

CLEW'D IN

Newsletter of the Centre for Labour, Employment and Work (CLEW)

Issue 2017/1 – February 2017

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(Dec 2015) Report

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UPCOMING EVENTS

Seminar –Gender Pay Equity: Applying the Principles.

Friday April 21, 9am-1pm, Pipitea
Campus, Victoria University of
Wellington.

Cost: \$125

Diary this now and details for
registrations and the programme will
be announced in early March.

Employment Agreements Update 2017 – Seminar Roadshow.

Dunedin – Wed 26 July

Christchurch – Thur 27 July

Hamilton – Wed 2 August

Auckland – Thur 3 August

Wellington – Wed 9 August.

All sessions: 9am-12.30pm

Full registration\$465; EB (by June 10)
\$420.

Registrations will be available on our
website by March 1.

UNION MEMBERSHIP DENSITY CONTINUES TO DECLINE

*Report on CLEW's latest Union Membership survey
Sue Ryall and Dr Stephen Blumenfeld*

Since enactment of the Employment Contracts Act (ECA) in 1991, for the duration of which the New Zealand Government ceased compiling such data, the Centre for Labour, Employment and Work (formerly Industrial Relations Centre - IRC) at Victoria University of Wellington has collected data on union membership each year. Over that time, we have reported on the change in union membership and, in particular, the marked decline in the share of employees who belong to trade unions in New Zealand.

We recently released our report for the year to December 31, 2015 and it is available on our [website](#). The following is a summary of the key findings but for the full report and tables go to the website.

Total union membership

Union membership at 31 December 2015 shows a continued decline in both membership and density. Following a period of strong growth from the end of 1999 to December 2006 when union membership increased 26.5 percent, growth levelled off in the period to December 2010 with a minimal 1 percent growth. Since that time there has been a steady decline in union membership despite strong growth in employment in this period. In the period December 2014 to December 2015 union membership declined 0.8 percent.

It is also noteworthy that there has been a large decline in the number of registered unions since the introduction of the Employment Relations Act (ERA) in 2000. The ERA required that collective employment agreements only be negotiated between a registered union and an employer. Under the ECA there was no such restriction and many 'in-house' unions and bargaining agents represented employees in the bargaining process. Following the introduction of the ERA many of these groups sought registration as a union such that by the end of 2003, when all agreements settled

under the ECA had to be replaced, the number of unions had swelled to 181, from a starting point of 82 in 1999. At December 2015, this number has reduced to 121 with the vast majority, as will be discussed later in this article, with less than 1000 members.

Union membership remains predominantly in the public sector and community services industries, with more than 3 out of 5 union members in New Zealand being employed in these industries. More than a quarter of union members work in health care or social assistance, and just over a fifth work in education and training. Outside of these predominantly public sector industries, union membership remains highest in transport, postal and warehousing and in manufacturing, where despite a drop in the number of employees, there has been a small increase in union membership in the year to December 2015. These private sector industry groups represent a far smaller share of the economy and the country's labour force than was the case three decades ago.

Union density

Overall, union density in New Zealand fell from 18.5 percent to 17.8 percent of wage and salary employees in the year to 31 December 2015, continuing the gradual decline that has occurred since December 2010. The country's public service still maintains the highest levels of union density with close to two-fifths of employees in that sector belonging to a union.

However, over the last five years, union density in New Zealand's public sector has fallen, as growth in employment has outstripped that in union membership. Since December 2005 union density in both education and health and social assistance industries has declined substantially. Close to half of employees in each of these industries belonged to a union at December 2005 and 2006 but at December 2015 this figure has fallen to just over 40 percent. Also, while union membership density in the public administration and safety industry increased as the employment in the industry declined in the period of the global financial crisis (2008 and 2009), as the employment levels increased after 2010 the union density declined slightly as the growth in union membership failed to keep up with the growth in employment.

The only private sector industry that comes close to matching public sector union density is transport, postal and warehousing (38.4 percent), perhaps in part because there was a strong public sector component in the past with a large public transport sector and publicly owned postal and courier services. While union density in this industry group has declined since December 2010 there has been a gradual increase in the last two years, bucking the trend across most other industries.

PUBLICATIONS AVAILABLE

Employment Agreements Update 2015/2016

If you were not able to make it to our seminars you can purchase the latest book *'Employment Agreements: Bargaining Trends and Employment Law Update 2015/2016'* which is available now.

