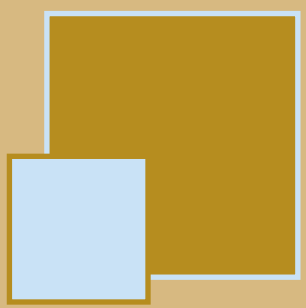
on the JOB

Office Space 1980

Somewhere, on the other side of a window in time, it's still 1980 and people are putting in another day at the office. Some are banging out their work on electric typewriters, others deftly tap the keys of steel-shrouded adding machines. One of the secretaries holds a piece of carbon paper at arm's length. A payroll clerk delivers a stack of punch cards to the computer room. Employees in the communications department are trying to figure out the company's newest high tech tool – a fax machine.

All the men in the office are wearing ties; most of the women are in dresses or skirts instead of pants. The bluish haze from a dozen smoldering cigarettes finds its way into the eyes, lungs, and clothes of everyone in the room. And over by the water cooler, someone tells an off-color joke that will be grounds for dismissal in another five years.

One guy, who's been with the company for two years, is trying to look inconspicuous as he types his resume. He's been wanting to leave for months but decided to wait because he didn't want to look like a job-hopper.



Office Space 2000

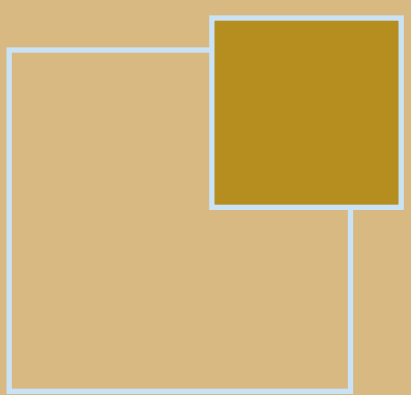
Twenty years later, the office has a far different look and feel. For starters, the tools have changed. A computer terminal sits atop every desk. The staccato chatter of old-time office machines has given way to flickering screens and the muted clicking of plastic keyboards.

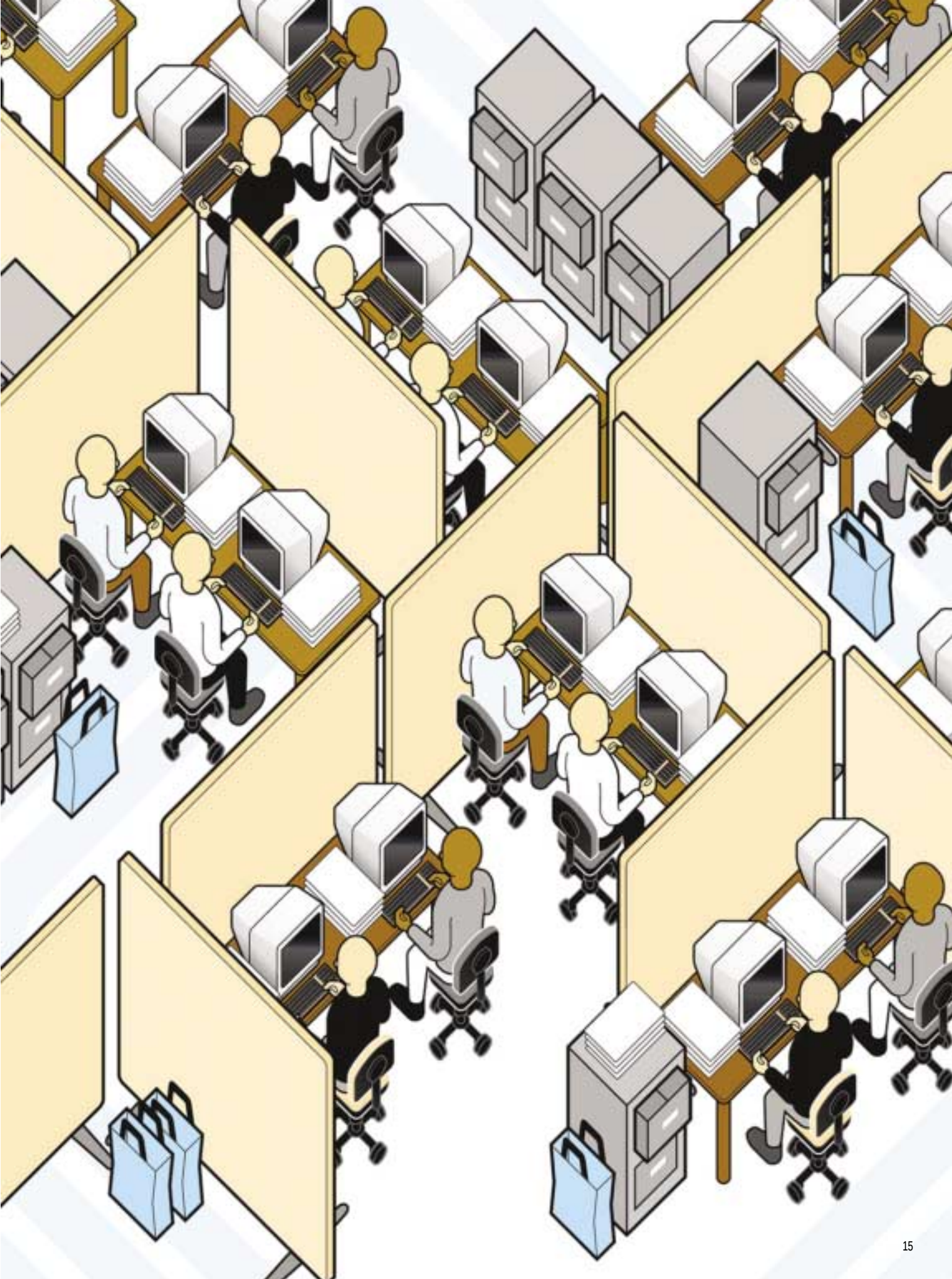
Thanks to modern technology, the employees are more connected (shackled?) to their jobs. They take laptops home for the weekend and call the office to check their phone messages when they go on vacation.

