

Flexibility and Working Conditions: A Qualitative and Comparative Study in Seven EU Member States

A Summary

A. Goudswaard, TNO Work & Employment, Netherlands.

M. de Nanteuil, EFIWLC, Dublin, Ireland.

Introduction

Flexibility strategies: a combination of variables

Exposure to risk and occupational health and safety issues

Differentiation among the workforce through 'conditions of employment'

Focusing on functional flexibility

The role of national industrial relations systems

Five areas for future reflection or action



EUROPEAN FOUNDATION
for the Improvement of Living and Working Conditions

This report is available in electronic format and has not been submitted to the standard Foundation editorial procedures.

The European Foundation for the Improvement of Living and Working Conditions is an autonomous body of the European Union, created to assist the formulation of future policy on social and work-related matters. Further information can be found at the Foundation website at <http://www.eurofound.ie/>

© European Foundation for the Improvement of Living and Working Conditions, 2000.

For rights of translation or reproduction, applications should be made to the Director, European Foundation for the Improvement of Living and Working Conditions, Wyattville Road, Loughlinstown, Co. Dublin, Ireland.



Introduction

Preliminary remarks concerning the methodological framework

The European Foundation for the Improvement of Living and Working Conditions has undertaken a research project based on national case studies which sets out to analyse the impact of employment policies and human resources management on working conditions at corporate level. This research, which started in 1998, stems from the results of the Foundation's Second European Survey on Working Conditions (1996). The survey had indicated a rise in flexible forms of employment and a strong correlation between these forms of employment and poor working conditions. The aims of the present research are to define working conditions in a broad sense and to examine the reliance on various forms of flexibility, both external and internal.

The research project comprises three phases:

1. Establishment of the research framework and provision of a European bibliographic review;
2. Identification and establishment of national case studies and national bibliographical reviews;
3. Production of a consolidation report based on national case studies¹.

¹ The observed countries and the involved research institutes were the following: Finland: the Finnish Institute of Occupational Health (FIOH), Department of Psychology (Pekka Huuhtanen and Irja Kandolin); France: Equipe de Recherche Emploi Socialisation Modernisation (ERESMO), LSCI-CNRS (Paris) (Danielle Gerritsen and Dominique Martin) and Département de sciences humaines, Université Rennes II (Michel Dupaquier);- Germany: Institut für Sozialwissenschaftliche Forschung (ISF München) (Manfred Deiss);- Italy: Fondazione Regionale Pietro Seveso (Milano) (Serafino Negrelli and Elena Rapisardi) and Dipartimento di Sociologia e Scienza Politica, Università della Calabria (Vincenzo Fortunato);- The Netherlands: TNO Work & Employment (Anneke Goudswaard, John Klein Hesselink and Eelco Miedema); Spain: QUIT Studies Group, Department of Sociology, Universidad Autónoma de Barcelona (Ramon de Alos-Moner and Antonio Martín Artiles); The United Kingdom: Manchester School of Management, UMIST (Damian Grimshaw) and International Centre for Labour Studies (Kevin Ward), University of Manchester. The sample was made of 15 case studies (2 per country, except Spain, including one in the industry and one in the service sector). These case studies were implemented in the following sectors: public health, banking, food and cultural goods retail, electronic, automobile manufacturers and suppliers, food manufacturing, printing, chemistry.

As flexibility appears to be an appropriate concept to describe corporate management practices in a fast-changing work environment, it is equally important to assess the impacts of such corporate practices on working conditions. Flexibility strategies undoubtedly influence, to a large extent, many aspects of day-to-day working life, and living conditions in general. One could even assert that this often-neglected facet of the modern economic system stands among the few key transformations of the current European society.