The annual update of the book is seen as the essential reference for employment relations experts and the key source of information on current provisions in employment agreements.

Download the [order form](#) from our website.

Workplace Dynamics in New Zealand Public Services (2016),

Dr Geoff Plimmer & Dr Clara Cantal

In 2016 CLEW partnered with the NZ Public Service Association (PSA) in a major survey of its members, to describe and analyse the status and dynamics of public sector workplaces in New Zealand. A total of 14,125 useable surveys, representing a 25 percent response rate, were included in the analysis.

The report was released at the 2016 Labour, Employment and Work Conference and is now available on our [website](#) along with Dr Geoff Plimmer's summary of the results as presented at the launch.

Support to learn and use Te Reo in New Zealand public services (2017)

Dr Clara Cantal, Dr Geoff Plimmer & Tamara Quemseya

Research commissioned by the Maori Language Commission as part of the 2016 Workplace Dynamics Survey (see above) included two open questions that sought to determine the level and nature of support for Te Reo in government agencies. This report describes the results from these questions. .

New Zealand's union density continues to decline as does that of other countries that we monitor with exception of Canada. In December 2005 more than one fifth of New Zealand employees belonged to a union and this was maintained through to 2010. In 2010 New Zealand's union density was slightly higher than Australia (18 percent) and lower than the UK (27 percent). At this time union density in the USA was at only 12 percent and Canada was at 30 percent. While the UK still has close to a quarter of employees as union members in 2015 and Canada remains at just over 30 percent, in New Zealand and Australia the levels are edging closer to that of the USA. As in all other countries with the exception of Canada the drop in union density in New Zealand has been in both the public and private sector however the decline in New Zealand is at a greater rate than the other countries.

Size of Unions

There is very little change in the spread of union membership across different size of unions in New Zealand from that which we last reported for the year to 31 December 2014. Eighty-nine of the 121 unions (74 percent) who responded to our survey in 2015 have a membership that is less than 1000 and three out of five unions have less than 200 members. This is a very similar distribution to 2014 but in the last ten years there has been some change.

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In December 2005, 80 percent of the unions in the IRC survey had a membership of less than 1000 and 68 percent of the unions had a membership of less than 200. But this change has not come about through amalgamation of small unions into larger ones but rather a reduction in the number of unions, a 31 percent reduction across the ten years, primarily in the unions with less than 1000 members. In this category the **number** of unions has reduced 36 percent.

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Despite the significant number of relatively small unions, 82 percent of union members in New Zealand belong to one of eleven unions. This implies that the vast majority of employees who belong to a union in this country are members of unions with a solid membership base and which are likely to be well-resourced organisations. As

would be expected from the earlier discussion of dominance of the public sector with regard to union membership, of the four unions with a membership greater than 30,000 members, only one is in the private sector.

Union amalgamation has continued in the face of declining overall union membership. In the past ten years the Tertiary Education Union was formed with the amalgamation of the unions for university staff and polytechnic staff; FIRST Union was formed from the FINSEC and NDU amalgamation; and the Engineering, Printing and Manufacturing Union (EPMU) merged with the NZ Building Trades Union. In 2015 the NZ Public Service Association merged with the Southern Local Government Officers Union and E Tū was formed from the amalgamation of the Service and Food Workers Union and the EPMU. The Flight Attendants and Related Services Association (FARSA) were also finalising their amalgamation with E Tū at the end of 2015.

Gender

The gender composition of union membership has remained at a similar level over the last five years and a majority of union members in New Zealand (58.8 percent) are female. This is not surprising when we see that

female membership is largely concentrated in the three large state sector unions – the Public Service Association, the NZ Nurses Organisation (NZNO) and NZEI (primary teachers union).

NZ Council of Trade Unions (NZCTU) affiliation

The proportion of union members who belong to unions affiliated to the NZ Council of Trade Unions has varied only slightly in the last 15 years, but has fallen consistently in the last five years from a high of 90 percent of union members in 2010 to 86.5 at December 2015 (Table 8). There has also been a decline in the number of union affiliated to the CTU and this has declined by 31 percent in the last five years (39 down to 27). This is largely a result of the merging of a number of affiliated unions.

The number of unions affiliated to the NZCTU has further decreased in the past year, as has the percentage of union members who are affiliated (through their union) to the CTU. These affiliated unions tend to be the larger unions. Of the 80 unions with less than 500 members only three are affiliated to the NZCTU. With the exception of one union, all the unions with membership over 5000 (a total of 11 unions) are affiliated to the CTU.

