 2002). No amount of calls answered is sufficient to meet the demands of the organisation or supervisors as there are always others waiting.

In contrast, clerical workloads, as far as British Gas was concerned were typically visible and finite. As previously indicated (chapters six and seven) workers derived satisfaction from clearing their defined daily workload as achieving a clear desk provided a source of satisfaction. Visible workloads also afforded workers an opportunity to regulate their pace of work to suit available workloads. Workers often cleared the majority of the workload in the morning and slowed their pace in the afternoon. Such a rhythm of work appears to be inherently more conducive to workers avoiding a wide range of ill-health concerns, such as stress, fatigue and burnout, associated with the frenetic and relentless pace of many mass production call centres (Deery et al, 2003; Morris and Feldman, 1996; Saxton et al, 1991; Taylor et al, 2003).

A final point worth considering is the impact of call centre operations on working time. Not only has the introduction of call centres often been accompanied by longer opening hours, responsibility for planning working time now generally lies with management. In British Gas, this meant the ending of flexi-time arrangements and the introduction of the unpopular Planned Flexible Working agreement. In order to maximise the potential cost savings that call centres afford organisations, there is a strong imperative to seize responsibility for allocating working time. There should be no doubt that whilst workers

are capable of fulfilling such a role themselves, given the need to co-ordinate shifts throughout the call centre and to ensure a fit with call forecasts would require a considerable amount of time. The call centre model is deeply rooted within the control paradigm (Houlihan, 2002) and appropriating responsibility for working time is simply another manifestation of this. Whilst not discounting the possibility of alternative approaches, the very essence of mass production call centres seems to exert considerable pressure to offer workers only limited discretion in all but the least significant areas of decision-making.

### *8.2.2 The role of the supervisor and performance management*

Aside from the repetitive nature of work, the utilisation of an extensive array of techniques to manage performance is perhaps the most common feature of literature on the nature of call centre work. This section assesses to what extent performance management techniques typically used within call centres differ from those found within the clerical operations at British Gas. In particular, attention is paid to the role of the supervisor.

Table 8.2 The contrasting roles of the supervisor and approaches to performance management at British Gas

<b>Clerical processing</b>	<b>Call centre</b>
Discretionary, collective and sporadic nature of performance assessment involving performance against deadlines or workflow projections.	Comprehensive and automatically generated source of 'objective' individual and collective performance data used regularly to assess individual/team quantity and quality of calls.
Supervisors as technical experts	Supervisors as performance managers
Supervisors as a process expert (advisory role)	Generic role of Supervisor (controlling role)
Relaxed and distant supervision	Intensive yet remote supervision

The supervisor plays a pivotal role within mass production call centres, tasked with ensuring that service levels are met under typically lean staffing regimes. The contribution of Taylorised work (Garson, 1988; Taylor and Bain, 1999) and the use of ACDs in realising potential savings call centres offer (Ellis and Taylor, 2006; Miozzo and Ramirez, 2003) are well understood. However, the role of the supervisor has to date rarely been explicitly considered. Although ACDs, call recording and agent performance packages all constitute sophisticated control apparatus they fall short of constituting an electronic panopticon (Ferne and Metcalf, 1998). This apparatus requires human intervention to monitor, analyse and ultimately act upon the mass of management information produced and at team level this duty falls to the supervisor.

Although supervisors play an integral part in the management of the call centre it is important to understand the context in which they operate. In the main supervisors are charged with implementing policies and practices dictated from above rather than crafting their own approaches to directing and planning work. It is true, however, that the supervisor retained discretion over aspects of normative and cultural control. In short, though supervisors are subjected to the same forces as those that they oversee (Braverman, 1974), the role of the supervisor within mass production type call centres is too important for organisations to leave decisions regarding its execution solely to the discretion of post-holders. Although not a primary focus of this thesis, workers' testimonies of the changing nature of supervision suggests that their own role may have itself been degraded.

The approach to supervision in the call centre at Granton House mirrors that reported by other authors who have studied mass production type call centres. The combination of bureaucratic and technological control structures (Callaghan and Thompson, 2001) act to limit the discretion afforded to individual supervisors and goes some way to 'standardising' their role. The reliance upon extensive online help facilities, automated processes, standardised scripts and plethora of management policies on how to deal with issues such as 'absence or lateness only exacerbate this tendency.

Supervisors are no longer required to possess or maintain extensive technical knowledge of their agents' work. Instead, the supervisor in the mass production call centre is responsible for managing the tensions between requirements for quantity and quality (Taylor et al, 2002; Thompson et al, 2004).

The relative substitutability of supervisors, centrality of managing individual performance and the close nature of supervision within the call centre all represent significant changes of emphasis in approach to supervision as carried out previously. Firstly, workflow management was an activity that involved monitoring the collective output of a department rather than managing individual performance. Not having to operate under the lean staffing typically found in call centres clerical supervisors were less concerned with ensuring that all workers contributed equally. The concept of individualised performance targets would seem to be at odds with the prevailing work culture of Granton House prior to the call centre. Even though informal work norms existed within some departments these were not formally expressed as performance

targets. Variable performance levels were accepted both between workers but also from the same worker on different days. Such an approach seems the antithesis of what may be considered 'best practice' today and highlights the extent of change in approach to directing work. Findings of the changing nature of supervision at Granton House support Thompson et al's (2004: 137) conclusion that the need to possess social rather than technical competence is primary for call centre workers, including supervisors.

The preceding discussion has highlighted the significant differences between clerical and call centre work, both in terms of their organisation of work, approach to performance management and the role of the supervisor. It is evident that the two forms of work are qualitatively different.

### ***8.3 Assessing the thesis' implications for the call centre literature***

This section assesses the implications of the thesis' findings for our understanding of the call centre modus operandi. Firstly, although recognising diversity of call centre type it is argued that organisational motives for establishing them are likely to have significant implications for both customers and workers. In attempting to realise the potential advantages made possible by call centres, organisations are confronted by systemic pressures that although not entirely precluding alternative forms of work organisation, typically see 'Taylorised', mass production type work systems emerge (Batt and Moynihan, 2002; Deery et al, 2003; Houlihan, 2002; Taylor and Bain, 2001). It is through failing to recognise the specific conditions in which the emergence and diffusion

of call centres occurred that some authors have clearly misunderstood their potential consequences for workers (Batt, 1999; Hutchison et al 2000; Holman, 2002) and overstated apparent tensions between competing priorities of customer service and cost efficiency (Frenkel et al, 1999; Korczynski et al. 2000). It is argued here that these two imperatives do not carry equal weight in decision-making since cost reduction typically dominates.

The second section presents a brief discussion on the impact of call centres for customers. Although not a primary focus of this thesis, it is clear that the diffusion of call centres is transforming customer service through exposing it to the logic of standardisation and rationalisation commonly seen within production (Ritzer and Stillman, 2001). In other words, in order that 'efficiency' is realised and profits secured customers are increasingly subjected to similar tendencies as those that serve them. In effect both production and consumption are increasingly rationalised at the expense of both workers and customers.

### *8.3.1 Accounting for the diffusion of call centres.*

Within a comparatively short space of time call centres have become the dominant model for organising large-scale customer service operations. It is argued here that the reasons why British Gas were attracted to adopting the mass production call centre are likely to be similar to those that prompted other organisations to do likewise. The intrinsic appeal of the mass production call centre lies in its potential to reduce costs, realise economies of scale, extend division of labour, facilitate unprecedented measurement of output, real-

time monitoring of workers and radical innovation in the use of working time (Bain et al, 2002; Batt and Moynihan, 2002; Taylor et al, 2002; Taylor and Bain, 2007).

In considering ways of restructuring work in tightening competitive conditions, the experience of early adopters in the finance sector must have proved irresistible for British Gas. Following privatisation and the ending of monopoly status commercial interests abruptly replaced the public service ethos that had driven the organisation of work in the nationalised British Gas. The call centre represented a 'modern' approach to organising work and in its mass production form was perceived as more befitting to the environment the organisation was operating in. Furthermore, it also provided a convenient and radical means of reshaping the work culture of British Gas – a necessary precondition for economic success in the highly price competitive domestic energy market of the late 1990s. Organisations in industries facing such turbulent changes to their environment were similarly attracted to the call centre and it has rapidly become the standard approach to customer service.

The compulsion to maximise profits and minimise costs necessarily inhibits the development of alternative call centre models (Houlihan, 2002). There is an inherent logic to the standardisation of work and close monitoring of workers that is characteristic of the mass production call centre. Not denying heterogeneity, it is precisely because call centres have typically adopted the mass production approach that they have proved successful in realising organisational objectives. Having made it easier for customers to contact them, whilst often simultaneously withdrawing opportunities for face-to-face

contact, organisations fuelled an increase in demand for such a service (Taylor and Bain, 2006). Faced with the need to meet customer demand organisations typically made use of the most readily available model for co-ordinating and controlling large-scale operations, namely mass production. The very success of call centres to date has been based upon fragmenting work so that it could be completed quickly and easily by workers in a tightly controlled environment organised to deliver conformity.

