

June 2024



# Disciplinary Power in Australian Grocery Warehouses

Engineered standards, algorithmic management,  
and the veneer of technological objectivity



United Workers Union  
Submission to the Inquiry into the Digital Transformation of Workplaces



## About United Workers Union

United Workers Union (UWU) is a powerful union with 150,000 workers across the country from more than 45 industries and all walks of life, standing together to make a difference. Our work reaches millions of people every single day of their lives. We feed you, educate you, provide care for you, keep your communities safe and get you the goods you need. Without us, everything stops. We are proud of the work we do—our paramedic members work around the clock to save lives; early childhood educators are shaping the future of the nation one child at a time; supermarket logistics members pack food for your local supermarket and farms workers put food on Australian dinner tables; hospitality members serve you a drink on your night off; aged care members provide quality care for our elderly; and cleaning and security members ensure the spaces you work, travel and educate yourself in are safe and clean.

We acknowledge and respect the continuing spirit, culture, and contribution of Traditional Custodians on the lands where we work, and pay respects to Elders, past and present. We extend our respects to Traditional Custodians of all the places that United Workers Union members live and work around the country.

Please note workers quoted in this submission are anonymised to protect against potential employer retaliation.

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Thank you for the opportunity to provide a submission to the Inquiry into the Digital Transformations of Workplaces. I particularly welcome the Committee's focus on techniques of automated decision-making in the workplace, which is taken up as a key focus of this submission.

The workplace implications of automated decision-making and algorithmic management have been the subject of significant debate for many years. Too often these tools are debated within simplistic binaries of "winners and losers" and "risks and opportunities." To do so risks overlooking the particular politics of the technology and organisation, as each workplace is shaped by diverse forces of organisational culture, management style, union density, and so on.

This submission examines automated decision-making and algorithmic management in Australian grocery warehousing. It offers the case study of Woolworths distribution centres and a recent decision to introduce engineered standards as part of a comprehensive worker performance management system. This submission highlights historical continuities with older forms of technological work control, as well as suggestions for future practices to ensure safe and respectful workplaces.

United Workers Union is a large and diverse union. In preparing this submission, examples of automated decision-making could be drawn from a number of different industries. This particular case study has been chosen for two key reasons. The first is that in-depth analysis is considered more beneficial than a range of surface level examples. The hope is that this submission can provide the Committee with a deep and empirically grounded understanding of automated decision-making in a contemporary Australian workplace. The second reason for this particular case study is the national significance of the employer. Woolworths is Australia's largest private sector employer and is uniquely placed to re-shape or erode industrial norms. Few employers have the power to shape industrial and public life so profoundly.

This case study highlights how cross-institutional responses to workplace regulation and protection are essential. Workers and their unions, as well as government and civil society all have a role to play in ensuring Australian jobs are safe, respectful, and free from authoritarian techniques of control and discipline. I welcome further questions and discussion with the Committee.

In Solidarity,

A handwritten signature in black ink, appearing to read 'Tim Kennedy', with a stylized flourish at the end.

Tim Kennedy

National Secretary, United Workers Union

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## Introduction

This report details the reintroduction of a work measurement and monitoring system known as ‘engineered standards’ in Woolworths distribution centres. Engineered standards is an algorithmic system developed by American management consultants in the late twentieth century. It takes the role of a warehouse worker and breaks it up into smaller tasks which are each assigned a universal and standardised time limit. This means that irrespective of a worker’s unique capabilities or the dynamic environment of the workplace, the time limit remains the same. Workers must adhere 100% to the time limit, often referred to as a ‘pick rate.’ Management is able to monitor worker movement and speed in real-time using various wearable technologies. Workers who fail to perform at 100% of the assigned pick rate for the duration of their shift face disciplinary proceedings which may include termination.

Often categorised as a form of “Neo-Taylorism,” engineered standards exemplifies an authoritarian, low-trust model of management in which employee non-compliance is threatened with dismissal. The use of automated decision-making techniques, as will be discussed, serve to further extend the power of managers over workers and the labour process.