Conclusion

The challenge for the NZCTU and all unions is to maintain a level of union density that supports collective bargaining and the advantages this brings for wages and conditions of work. For instance, the positive impact of collective bargaining on the reduction of low pay can be expected only above a certain threshold of coverage (Lee and Sobeck, 2012).

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But the decline of union density and collective bargaining is not just a problem of poor organisation by ‘unions’ and something unions have the responsibility to address. A number of studies in the last few years have revealed the impact that the decline in collective bargaining has had on increasing inequality and social disparity and have challenged the underlying assumptions of the economic policies that have been prevalent in the last thirty years that have deliberately undermined collective bargaining and trade union organisation.

A study from the New Economics Foundation with the University of Greenwich - *Working for the Economy – the economic case for trade unions* looks at the broad economic impact of the decline in collective bargaining in the UK. The report comments that their evidence ‘is against the strong assumptions of economic policymaking across the continent, which has favoured (or at least turned a blind eye to) a rising share of income going to the owners of capital as the necessary complement of encouraging entrepreneurship, investment and innovation. The “trickle down” effect was supposed to ensure that, even if inequality rose, all would be better off as a result.’

The report concludes

Declining union presence has, as a result, fed directly into lower growth overall. The evidence we present suggests that the decline in union density, from its peak in 1975 to today, has reduced UK GDP by up to 1.6% – a significant and permanent loss. Restoring union density to the levels seen in the early 1980s would, thanks to the impact on the wage share, add £27.2bn to UK GDP. (Onaran et al 2015, p3)

.....

The research presented here seeks to show that the question of income distribution is central to the performance of the economy, and that (in particular) the steady erosion of independent bargaining

institutions for labour has resulted in both a more unequal distribution and worse economic performance overall. (ibid, p21).

So while the Employment Relations Act 2000 was an attempt support union organisation and the role of unions in collective bargaining, as commented earlier, the damage done to these important institutions in the 1990's under the Employment Contracts Act have proven too difficult to reverse by union organisation alone.

RESEARCH UPDATE: PARTNERS AND PARENTAL LEAVE – WHAT DO PEOPLE DO?

Kirsten Windelov and PSA Policy Team, January 2017

Introduction

Officially, 13 men working for the public service took parental leave in 2016¹. But in a 2015 survey by Victoria University of over 14,000 people working in public services, a higher proportion of men than women said that they took parental leave and men were more likely than women to say that there were accessing flexible working arrangements².

Partners³ juggle the birth, fostering or adoption of their children and the responsibilities of parenting with their employment responsibilities. Over the last 30 years successive governments have recognised the need for workplaces to acknowledge this through provision in legislation⁴.

Last year the parental leave legislation was changed to extend eligibility to parental leave but made no change to partners' entitlements. Did these changes catch the legislation up enough to meet current social need and parents' expectations?

Last year the parental leave legislation was changed to extend eligibility to parental leave but made no change to partners' entitlements. Did these changes catch the legislation up enough to meet current social need and parents' expectations?

The current provision for partners is:

- Up to 18 weeks of primary carer leave that attracts government parental leave payment if transferred from the mother
- Up to 52 weeks (inclusive of any primary carer leave taken) unpaid extended leave with job protection that can be shared between both parents if they're both eligible⁵
- 2 weeks additional unpaid partner's leave⁶.

This is the same overall amount of entitlement to various forms of leave as mothers. In addition, any worker can request, but does not have a right to, flexible working arrangements.

¹ 2016, SSC Human Resources Capability Survey

² Plimmer and Cantal, [Workplace Dynamics in New Zealand Public Services](#) (2016), P31

³ We use the term "partners" rather than "fathers" as this group is broader than fathers and is the term used in the legislation.

⁴ Parental Leave and Employment Protection Act 1987

⁵ <https://www.employment.govt.nz/leave-and-holidays/parental-leave/types-of-parental-leave/>

⁶ Those who meet the 12 month criteria for parental leave can access these provisions. For provision for those who do not meet these criteria see <https://employment.govt.nz/leave-and-holidays/parental-leave/eligibility/eligibility-table/>

We asked PSA members who are partners what they do/did

We wanted to understand more about what partners do in practice on the birth⁷ of children and for childcare purposes. In the December 2016 email newsletter to PSA members we asked those who are partners of someone who has had a child to share with us their experience of taking leave when their children were born and for childcare purposes. 179 people responded.

