

HIGH ROAD TO WORK ORGANISATION

CASE STUDY

Renholdningselskabet af 1898 (R98)



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Abstract

It is possible to make changes resulting in improvements of job quality and efficiency in areas where no one would have thought it possible 10 - 15 years ago. The challenge was an enterprise culture, traditions, and employees with learned working norms, which everyone would think conflicted with the principles of modern group organisation. The project was successful because of mutual trust between employee representatives and certain parts of the enterprise management in the specific phases of the development. Access to programmes, which have supported with development funds, has been a necessary precondition in order for the work to be initiated with the necessary scope.

HI-RES Case Study: Renholdningselskabet af 1898 (R98)

Key Words

Union initiative; teamwork; commercialising of public services; EU-funding

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Abstract

'Good Practice' Case Study: Renholdningselskabet af 1898 (R98)

Sector

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1. Background Information

R98 (waste disposal enterprise of 1898) is a consumer-led, not for profit, self-governing enterprise. R98's main area of business is governed by a concession granted by Copenhagen and Frederiksberg municipalities. Historically, R98 was formed because, towards the end of the 19th century, landlords wanted to manage the emptying of latrines of the city properties themselves. At that time, the alternative was a municipal solution, which the landowners wanted to avoid, since they feared a demand for higher than necessary charges due to hidden taxes. The concession has since been renewed, and the present period reaches ahead to year 2020. Many Danish municipalities have contracted with private haulers to handle the practical collection of waste. The special thing about R98 is that the enterprise is also developing sound waste handling, organisation, administration and relation to the citizens. R98 has a certificate in quality (ISO 9001) and environment (ISO 14001).

Today, the enterprise is one of Denmark's largest waste handling companies servicing 600.000 citizens. R98 has 550 employees and has more than 100 customised refuse collection trucks.

To be a refuse collector has traditionally meant hard work in a low status job, performed in the very early morning hours. However, those who have chosen the job also see positive sides in it. Compared to factory work it is relatively unconstrained compared to a constant, direct control from a supervisor. It is performed in the open, and normally there is a strong fellowship within the working groups.

In general, the groups have been doing piecework in such a way that they were allowed to go home when a certain workload had been carried out. This kind of piecework has been coined 'refuse collector piecework' (knock-off piecework). Among the refuse collectors there has been a norm to use as little time as possible in the refuse districts. This means that they performed their work at an accelerated pace. The pace resulted in many small work-related injuries and many serious attrition injuries for the refuse collectors, and it also resulted in many conflicts with citizens and management because of damages to property and lack of refuse collection.

2. Drivers for Change

The special 'refuse collector piecework system' with its predominant focus on getting the work done as quickly as possible for making an earliest possible knock-off time provided an extreme breeding ground for conflicts. The workers had become very alert to any kind of obstacles, which could interfere with the performance of the work. In an attempt to deal with this situation, management in co-operation with the union had made surveys, which described exactly the applicable working conditions. This enhanced either fussing or pig-headedness in the workers so they more and more tended not to accept even small divergences as for instance a bit too much in a rubbish bag or insufficient snow clearing. If management wanted something else done to accommodate the customers, it was only performed against extra payment.

The many conflicts between refuse collectors and management and citizens was one of the most important reasons for having a large group of district managers, who functioned as inspectors. This gave an additional dimension to the conflicts, which, among other ways, was expressed in the way that the refuse collectors insisted strongly on their right to not take a responsibility for the service level. Management, on its part, felt that it was constantly confirmed that unless they kept a strong discipline and exercised a lot of control, work would not be performed. In that way, the system was self-fuelling in creating mutual mistrust.

In the beginning of the 1990s in Denmark, the debate on health and safety at work, specifically regarding attrition and work-related injuries for refuse collectors, gathered a lot of momentum. Suggestions for solving the problems dealt with improvements of access roads and of the refuse collectors' equipment and, not least, the suggestions concerned a reduction of the work rate. It was the authorities' and partly the employers' responsibility to improve access roads and equipment, with great commitment to the

process on the part of the refuse collectors, while the union alone had the job of making the refuse collectors slow down.

The shop stewards at R98 had the clear attitude that if management would not agree to let the refuse collectors have more tasks and more varied types of tasks, the shop stewards would not make an effort to persuade the refuse collectors to stay longer hours in the districts. Therefore, it was necessary to look for possibilities of expanding the job with new functions.

The employer side was influenced by the discussion of commercialising the work of R98. The result was that management was interested in upgrading the functions performed by R98 in order to thus enhance its position in relation to competing contractors. At the same time, management wanted to achieve the reorganisation benefits, which experiences from other workplaces show can be released through development of job, employee commitment, etc.