Warehouse workers are adept at working hard and at speed. These are, after all, the same people recently praised as ‘heroes’ for keeping Australia moving through the pandemic and beyond. However, workers explain that it is simply not possible to work safely and meet the pick rates enforced by engineered standards. This is because the pick rates determined by consultants do not adequately take into consideration the realities of the workplace or the natural rhythms of human labour. Unlike machines, human workers can not work at a fixed rate of high speed for every minute of a shift. Instead, Woolworths workers adhere to the ethos that everyone will work to the best of their ability.

**This report shows how engineered standards are a weaponised tool of workplace control and discipline, hidden behind a veneer of technological objectivity.**

Too often, the solution to problematic technologies is a call for better data, more ‘accurate’ pick rates, greater worker legibility, and the like. Such an approach misunderstands the purpose of this technology, which is to serve a particular goal of management. Engineered standards is not a benign tool, nor is it designed to be accurate—it is designed to be coercive and punitive. Enforcing an impossible speed of work gives management a tremendous amount of power over the workforce. Any tweaking of the technology by management will result in the same outcomes. As such, engineered standards offers a clear-cut example of automated decision-making in the workplace that is beyond reform and must be abolished. Following widespread worker complaints, Woolworths has temporarily paused disciplinary action resulting from engineered standards. We note however that this system has not yet been removed.

This report outlines what engineered standards is and how it works in practice. It also offers a brief historical context from which to understand the re-introduction of this system. This report then elaborates the worker implications of engineered standards, including physical safety and psychosocial hazards, the micro-management of breaks, and managerial strategies of worker humiliation, degradation, and de-unionisation. This report concludes with reflections on the broader implications of this overtly punitive worker management program and what this might signal for Australian industrial relations more broadly.



Woolworths distribution centres are complex and dynamic environments

## Engineered Standards and Algorithmic Management

Engineered standards integrates workers into a broader system of warehouse management software. Much like inventory, workers also become a point of data which is monitored in terms of speed and movement. Engineered standards assumes that the role of a warehouse worker can be broken down into component tasks, and that each task can be standardised, measured, timed, and recorded. These ‘standard times’ are then fed into a rudimentary algorithmic system which calculates how long any given task should take to be completed. This provides the basis for pick rates and other performance metrics which are then enforced by management. The integration of engineered standards with a punitive managerial culture seeks to consolidate control imperatives and intensify the labour process (Kellogg, Valentine & Christin 2020).

In practice, the system is far from an exact science. It echoes early twentieth century time and motion studies, and Frederick Winslow Taylor’s infamous stopwatch studies and Scientific Management theories. The fact that the ‘standard times’ are largely inaccurate is, however, beside the point. At the heart of engineered standards is a flawed and dangerous assumption—the idea that human labour can be rationalised to such an extent as to render it machine-like. This assumption, following historical figures such as Taylor, is rooted in an inherently anti-worker worldview and a belief that workers are lazy and untrustworthy. Engineered standards seeks to control the worker and every aspect of the labour process, minute-to-minute.



Frederick Taylor, pioneer of Scientific Management, recording worker movement with a stopwatch

Engineered standards provides the basis for algorithmic management in the warehouse.

Algorithmic management has been defined as “a diverse set of technological tools and techniques used to remotely manage workforces, relying on data collection and surveillance of workers to enable automated or semi-automated decision making” (Mateescu & Nguyen 2019, p. 1). Here algorithms are understood as “the coded instructions that a computer needs to follow to perform a given task” (Bucher 2018, p. 2). Algorithmic management does not simply automate management, but rather outsources some functions of management to algorithms. This in turn shifts the role of the human manager, which becomes more political, rather than organisational, taking on a form of “augmented despotism” that is *enhanced* by the use of technology to surveil and discipline workers (Delfanti 2021). The ability to automate and dictate work in this way relies upon a long history of fragmenting the labour process into quantifiable, second-to-second tasks. And, while work intensification, monitoring and surveillance is not new, recent changes in technology and management introduce a “steep change in power, intensity, and scope” (Moore, Upchurch & Whittaker 2018, p. 3). Put simply, algorithmic management does not replace human managers, it emboldens them and provides a technological veneer of neutrality and objectivity when enforcing human decisions.