The data provided by the Second European Survey on Working Conditions (1996) gives long-term information about the transformation of current working situations and the emergence of new issues for the workforce. In particular, it illuminates the statistical relationship between atypical forms of employment (fixed-term and temporary agency contracts), poor working conditions and, more specifically, poor occupational health outcomes. If flexible employment status is not directly responsible for creating poor working conditions, it is nevertheless revealed as a worsening factor for those concerned. Its implication in the area of occupational health and safety is now established. However, such statistical data shows some limitations when setting the relationship between flexibility and working conditions in a more detailed perspective:

- Generally speaking, although it underlines the role played by corporate policies in the evolution of working conditions at European and national levels, it does not say how and why the workforce is organised that way: therefore, the data does not enlighten strategies of workforce allocation in companies;
- How employees feel about their evolving working conditions is not easily perceivable;
- Finally, the data does not really explain the co-existence of ambiguous currents within the general sphere of working conditions, which link, for example 'job enrichment' and 'work intensification'.

Therefore, when looking at the impact of flexibility on working conditions, it is important to underline the fact that such impacts should not be locked in to a narrow-minded view, for example one which propounds the idea that flexibility strategies inevitably lead to better or poorer working conditions, whatever the meaning of such concepts. As the research progressed, it became clear to the national researchers that the 'working conditions' concept had to be examined in greater detail, as it could stand as an umbrella concept for highly differentiated situations. In particular, the researchers realised that 'conditions of work' (describing the practical conditions under which people work and cope with a specific technical and organisational environment) and 'conditions of employment' (describing the rules and status under which people are employed, trained and paid) were not necessarily moving towards the same direction, when combined with flexibility. In other words, the distinction between those sub-concepts could stand as a very relevant starting point to examine the kind of compromise people and organisations were achieving in both domains.

Figure 1 and Table 1 summarise the researchers' findings:



Figure 1: Flexibility and working conditions: a global research framework

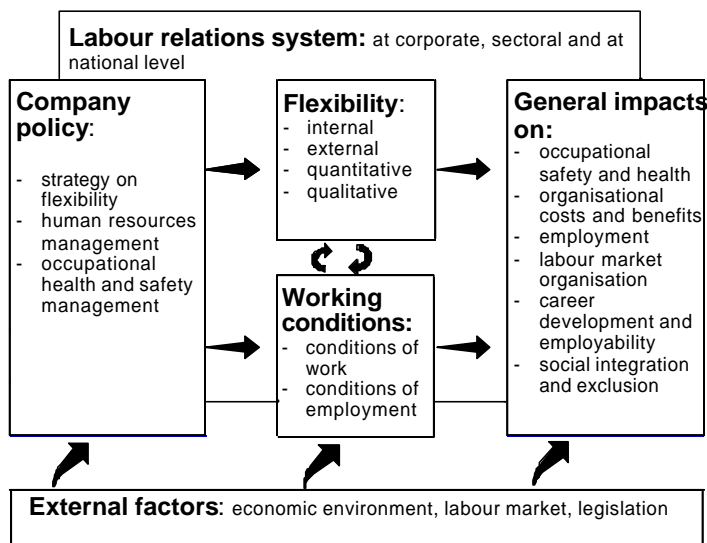


Table 1: 'Conditions of work' vs. 'conditions of employment': the double dimension of the 'working conditions' concept

Conditions of work	Conditions of employment
<ul style="list-style-type: none"> • musculoskeletal job demands: <ul style="list-style-type: none"> • position, loads, repetitive movements • physical exposure: <ul style="list-style-type: none"> • vibrations, noise, temperature • chemical and biological exposure • psychosocial job demands (work organisation and work content): <ul style="list-style-type: none"> • job demands (job intensity, pace of work, monotonous work) • job control (autonomy, support) • emotional job demands: • violence, discrimination, harassment 	<ul style="list-style-type: none"> • job security : employment status and/or perspectives • access to training and qualification • career prospects • duration of time and control over working time • level of workers direct/indirect participation • flexible vs. fixed payment

Given the emphasis on the qualitative aspects of the issue, the direction followed by the present research is to focus on what could be described as 'local complexity'. The main findings are presented in this paper.



Chapter 1

Flexibility strategies: a combination of variables

Flexibility emerges as a heterogeneous concept, mixing two series of variables: quantitative/qualitative and external/internal. When looking at the possible combinations between these variables, flexibility strategies comprise the following: subcontracting ('external qualitative'), use of different employment statuses ('external quantitative'), working-time flexibility ('internal quantitative') and flexibility of work organisation ('internal qualitative'). Referring to specific dimensions of flexibility, such strategies are usually denominated as 'productive', 'numerical', 'temporal' and 'functional' strategies (see Table 2).