The union and the shop stewards convinced the management to participate in a project where the refuse collectors' qualifications were upgraded in order for them to overtake the work of the district management.

The project started in 1999 when the enterprise was granted EU support through the Adapt programme.

3. Characteristics and Process of Change

The process of introducing autonomous groups was started about three years ago and is still developing as planned. The first groups of refuse collectors were pilot groups that were to show management and colleagues that it could be done. The pilot groups made up about one third of the refuse collectors. The refuse collectors participated in courses in conflict solving, autonomous groups, use of computers, etc. in order to be qualified for the work in autonomous groups.

Since the pilot project was made permanent, more and more refuse collectors have volunteered, and the autonomous groups now make up two thirds of the workforce.

In the beginning of 2002 the autonomous groups had taken over the following new tasks:

- Co-determination on manpower planning, district lay out, haulage planning and vacation planning.
- Advise customers in environmental matters, communicate customer contacts to the organisation and make agreements with the customers about e.g. measures to improve work environmental circumstances.
- Direct dialogue with caretakers in order to deal with and solve any problems quickly.
- Taking over administrative tasks such as debriefing about jobs accomplished during the day, keep the log for the group's trucks and prepare a report on the customer contacts.
- Substantiate any irregularities by means of a digital camera, for instance overfilled containers, access roads that are not in compliance with security regulations, etc. The pictures are placed on the enterprise's intranet, which means that a customer contact can be discussed directly with an administrative employee. A result of this is that today there are less 'unreasonable' complaints.

As regards the further development of the group organisation it is planned that the autonomous groups will be responsible for:

- All customer contact
- Joining the development of new refuse systems
- Support to local Agenda 21-groups
- Budget for equipment maintenance

- Clarification of required training of the group
- Recruiting new staff members for the group.

4. Obstacles to Change

It has required a lot of courage and competence on the part of the shop stewards to tackle the inexpedient work norms. The working conditions that had the many negative sides were in many ways also the ones that had attracted the employees.

Over a long period, a more unnoticed effort was done to change an alcohol culture, which pressured the refuse collectors into drinking in order to be socially accepted. A confrontation with this culture was a precondition in order for the new work organisation to be implemented.

Certain management representatives have in the beginning shown considerable resistance. Middle managers have been afraid to lose their jobs, and parts of the top management have been sceptical. They considered this scepticism justified based on the workers' conduct in the previous organisation. However, due to the very positive results achieved from the pilot group, the top management has since then fully supported the change process.

5. Risk Analysis

At present, it is difficult to imagine that anything could threaten the development towards autonomous groups. The new work organisation has so many advantages for both management and refuse collectors, and for the administrative staff, that there should be no risk of a return to old ways.

Only commercialisation can be a threat, but if that situation occurs, R98 will make an effort to ensure that requirements are made in the tender documents regarding health and safety at work. Also principles for organising work in a way that delegate's authority and responsibility to groups should hopefully be included in an eventual tender.

6. Benefits of Change

For employees: Less attrition, more interesting work, a bit higher hourly rate, more development possibilities on the job, experience of higher job status, fewer conflicts with citizens, and upgrading of qualifications through work.

For society: Fewer expenses in connection with attrition and work-related injuries. The refuse collectors have taken on a responsibility for young unemployed and immigrants and have taken on a responsibility to train colleagues with reading difficulties and word blindness.

For the employer: Fewer complaints from citizens, property management employees, and the municipality. Less worn-down equipment, fewer damages to citizens' property, higher efficiency, more qualified and happier refuse collectors, greater competitiveness and possible robustness to commercialisation.

Conclusions

An intensive public debate on the requirement to improve the physical work environment proved to be an efficient lever for a genuine win-win development. Supported by a strengthened confidence between management and shop stewards the enterprise has today a better work environment and can offer a better and more efficient service to the customers.

A co-funding from EU's Adapt programme made it possible to carry through training and to set up a pilot experiment that demonstrated to sceptics among management and staff that it is possible to get rid of problematic forms of co-operation and a poor work environment. It was an important support to this development that R98 had a package

task for waste management. This made it possible to improve the interaction between partial tasks like planning, administration, customer contact, development and collection.

A demand for outsourcing of the individual tasks between several contractors would make it difficult to maintain the results achieved. Thus, an intermediate aim of the project for the enterprise and the employees was to use the present contract period for a quality development that creates sturdiness against any future requests for outsourcing.

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