What partners said

Leave taken on the birth of a child

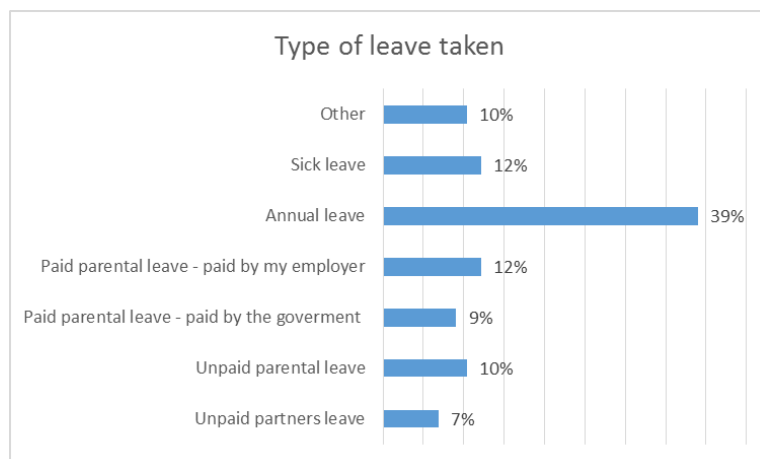
Most (9 out of 10) partners took some form of leave around the birth, adoption or fostering of their child.

Unpaid partner's leave was not a popular option - only 7 percent of partners reported using it. Partners most commonly took annual leave (39%) exclusively. Many others made use of a combination of leave types.

Unpaid partner's leave was not a popular option - only 7 percent of partners reported using it. Partners most commonly took annual leave (39%) exclusively. Many others made use of a combination of leave types. Twelve percent used employer paid parental leave (most commonly 6 weeks paid retrospectively after having returned to

work for 6 months) and 9 percent used government paid parental leave. Interestingly this may indicate that the use of paid parental leave by partners has increased over the past decade as 2005 Department of Labour research involving a similar sized sample found only 1 percent of partners at that time took paid parental leave⁸.

Other forms of paid leave taken included domestic leave, long service leave, statutory holidays and accrued time off in lieu.

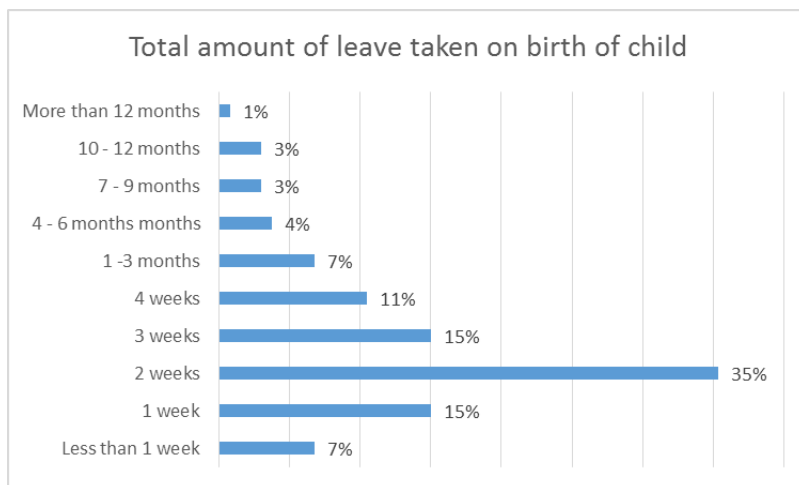


Most partners (57%) took up to 3 week's leave in total. This may indicate that partners are taking significantly more leave than they did a decade ago - the 2005 Department of Labour research found 84 percent of partners took up to 2 week's leave and only 6 percent took 6 weeks or more. This may be evidence that some partners are taking on more primary care responsibilities, although we note that the 2005 Department of Labour research found that father's ideal leave is four weeks concurrent leave with the mother⁹.

⁷ Most of those who responded did so in relation to the birth of children, others did so in relation to the fostering or adoption of children.

⁸ [2007, Department of Labour, Parental Leave in New Zealand \(2005/2006\)](#), p 40.

⁹ This should be read conservatively – both of these pieces of research have small sample sizes and may not be representative of the general working population.



Partners deeply value this time

Many partners commented that they deeply valued the time with their family that the leave they took allowed them.