The main contention here is not engineered standards is flawed and inaccurate (although it is) but that this system is *designed* to be coercive and punitive. Perverse outcomes are not a bug, but a feature. As will be detailed throughout this report, the implications for workers are profound, affecting physical and mental safety in ways that ought not be tolerated in any modern workplace. For these reasons, United Workers Union rejects the use of engineered standards outright.

**We propose everyone will work to the best of their ability, and in turn, be remunerated with a fair day’s pay for a fair day’s work.**

## The Woolworths Framework and Glidepath

In early 2024, without due consultation with workers or their union, Woolworths introduced a worker performance management program to be rolled out across all Woolworths distribution centres in Australia. Referred to by the company as the 'Framework,' this program utilises engineered standards to enforce a universal and highly standardised measurement of worker movement and speed. Engineered standards assumes that every task of a warehouse worker can be pre-determined, categorised, and assigned a time limit. Should a worker fail to meet the designated speed of work at 100% capacity of every measured minute of their shift, they are placed on a twelve week 'coaching' program referred to as the 'Glidepath' (see Image 1 below). Workers explain that the process is initiated with a "tap on the shoulder." One Woolworths worker who has been with the company ten years explains that coaching was immensely stressful:

My team leader tapped me on the shoulder and said, "you've been selected to participate in our performance framework." I said, "what if I don't want to participate?" She said, "no you have to." I was probably on the framework for about four or five weeks, that was probably the most stressful four or five weeks I've ever had working there.