Office conduct has changed. Everyone is on a first name basis, and in some offices a necktie or a dress is a sure sign that the wearer is either meeting clients or interviewing for a job. And hardly anyone cares anymore about looking like a "job-hopper." Staying too long in one place isn't good for a career.

Yet, in certain ways, workplace behavior is also more circumscribed than it was in 1980. Smokers have been banished to the outdoors. Liability concerns have tamed the company holiday party. And even PG-rated jokes now start with a disclaimer: "This is a little off-color, but…."

That's not all….





Computers, casual dress, and codes of conduct were among the more visible work-related changes that took place during the '80s and '90s. But they weren't the only ones.

As the top table to the right shows, fewer Americans now earn a living by making things. But we didn't become "a nation of burger flippers."

During the early 1980s, a lot of people were concerned about de-industrialization. Factory closings and foreign competition raised fears that we'd all end up serving burgers and fries to one another. But that didn't happen. Yes, more of us are employed in services, but that category covers a range of well-paid occupations. This is shown in the second table to the right.

The "personnel supply services" numbers tell an interesting story, too. "Personnel supply services" is the official phrase for temp jobs or contract work. The category covers a broad range of occupations — clerical workers, laborers, secretaries, nurses, computer specialists — and according to the Bureau of Labor Statistics *Career Guide to Industries*, personnel supply services "ranks among the fastest growing industries in the nation and is expected to provide the most new jobs" during the first decade of the 21st century.

What triggered the growth in temp jobs? The answer to that question is rooted in a fundamental workplace change that began in the mid-1970s.

During the 30-year period that ran from 1945 to 1975, earning a living in America was, for many people, a fairly straightforward experience. You went to work at the local plant and spent your life producing steel or cars or toasters or shirts or whatever else the local plant produced. If you showed up for work every day, and if you gave the company its money's worth (on most of those days), you could expect to have a job for as long as you wanted it (except for those times when a slow economy forced the company to call a layoff). The money you earned was usually enough to purchase a piece of the American Dream — a house, a car, and maybe a few frills. The company's benefits package gave you peace of mind. And when your kids were ready to enter the job market, chances were good that you could get them in at the plant.