“Absolutely critical, would have been near impossible for my wife to cope without this.”

“This type of leave is something you can not put a price on. As a father/parent to support your partner/wife/de facto is a key factor in terms of the mental, physical and any post antenatal issues that may arise. - The support person prior and post birth is crucial to the wellbeing of one’s family and extended Whanau.”

“The leave was important as we had a premature baby and needed to go to the NNU each day. My support was needed once our baby was home.”

“I would never regret the years I set aside from the 'normal' working world to BE with our girls through their formative years. As a result we have great relationships.”

“Wonderful chance to bond with first child. Allowed wife to work, and secure her position at her job.”

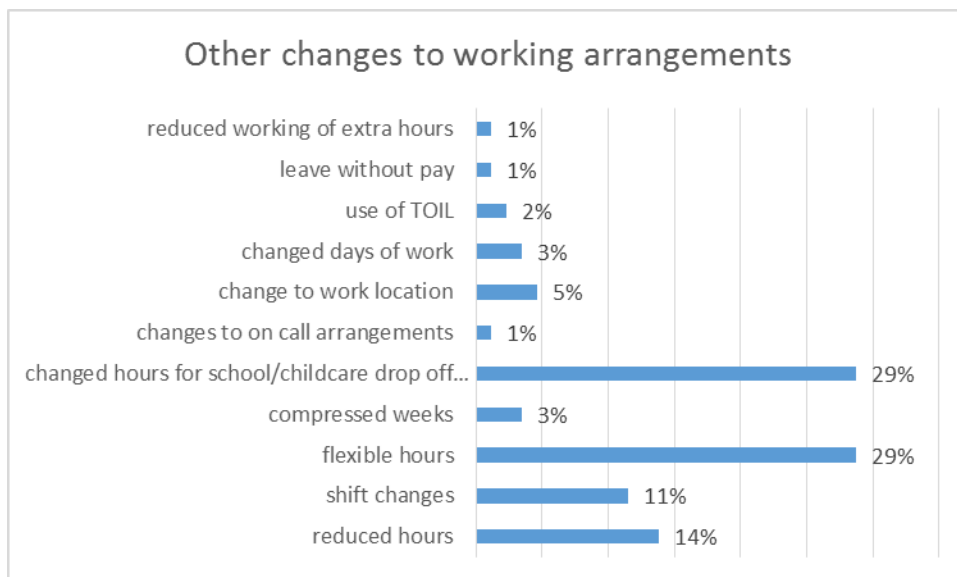
“An experience I would not have missed for the world!”

Ongoing changes to working arrangements

Traditionally, some have assumed that after a partner returns to work following the birth, fostering or adoption of a child their working life returns to business as usual. We wanted to test this and asked partners whether they continued to take leave or made changes to their working arrangements for childcare purposes.

Once partners had returned to work over half (56%) of those who responded continued to take leave for childcare purposes. Annual leave was most commonly used (73%) along with sick and domestic leave and accrued time off in lieu.

We also asked partners whether they’d made changes to working arrangements, other than taking leave, for childcare purposes. Just over half (51%) said that they had. Most commonly this involved changing hours of work to enable school or childcare drop-offs and pick-ups and using flexible hours.



What partners think of the arrangements they have access to

Many of those who completed the webform very generously shared their views about the arrangements they had and have access to and what more is needed.

Leave around the birth of a child

Many were satisfied with the support they received...

Many were very satisfied with the support they received from their employer around the birth, adoption or fostering of their children and the leave they were able to access. Managers who were flexible and understood and accommodated the inherent uncertainty in leave start dates around the birth of a child were especially appreciated.

“Both children were born early and my employer was very accommodating for me to take all the time needed. I had no issues with my experience”. (Took 1 week unpaid parental leave)

“Excellent manager who enabled me to use domestic leave to be away from work for parts of the 4 weeks following the birth.” (Took days of domestic leave over 4 weeks following the birth)

“My 1st child is due on (date) and I have been approved as per my request 2 weeks annual leave from (date 4 days later). However my manager and I have also agreed that this 2 week block is 'floating' and should my child come late or early my leave can float each way as required. This response I felt works quite well as I have my leave guaranteed for 2 weeks and with the significant staff shortages in my office this is a real stress off my shoulders.”