Taking these combinations into account, the case studies reveal that flexibility strategies are implemented on a complementary rather than on an exclusive basis. They often take place simultaneously, driven by different motives. As such, they are not necessarily very coherent. Flexibility strategies may be used at one stage and then replaced by others; they may be designed differently according to the groups of workers they apply to; and they often have an 'ad hoc' basis. Neither do they necessarily respond to a cumulative principle: subcontracting may be dedicated to permanent and highly qualified workers, while non-permanent contracts may be widely used for core, non-subcontracted, activities.

Subcontracting

Strategies of subcontracting are found in three fourths (12 out of the 15 case studies) of our sample, among which 4 companies have exclusively externalised non-strategic tasks. A slight majority of 8 case studies has actually undertaken a wider approach, by subcontracting strategic tasks or even entire processes. This latter form of subcontracting finds a ground in all countries, both in industry (printing, automobile, electronic and chemical industries) and in services (banking and retail services). The motives for subcontracting are mainly driven by the transfer of



labours costs and risks to other employment situations, followed by a redefinition of new fields of expertise. When subcontracting strategic tasks, the degree of interdependence between companies is clearly on the increase. Within such a context, flexibility strategies tend to shift from a qualitative approach at the top of the productive chain towards a highly quantitative approach down the line. Against the tide, local companies tend to create some kind of qualitative flexibility.

Non-permanent contracts

The same proportion of case studies (12 out of 15 case studies) shows an extensive use of non-permanent contracts, varying from the use of work/training contracts to recruit new employees (the Italian automobile industry case study) to the structural use of temporary workers, sometimes up to 30% of the current employed population (in the French electronic industry case study, for example). This structural orientation towards numerical flexibility, revealed in several case studies, can be interpreted as an attempt to create internal 'lean' organisations with the support of new employment statuses. However, the amount of non-permanent workers fluctuates significantly in time:

- Short-term fluctuations are mainly due to work content and market influences (e.g. seasonal demands);
- Fluctuations in the mid-term may result from a shift towards other flexible strategies, such as subcontracting (Spanish banking industry) or the use of part-time contracts (Telecom company in Italy);
- fluctuations in the longer-term can be caused by collective bargaining or by government legislations, which intend to reduce the overall amount of non-permanent contracts.

Working time

The entire sample contains with different types of working time flexibility, such as shift work, night or weekend work, and part-time contracts. The reasons for shift work in industry (24 hours a day, sometimes 7 days a week) are not new: shift work is implemented in order to avoid the shutdown of the production process and/or to make maximum use of expensive equipment and means of production. However, nowadays market fluctuations interfere a lot more than in the past, so that shift work results from global 'temporal' strategies which aim at both tight staffing and meeting the short-term market fluctuations. The evolution of working time patterns in the service sector is mainly driven by extended opening hours, in order to meet customer demand. This is particularly the case in the banking sector, whatever the country, where the focus is on the quality of the service as well as some development towards job enrichment. In the retail sector, all possible measures are used to match the workforce to the market requirements: irregular working hours, shift work, part-time work, usually combined with non-permanent employment. Above all, the case studies show a clear breakdown of the former working time patterns, with an increase in time irregularity and unpredictability.

Functional flexibility

Functional flexibility can be defined as an internal strategy designed to quickly redeploy personnel to tasks. This can be achieved by teamwork (8 case studies), whereby the team is

responsible for some planning or budgetary tasks, and the employees fulfil most functions within the scope of the team. In some cases, teamwork is the pillar for a whole new organisational model - knowing that this kind of situation might be closely related to specific numerical strategies and dedicated labour contracts. Functional flexibility can also be achieved through multi-skilling, job rotation or job enrichment: this is encountered in most of the case studies (11 out of 15), with the exception of the ones covering the retail sector. Two different trends are to be observed regarding functional flexibility:

1. on the one hand, functional flexibility may be seen as an opportunity to mix both employers' (productivity, quality, etc.) and employees' (better work content, increased responsibility, etc.) needs;
2. on the other hand, teamwork or multi-skilling may be accompanied by job intensification or job monotony, as is shown further on.

