

Flexibility for whom?

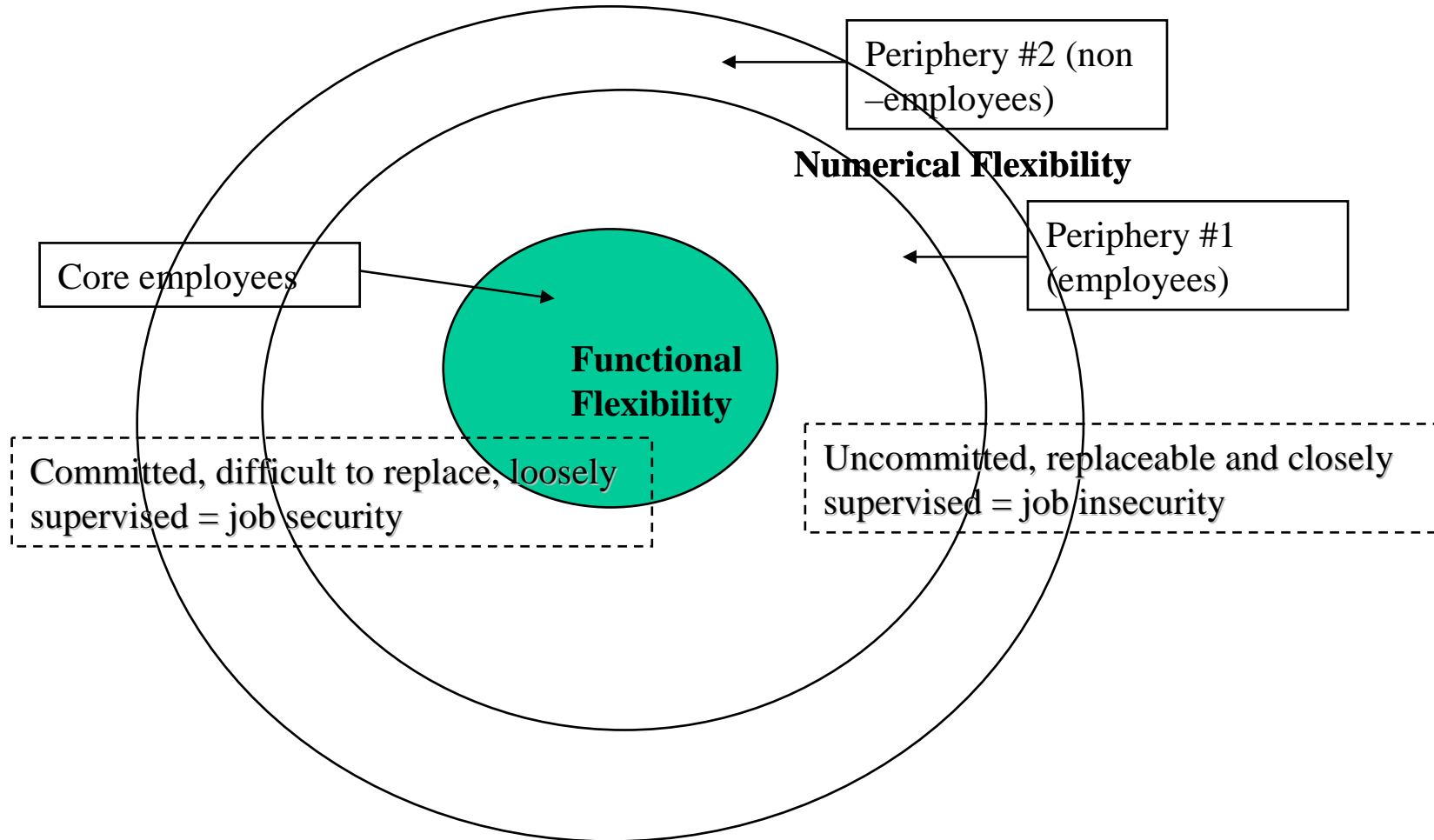
ELM Session #2

Castellanza 27 March 2007

Outline

- Who wants flexibility?
 - » Demand – employers
 - » Supply – employees
- Regulating and/or facilitating
 - » Win/win or imposed?
 - » Implementing regulation
 - » Trade off (1) Poverty?
 - » Trade off (2) Bad jobs?