But the rules began to change in the mid-1970s. The unwritten social contract between employers and employees began to erode under pressure from increased foreign competition and rising energy prices.

By the mid-1980s, most American companies realized they

Nonfarm Employment

	1980	1999
Manufacturing	22.4%	14.4 %
Other goods-producing industries	5.9%	5.4 %
Service-producing (private sector)	53.6%	64.6 %
Government	18.1%	15.6 %

Source: U.S. Census Bureau, *Statistical Abstract of the United States: 2001*.

Persons Employed in Services/Selected Categories

(in thousands)

	1980	1999
Finance, insurance, and real estate	5,993	8,815
Computer and data processing	221	2,079
Health services (except hospitals)	3,345	6,529
Elementary, secondary schools	5,550	7,451
Entertainment and recreation	1,047	2,649
Personnel supply services	235	1,066

Source: U.S. Census Bureau, *Statistical Abstract of the United States: 2001*.

Current dollars? Constant dollars?

What does it mean when a statistic is listed in current dollars or constant dollars? Here's an example from Census Bureau data on average hourly earnings (Table 616, *Statistical Abstract of the United States: 2001*).

Average Weekly Earnings for a Production Worker in Manufacturing

	Current Dollars	Constant (1982) Dollars
1980	$289	$337
2000	$597	$342

The current dollar amount shows a sizable increase of $308 over the 20-year period ($597–$289 = $308). At first glance, that looks pretty good. But what about inflation? A dollar didn't have the same purchasing power in 2000 as it did in 1980, so it's hard to make a valid comparison.

That's where constant dollars come in. The constant 1982 dollar figures in our example show that, when adjusted for inflation, the average salary of a production worker in manufacturing barely improved ($342–$337 = $5).

In our example, the Census Bureau and the Bureau of Labor Statistics calculated the constant dollar figure by dividing the current dollar earnings by the Consumer Price Index on a 1982 base. (They used CPI-W, the Consumer Price Index for Urban Wage Earners and Clerical Workers.)

Other Trends

Union membership is down.
Labor Union Membership
(percent of wage and salary workers)

1980	2000
21.9	13.5

The work week is longer.
Average Weekly Hours - Wage and Salary Workers

1980	2000
38.1	39.6

We're less likely to die on the job.
Workers Killed on the Job
(rate per 100,000)

1980	1999
13	4

We're more productive.
Between 1980 and 2000, American businesses became a lot more efficient at converting inputs (labor and materials) into outputs (finished products and services).

U.S. Productivity
Output per Hour, Business Sector

Index (1992=100)

1980	2000
80.4	118.6

Annual Percent Change

1980	2000
–0.3	4.2

More women entered the work force,…
Labor Force Participation Rate for Women
(percent)

1980	2000
51.5	60.2

…and their families enjoyed a higher median income.
Median Family Income (constant 2000 dollars)

	1980	2000
Wife in Paid Labor Force	$53,482	$69,467
Wife Not in Paid Labor Force	$37,749	$39,738

Source: U.S. Census Bureau, *Statistical Abstract of the United States: 2001*.

Overall, the median family income rose.
Median Family Income
(constant 2000 dollars)

1980	2000
$41,830	$50,891

But some families have fared better than others.
When we divide American families into income quintiles (fifths), the numbers show that only those in the top fifth held a bigger share of total U.S. income in 2000 than they did in 1980.

Share of Aggregate Family Income
(percent)

	Lowest Fifth	Second Fifth	Third Fifth	Fourth Fifth	Highest Fifth
1980	5.3	11.6	17.6	24.4	41.1
2000	4.3	9.8	15.5	22.8	47.4

When adjusted for inflation, the average weekly earnings of many American workers were actually lower in 2000 than in 1980,…

Average Weekly Earnings-Nonsupervisory Workers
(constant 1982 dollars)

	1980	2000
Mining	464	442
Construction	430	403
Manufacturing	337	342
Transportation/Public Utilities	410	358
Wholesale Trade	312	335
Retail Trade	172	157
Finance, Insurance, Real Estate	245	314
Services	223	260

. . . and the minimum wage was even lower than it seemed. Between 1980 and 2000, Congress voted five increases in the federal minimum wage. But when adjusted for inflation, the minimum wage actually dropped.