“It was good. Team leader and co-workers were very supportive allowing me to commence my leave when the child was born rather than having a set date.” (Took 2 weeks annual leave)

“It was easy and flexible regarding start and end point, just in discussion with my manager. I got good support with the paper work before and after. I had to go back after 7 months rather than a full year as I am the main earner in the family and we couldn't afford

a longer unpaid break.” (Took 7 months in a combination of government paid parental leave and unpaid parental leave)

“Brilliant! Was working for (department) and wife rang me halfway through a shift. Boss said leave and he'll start A/L leave tomorrow and take as much time as I needed. 3 weeks was enough as it only equated to 10ish days off A/L. Nice relaxed approach from a supportive boss helped.” (Took 2 weeks annual leave)

Others were not satisfied with either the support they received or the leave arrangements they achieved.

Some commented on a lack of understanding from their employer or that their employer had not agreed to the leave they had sought. Others found that information about what leave was available and the process for applying for it complicated, unclear or not well understood by their employer. Uncertainty and delays in approving leave arrangements were particularly stressful. Sick leave was used when other arrangements could not be agreed.

“Two weeks was all I was allowed. It was very difficult to get employer to be understanding. They believed it was the women's job to care for the child. Eventually we came to a small compromise.” (Took 2 weeks annual leave)

“The birth was at a very busy time for work, so I took only a short time off. There was, of course, no recognition of my dedication to my work from my employer.” (Took less than 1 week of annual leave)

“Totally stressful having applied to my manager to utilise sick leave around the birth of my child and not hearing back from him at all. This made planning very difficult.” (Took 2 weeks sick leave)

“It was difficult to organise and hard to understand what my rights were.” (Took 12 months in a combination of sick leave, annual leave and government paid parental leave)

“First experience dealing with HR about leave was demoralising when I asked for 3 days sick-leave while my wife was incapacitated in hospital. Eventually had it approved retrospectively but not without considerable energy and numerous emails required on my behalf.” (Took 3 weeks - a combination of sick leave, annual leave and time off in lieu)

Many were surprised at what was (not) available...

Many partners were surprised or dissatisfied that there are not better paid leave entitlements for partners in legislation or in their employment agreements. Unpaid leave was largely regarded as unaffordable. Many expressed a desire to have taken more time or regret at not having been able to take more time.

“I was very surprised by the lack of options for me at this important time. I negotiated one week of unpaid leave but couldn't financially afford to take any more time.” (Took 1 week unpaid parental leave)

“What I would like to see is greater flexibility so that if both are working (even if in different organisations) you can share 12 months. And that 12 months lasts for at least the first five years and can be taken as and when needed (in agreement with your employer).” (Took 2 weeks annual leave)

“It would have been great to be able to use specific parental leave, it seems unfair and outdated that dads don't have this. Also as a result of taking my entire allocation of remaining annual leave it meant that it was ages before I could take a proper chunk of time off to spend with my family as I had to wait for my next a/l allocation to build up.” (Took 1 week of annual leave)

“I was surprised and disheartened that there was no paid provision of days off when my daughter was born. I had assumed that there would be paid paternal leave, but there wasn't. I could have taken paid annual leave but did not want to as I wanted to use this at other times as I have other children. In our case, there were complications and our baby was in SCBU for over a week and my partner needed support. The unpaid leave that I took was at the discretion of my employer. We were quite out of pocket after the two weeks. I really do think there should be better provision for this!” (Took 2 weeks unpaid parental leave)

“I think it is going to be disastrous for me. I am taking unpaid parental leave in (month) and 2 weeks of annual day holidays. My wife's employer has not granted her any paid parental leave. So I don't know, how we will survive the most financially poor weeks (the time we both won't be working) when our baby is born.” (Planning to take 4 weeks - combination of unpaid parental leave, unpaid partner's leave and annual leave)

Leave and other working arrangements for childcare purposes

Partners continued to take a variety of forms of leave for childcare purposes following their return to work. There a broad range of different flexible working arrangements accessed. Annual and personal sick leave entitlements are commonly used for childcare purposes. The descriptions partners provided of these arrangements are included as appendix one.

Many partners found their employer supportive to some extent of them taking leave and using various forms of flexible working arrangements for childcare purposes. For those working shifts the ability to swap or turn down particular shifts was highly valued.

“My manager is very understanding about taking time off for childcare needs. Particularly in the early years of life, these needs can be varied and unpredictable. In the first 12-18 months, I had to take a lot of time off to juggle childcare requirements.” (Uses annual leave)

“I now work three days a week while my daughter is in the on-site daycare. I intend to slowly increase my work time. Again, there has been lots of support for this, I can't fault anything in the process and the support here at (workplace).”