Atkinson's onion



Flexibility (Regini)

Form	Flexible	Gains	Loss
Functional	Tasks	Tasks suit demand; high trust; Innovation; Commitment	permanent employment
Numerical	Headcount	Numbers suit demand	Trust; high supervision; inflexible task
(Time)	Hours	Hours suit demand	Complexity of management
Wages	Payments	Payment relates to demand and/or input	Complexity; poaching; social partnership undermined; commitment

Firm flexibility: FINE model

Figure 13: Forms and methods of personnel flexibility

	quantitative (numerical)	qualitative (functional)
internal	Working-time organisation: - variable working times - employment of part-time workers	Work organisation: - multitasking, multiskilling - job enrichment, job rotation - delegation of responsibilities
external	Outsourcing of working time: - workers with temporary contracts - agency staff	Outsourcing of competencies: - self-employed subcontractors - external companies, networks

Source: Own representation, drawing on Atkinson 1984, Gadrey et al. 1999, Lehndorff 1999, Merllié/Paoli 2001

Growing insecurity

- 'The end of the historical trend towards the salarisation of employment' (Castells)
- BUT LTE (Long Term Employment Rate is **growing**)
 - Including in part-time work
 - ^ faster than total employment
 - ^ in all occupational groups (least in low skilled)
- Explanations
 - Media
 - Market openness
 - Legal changes
- So people feel insecure (even if they are not)

New labour forces...