Advocates of an alternative approach to organising call centre work correctly highlight the costs of the mass production model in terms of degraded customer service and employee burnout (Batt, 1999; Batt and Moynihan, 2002; Deery et al, 2002; Kinnie et al, 2000). Yet organisations often explicitly acknowledge these costs and continue to operate such a model. Arguably, the case of British Gas provides some kind of explanation for such a paradox. Despite a longstanding pride in delivering excellent customer service British Gas adopted the mass production model as it appeared to best suit its requirements. In readiness for the competitive market the organisation sought to reduce costs through shedding labour, standardising work, increasing control over labour and intensifying demands placed on workers. For senior management this would have seemed a rational response to the problems they faced as their preferred response in times of crisis was to minimise workers' discretion and direct step-by-step the labour process themselves. Consequently, the mass production call centre was more attractive than one founded upon mass customisation or high performance work practices.

The absence of competitive pressure to adopt an alternative model of the call centre may also help explain British Gas' preference for the mass production approach. Potential competitors chose to service customers in similar ways and therefore there was no disadvantage in adopting the mass production model. Senior management were also fully aware that the energy market would be price sensitive with customers unable to discern any differences in the quality of gas offered by different shippers. The fact that most customers have little requirement to contact their supplier also meant that the mode of customer service adopted was of little concern in determining who to purchase gas from. The customer segment that was in regular contact with British Gas was those that were receiving disconnection notices because of failing to pay their bills. As this customer segment was the least profitable British Gas had an incentive to seek ways to reduce costs of serving them and once again there was a strong incentive to select the mass production model. Finally, the decline in efficacy of the trade union prior to the introduction of the call centre meant that British Gas did not face any significant pressure to construct work in a manner that would have afforded workers greater autonomy.

Recognising the importance of market segment in influencing call centre variant, and not wishing to preclude the possibility of organisations rejecting the mass customisation type call centre for another variant, the evidence suggests that this will only occur under specific conditions (Batt and Moynihan, 2002). The choice between call centre models is constrained by product and labour market conditions and the constraints of the dominant mass market system (Thompson, et al, 2004). It appears unless organisations face competitive pressure to offer a customer centred approach to service, operate in a market

in which customer patronage is decided by service quality or are confronted by workers willing to take action in pursuance of greater empowerment and discretion, the mass production model is more likely to be selected. The call centre model of work organisation is deeply rooted in the control paradigm (Houlihan, 2002) and this is precisely why it has been so attractive to organisations. Those who claim that mass customisation and high commitment management strategies provide a credible alternative (Batt and Moynihan, 2002; Kinnie et al, 2000) singularly fail to appreciate the very reasons for the diffusion of mass production call centres. In order to understand the reasons an organisation adopts a particular call centre type, at a given time, it is necessary to consider any espoused organisational motive for doing so, the industry, product market and regulatory and competitive environments in which they operate.

### *8.3.2 The impact of the call centre on customers*

Much of the research into call centres so far has focused upon the organisation and experience of work within them and more recently, their off-shoring. Despite almost two decades of call centres little has been reported on customer satisfaction with this particular mode of customer service (Bennington et al, 2000). What little is known reports customer perception of service quality to be notoriously low. Indeed, consumers consistently report call centres as amongst the worst providers of customer service (BSI 2004). Aside from being worthy of study in its own right there is value in assessing customer perceptions of, and reactions to service received by call centres in so much as it influences workers' experience of working within them. The customer within limits

influences agents' approach to work through their needs and expectations (Deery et al, 2004) and it is the customer whose requirements must be satisfied (Fuller and Smith, 1996). Although none of the data presented in preceding chapters was obtained directly from customers, their perceptions of the deteriorating service received from a British Gas call centre featured prominently in workers' testimonies. The extent to which customer needs shape the organisation of call centre work has also been a relatively prominent concern in call centre research (Korczynski, 2000; Korczynski et al, 2000). Much of the call centre literature assumes customer interaction will enrich experience of work (Korczynski, 2002) yet at Granton House workers empathised with customers and lamented the restrictions they faced in delivering customer service.

Q How has the call centre effected the level of service you are able to offer customers?

A We don't offer customer service here, well not in any way that we used to. Customer service now is all about 'answering that call', taking notes, and getting on with the next one. I guess it's basically getting calls out of queues rather than resolving enquiries now. It makes you angry that we are no longer allowed to resolve their enquiries in the same way as before, but you just aren't given the time. (Lesley Jones, CSA, Aged 48).

British Gas provides an interesting case through which to assess the relationship between call centres and customer service. Within twelve months of centralising call centres the Charter Mark had been revoked and the organisation featured weekly on BBC One's Watchdog consumer affairs show in response to record levels of customer complaints. Clearly, it would be naïve to pinpoint the call centre as being the sole cause of such a dramatic reverse in fortunes but it is evident that its adoption occurred at the same time as management chose to prioritise cost reductions over service quality.

In order to realise potential cost savings British Gas management required to control customers in the same way as they were attempting to control workers. The logic of call scripting, quality monitoring and quantitative call targets requires organisations to seek ways to reduce the unpredictability of interactions with customers. Unless customers could be controlled so that their behaviour was made more predictable, they would represent a significant obstacle to the routinisation of work. Customers who do not behave as expected have the same effect on service organisations that ill-fitting parts have on an assembly line, they hold up the process of work and thus introduce inefficiencies into the system (Leidner, 1993, Ritzer and Stillman, 2001). Consequently, customers are encouraged to become part of the 'production process' through selecting from pre-determined menus, utilising instant voice recognition software, following agents' standard scripts, responding to questions and prompts and generally meeting organisational expectations of how customers should act. When designing work processes British Gas made conscious choices to limit options available to customers and make assumptions of how they will act when faced with certain decisions or choices. In doing so, they sought customer compliance rather than providing selfless service through the labour processes of service workers (Leidner, 1993).

Organisations define the level of customer service that they feel is appropriate or necessary to offer customers. There is increasingly a conflict between the way organisations choose to deliver customer service and what customers are looking for from them (Ritzer and Stillman, 2001: 102). Although the application of mass production techniques to deliver products at low cost is typically in response to customer demand,

the application of the same approach in call centres often leaves customers frustrated as their needs are not met (Mulholland, 2002). However, even those organisations that operate in competitive environments do not appear to be developing alternative approaches to customer service (Ritzer and Stillman, 2001). Conventional wisdom seems to convince management that the mass production model is the only route to success, despite convincing evidence of the impact on both workers and customers (Deery et al, 2004; Holdsworth and Cartwright, 2003; Korczynski, 2001, Taylor et al, 2003). The imperatives of instrumentality have penetrated customer service and resulted in a degraded notion of service becoming the norm. Rationalisation seeks to render service more efficient, calculable and controllable. As Ritzer and Stillman (2001: 105) argued there has been a historical shift from ‘artisanal’ service towards a ‘systemised’ approach, whereby organisations frame customer service within issues of rationality and cost efficiency.

The call centre plays an integral part in the delivery of systemised service with its application of Taylorist principles to job design successfully standardising much of the agent-customer interaction (Mulholland, 2002; Taylor and Bain, 1998). Through minimising worker discretion organisations replace personal service with rational processes and commodify customer service. The dominant imperative of the mass production call centre is cost reduction and profit maximisation rather than delivering high standards of customer service. Through answering calls within defined timescales and monitoring how agents handle them, call centres define customer service in limited terms of speed and consistency. In the case of British Gas, what is apparent for agents is

that the system is failing to meet customer needs. The mass production call centre seems to be more about speed and creating an illusion of service rather than actually delivering it in any meaningful way.

Q How has the call centre effected the level of service you are able to offer customers?

A You know I reckon that call centres in general are a bit of a scam. God knows I hate calling them myself. The way that management run this one has nothing to do with customer service. Look at all the CEFs [customer enquiry forms] that we raise and never bother processing. Look at all the repeat contacts that are caused by this procedure. Sure customers may get their call answered quickly but they won't get their problem solved straight away. When you were actually allowed to deal with customers and have some kind of connection with them you took pride in resolving their problems. Nowadays, there's just no identification with customers as people....they are just like numbers, the same as us [call centre agents]. Whilst some of us older ones may still try and look after customers the younger ones just do as they are told, they don't know any different. (Simon Turner, CSA, Aged 52)

Whilst recognising that customer oriented call centres do exist, and that Granton House is a good example of a mass production call centre, it is possible to reach tentative conclusions on what service call centres offer customers. This pseudo service delivered within tightly prescribed procedures deprives workers of the satisfaction derived from offering a quality service and helping others. Deprived of the ability to resolve anything other than the most routine of enquiries places the call centre agent in an invidious position. A customer's initial contact with the call centre may leave them with an impression that their enquiry has been resolved promptly. However, in the case of British Gas, behind the just-in-time façade of the call centre lays a mountain of paper forms, each representing an unfulfilled obligation to a customer. The rhetoric of the call centre as an efficient means for customers to resolve their enquiries is laid bare when they subsequently have to make contact again because promised actions fail to be honoured. At Granton House the system of work appears to be consciously designed to constrain

agents' ability to help adequately resolve customer enquiries. Call centre agents then bear the brunt of customers' frustration, anger and occasional abuse when they have to make repeat calls to resolve their enquiry.