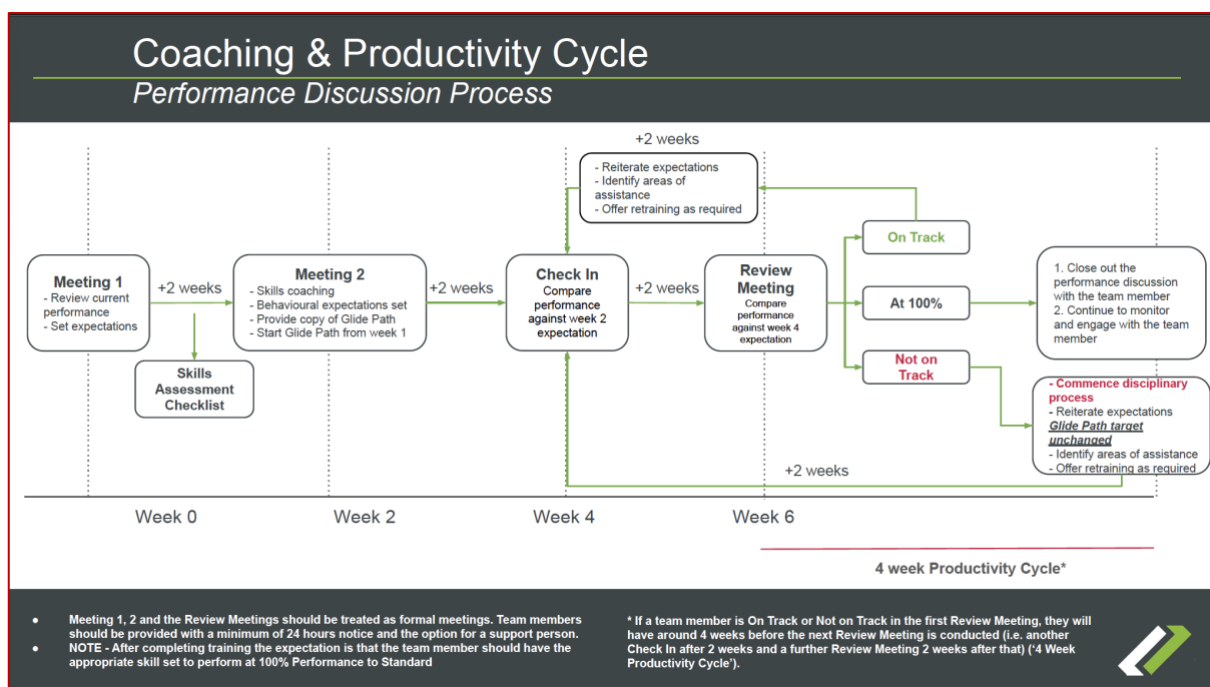


Image One: Woolworths performance Glidepath, provided by company

Coaching is something of a misnomer however, as no feedback or advice is provided to the worker. Instead, coaching involves working under the close supervision of a manager who is tasked with observing the worker's movements and appraising their speed against a company checklist.

I don't know why they are calling it coaching because all they do is follow you and write notes down. That's all. And then in the meeting afterwards they tell you what you've done wrong.

The coaching process is far from scientific. The Union has heard reports of workers being 're-coached' by different managers when previous coaching sessions were unsuccessful in finding worker infractions. In at least one instance, positive reviews from coaching have been dismissed by upper management. Such acts demonstrate the entirely subjective and punitive goal of coaching sessions. The glidepath provided by Woolworths highlights that even when a worker is meeting the standard at 100% they will continue to be monitored. As shown in red, disciplinary processes will commence against those deemed not at standard.

Pretty much what they did was put us on a glide path. They said in four weeks, they expected us to get to 100. And then they'll tell people you've got this many weeks to get to this percentage on the glide path, or we're gonna take disciplinary action.

The use of engineered standards is not a new phenomenon. In the mid 1970s, engineered standards was first developed by American management consultants and applied to local warehouses. In 1989, Coles supermarket was the first Australian company to introduce engineered standards to several select distribution centres. This prompted every major Australian grocery distributor to experiment with engineered standards with varying success (Wright & Lund 1996). Woolworths introduced engineered standards between 1992-1993. This resulted in several high-profile industrial dispute between the NSW branch of the National Union of Workers (NUW) and a number of supermarket chains. However, approaches to management of this style are generally considered old fashioned and have since been rolled-back. Now, modern companies tend to favour a managerial culture modelled on trust and respect of workers which involves employee involvement in decision-making, an emphasis on employee participation, as well as flatter management hierarchies, teamwork, and genuine engagement with unions. By seeking to reintroduce engineered standards, Woolworths signals a regression to more authoritarian management style.

## **Implications for Warehouse Workers**

The attempt to reintroduce engineered standards and a twelve week performance management plan has had a profound impact on Woolworths warehouse workers. In what follows, the effects of unsafe work speeds, psychosocial hazards, intense time control and more are outlined. Where possible, the firsthand experiences of workers are highlighted.

### **Unsafe workplaces, unsafe workers**

Distribution centres are large and complex environments combining human workers and heavy machinery. Strict adherence to safety procedures is crucial for keeping workers safe.

Our members are well-aware that working efficiently and at a sustainable pace is part of the job. However, working at speed must never compromise safety. The primary concern of the union and our members is that the Woolworths Framework produces unsafe working conditions. The unrealistic pick rates enforced by management may incentivise workers to cut corners to ‘make rate’ and avoid disciplinary action. When placed on the Framework, workers undergo coaching by a member of management. This involves closely observing their work and ticking off worker capabilities against a checklist. Our understanding is that one requirement of the checklist is “picking with urgency.” This contravenes Woolworths’ own Code of Conduct which states no job is so urgent that it can not be done safely. Workers are caught in an impossible situation, with one explaining:

To get 100%, we have to do things that are unsafe, we have to break the rules. But then if we get caught breaking the rules, we're going to get in trouble for that, too...It's pretty stressful, to be honest.