and national contexts

Women

But increasingly full-time

Immigrants

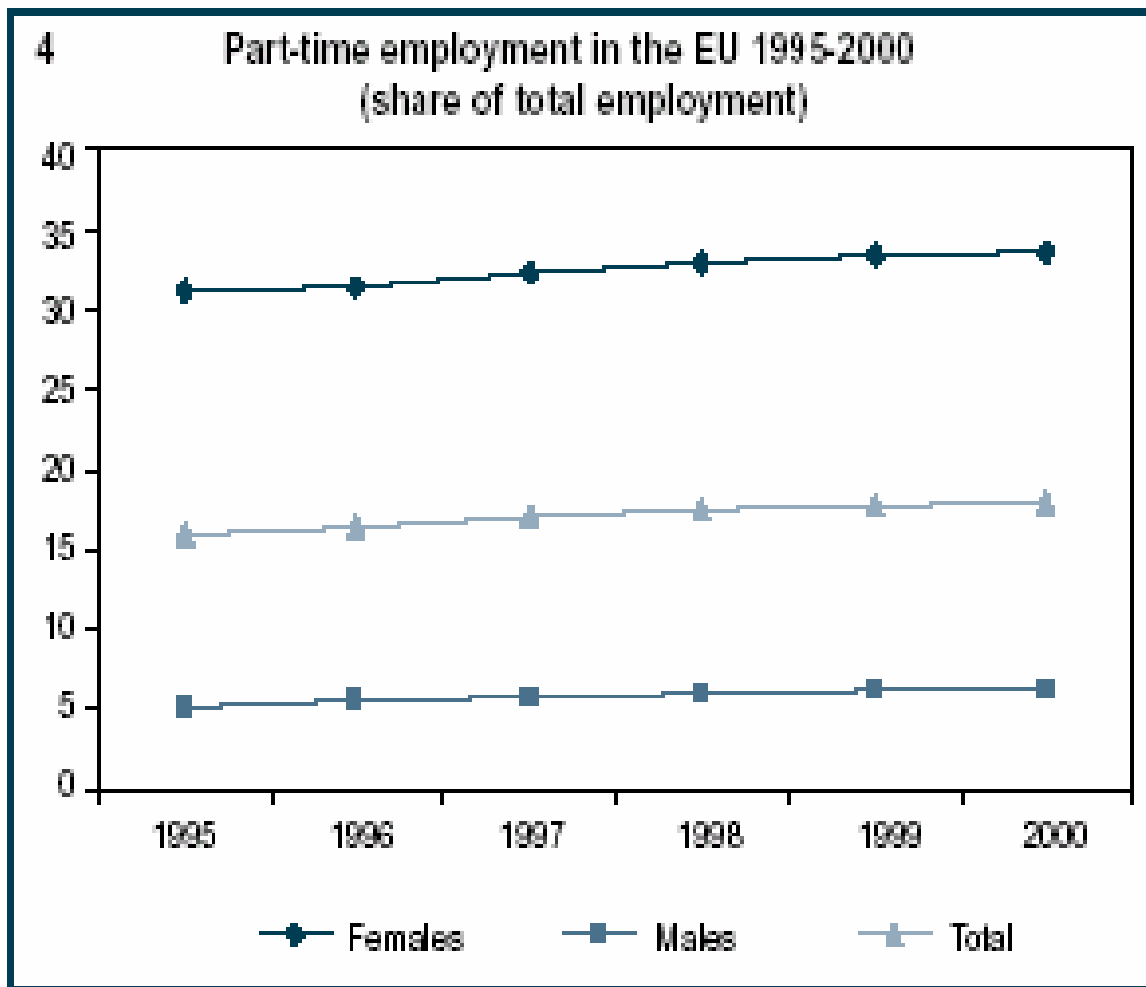
But want full-time work

Students

Older people

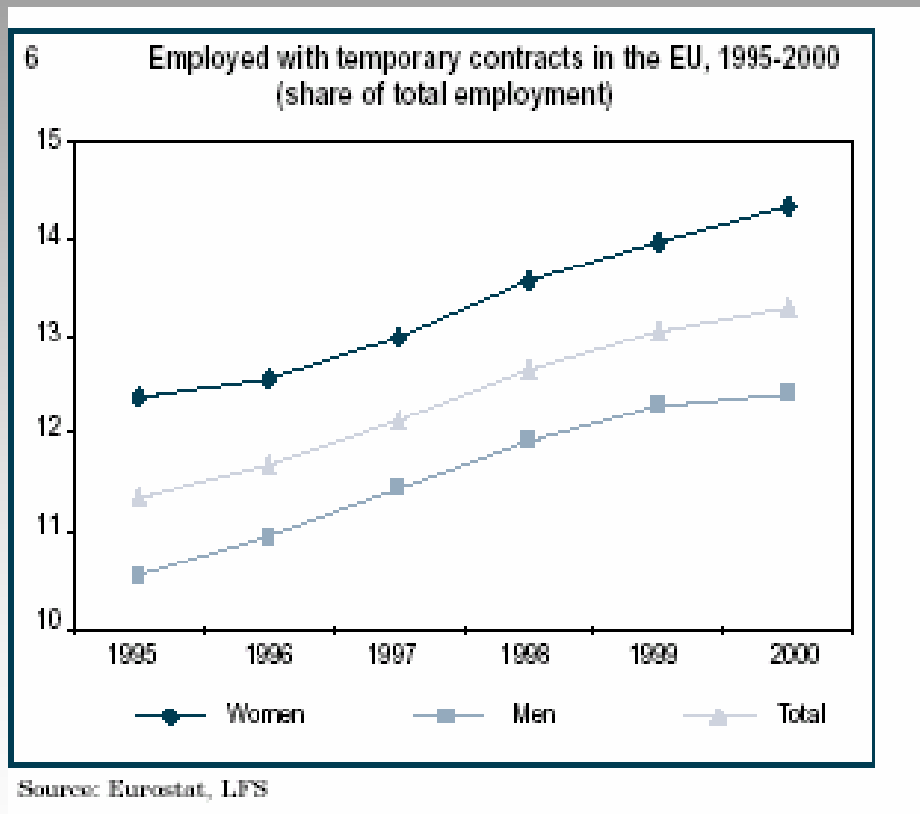
But why should they bother?