Apart from the diversification of the forms of flexibility and of the motives for flexibilisation, corporate strategies are implemented under a number of external constraints, such as:

- interdependency of markets and companies, especially in the case of subcontracting;
- client-oriented strategies;
- technological changes;
- national frameworks (including national labour markets, negotiation processes and legislations).

Table 2: *Different forms of flexibility*

<i>Forms of flexibility</i>	Quantitative flexibility	Qualitative flexibility
External flexibility	Employment status: <ul style="list-style-type: none"> • permanent contract • fixed term contract • temporary agency contract • seasonal work • work on demand/call 	Production system: <ul style="list-style-type: none"> • subcontracting • outsourcing • self-employed
Internal flexibility	numerical flexibility Working time: <ul style="list-style-type: none"> • reduction of working hours • overtime / part-time work • night and shift work • weekend work • compressed working week • varying working hours • irregular / unpredictable working times temporal flexibility	productive and/or geographical flexibility' Work organisation: <ul style="list-style-type: none"> • job enrichment / job rotation • team work / autonomous work • multi-tasking, multi-skilling • project groups • responsibility of workers over: planning, budget, innovation technology functional flexibility



Chapter 2

Exposure to risk and occupational health and safety issues

Looking at 'conditions of work' aspects, it appears that exposure to risk remains at a high level within a more flexible environment: this is reported in almost three-fourths of our qualitative sample (11 out of 15 case-studies) in which most of the flexibility strategies are implemented.

As for the reasons why such a situation occurs, we observe that one case study reports restricted physical constraints, while three others show restricted psycho-social constraints (items such as 'intensification of work, 'greater work pressure' or 'stress at work' are quoted without explicit allusion to physical factors). Almost two-thirds of the case studies reporting exposure to risk explicitly mention a mix of 'traditional' and 'new' risks. The research therefore suggests that, within a more flexible environment, exposure to risk is mainly due to a complex combination of factors, including both physical and psycho-social aspects.

In the research, restricted psycho-social risks do not lead to specific health complaints, as such risks are described in very general terms. As a result, health complaints appear in almost three-fourths of the case studies which report exposure to risk: a proportion which remains worrying. This evolution involves an even greater complexity: all case-studies with occupational health complaints mention on-going classic complaints and in almost all of them, such complaints combined with greater stress at work.

Beyond the nature of the task itself, such situations seem to take place in companies where new working time patterns, subcontracting strategies or extensive differences in employment status are implemented. In terms of flexibility, the research therefore suggests that the evolution of exposure to risk at the workplace is correlated with combinations of both external and quantitative

flexibility, not so much with functional flexibility as such: at least the impacts of the latter are not as easily perceivable as that of the other strategies.

However, it ought to be emphasised that only a small majority of the case studies reporting exposure to risk consider 'conditions of work' as a differentiating variable among the workforce. This concerns less than half of the whole sample. To turn it another way, it seems that 'conditions of work' do not differentiate the workforce in a majority of the case studies observed. Three factors accounted for this:

1. Some case studies mention a 'favourable' or at least 'acceptable' working environment, from which flexible workers do benefit;
2. If new flexible working-time patterns appear to worsen already difficult 'conditions of work', they do not concern flexible workers especially, but the whole workforce;
3. Above all, a number of the case studies report 'a significant effort' or even 'considerable progress' in the field of OSH policies over the last decade - and this does not include regular OSH policies at both corporate and sectoral levels. Thus, even when exposure to risk or occupational health complaints are high, several case studies show a will to tackle such an evolution, thus making 'conditions of work' less differentiating than they would have been without it.

Differentiation in 'conditions of work' is still observed in a significant minority of 6 case studies. This situation is mainly related to subcontracting and differences in employment status, but the latter seems to be the predominant factor: 4 out of the 6 case studies report an explicit relationship between employment status and poorer 'conditions of work', while the two others (the Spanish chemical industry and the German automobile supplier industry) link such a differentiation with subcontracting. These 4 case studies account for one third of the cases that report numerical flexibility. Such an observation could lead to the following interpretation: 'conditions of work' do not stand as a differentiating variable in a majority of the case studies; however, should this differentiation occur, non-permanent contracts represent the most contributing factor to it. This observation seems to confirm, from a qualitative point of view, the findings from the Foundation's European Survey on Working Conditions (1996) related to employment status.