In highlighting concerns of worker safety, we must acknowledge the tragic passing of UWU member Basel Brikha last year. Baz, as he was known to us and his loved ones, died at work in a Woolworths warehouse. Evoking the memory of Baz is painful, and not something we do lightly. Our members and officials have been deeply affected, and some traumatised, by this tragic incident. We feel however, that a genuine conversation about workplace safety cannot take place without acknowledging this horrific incident. All workplace accidents are preventable, and this should never have happened. His memory has emboldened many to advocate passionately for workplace safety. Some Woolworths team members are understandably concerned that an incident like this could happen again. Abolishing engineered standards—in practice, not only in name—would be an important step towards making the workplace safer.

## Psychosocial hazards and worker mental health

Beyond physical safety, engineered standards also introduces dangerous psychosocial hazards into the workplace and undermines worker mental health. Team leaders have reportedly told warehouse workers that, “people will get fired for this” and “if you’re not at 100 per cent, we are going to write you up.” This has caused considerable stress and anxiety amongst team members. Many fear that if not liked by management, the Framework will be used to terminate their employment. Particularly older workers express concern that if they lose their jobs, they will not be able to find employment again. One worker explains:

I think they [management] want to use it to push as much stock out as they can. To me, it's a way for them to just push people to their limits... people are stressed out and under pressure, they don't feel safe.

In a particularly egregious instance, one worker explained to management that they are going through a difficult time with issues at home which have been very upsetting. Before their coaching session began, they told management, “I'm going through this at the moment, so I'd appreciate it if you please don't put extra pressure on me because I don't need it right now.” Sadly, they reported that despite making their distress clear, management “didn't have a care in the world for it.” A disregard for basic worker wellbeing will have a damaging effect on the workforce as a whole.

They are watching you, following you around with a clipboard, piece of paper and a pen. Writing stuff down behind you. It feels degrading.

The Woolworths Group 2025 Sustainability Plan ([available here](#)) promotes a range of company goals, including several related to team members including a “truly inclusive workplace”, “holistic wellbeing of our team”, and “meaningful careers for today and tomorrow” (see image two below).

In stark contrast to these goals, Woolworths warehouse workers report a highly discriminatory and harmful workplace culture. A commitment to inclusivity and diversity is not supported by engineered standards which by its very nature does not allow for human difference let alone diverse abilities. Workers also express concerns that union members are being targeted to ‘participate’ in the Framework. At one particular distribution centre, the first five workers selected for the Framework were union delegates and health and safety reps (HSRs). Workers are understandably sceptical, with one stating “we could tell what management were trying to do.” Several women workers have told their delegates they are very uncomfortable being closely followed by

management, finding it both intimidating and embarrassing as the process is watched closely by other workers on the floor. In response to these concerns one Woolworths team leader allegedly replied, “I’m going to follow you whether you like it or not.” Overwhelmingly, workers feel that the Framework and coaching sessions feel humiliating and degrading.