Part time work growing slowly



Source: Eurostat, LFS

Temporary employment growing



New immigration

Largely 'spontaneous'

New unregulated low wage sectors

Agriculture

Construction

Also in high skilled sectors

Medicine

Teaching

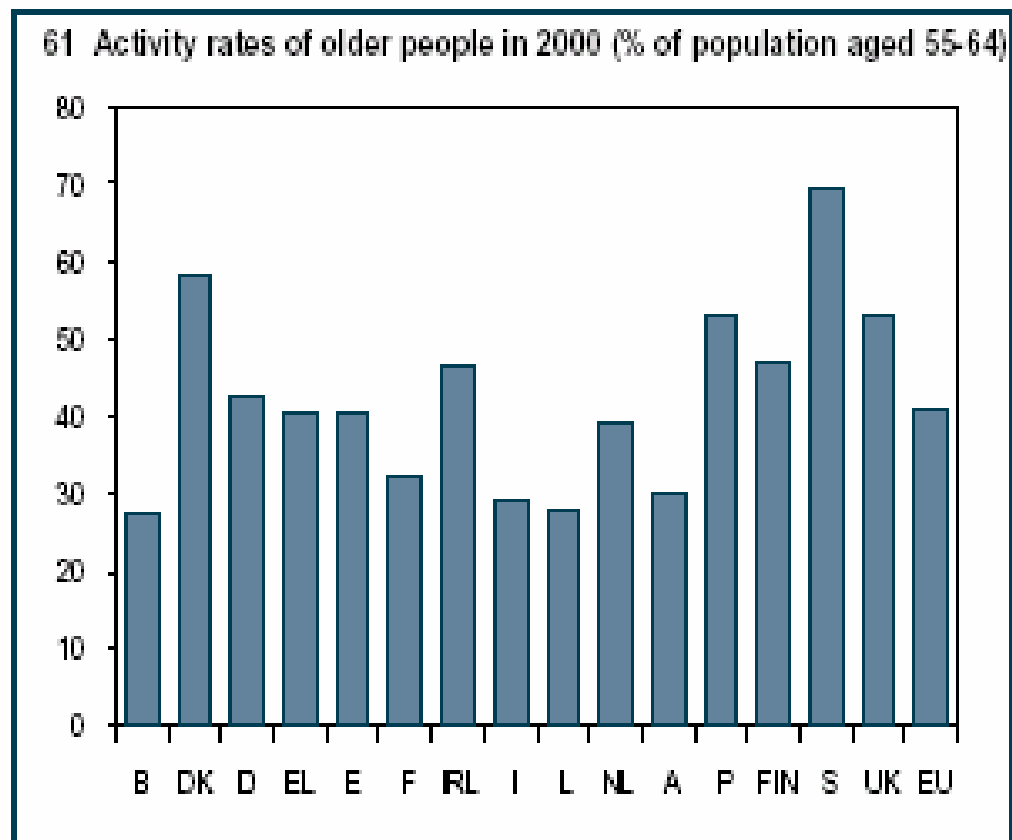
Software

Worse conditions, contracts etc

Older people

- Pensions crisis
 - Demographics
 - State deficit
 - Equities crisis
- Policy change
 - **From** early retirement **to** flexible retirement
- Supplementary income
- Flexible?