The research findings, in conjunction with those from other studies (see chapter three), suggest that the mass production call centre is not meeting the needs of customers nor those of workers who interact with them. The call centre labour process at Granton House, typical of those in other mass production call centres was designed to handle customer enquiries in a cost effective manner rather, than in a way that satisfied workers' requirements for a satisfying job or to offer customers a customised service. The organisation of work and division of labour is capital's division of labour and this necessarily limits the extent to which it can be altered (Nichols and Beynon, 1977). Recognise the relentless quest for profitability under capitalism and there is little surprise that the radical change in organisation of work which accompanied the introduction of the call centre at Granton House adversely affected workers' experience of work. After all, workers labour for capital.

#### ***8.4 The Political Economy of change: Returning to the heart of labour process theory***

It is now necessary to consider the implications of the thesis for labour process theory. Chapter three demonstrated the failure of many labour process studies to locate their accounts within broader political, historical and economic contexts and the consequential

tendency to misread the significance of what is reported. At the heart of Marx's original conception of the labour process was an attempt to highlight what was distinctive about its planning, execution and outcomes under capitalism. This focus on the broader forces shaping work and the importance of historical context were also central to accounts presented by Braverman (1974), Friedman (1977) and Edwards (1979). Many contemporary accounts have departed from these essential approaches and abandoned an interest in long-term approaches to work organisation that characterised many early contributions to labour process theory.

A value of the research conducted for this thesis lies in the return to analysing changes in the organisation and experience of work over an extended period. Although based on a single case, this study provides sufficient data to re-evaluate the claims of a continual degradation of work over time made by Marx, Braverman and Edwards. A defining strength of this study is its assessment of historical changes in the organisation and experience of work within an organisation over a period of nearly forty years. It is a truism that considering work organisation over an extended period of time increases the potential to more accurately explain the significance and meaning of change. The following section assesses the implications of the research findings for labour process theory.

#### *8.4.1 Re-evaluating Braverman*

Arguably critics of Braverman often portray his central argument as being based around the continual deskilling of work under capitalism (e.g. Noon and Blyton, 2007). However, such a reading of Braverman misrepresents his central argument that it is the ongoing separation of conception and execution of task performance and control that degraded work.

The research findings presented earlier (chapter seven) provide evidence to support Braverman's conclusions on the importance of control mechanisms in shaping the experience of work. Although clerical work at British Gas can not be equated with the skilled and craft traditions, and despite the routinisation of clerical work, elements of 'craftism' in the exercise of relative discretion and autonomy were evident. However, limited the scope of this discretion may appear, the workers' testimonies patently highlight how it imbued their work with a sense of purpose. Being treated 'like an adult' was a welcome part of management's approach to organising work. Having demonstrated their reliability as juniors workers expected to be trusted to 'get on with the job.' Workers were patently successful at clearing workloads under such an approach and this only served to strengthen workers' convictions that there was little likelihood of, nor need for, change.

The bureaucratic and technical controls (Callaghan and Thompson, 2001; Edwards, 1979) utilised in the call centre fundamentally altered the experience of work and saw workers

suffer an abrupt loss of control over their task performance. Through automating the delivery of workloads, attempting to standardise interactions with customers, providing online help facilities and IT systems that update in real time the organisation of work was reconstructed as a process explicitly controlled by management and one that failed to meet the interests of workers. Having to meet numerous targets and follow scripts whilst logged into a phone under the watchful gaze of supervisors, necessarily curtailed scope for workers to exercise discretion.

In the case of British Gas, technology played a significant role in the further separation of conception and execution and general degradation of work. Notably, call scripting, online help facilities and front-end system all reduced the requirement for workers to conceive appropriate solutions to resolving enquiries. Agents themselves made a significant contribution to these developments but were not afforded the opportunity to shape how they were deployed. The past labour of agents was subsequently utilised to divest them and their colleagues of what little control they retained over their work. The codification of workers' knowledge and its subsequent use against them marked a departure from a culture in which the importance of technical knowledge was sacrosanct and saw it replaced by social competencies (Thompson et al, 2004). In the call centre at Granton House workers were no longer required, nor afforded the opportunity, to amass process knowledge and benefit from the recognition and status that this accrued. In place of the self-directed clerical worker appears the subdivided detail worker. Although Braverman could not have foreseen the call centre its emergence appears to be consistent with his analysis of the continual transformation and degradation of work organisation under

capitalism, and specifically the utilisation of technology as a means of realising change.

As Braverman (1974: 239) presciently remarked:

...this conversion of the office flow into a high speed industrial process requires the conversion of the great mass of office workers into more or less helpless attendants of that process. As an inevitable concomitant of this, the ability of the office worker to cope with deviations from the routine, errors, special cases etc, all of which require information and training virtually disappears. The number of people who can operate the system, instead of being operated by it, declines precipitously.

Traditionally, technology has been utilised to the benefit of those that control the labour process rather than those that perform it (Armstrong, 1988; Braverman, 1974; Marx, 1976). A defining characteristic of the mass production call centre is the technological developments associated with them, which lead to new forms of control and the precise direction of the labour process. Although the call centre represents a radical application of technology to clerical work, with dramatic effects, it is a continuation of a longstanding tendency under capitalism, namely tightening management control over workers.

...the remarkable development of machinery becomes for most of the working population, the source not of freedom but enslavement, not of mastery but of helplessness, and not of broadening of the horizon of labour but of the confinement of the worker within a blind round of servile duties in which the machine appears as the embodiment of science and the worker as little or nothing. (Braverman, 1974: 134)

Fundamentally, technology is deployed to increase productivity, reduce the numbers of workers employed and to increase management control. At British Gas, each of these three motivations was present in the choice to utilise available technologies to reshape the labour process. Whilst, not wishing to preclude the possibility that British Gas could have chosen an alternative means of realising their objectives the patent success enjoyed by

other service providers who had adopted the call centre must have represented a significant incentive to follow suit.

However, the diminishing returns derived from innovations as their adoption becomes more widespread, and driven by the needs of the capital accumulation process, organisations must constantly seek new and more intensive ways of deriving greater productivity gains and cost savings. No level of productivity or ‘efficiency’ is regarded as sufficient (Braverman, 1974: 141) and therefore the labour process under capitalism is constantly transformed.

Although the introduction of the call centre was one such radical transformation (Batt, 2000, Taylor and Bain, 2006), they were themselves transformed over time as organisations sought to extract ever-greater returns from it. The imposition of higher performance targets, the development of the front-end system and call scripting at British Gas are all examples of such attempts. Call centres cannot be seen as a ‘final solution’ to the problem of maximising returns from and minimising the cost of labour. Call centres are not static or unchanging, but rather an evolutionary form of organising interactive service work (Taylor and Bain, 2006) Accepting this should encourage researchers to adopt a longer-term perspective to studying the organisation and experience of work in call centres. Perhaps, through adopting such an approach the optimistic claims of ‘mass customisation’ and ‘high involvement practices’ within call centres may be better tested.

The evidence from this case suggests that the long-term degradation of work under capitalism, identified by Marx and Braverman, continues with the introduction of call centres. The call centre may be understood as a product of the neo-liberal era that prioritises organisational needs for control and 'efficiency' over human needs for dignity and control over their work. The organisation of work in mass production type call centres and utilisation of technology to control, direct and monitor work is wholly consistent with Braverman's degradation of work thesis and in part suggests its enduring relevance.

Although this study has provided evidence to support Braverman's work there are a number of findings that suggest necessary qualifications. Perhaps most importantly is the speed at which the organisation of work was transformed at British Gas. Generally, Braverman presented an evolutionary account of technology that underestimated the speed at which work could be transformed. In essence, Braverman was comparing craft workers of the nineteenth century with detail workers in the late twentieth century. Although highlighting scientific management and certain technological advancements as pivotal catalysts for change, no indication of the possibility of such rapid, dramatic transformation of work appeared in *Labor and Monopoly Capital*. Whilst accepting that Braverman adopted a macro level, rather than organisational, perspective this would not necessarily preclude discussion of the possibility of rapid transformation of the labour process. Such an omission leaves it unclear whether Braverman recognised the possibility of such rapid change. Certainly, the historical sweep of *Labor and Monopoly Capital* implies a conviction that significant transformation is generally realised gradually.

Evidence presented in the preceding two chapters suggests the potential for the labour process to be radically transformed in a comparatively short period. In the space of three years, Granton House was transformed from a clerical processing site to a call centre. The utilisation of ICTs to reconstruct the labour process had a similar effect on work as the introduction of computers did in the newspaper industry (Zimbalist, 1979) and the word-processor had on the typing pool (Crompton and Reid, 1982; Glenn and Feldberg, 1979). Whilst recognising the evident value of a long-term analysis of change it is vital that radical innovations in work organisation are afforded the appropriate attention.

A well-recognised omission of Braverman concerns the issue of workers' resistance to the tendency of deskilling (Cressey and MacInnes, 1980; Lee, 1981; Penn, 1978). Subsequent studies have successfully demonstrated how workers have collectively challenged management's attempts to degrade the content of their work. Indeed, section 8.1 demonstrated how trade union strength contributed to the preservation of existing working arrangements. However, following privatisation the depth and swiftness of the transformation in the organisation of work, was remarkable and to avoid replicating Braverman's error of omission it is necessary to consider resistance, or more accurately explain its relative absence.