The OSH policy issue calls for some attention. Our comparative study has found that:

- New psycho-social risks do not replace, but rather combine with, on-going traditional physical factors;
- OSH policies, despite considerable progress, still face difficulty in addressing such a complex area;
- OSH policies are rather country shaped, as only two countries (Germany and the Netherlands), out of those which still face a significant level of risk at work, appear to develop OSH policies among all the national case studies, thus making 'conditions of work' a non differentiating variable among the workforce;



- A rather unequal distribution of OSH policies seems to persist in the EU. The ability to overcome such a segmentation, and to tackle the new complexity of occupational health issues in the future, would require a more holistic view of occupational health and safety within evolving working situations, at both national and European levels.

Technological change holds a key, yet sometimes ambiguous, position with regard to OSH evolution. Several case studies indicate that OSH preventive measures are now integrated in highly automated processes, thus reducing part of the risk. In that sense, OSH has now become part of a global skills package, with greater links to other technical and managerial abilities at the workplace. Nonetheless, this also underlines the importance of access to OSH training for workers in more flexible work situations, whereby the means to pilot highly automated machines and to undertake preventive actions would be clearly communicated.

As a result, workers in subcontracting situations or under non-permanent contracts suffer from the present lack of OSH training. The research reveals that those workers, when being allocated to specific jobs or tasks within the core company, do not necessarily face worse 'conditions of work' than the others, at least in the short-term; it indicates rather that their level of information and, above all, dedicated training is insufficient; and that they stand in a considerably more vulnerable position than other workers with regard to their exposure to risk and stress in the mid-term. Such an observation needs to be highlighted, as some case-studies, though not the majority, indicate that flexibility strategies, whatever the type, tend to erode the former learning processes, even among the core working populations.

It equally has to be underlined that, when transfer strategies are about to occur, core working populations play a significant role in this situation: either by directly transferring a greater exposure to risk to peripheral working populations in the course of work; or by not taking part in appropriate communication processes towards them. Nevertheless, and from another point of view, this also points out that the fear of danger at the workplace is substantially expressed in our sample; and that external flexibility strategies provide core populations with a means, even if of less value, to cope with such a fear. The scenario examined here raises the key issue of who takes responsibility for improved OSH actions within a more flexible environment, as exposure to risk at work appears to be embedded in complex social processes.

Chapter 3

Differentiation among the workforce through 'conditions of employment'

Job insecurity

When looking at the impact of flexibility on 'conditions of employment', the research firstly examines the context in which the feeling of job insecurity is expressed. Numerical strategies do generate such a feeling but this is not true everywhere: more than two-thirds of the case studies dealing with numerical flexibility actually report so. From a wider point of view, the feeling of job insecurity is expressed in over half of the whole sample.

In the research, the issue of job insecurity is analysed according to three dimensions:

- When looking at the variables that contribute to the emergence of such a feeling, it is revealed that 'no/little access to training' and 'pay gaps' play an influencing role in less than two-thirds of the case-studies; however, the absence of career opportunities for non-permanent workers seems to be the main contributing factor, as all case-studies reporting job insecurity, except one, mention this factor;
- When looking at the case studies which develop numerical flexibility without engendering a feeling of job insecurity, it appears that, in each of the three private-sector case-studies, a high profile training and career policy is developed, whether it is dedicated to a specific group such as young entrants (Spanish bank), or defined through 'work-training contracts' (Italy, automobile and telecommunications companies). Such strategies go beyond the single development of 'functional flexibility': they require an overall work/training policy, whereby non-permanent workers are clearly settled in an entry route towards permanent positions in the mid-term. At the moment, such policies account for a minority of the numerical flexibility reporting sample (one third);

- On the other hand, the feeling of job insecurity remains widely expressed even when 'conditions of work' are positively assessed. These situations account for a minority of the whole sample (one fifth), but this minority is far from insignificant when looking at the sample that reports job insecurity (over one third). In other words, the advantages provided by a positively assessed working environment - whatever the frequency of such situations - do not compensate for the perception of job insecurity arising from a non-permanent contract.