Older people in the labour force

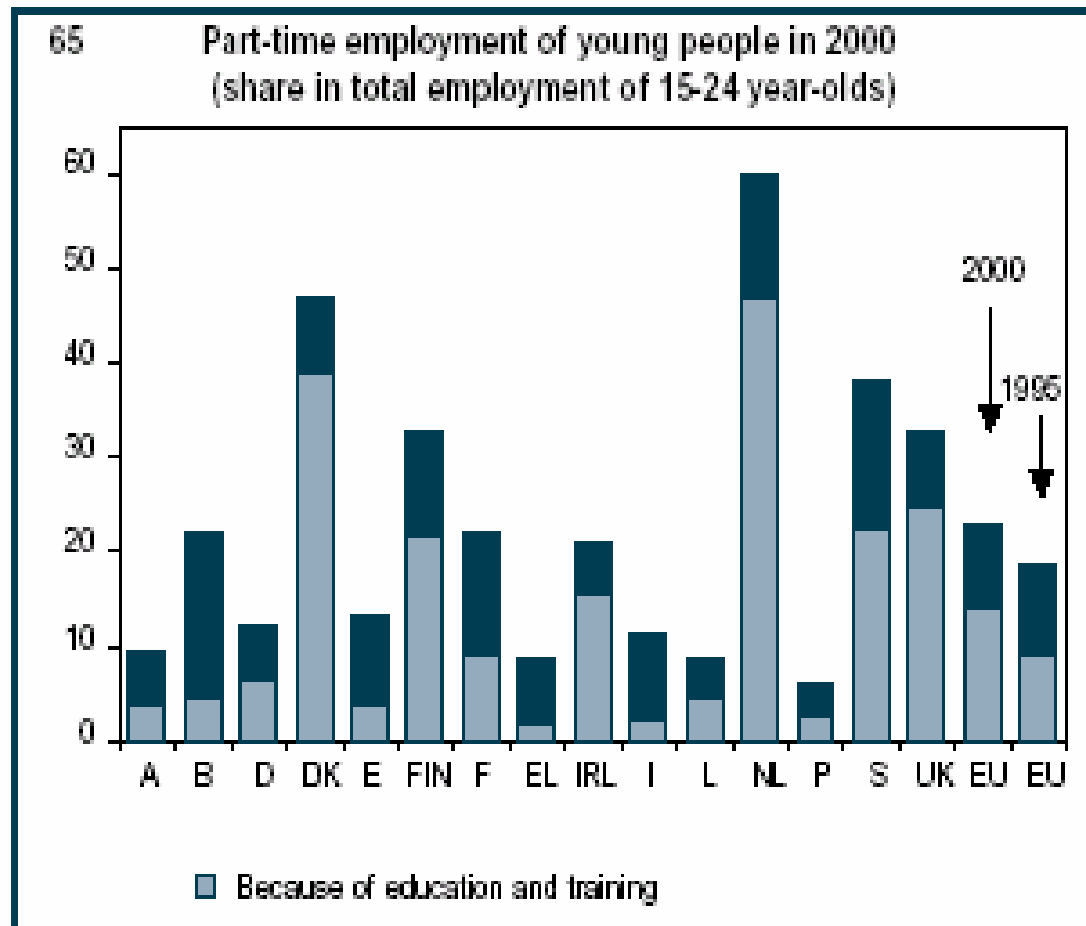


Source: Eurostat, QLFD

Younger people

- New work orientations
- Work refusal
- Career rejection
- Postponed fertility
- Childlessness
- Lifelong learning