Since the signing of a partnership deal in 1997, the union at national level acquiesced in largely accepting British Gas' business case for change and chose, on tactical grounds, to cooperate with management's change agenda. Union acknowledgment of the pressures of

external competition and the undoubted challenges this would bring led, logically, to an acceptance of the call centre as a suitable organisational innovation. Unison recognised that the impending commercialisation of British Gas would inevitably mean customer losses, reduced profits and given the need to satisfy shareholder demands for dividends, the very real potential of continual reductions in workforce size. UNISON reluctantly accepted management's argument that the call centre was an integral part of their strategy to ensure the organisation's long-term viability and thus maximise job security. The unions as well as British Gas had benefited enormously from the protected environment afforded by monopoly status and commercialisation consequently posed a threat for both parties. Given that to some extent the future of the unions were intertwined with that of the organisation their acquiescence was perhaps predictable.

Having neglected to campaign against the call centre prior to its introduction made it difficult to challenge its operational logic and consequences (targets, pace of work, pressure) once it became established. Through accepting the necessity of its introduction and understanding its potential contribution to realising necessary cost savings the unions faced considerable difficulties in opposing the organisation of work designed to deliver this. To have done so at this stage would have required the union to have proposed an alternative form of work organisation capable of realising similar organisational benefits and then to have mobilised sufficient resources in a campaign to have this implemented. The unions eschewed any such notion.

The unions at British Gas were not prepared to engage in what has been termed the new 'politics of production' (Fisher, 2004; Stewart and Martinez-Lucio, 1998; Taylor and Bain, 2001: 62-63), championing members' concerns that emerge at the point of production. In choosing to prioritise what they regarded as national and institutional priorities, the unions adopted a defensive and conservative orientation towards maintaining recognition, preserving jobs and sustaining membership. The unions adopted an uncritical understanding of the significance and future potential impact of the emerging call centre upon members' work and their experience of it. Because of the absence of collectively-generated resistance, individuals were left to their own devices, to construct the means of coping with, or escaping from, the rigours of call centre life.

The absence of resistance is not the consequence of the totalisation of managerial control, as the postmodernists and Foucauldians would have it, but rather the outcome of the failures of collective organisation (Ellis and Taylor, 2006). The potential for resistance, to what many workers perceived to be the oppressive working conditions in the call centre, remains. Their testimonies throughout this research have eloquently revealed resentment at what they are expected to do at work, and how they are expected to do it. It is within this resentment that the seeds of resistance lay dormant. However, for their potential to be realised the unions must reconnect with members and exhibit a hitherto unseen preparedness to represent them in bargaining.

A further research finding that suggests a qualification of Braverman's thesis regards the consequences of Taylorised work organisation for workers. Under such regimes

individual workers do not technically lose knowledge of their work, rather work systems and job design inhibit their potential. Such a curtailment of potential brings frustration over wasted ability. The organisation of work under capitalism to facilitate the production of profit rather than satisfy the needs of those who perform it typically under-utilises human potential and only exacerbates feelings of alienation (Marx, 1976). Under the tightly defined and controlled procedures followed within the call centre at British Gas, workers were required to deny their capabilities and adhere to procedure, even if this meant raising paperwork where they possessed the necessary competence to resolve an enquiry. As the following quote indicates workers felt puzzled by the irrationality of such an outcome.

Q How have you felt about the introduction of Front-End and scripting?

A I feel frustrated because I am now doing a job which I class as a lot less skilled than I can do. I have been in the company for twenty years and have a lot of knowledge on how to deal with an account yet I am not encouraged to use it. Surely as you get more experienced you should be appreciated as having the knowledge to make decisions in the best interests of the company? (Rachael Jones, CSA, Aged 46)

#### *8.4.2 Assessing the contribution of Friedman (1977) and Edwards (1979)*

It is necessary to move beyond Braverman and consider the implications of research findings for the second wave labour process theorists. Both Edwards (1979) and Friedman (1977) were concerned with the changing nature of control at work and reported broadly similar conclusions (*see chapter three*). Again, this study lends itself to assessing the extent to which their findings are useful in explaining the nature and operation of the various forms and dimensions of management control at British Gas.

Both authors were correct in stating that the nature of management control was more complex than Braverman argued. The case of British Gas saw management utilise a range of control types at different points of time albeit they relied upon, to a greater or lesser extent, Taylorist job design. A responsible autonomy type approach to control, evident within the clerical processing departments, gave way to one more akin to Edwards' concept of direct control. Although not solely responsible for preserving the comparative autonomy afforded to workers the hitherto proven, disruptive potential of the unions provided a disincentive for management to initiate change. Such a position is consistent with both Edwards (1979), and most notably Friedman's (1977) findings that only when faced by pressure from below do management temporarily cede relative autonomy to workers.

As such an approach carries significant costs both authors agreed that when the pressure to maintain such a moderate approach to exercising control diminishes, direct or technical control is reasserted. Certainly, the exercise of management control within the call centre at British Gas was more akin to direct control than responsible autonomy. Indeed, the mass production call centre is more generally associated with this type of approach to control (Houlihan, 2002) albeit supplemented by forms of normative and cultural control (Thompson et al, 2004; Van den Broek, 2004). Facing the threat of competition and operating within a strict regulatory regime British Gas management exploited advancements in ICT, the voluntary severance package and the consequent decline in union efficacy to reshape the frontier of control by tightening their grip over the direction of the labour process. In doing so, management focused attention on controlling the areas

that they saw as being of central importance to their role, productivity and efficiency. In part the intrinsic appeal of standard scripts, online help systems and quality monitoring agent calls lay in their potential to enable tighter control over labour, in order that productivity gains may be realised.

Perhaps what is most surprising about the transition to direct control was the comparative ease of its realisation. When Friedman (1977) argued that such a move away from responsible autonomy was unlikely to be realised without severe disruption, he failed to consider the factors that influence workers' reactions to such a move. Such an omission is curious given his assertion that changes between different control strategies reflect differences in the strength of resistance (Friedman, 1977: 8). Such a finding should have led Friedman to realise that from time to time conditions will exist under which organisations will alter their approach to controlling labour without facing organised resistance. The case of British Gas demonstrates that where unions are unable, or unwilling to resist management initiatives to reorganise work on such a dramatic scale, management can successfully reshape the frontier of control with minimum disruption. Perhaps what made the transition comparatively straightforward was although management asserted direct control over workers they retained characteristics of responsible autonomy for a period. The internal job ladders, incremental pay scales, annual leave entitlement and final salary pension scheme remained. It would be a number of years after the introduction of the call centre that these benefits were curtailed or withdrawn.

A final point to consider is the long-term direction of changes within managerial approaches to controlling workers within call centres. Although recognising that such trends towards affording workers a greater degree of control were reversible, Friedman concluded that there was a general shift towards responsible autonomy as organisations grew in size and were able to insulate themselves, to some degree, from competitive pressures. Given that in part the popularity of call centres appears to be based on their potential to offer many organisations a preferred means of operating in increasingly competitive environments (Deery and Kinnie, 2004; Taylor and Bain, 2006), it remains to be seen whether Friedman's optimistic conclusion retains credibility. Certainly, within a majority of published accounts on the nature of call centre work the predominance of direct control remains evident (Houlihan, 2002; Taylor et al, 2002).

The absence of longitudinal research examining the exercise of control over the planning and execution of work restricts understanding of the extent to which workers can successfully challenge such approaches in the long-term. It is true that a number of authors have detailed accounts of workers, individually (Knights and McCabe, 1998; Mulholland, 2002; Sturdy and Fineman, 2001; Thompson and Ackroyd, 1995) and collectively resisting (Callaghan and Thompson, 2001; Fisher, 2004; Houlihan, 2000; Taylor and Bain, 1999; 2000 and 2002; van den Broek, 2004) elements of the direct control type. However, a common problem of such studies is that they typically focus upon a comparatively short period of time and thus potentially misread the long-term significance and impact of particular forms of resistance.

Furthermore, the only accounts that examine alternatives to direct control regimes within call centres are concerned with comparatively scarce examples of sites that adopt high performance work practices (Kinnie, et al, 2000). Once again these accounts have to date adopted a short term perspective which leaves questions as to whether such an approach endures in the face of increased competitive pressure. There is a clear need for research that examines to what extent, and how call centre workers seek to challenge the exercise of the various forms of control they face.

The evidence from this study suggests that the absence of collective means to resist management's approach to control meant it was largely left unchallenged. As often the case in call centres (Fisher, 2004) unions at British Gas were unsuccessful in securing changes to those elements of the call centre labour process integral to the profitable transformation of labour power, and which are often most concern to workers. In the case of British Gas the main reason for this lack of success lay in the unions' preference to privilege issue of job security over issues at the point of production.

### ***8.5 The personal cost/experience of change***

Having considered the nature and significance of changes in work organisation at British Gas the discussion now turns to how it affected workers. This section seeks to evaluate the consequences of change for workers through examining its impact upon their experience of work. The discussion also seeks briefly to relate the research findings to broader studies of the experience of work under 'new capitalism' (Sennett, 1998).