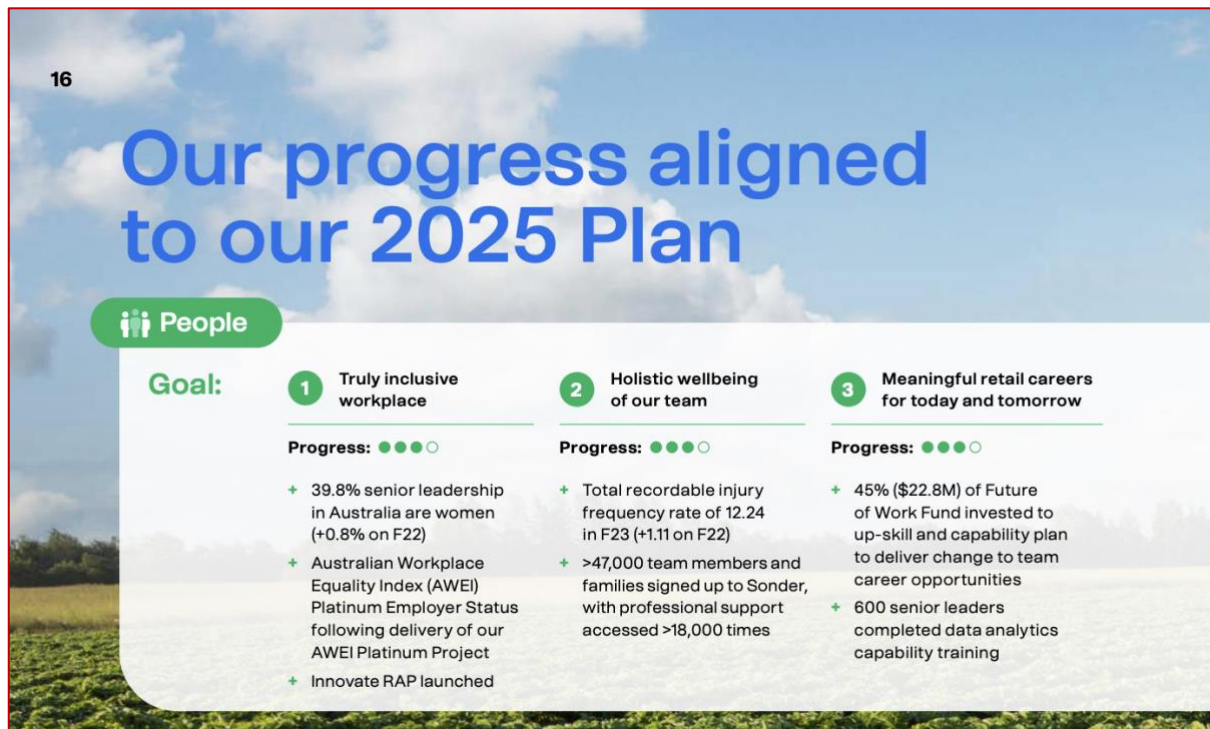


Image Two: Woolworths 2025 Sustainability Plan contradicts the logic of engineered standards

### Intense monitoring of “gap times” such as toilet breaks

Woolworths claims that engineered standards takes into account ‘gap times’ which are reasonable periods of unavoidable delay, worker fatigue, rest breaks and so on. The mere existence of gap times highlights the high level of monitoring warehouse workers are subjected to. Gap times refer to any time during a shift that a worker is not actively on task and can include walking from one area to another, taking a break, going to the toilet, pausing due to congestion on the floor, following safety procedures and waiting for a forklift and so on. Woolworths would consider such gap times to be legitimate, however the union is not satisfied that realistic time allowances have been taken into consideration. This is not a call to make gap times ‘accurate.’ As discussed, this system is not designed to be accurate or fair. Rather, we seek to highlight that the time pressures faced by workers may result in breaks being skipped, and safety measures disregarded, in order to meet pick rate targets and avoid disciplinary action.

Other gap times that would be considered completely reasonable, and indeed encouraged, in other workplaces might include pausing to say hello to a colleague, making a cup of tea, taking a short rest when feeling fatigued, quick phone calls related to childcare or other caring responsibilities, and so on. These gap times are not permitted, and must not exceed 5 minutes per shift, or the worker can be subjected to disciplinary actions. For many it is inconceivable to work in an environment which is monitored minute-to-minute with such scrutiny.

Following the introduction of engineered standards, many warehouse workers have begun keeping a logbook of their gap times to demonstrate to management that any pauses in their workflow were for legitimate reasons. Such a necessity highlights the low-trust model of management enforced by Woolworths.

### **Broader implications of Engineered Standards**

The attempt to reintroduce engineered standards into a contemporary Australian workplace holds broad implications for Woolworths teams members and beyond. Within Woolworths, it may signal a desire to restructure the workforce by removing long-standing workers and union members attuned to workplace rights and safety standards. A casualised or non-union workforce may be considered more compliant. More broadly, this case study reflects managerial trends towards disciplinary power and control. Rather than new technologies which could make work easier and more enjoyable, managers typically opt for technologies of surveillance and control. In some instances, such as the case of engineered standards, these technologies have such a negative impact upon workers that they must be abolished.

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