“My husband and I both use flexi-time options in our workplaces, so that one of us is always available to pick up the kids at 2:45 from kindy/school. Our supervisors have been very supportive of our flexitime arrangements. We are both PSA members, but work for different organisations.”

“My manager has been great about altering my work hours to be able to collect my son from school. She has also allowed me to bring him into work (staff room).”

Some did not get the support they'd needed from their employer and others found that their employer tolerated rather than fully supported their arrangements.

“Not a great deal of empathy from employer/managers for childcare leave, as I'm 'only the father' - still expected to do just as much work as anyone else. - - I'm being forced by employer to take unpaid leave at Christmas, so I can have some leave next year when our twins arrive. This doesn't seem like a very family friendly employee, nor is the government really committed to giving our next generation the best possible start.” (Uses annual leave, special leave and sick leave)

“I informed my employer at the time that I wanted to drop down to 4 days a week. This was reluctantly agreed upon by them. However when applying for new jobs, potential employers would not agree to reduced hours, especially for a man. There is still a very 1950's mentality in NZ when it comes to dads looking after children during the week or doing daycare runs.”

“Once again had frustrations around HR, who wanted to make this a change to my conditions of work and record the regular day off for childcare. However, given my considerable leave balance and the nature of my work, my manager of the time prevailed and I was able to work flexible hours - working up to 10 hours per day on the remainder of the week to make up for any lost time, as well as some hours during childcare days when possible.”

“Often hard to finish early - culture of 'where's he off to - its only 4pm - he can't have much commitment...”

“Most child care centres in the area that I work only operate until 3.30pm. This drastically minimised my options for childcare given the expectations that (department) has on its staff in terms of employment. This only left one childcare facility available for me.”

Conclusion

Most partners take leave on the birth of a child and after their return to work continue to take leave and change working arrangements for childcare purposes. They value this time highly. Some are well supported by their employer to do this and others are not. Many are dissatisfied with the amount and kind of leave and other arrangements available to them and would like to see more support from government and employers.

MODERN OFFICE DESIGN: FRIEND OR FOE – REVIEWING THE RESEARCH

Dr Geoff Plimmer and Esme Cleave

Much has been written about the benefits of open-plan office design and its more tech-savvy offspring, hot-desking. Open-plan design has been around since at least the 1960s with its adoption taking hold in New Zealand as organisations seek to benefit from the promise of reduced overheads and greater collaboration.

But does open-plan, and more recently hot-desking, fulfil these promises?

A recent article in the Sydney Morning Herald suggests otherwise, pointing out that many of the perceived benefits are overhyped or non-existent.¹⁰ Closer to home, an associate of one of the authors describes the new

¹⁰ <http://www.smh.com.au/comment/open-plan-offices-arent-working-20160727-gqexts.html>.

fit-out at the Ministry of Health as “like a battery farm”. This echoes the sentiment of many employees, particularly in Wellington’s public sector offices, where offices seem to have got larger, more barn-like, and increasingly crowded with some workers evidently resorting to ear plugs.

The rationale for large open-plan offices is that they reduce overheads, by making savings on space and other resources. In addition to these tangible benefits, organisations also use open-plan offices (purportedly) to enhance interaction, innovation, and flexibility, with the ultimate aim of improving productivity. So in theory they efficiently use resources while they also facilitate effective employee behaviours.

Although employers often think that they provide employees with the necessary resources and tools to operate effectively in an open-plan environment, employees find it hard to cope with unwanted noise, distractions and privacy impingements (Oxford Economics, 2016). Designated ‘quiet’ spaces, small partitions between desks, dividing bookshelves, or indoor plants and “living wall systems” don’t really seem to make much difference (Perini & Rosasco, 2013). Overall, at least one study shows that the risks associated with open-plan offices outweigh the benefits (Kim & de Dear, 2013). This compromises productivity – the primary rationale for employers.

A return to private offices isn’t going to happen now, but hopefully in time employers will give more thought to what will work in practice as well as in theory, and value productivity and wellbeing in the same way they value low rental costs.

Learning to love hate one another

Collaboration, interaction, and communication are among the top priorities for organisations when designing new office spaces (Oxford Economics, 2016). Also, some jobs, such as journalism, are suited to open-plan work, where interaction is necessarily high. But other work, that needs lots of concentration, seems more suited to cellular office or highly screened open-plan design (Davis, Leach, & Clegg, 2011).