### 8.5.1 *From commitment to control*

The value of securing worker commitment to, and identification with, their work has long been promoted by management writers (Mowday et al, 1982). For some writers managing for commitment rather than through coercion is a central tenet of a more consensual approach to managing the employment relationship and characteristic of the high performance workplace (Hutchinson et al, 2000; Kinnie et al, 2000; Wood and de Menezes, 1998; Walton, 1985). The dismantling of over-bearing bureaucratic structures, combined with alleged soothing effects of Human Resource Management (HRM) practices are said to have reshaped labour relations and signify a paradigm shift in the organisation of employment and society (Piore and Sabel, 1984). Whilst visions of such a brave new world may prove comforting to their authors, their connection with reality is somewhat dubious. The evidence for supporting any notion of a paradigm shift in employment practices is negligible (Kersley et al, 2006). The research findings presented here offer an interesting insight into how any notion of worker commitment may have altered or evolved over the extended period under consideration.

As most interviewees had relatively little, if any, experience of work outwith British Gas the culture of stability and the anticipated reward of status, came to define their conceptualisation of the very nature of work *per se*. The apparently perennial workplace arrangements engendered amongst workers an impression that ‘this was just the way work was’. In the absence of any other contradictory references, workers can be forgiven

for reaching such a conclusion. Stability and status formed important elements of workers' psychological contract with British Gas.

Q How long did you expect to remain with British Gas?

A When I started, you were surrounded by folk in their fifties who had been here since the war ended and most of us expected to be here when we reached their age too. You just didn't leave the Gas Board back then. I mean you were well looked after, left to get on with your work and felt valued...isn't that all that most folk want? You always imagined it would be like that forever. (Sandra Turner, CSA, Aged 49)

Q How long did you expect to remain with British Gas?

A Honestly...I was pretty certain I'd retire here. You know it was known as a place that people never left. You were well paid, had a secure job that meant something, you were left alone to get on with it too. Although as a seventeen year old it was kind of daunting to see the next fifty years mapped out in front of you, it was what we were brought up to expect back then. You were told to get in with a good company after leaving school, get your head down and stay out of trouble. If you did this your company would look after you. (Tim Taylor, SCSA, Aged 45)

A sense of predictable and ordered experience of work was important to workers' conceptualisation of employment and the bureaucratic nature of the organisation encouraged this. Workers were able to think about their working lives as narratives, '...not so much of what necessarily will happen as of how things should happen' (Sennett, 2006: 23). This stability allowed workers to form ideas as to what differing stages of their working life would look like and engendered a sense of being able to plan confidently. Although in part explained through the absence of competition the enduring workplace arrangements were characteristic of bureaucratic organisations in general (Crozier, 1965; Du Gay, 2000; Fraser, 2001; Friedman, 1977; Rifkin, 1996; Weber, 1978; Wright-Mills, 1951). In tracing the emergence of bureaucracy, Sennett utilises the German concept of *bildung* to elucidate its inner workings:

The German word *Bildung* names a process of personal formation which fits a young person for the lifelong conduct of life....steadiness of purpose becomes more important than sudden bursts of ambition within the organization, which brings only short-term rewards. (2006: 25)

Through institutionalising time the principle of delayed gratification was enshrined in bureaucratic workplace arrangements (Weber, 1978) and that encouraged workers to concentrate on future rewards for complying with instructions in the present. In a sense, a bargain existed between workers and their employers; internal job ladders, job security and the legitimation of their distinct interests were offered in exchange for performing what was typically routinised work. The early years of employment were to be viewed as an 'apprenticeship' where skills, knowledge and experience were acquired whilst awaiting an opportunity to progress later. Workers were rewarded for investing in their future. Clearly, the nature of the bureaucratic pyramidal structure meant that not *all* workers were rewarded equally. Indeed, not all workers would aspire to promotion. However, the bureaucratic organisation necessarily rewarded competence. Bureaucracy required people who were competent to perform their clearly defined role, if organisations were to succeed (Williamson, 1985). Where an organisation relied upon firm specific knowledge a premium was placed on retaining labour as turnover was costly in terms of retraining and the loss of experience and knowledge.

Workers in British Gas prior to the call centre were evidently committed to their work and identified with their organisation. The relative stability in workplace arrangements combined with the autonomy afforded to workers produced the necessary conditions for commitment to emerge. As well as being able to commit the necessary resources to foster commitment, British Gas also saw value in doing so. The forced commercialisation of

British Gas, continual restructuring and the emergence of the call centre all undermined this position. Through ‘modernising’ in response to environmental changes British Gas destroyed the foundations upon which workers had built a sense of commitment and pride. A general shift from commitment to compliance amongst workers is evident following the dramatic and sudden transformation in the organisation of work. Trust takes significant time to emerge, but also requires an institutional framework conducive to long-term investment of emotion (Sennett, 1998; Strangleman, 2004).

Q Has your level of commitment to British Gas changed over time?

A The move to the call centre has ruined my job. I used to love what I did and enjoyed coming in everyday. Nowadays it’s more about coping, otherwise you are fighting against an oncoming wind. I hate every minute of it. I have been on calmers for the past six months and have had to push myself to get up in the morning. What can you do though? I can’t just walk out, I mean I’ve got my pension and the chance to retire at 55 if I stay. If I go I lose that. This is the only type of job I’m qualified to do. If I’m honest I’m just counting the days until I retire. (Sophie Cunningham, CSA, Aged, 53)

Such a shift away from commitment is a marked contrast with the optimistic accounts of new working practices presented in chapter three. From the late 1980s onwards, there has been an apparent obsession with dismantling bureaucratic structures in the face of increased competitive pressures and the perceived need for organisations to become more flexible. The fetishism of continual change is a structural feature of new capitalism and exerts a high personal cost for workers. The employment relationship has become a shorter-term arrangement where employability replaces long-term job security and more pragmatic as management direct an increasing focus on attacking perceived cost inefficiencies wherever they are (Colling and Ferner 1995).

In the case of British Gas the dramatic transformation of work constituted a discarding of the former workplace arrangements and replaced workers' hitherto enduring expectations of the future rhythms of their working life. The unsettling impact of such change was compounded by the realisation that the resources in which workers had invested considerable energy to acquire, in order that rewards may be acquired in the future, had without notice been replaced. The potential for organisations to rapidly discard established arrangements renders planning for the future, problematic for workers. Such a situation only exacerbates the insecurity of work today.

## **8.6 Conclusion**

This chapter has sought to explain the significance and meaning of the research findings and relate them to existing knowledge of the changing nature of work. Given the extensive changes in British Gas' external environment and the restrictive regulatory regime it faced, radical restructuring of the labour process was inevitable. The transformation of Granton House into a mass production call centre had dramatic implications for the experience of work and represented a qualitative break from the clerical operation that preceded it. Workers' testimonies have eloquently articulated the personal impact of change, most notably the dehumanising effect of the call centre. Whilst mindful of the dangers of generalising from a single case it is suggested that the diffusion of the call centre is bad news for workers.

Q How would you sum up the impact of all these changes (in work organisation) that you have described?

A When I first started at Scottish Gas, the job was interesting, it was fun and it was appreciated. You used to like coming to your work, you worked good

hours and it was good pay. Now I don't like the job, it's boring, you are under pressure the whole time through no fault of your own and you are not recognised for what you do. I am forced to work hours that I don't want to work, the pay is still a wage I can live on but its not as good as it was. You are put under pressure for your sickness, for your performance and for every part of your job. You are just a performing body in the company, it's as if your name doesn't exist anymore, you are just a pin number. (Maureen Taylor, CSA, Aged 56)

The case of British Gas has shown the importance of how trade unions react to management plans to reorganise work. The evidence presented provided a further critique of Braverman's failure to explicitly consider the potential for workers to successfully resist change. Through being prepared, and able to, confront management at the point of production and resist or moderate management plans to alter work arrangements, unions were for a considerable period of time able to protect members from intensification and preserve their, albeit limited, autonomy over their task execution. Although changes in the internal political environment of Granton House and the market conditions faced by British Gas all influenced the unions' position, the decision to largely withdraw from contesting issues of work organisation, had profoundly negative consequences for members. It is apparent that the unions misunderstood the significant relationship between the utilisation of increasingly sophisticated technology to plan and direct task execution and members' experience of work. In seeking to improve workers' experience of work in call centres, and in particular those operating along mass production lines, unions must be more extensively involved in regulating the planning and direction of work. Not only does such an approach offer the potential for union density and influence in call centres to grow (Taylor and Bain, 2001; Fisher, 2004) but also to ameliorate the most oppressive elements of call centre work and protect workers' health. However,

given the typical organisational motives for establishing the mass production call centre the extent of the challenge unions face in attempting to do so, can not be overestimated.

Whilst the critical contribution of Taylorist principles of work design to the transformation in the experience of work at British Gas has dominated discussions, this chapter has argued that Edwards (1979) and Friedman (1977) were both correct in recognising alternative approaches. Although the exercise of direct control dominated management's attempts to resolve the indeterminacy of labour within the call centre, forms of normative and cultural control were also relied upon. Having chosen to prioritise restructuring work organisation, rather than attacking terms and conditions a number of elements from earlier responsible autonomy type approaches remained in the call centre. These findings suggest the inadequacy of typologies of control that fail to recognise the complex and often contradictory ways in which organisations seek to control workers.