Value of Federal Minimum Hourly Wage

	1980	2000
Current Dollars	$3.10	$5.15
Constant 2000 Dollars	$6.48	$5.15

were dealing with a new set of marketplace realities. If they were going to remain competitive, they would have to become leaner and more flexible. Contract work offered them a way to do both.

"As competition has grown," notes the *Career Guide to Industries*, "businesses have sought new ways to make their staffing patterns more responsive to changes in demand. To achieve this, they have increasingly hired temporary employees with specialized skills to reduce costs and bridge areas where know-how or experience may be lacking."

Between 1980 and 1990, the number of temporary workers in the U.S. labor force more than tripled from 235,000 to 710,000. Most earned a lower hourly wage than full-time workers; few received health insurance, sick days, or paid vacation.

But as the *Career Guide* points out, there's an additional reason for the growth of temp work: "Employment as a temporary [worker] is attractive to many. The opportunity for a short-term source of income while enjoying flexible schedules and opportunities to take extended leaves of absence is well-suited to students, persons juggling job and family responsibilities, those exploring various careers, and those seeking permanent positions in a chosen career."

Want to Know More?

The Bureau of Labor Statistics (BLS) web site is loaded with interesting and useful information:

• BLS home page **http://www.bls.gov/**

• BLS *Current Employment Survey* section has data on employment, hours, and earnings. **http://www.bls.gov/ces/home.htm**

• BLS *Career Guide to Industries* and *Occupational Outlook Handbook* **http://www.bls.gov/oco/cg/home.htm**

• Frequently asked questions about the Consumer Price Index **http://www.bls.gov/cpi/cpifaq.htm**

• Statistics on employment, average hourly earnings, inflation, and productivity: *U.S. Economy at a Glance* **http://www.bls.gov/eag/eag.us.htm**

One section of the U.S. Census Bureau's Historical Income Tables looks at family income in lots of different ways — race, age of householder, number of children, work experience, educational attainment, and more. **http://www.census.gov/hhes/income/histinc/incfamdet.html**

Here are two good essays on productivity:

•"Productivity Growth & The New Economy" (Federal Reserve Bank of Boston *1999 Annual Report*) **http://www.bos.frb.org/genpubs/ar/ar1999/ar1999.pdf,** and

•"Revolutions in Productivity" (Federal Reserve Bank of St. Louis *2000 Annual Report*) **http://www.stls.frb.org/publications/ar/2000/**

For a look at how U.S. working conditions have improved, be sure to check out "Have a Nice Day! The American Journey to Better Working Conditions" (Federal Reserve Bank of Dallas *2000 Annual Report*). **http://www.dallasfed.org/htm/pubs/pdfs/anreport/arpt00.pdf**

The National Building Museum's online exhibit, "On the Job: Design and the American Office," looks at the 20th-century evolution of the American office. **http://www.nbm.org/Exhibits/past/2000_1996/New_On_The_Job_Text.html**

Extinct or Endangered Species of the Workplace

Carbon Paper: No one misses this stuff. What a mess!

Correction Fluid: It's easier just to make a correction onscreen and send another copy to the laser printer.

The IBM Correcting Selectric: As recently as 1980, IBM electric typewriters set the standard for office equipment. Now, if you see one at all, it's usually buried under a pile of surplus office paraphernalia. It hums to life only when the office technophobe needs to address an envelope.

Slide Projectors: Remember when everybody used to worry that the bulb would blow during an important presentation?

Drafting Tools: Even into the 1980s, graphic designers and drafting personnel were still wrestling with T-squares and paste-up copies. Oh, how they hated to hear the words, "I just have a few small changes."

Mechanical Adding Machines: Shrouded in textured metal, these workhorses were built to last. Now they're stacked up in the surplus storage area.

The Rolodex: Handheld devices will hold all your addresses and can go anywhere you do. But they don't really broadcast your status in the same way that an overflowing Rolodex used to.

Ashtrays: These days the front entrance to your building is one big ashtray.

"Babe-of-the-Month" Calendars: Guys, please . . . don't even think about hanging the *Sports Illustrated* Swimsuit Calendar in your cubicle.