A recent study by two New Zealand researchers revealed that the increase in interactions, and its effects, might not be so positive. They found that as a result of employees working in shared spaces and hot-desking, “co-worker friendships were not improved and perceptions of supervisory support decreased” (Morrison & Macky, 2017, p. 103)

Sometimes a shift towards shared, open-plan office spaces does increase face-to-face interactions (Rashid, Wineman, & Zimring, 2009). However, a recent study by two New Zealand researchers (Morrison & Macky, 2017) revealed that the increase in interactions, and its effects, might not be so positive. They found that as a result of employees working in shared spaces and hot-desking, “co-worker friendships were not

improved and perceptions of supervisory support decreased” (Morrison & Macky, 2017, p. 103).

Sharing office spaces strains social relationships. The lack of walls and other significant physical divisions between individuals allows for uncontrolled and unwanted interactions (Davis, Leach, & Clegg, 2011). Constant

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exposure to these intrusions can result in “stimulus overload and subsequent negative behavioural and affective responses” as employees are forced to absorb any surrounding talk (Oldham, Kulik, & Stepina, 1991, p. 929). More specifically, excessive and forced social interaction seems to trigger withdrawal behaviours, decreased task performance, and lower satisfaction.

When employees are commonly subject to irrelevant speech and interactions, their workloads seem higher (Smith-Jackson & Klein, 2009). Overhearing others' conversations raises issues around privacy. Confidential (and important) discussions and feedback between supervisors and peers is harder (Davis et al., 2011).

Low control over noise in one's work environment lowers productivity and performance (Leaman & Bordass, 1999; Green, 1993; Craig, 2010). When people lose productive time through sporadic interruptions, it makes it extremely hard to concentrate and make up the time they have lost.

Large shared office spaces also have more sickness related absence (Pejtersen, Fèveile, Christensen, & Burr, 2011). In addition to the interpersonal and psychosocial discomfort mentioned above, employees are more likely to experience more symptoms of ill physical health than those in enclosed, cellular offices (Pejtersen, Allermann, Kristensen, & Poulsen, 2006). Since this research, hot-desking has become more popular, even though it accentuates many of the problems of open-plan designs.

Hot-desking - modern nomads or vagrants?

In addition to the interpersonal and psychosocial discomfort mentioned above, employees are more likely to experience more symptoms of ill physical health than those in enclosed, cellular offices (Pejtersen, Allermann, Kristensen, & Poulsen, 2006).

In one recent study, hot-desking regularly came out as the least popular of open-plan choices, with more distrust and negative interactions, and fewer co-worker friendships (Morrison and Macky, 2017). Hot-desk ‘settlers’ that are early risers get the best spots. Late arrivals (perhaps after dropping the kids off) tend to do less well and so are sometimes marginalised. Hot-desking also requires “faffing about” – getting set up at a

new desk, next to people you may know only vaguely. A British researcher using an ethnographic approach found that although hot-deskers can be portrayed romantically as ‘nomads’, a ‘vagrant metaphor’ might be more apt if they have no ownership of the space they look for a desk in, and cannot express identity – such as a family photo – at work (Hirst, 2011).

Some studies point to how hot-desking can desocialise work, and remove workers' identification with the organisation. But one study found that although hot-desking reduced identification with the team, it did increase identification with the organisation, particularly it seems, if electronic communication is good (Millward, Haslam, & Postmes, 2007). The workability of hot-desking probably depends on other things too. It makes sense for people who mainly work off site. Also, a strong positive culture may well cope, or even get some benefits from open-plan, and be able to manage the risks of hot-desking.

Employees want to work (Oxford Economics, 2016), and to do so they need areas that allow them to focus. Although interaction is important and can bring about good outcomes, the idea that working without physical, and personal boundaries is an effective way of fostering it should be reconsidered. This becomes especially apparent when we come to understand the associated drawbacks and their

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effect on what open-plan office designs are intended to improve – productivity. It is clear that fostering cultures based on open interactions and productive collaboration without so many risks to productivity and wellbeing is a much more complex task than just redesigning physical space.

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CLEW – WHO ARE WE?

The Centre for Labour, Employment and Work (CLEW) is situated in the School of Management at Victoria University of Wellington. Our research and public education programme are centred on three pillars of research:

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