## **Chapter 9 – Summary and Conclusions**

### ***9.0 Introduction***

This study has demonstrated that the impact of macro-level events upon the labour process is not direct and simple, but complex and non-linear. The in-depth, oral history interviews combined with union and company documentation, have yielded rich data which have contributed insights into organisational responses to *external shocks* and their impact upon workers' experiences of work at British Gas. The interplay between changes in the external operating environment of British Gas and transformation at the workplace level has highlighted a number of theoretical and methodological issues for analysing the organisation and experience of clerical and call centre work.

The concluding chapter is organised as follows. Section 9.1 restates the main findings of the study. The study documents the transformation of workplace arrangements that accompanied the introduction of the call centre to replace clerical operations. The research located changes in the organisation and experience of work at British Gas within a broad historical context taking account of significant antecedents of change. In particular, the privatisation and subsequent marketisation of British Gas exerted considerable pressure on management to follow the example of organisations in the financial services industry and replace labour intensive clerical operations with call centres.

Section 9.2 outlines this study's theoretical contribution. It is argued that the study forms a unique contribution through being the first to examine the transition from clerical to call centre work. The study also makes a methodological contribution through its use of oral history techniques to restore workers' voices to historical accounts of changes in the labour process under capitalism. It is argued that this approach is more in keeping with the heart of labour process theory as understood by Marx, Braverman and the 'second wave' theorists. This study provides a useful corrective to the abundance of plant based studies, within labour process theory, which fail to afford due cognisance to the influence of broader political economy and typically result in dislocated analysis of change.

Section 9.3 considers the extent to which generalisations can be made from this study. It is argued here that it is reasonable to assume that the research findings are relevant to other utilities and those parts of the private sector that have been subject to privatisation and marketisation. However, it is recognised that this study's findings can not, with certainty, be used to predict how the organisation and experience of work have altered over time in other organisations. Consistent with an important tenet of this thesis the researcher remains sensitive to the mediating impact of situational factors in determining workplace outcomes.

Section 9.4 outlines some suggestions for future research. It is argued here that existing knowledge of how work within the Utilities, and more generally in privatised organisations as a whole has been affected by the transfer into the private sector. Knowledge of how work in these sectors has changed over time would not only have intrinsic value in its own right but would afford an opportunity to begin forming

generalisations about how privatisation, casualisation and marketisation are affecting the organisation and experience of work in general.

To locate the following discussion in context it is necessary to restate the research objectives. The objectives of this study were:

- 1) To reconstruct past clerical and call centre labour processes of Granton House.
- 2) To examine objective changes in the organisation of clerical and call centre work
- 3) To examine workers' subjective experiences of change at the level of the workplace.
- 4) To identify underlying causes for changes in the organisation of clerical and call centre work.
- 5) To identify and explain worker/union responses to changes in work organisation.

### ***9.1 Main Findings of this Study***

While work organisation was not homogeneous across Granton House and variable paper-based clerical routines existed, and while differences existed between departments in terms of *inter alia* levels of required knowledge and time to complete tasks, it is possible to provide an archetypal depiction of the nature and experience of clerical work that prevailed during the 1970s, throughout the 1980s and even into the early-1990s. Notwithstanding the patently standardised content of many routines, clerks enjoyed some autonomy, and reported exercising a degree of control over task performance. Within prescribed parameters, clerks had opportunities to fully resolve

queries, seeing tasks through to completion, which both was a consequence of, and served to reinforce, this sense of control and ‘ownership’, to use what would have been in the context of this period an anachronistic HRM term. This sense of relative autonomy was further reinforced by the approach taken towards performance management, where workflow volumes rather than individual performances were monitored. Supervisors played a minor role in managing an individual clerk’s workload, acting more as technical expert, often undertaking clerical duties that required authorisation of expenses, or the allocation of allowances to customer accounts. There was a tacit understanding that certain clerical duties took longer than others to complete, and supervisors were sensitive to the fact that output would vary depending on the particular tasks being performed. Clerks could, and would, vary their pace of work largely because each morning they were presented physically with the pile of work that had to be completed by closing time.

The work culture of Granton House has been shown to be the product, and legacy, of a nationalised industry, having developed in a period of corporatism. It reflected its institutionalised industrial relations framework, in which trade unionism exercised considerable influence. Without romanticising what was indisputably the performance of routinised white-collar work, since a premium was placed on clerical knowledge and professional service, it would be more apt to characterise the labour process as ‘responsible autonomy’ rather than ‘direct control’. Workers demonstrably enjoyed a level of discretion within their quotidian work routines, being relatively free to visit the canteen, take comfort breaks and converse with colleagues.

In sum, in terms of the extent of discretion clerks enjoyed within a long-established and relatively unchanging work organisation, the pattern of informal knowledge acquisition, lightness of supervisory touch, sense of clerical professionalism and expertise, and the absence of individualised and detailed controls over time and output, the contrast with the later call centre regime could not be more marked.

In the aftermath of privatisation, the specific nature of regulation and marketisation that resulted from two referrals to the Monopolies and Mergers Commission in 1993 and 1997 BG plc senior management's preoccupation with cost – particularly labour cost – reduction intensified. De-merger and restructuring into distinct business units were the first significant organisational responses. From inception the new organisations had much flatter hierarchies, utilised generic job descriptions to increase labour flexibility and to erode the old job grades, perceived as inappropriate for the new environment. Central to driving the competitive culture and new business model was a radical departure in customer servicing. Major investment was made in the telephony infrastructure to facilitate a new national billing system, Tariff Gas Billing (TGB), which would replace localised operations and realise economies of scale. Within three years (1995-98) customer service departments were transformed from geographically-based clerical processing centres into full-blown call centres with a UK-wide remit. Just as widespread redundancies accompanied the contemporaneous penetration of the call centre throughout the financial services sector, so too did BG plc's restructuring programme involve significant workforce reduction.

The wholesale migration of processes between sites (1997-1999) intensified and deskilled work for the overwhelming majority. The discretion workers had enjoyed in

task performance suddenly ended, as tacit knowledge was codified into a series of pre-programmed tasks on the organisation's billing system (TGB), which guided the clerk, step-by-step through menus, screens and dialogue boxes. In essence, TGB represented an application of the 'Babbage principle' (Braverman, 1974: 195) and constituted one of the most significant of several moves towards the degradation of clerical work, which by 1999 also included call scripting. The imposition of monitoring and individualised quantitative targets contributed further to the degradation of work, stripping clerks of what remained of their sense of individuality.

Since the signing of a partnership deal in 1997, the union at national level acquiesced in largely accepting British Gas' business case for change and chose, on tactical grounds, to cooperate with management's change agenda. Union acknowledgment of the pressures of external competition and the undoubted challenges this would bring led, logically, to an acceptance of the call centre as a suitable organisational innovation. Consequentially, the relative absence of resistance was explained by a failure in collective organisation, rather than the totalisation of managerial control, as the postmodernists and Foucauldians would have it.

## ***9.2 The Theoretical value of the Thesis***

This thesis makes a unique contribution through combining oral history techniques and methodologies with labour process theory to reconstruct past labour processes. The study combined these qualitative insights with others drawn from company and union documents. Through combining both 'objective' and 'subjective' accounts of changing labour processes this innovative and rigorous study is a corrective to much recent labour process theory.

In drawing evidence firstly, from extensive company and trade union documentation and, secondly, from extended interviews informed by oral history methods, where clerical staff reflected on work organisation and their experiences throughout their three decades of continuous employment at the same site, this study makes a number of theoretical contributions.

Firstly, these complementary data sets afford a retrospective and longitudinal perspective of the dynamics of organisational change, the labour process and workers' experiences over time, and provide a particularly valuable prism through which to view the impact of the call centre. This study breaks new ground, because it transcends the static survey, or interview-based snapshot, techniques which have dominated labour process theory and call centre research. Not only has this approach allowed accounts of change to be located within appropriate political and economic contexts, the richness of data collected is exceptional. Workers' voices are prominent throughout this study and speak clearly of both the objective changes that have occurred and eloquently of the personal impact of change. In short, it is argued that this account provides a more credible, reliable and colourful account of the changing nature of work than appears elsewhere.

Secondly, it is remarkable how call centres are often treated as a normative phenomenon, without reference to the conditions in which it emerged as a particular organisational form, which then reconfigured the customer servicing function in late capitalism. This study has shown that knowledge of historical context and legacy are critical for understanding the very essence of the call centre and the profound consequences for work organisation and the experience of work that its emergence

generated. This study concurs with Thompson's (2003) argument that a focus on the workplace, and work relations alone, cannot reveal the most important drivers of organisational change.

While particular importance is attached to innovation in the domain of information and communication technologies (ICTs), the dangers of technological determinism are readily acknowledged. The explosive growth of call centres is as much the product of political and economic factors; the impact of deregulation and privatisation, restructuring at industry and/or firm level, the intensification of economy-wide and sectoral competition, the growth of the 'new economy' and, underpinning everything, the system-wide compulsion to maximise profits and reduce costs.