Students: the new labour force



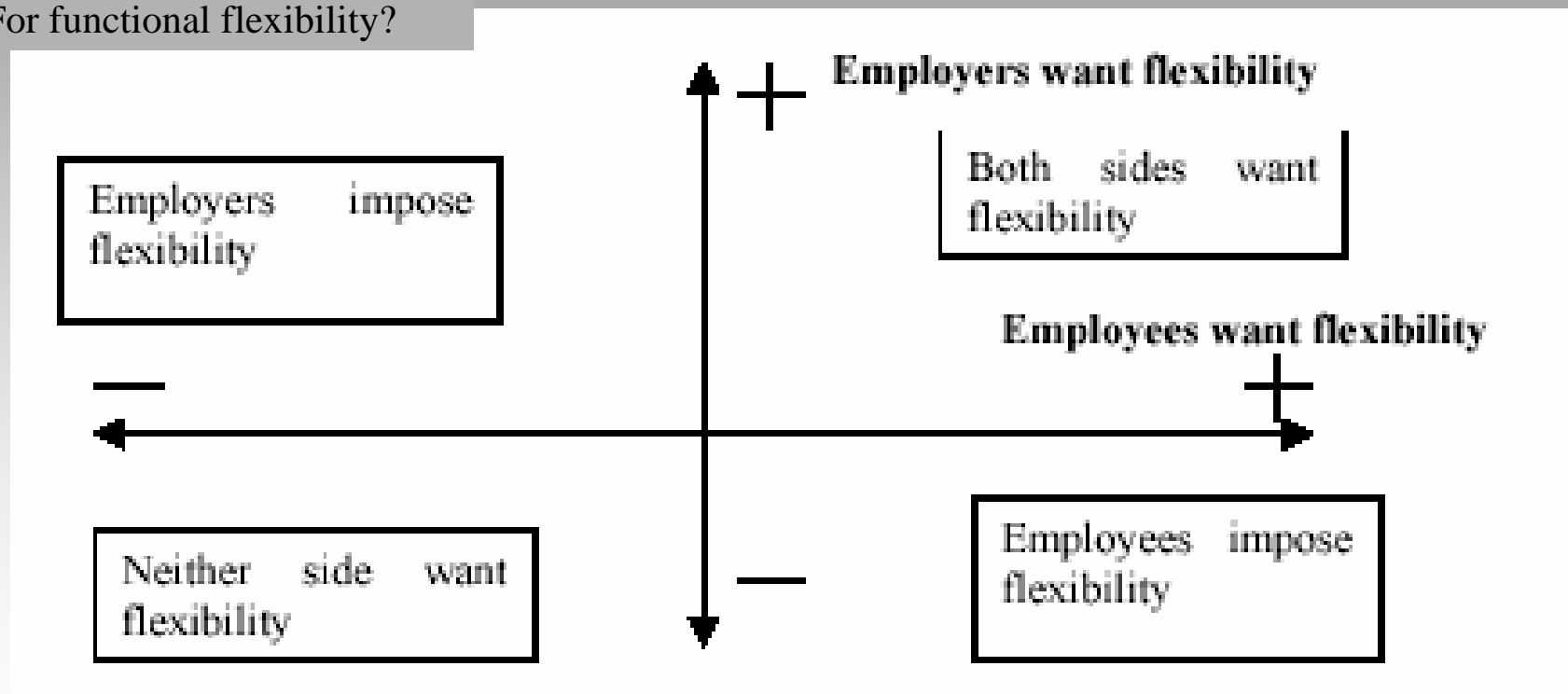
Source: Eurostat, QLFD

Who wants flexibility?

For numerical flexibility?

For different groups?

For functional flexibility?



Regulation issues

- Regulation by
 - » State
 - » Formal associations
 - » Informal norms
- Trade offs:
 - » Numerical versus functional flexibility
 - » Flexibility on all dimensions

Flexibility and poverty

Employment, poverty and labour market regulation in the mid 1990s

	Employment rate (% pop 15-64)	FTE employment rate (% pop 15-64)	Poverty all individs (50% mean)	Poverty working age (new, 50% mean)	EPL Ranking
	(1)	(2)	(3)	(4)	(5)
DK	73.4	66.8	7.7	9.2	5
Ger (w)	64.6	59.7	12.7	12.0	15
F	59.5	56.5	12.8	12.0	14
Ire	54.4	50.8	18.7	14.8	na
Italy	50.8	49.5	19.7	18.7	21
NL	64.5	51.4	8.1	8.0	9
S	69.9	63.9	12.4	11.6	13
UK	68.5	59.2	19.1	15.3	7
Pearson corr with (1)		0.877356	-0.6311	-0.58786	-0.85694

Countries with high employment rates (column 1) have low levels of employment protection legislation (column 2). In general high employment countries have low poverty levels (columns 3 and 4), but notice the situation of the UK (high employment, low EPL, but **high** poverty).

Flexibility and job quality

Job quality indicators

(Pay)

Stress

Training

Control over working hours

Participation

Promotion routes

All (except pay?) lower in non-standard jobs

BUT starter jobs?