In public utilities, as in telecommunications and finance, the impetus behind the adoption of the call centre lay as much in regulatory change in the political and economic environment, and in capitalist competitive pressures operating at macro, sectoral and inter-firm level, as in the technological availability of an alternative customer servicing paradigm. However, mindful of replacing one error, technological determinism and an internalised focus on the workplace, with another, mechanically imputing workplace change from market change, environmental and competitive forces are seen to *shape* rather than *determine* work and employment relations (Hyman, 1987; Taylor et al, 2005).

Thirdly, this study breaks further new ground by comparing two 'paradigms' of work, clerical and call centre work, in the same organisational context. This has allowed a comparison of a number of key differences between the two competing forms of work

organisation. The evidence is compelling that the introduction of call centre operations signified a qualitative break with pre-existing forms of work organisation. This finding is a rebuttal of Holman's (2000) account of well-being in call centres in which he 'proves' that in terms of workers' experiences, 'call centres are not radically different forms of work organisation' (2004: 239) and, bathed in an optimistic glow, 'call centre work compares favourably to shop floor manufacturing and clerical work with regard to well being'. Although much of the 'critical' call centre research (e.g. Taylor and Bain, 1999, Taylor et al, 2003) has shown that call centre work has distinctive characteristics, thus far, no study has been able to affirm this finding through reference to *both* forms of work within the same organisation.

### ***9.3 Generalisation of Findings***

At the point it is appropriate to consider the extent to which generalisations can be formed from the study's findings. First and foremost the mediating impact of situational factors upon workplace outcomes is recognised. The external shocks experienced by British Gas resulted in a particular set of workplace outcomes that have been shown to be contingent. As such, there can be no direct transfer of this study's findings to predict or even adequately explain changes that may have occurred in *all* other organisations. To do so, would be to repeat the errors of other plant-based case studies of which this thesis has been so critical.

However, it is reasonable to assume that the findings will be relevant to other Utilities and privatised organisations. Sharing similar political and economic legacies as British Gas it is likely that these organisations will have been subjected to *similar*

changes as those detailed within this thesis. Certainly there are striking similarities between findings from those few studies that have examined the impact of privatisation on clerical work and industrial relations, reviewed in chapter three, and those presented here. Although ultimately the specific form that change took within these organisations was not identical to that seen at British Gas it did follow a similar pattern. Following privatisation, management sought to transform the organisation of work and attack terms and conditions that were seen as anachronistic legacy.

#### ***9.4 Suggestions for future Research***

Existing knowledge of how labour processes within the Utilities, and more generally in privatised organisations as a whole, have been affected by the transfer into the private sector is inadequate. Overcoming these gaps in knowledge would prove a fruitful future research agenda. Knowledge of how work in these sectors has changed over time would not only have intrinsic value in its own right but would afford an opportunity to begin forming generalisations about how privatisation, casualisation and marketisation are affecting the organisation and experience of work in general.

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## **Appendix One A Letter inviting workers employed at British Gas prior to 1986 to participate in this research**

Vaughan Ellis  
Department of Management  
& Organization  
University of Stirling  
Stirling  
FK9 4LA

(Name)  
Scottish Gas

Dear (name),

I am presently studying for a PhD in Management and Organisation at the University of Stirling. For my thesis I have chosen to research the changes in the nature and organisation of clerical work at Scottish Gas over the past thirty years. Rather than undertaking a historical project, simply recording the key changes in the history of the company through looking at records, I am interested in understanding how these changes have been experienced by those that have been part of them. In short the research is motivated by a belief that the voices of employees detailing their experiences at work are rarely reported, and this necessarily reduces our collective understanding of how work is changing. I have adopted the 'oral history' approach to my research that places you at the heart of understanding history. The value of such an approach is that offers a valuable source of new knowledge about the past and a new means of interpreting it.

As part of my research I would like to meet with you to discuss the changes in your job role since you joined Scottish Gas and how you have felt about them, both at the time you experienced them and subsequently when you look back. As a long serving employee you are in a unique position to contribute to a wider understanding of the nature of changes in work at a large public service provider. I am really interested in hearing your views and recollections and hope that you will agree to take part in the research. All CSAs/SCSAs that have been employed prior to 1986 (the year of privatisation) have been written to and asked to take part as well. Previous participants have commented on how much they enjoyed the discussion, as well as how it has helped them to understand what they have experienced. Everybody has a story to tell, each is as important as any other and I would like to hear about them all.

I have permission from Steve Gorry to undertake my research and he has agreed to allow me to meet with you at Granton House during your normal hours of work if you agree to take part. I am planning to book Room 8 so that there is somewhere quiet to talk and will be liaising with Resources to let them know when the interviews will take place.

The discussions will probably last a few hours and involve me talking to you about how your work has changed. There may be a need for a follow up discussion if I need to clarify anything with you. Of course if there are any questions that you did not wish to answer I would respect your right not to.

It is important for me to stress that this research has not been commissioned by Scottish Gas management, the trade unions or any other interest group. As such the research has no predetermined expectations or conclusions to report. Instead I am genuinely interested in hearing your views, whatever they may be and there is no 'right answer'. Your confidentiality would be preserved throughout the research process. If you agree to participate I would have further discussions with you regarding any limitations you may place upon the use of the information you give me.

By agreeing to take part in the research you will be making a valuable contribution to the aims of my research and assist a wider community of academics, management and trade unions to understand how the nature of work is changing. This knowledge helps these groups make recommendations as to how the nature of work could be improved in the future.

I would be grateful if you could complete the tear off strip below to advise me whether you wish to participate in the research. If you are willing to meet with me I would be grateful if you could supply me with a note of the days/times that you work each month i.e. your 4 week PFW schedule. If you have an e-mail address (or have a phone number I can use) please include below. I will then liaise with you directly to arrange a suitable day/time. If you have any questions or queries regarding the research or your role within it please do not hesitate to contact me using the information below.

Thanking you in advance of your co-operation

Vaughan Ellis  
E-mail: [vaughan.ellis@stir.ac.uk](mailto:vaughan.ellis@stir.ac.uk)  
Phone: 0131 556 9131

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Name: Will you participate in the research: YES NO  
Email address:  
Phone Number:

**\*\*\*\*\*Please remember to include your PFW schedule\*\*\*\*\***

## **Appendix Two: A Letter confirming Interview arrangements sent to research participants**

\_\_\_\_\_  
British Gas  
Granton House  
4 Marine Drive  
Edinburgh

Dear \_\_\_\_\_

Firstly I would like to thank you for agreeing to meet with me to discuss your experience of work at British Gas. Your recollections will be invaluable in helping me to understand the changing nature and experience of work at Scottish Gas. I am sure that you will also gain from the experience and enjoy retelling your stories.

Our discussion will take place on **Wednesday 13th August at 10am in Room 2 Granton House** as agreed. I will already be in Room 8 at this time so you can just meet me there. If for whatever reason you need to rearrange the date or time of our meeting please contact me as soon as possible so that we can arrange an alternative.

I anticipate that the initial discussion will last approximately two hours and can confirm again that full release from your normal duties has been agreed with local management. To aid analysis I would like to record our discussion if you consent to this. I am happy to provide you with a copy of the tape for your own reflection and posterity. I will arrange for the discussion to be transcribed and will pass a copy of this to you also to afford you the opportunity to correct any mistakes or elaborate on any of the points you made. I hope that you will take the opportunity to assist in the editing of the transcript as it ensures that I do not misinterpret your account of working for Scottish Gas. Once I have

completed the analysis of all my discussions I will present my collective findings to all of you that have participated in the research. This should provide you all with an opportunity to discuss how your experiences are similar and explore any differences.

Our discussion will involve me asking you a series of questions regarding your time at Scottish Gas and provide you with the opportunity to recall memorable experiences. The discussion will be informal and light hearted. There isn't any 'formal' preparation that is needed but it may be useful if you could compile a list of the jobs you have held for Scottish Gas since you joined the company. If you can recall start and finish dates for each post please record them also. I have also listed below an overview of the topics I hope to cover with you so that you know what to expect:

- \* what each of your jobs involved
- \* what you liked and disliked about them
- \* what you see as the main changes in your work and how you feel about them
- \* what your experiences of events such as privatisation and competition were
- \* your opinions on any changes in the role and impact of trade unions

As I have indicated previously the research will be presented as a thesis for my PhD. I would also like to use the data collected to write a number of articles, for publication in academic journals, highlighting and analysing the results. To enable me to use our discussion in publications I need your permission as you logically own the copyright to your story. I would therefore like to ask you to consider assigning me the copyright of our discussion so that it can be used in future publications. I can assure you that I will not gain financially from any such publications and therefore by assigning the copyright to me you are not missing out on making your fortune! I can supply a standard form that when completed transfers the copyright and lists any restrictions, on the use of our discussion, that you may wish to stipulate. For example I am sensitive to the fact that you

may not wish your name to be used in any articles whilst you are still employed at Scottish Gas. I will advise you of your rights, in full, when we meet.

Once I have completed my thesis I will place the tapes and transcripts in a suitable archive that will preserve them for future use and control access to them in line with any restrictions you have stipulated. The benefit of archiving material is that is available for the use of other academics or researchers writing articles, books or TV/Radio programmes. I accept that you may well have questions regarding this process and am happy to answer them either before our discussion or when we meet.

Yours Sincerely

Vaughan Ellis

Phone: 0131 xxx xxxx

Email: [vaughan.ellis@xxxxx.net](mailto:vaughan.ellis@xxxxx.net)

## Appendix Three: A timeline of key events concerning British

### Gas

1948	Gas Act 1948 – made provisions to nationalise over 600 private and municipally owned town gas companies. Gas Council and 12 separate Area Boards were created.
1949	Gas Industry nationalised.
1965	North Sea Gas discovered at BP’s West Sole Field and piped to Easington.
1966	Conversion from Town Gas to Natural Gas begins with conversion of Canvey Island.
1972	Gas Act 1972 – merged the Gas Council and Area Boards to form the British Gas Corporation (BGC) on 1 <sup>st</sup> January 1973. Obliges BGC to ensure that their revenues are sufficient to meet total outgoings and to make such allocations to reserves as deemed necessary. Sets borrowing limits of £2,500 million.
1977	Conversion to Natural Gas completed. Scotland the final region to be converted.
1978	Three large feeder pipelines were laid to deliver gas through the Scottish Highlands and across the Firth of Forth and the River Tay.
	Department of Energy begins a review of Code of Practice on disconnections in Gas and Electricity Industries.
1979	Iranian Revolution leads to a ‘flight from oil’ as a preferred fuel. Expected to result in increasing demand for gas. BGC restricts expansion of industrial gas supplies due to fears over ability to meet peak demand.
	BGC instructed to initiate a number of price rises so as to reflect the true cost of supplying gas to domestic customers. First rise 8.5%. BGC expected to deliver a return on turnover of 6.5%
1980	Government requires BGC to repay debt to Treasury (£190 million). Return on turnover target of 9% over three years set. Later amended to an average return of 3.5% over three years due to recession. External funding limit of minus £449 million set. BGC instructed to raise domestic gas prices by 10% above rate of inflation for next three years. BGC instructed to dispose of a majority interest in all its oil assets.
	Monopolies and Mergers Commission (MMC) Report into BGC’s leading role in the

	supply of gas cookers, fires and water heaters. Ruled that BGC should either reduce their interests or withdraw completely.
1981	Government imposes a levy on gas bought from the Northern Continental Shelf by BGC that had previously not been subjected to Petroleum Tax. £128.9 million. External funding limit of minus £317 million set. BGC required to reduce unit net trading costs per therm of gas sold by 5%.
	BGC take decision to begin development of Morecambe Bay gas fields.
1982	Oil and Gas (Enterprise) Act – Removed BGC’s right to first offer of any natural gas and enabled North Sea producers to supply large industrial customers directly using the Corporation’s pipelines.
	BGC (Disposal of Offshore Oilfield Interests) Directions issued by Secretary of State for Energy – required BGC to dispose of all its interests in oil fields and to restrict future license applications to areas expected to yield gas only. Interests vested into subsidiaries and subsequently privatised by Government in 1983.
	External Funding Limit of minus £87 million set.
1983	External Funding Limit of minus £43 million set.
1984	Marketing restrictions on the expansion of industrial customer base lifted.
	Government requires BGC to deliver an average annual return of 4% of current cost operating profit on average net assets at current cost. BGC also required to reduce unit net trading costs per therm of gas sold in 1986/87 by 12% compared with 1982/83 prices.
	70 Gas Showrooms closed in response to 1980 MMC Inquiry.
	External Funding Limit of £188 million set.
	Gas prices increased by 4.5%
1985	Morecambe Bay brought online. Government refused to sanction purchasing of gas from Norwegian fields.
	On the 7 <sup>th</sup> May the Government announces intention to introduce legislation at the earliest opportunity to make possible the privatisation of BGC as an integrated entity.
	External Funding Limit of minus £176 million set.
1986	Gas Act 1986 – BGC renamed as British Gas plc. Removal of British Gas’s monopoly in supplies over 25,000 therms per annum. Creation of OFGAS and Director General of Gas Supply, appointed by Secretary of State for Energy, to regulate the supply of gas and award public supply licenses to shippers. Regulation of tariff gas prices to be controlled by RPI – X formula, where the Regulator sets X. Initially price formula set at RPI-5. Gas

	Consumers' Council established. Government introduces £2.5 billion of new debt onto BG plc balance sheet.
	British Gas plc privatised in December. First shares traded on 8 <sup>th</sup> December
1987	MMC Inquiry into BG plc's pricing strategy for contract customers using more than 25,000 therms per annum in the industrial and commercial market
1989	MMC Report on BG plc's pricing strategy for contact customers using more than 25,000 therms per annum published. BG plc required to publish price schedules rather than negotiate contracts individually. BG plc undertook not to purchase more than 90% of gas offered to it over next two years.
	Government announces proposals to privatise the electricity supply industry.
1991	Office of Fair Trading (OFT) Gas Review makes a number of recommendations to establish competition in the supply of gas to industrial and commercial customers and stated that a referral to the MMC was justified. BG plc agreed to reduce its share of the contract gas market from 90% to 40% and to set up a separate unit to run the transportation and storage system on a transparent and non-discriminatory basis with equal access to BG and its competitors.
1992	BG plc ask President of Board of Trade for a comprehensive inquiry by the MMC into the whole gas supply industry following disagreements with OFGAS on a number of issues relating to rate of return on the gas transmission system.
	Competitive supply above 2,500 therms per annum introduced in August following MMC referral. BG plc agrees to de-merge its supply and transmission businesses.
1993	MMC Report into Gas Supply Industry issued. Government made its decisions on the recommendations - domestic tariff monopoly to be phased out from 1996 and fully opened to competition by 1998. BG plc agreed to supply no more than 55% of the market above 2,500 therms by 1995.
	BG plc announces major restructuring to face competition: 5 business units to be formed, flatter organisational structure, reduce workforce by 25,000 at a cost of £1,650 million, introduction of major IT frameworks, re-training of existing staff and office/process relocations. Aim to reduce cost base by £600 million per annum. Enhanced redundancy agreement signed with Trade Unions.
	Tariff Gas Price schedule amended to RPI – 4 by OFGAS. Since privatisation gas prices fallen by 22%
	BG plc awarded a Charter Mark for excellent customer service.

1994	British Gas restructuring – 5 business units formed: TransCo, Public Gas Supply (PGS), Business Gas, Retail and Service. 10,000 staff leave on voluntary redundancy.
	Requirement to publish price schedules for customers using in excess of 25,000 therms per annum suspended.
	Public furore over BG plc's Chief Executive (Cedric Brown) remuneration.
1995	Gas Act 1995 – Required separation of British Gas supply and distribution arms. Provisions made for introduction of competition into the domestic gas supply market.
	11,000 staff leave on voluntary redundancy.
1996	PGS and Business Gas merged and new company forms part of British Gas Home Energy along with Service and Retail.
	De-merger of Public Gas Supply and TransCo announced. British Gas Trading (BGT) formed (PGS assets transfer and formation of BGT as a legal entity)
	Competition pilot scheme begins in Cornwall, Devon and Somerset on 29 <sup>th</sup> April.
	12,270 employees leave on voluntary redundancy.
1997	De-merger plans accepted by EGM. Centrica formed on 12 <sup>th</sup> February. First shares in Centrica traded on 17 <sup>th</sup> February.
	Centrica renegotiates Take or Pay contracts, for future volumes of gas, at a cost of £1,174 million.
	Second domestic gas competition area opens – Dorset, Avon on 10 <sup>th</sup> February. Customers in Kent, East and West Sussex in competitive market on 7 <sup>th</sup> March.
	Competition introduced across Scotland and North East of England in November.
	BGT acquires a second-tier license to supply electricity in England, Scotland and Wales.
	Government imposes Windfall Tax on privatised utilities, with Centrica incurring a cost of £192 million.
	Supply price control formula set at RPI-X until 2000. Limit on profit set at 1.5% of turnover in regulated domestic market.
1998	Competitive supply at or below 2,500 therms per annum available throughout Britain by 23 <sup>rd</sup> May.
	Domestic electricity supply competition begins in September. By end of year BGT has a 3% market share (850,000 customers)
	Further reduction of Take or Pay contract liabilities at a cost of £63 million.
1999	Office of Gas and Electricity Markets (OFGEM) created to replace individual gas and electricity regulators.

	Centrica purchases AA on 23 <sup>rd</sup> September at a cost of £1.1 billion.
	Retail business unit disbanded. All Energy shops closed.
	Centrica acquire energy supply companies in North America and Europe.
2000	OFGEM lift price controls on BGT for direct debit customers and announce intention to end all price controls by April 2001.
	Further reduction in Take or Pay contract liabilities at a cost of £30 million.
	BGT launches telecommunications subsidiary offering fixed lines, mobile and internet services.
	BGT launches online customer service allowing customers to manage their account via the internet.
2001	BGT becomes largest electricity supplier with over 5.4 million customers.
	EC begin plans to liberalise the entire European energy market by 2007.
2002	BGT and Service merged to form Home Services.