Training and career paths

Following such observations, training appears to be a key issue. In almost half of the case studies, flexible workers (subcontractors, part-timers or non-permanent workers) have little or no access to training, with non-permanent workers accounting for one third of such situations. This does not mean that companies are not highly involved in training: considerable progress has been made in this area, as the employees benefit from specific training schemes in three-fourths of the case-studies. But this indicates rather that access to training appears as a highly differentiating variable among the workforce. Being very much in line with the results of the 1996 European Survey on Working Conditions, which reported marked segmentation in training towards non-permanent workers, this observation re-enforces what was said before about the lack of OSH-training being a factor contributing to greater exposure to risk. Flexible workers are more likely to be subject to risks at work, since they suffer from a lack of overall training at the workplace. Subsequently, access to training for flexible workers emerges as a highly transversal issue, with direct links between 'conditions of work' and 'conditions of employment'.

It is therefore revealing to note that the assignment of flexible workers (subcontractors, part-timers and non-permanent workers) to low-skilled positions and/or to positions that do not allow career paths in the next future appears in a clear majority of the case-studies. This trend should not be analysed in a too simplistic way, though. In our case-studies, subcontractors are unlikely to be the type of worker concerned, as some of them are assigned to highly qualified jobs (Spanish chemical plant); on the contrary, non-permanent workers are implicated in almost half of the case-studies.

In fact, the use of non-permanent workers seems to be part of a wider strategy, which tends to enhance the internal 'qualifications gap'. The demand for non-permanent contracts often follows, or at least goes together with, a redistribution of tasks among the permanent population, whereby the internal division of labour is increased. Within such a context, the chance for non-permanent workers to access regular training or to be promoted are strictly limited: this is only possible if they get a permanent position beforehand, even at a low-skilled level, which means that the selective process to reach higher positions is re-enforced. The use of non-permanent workers seems to be part of a new recruitment process, whereby the probationary period is increased, without having to give those workers the commitment due to permanent workers.

Pay gaps

As for the wage structure, the 'pay gaps' item includes several observations: some national reports mention the fact that unsocial hours (e.g. shiftwork) do not lead to specific premiums any longer (the two British case-studies); others mention a high level of 'marginal part-time' among the current workforce (the two German case-studies), with lower levels of income; one case-study mentions the possible combination between involuntary part-time and non-permanent contracts (French cultural goods retail industry). And one case study explicitly shows that non-permanent contracts, when contracted on a full-time basis, may provide a higher level of income, even on a very short-term basis.

Gender segmentation

While gender segmentation is regularly mentioned when looking at the situation of flexible workers (in a majority of the case-studies), it should be noted that gender aspects are not directly correlated with the aforementioned issues. In fact, several case studies point to the fact that gender segmentation persists, even though flexibility may have little impact on 'conditions of employment' (the two Finnish case-studies). Subsequently, it appears that flexible workers tend mainly to be women, including situations where such workers will benefit from the positive side of flexibility. Women are used as 'buffers' within flexibility strategies, likely either to benefit from, or suffer as a result of, such overall policies. More detailed research, linking such results with national frameworks, is needed here.

The re-enforcement of the internal division of labour, due to a major differentiation with regard to access to training, career opportunities and wage structure, underlines the close relationship between quantitative flexibility and organisational change. It also sets the issue of precariousness within a longer perspective. In fact, if numerical flexibility does lead to a feeling of job insecurity, it ought to be remembered that this feeling is very much linked with the absence of future perspectives for those concerned. This feeling goes beyond the simple fact of 'temporary contracts': if improved access to training or, above all, better career prospects were to be designed for non-permanent workers, such perspectives would undoubtedly reduce the subjective feeling of precariousness. Finally, the increase in the pay differentials indicates that the development of flexibility tends to escape from traditional collective bargaining, whereby pay compensations used to be negotiated.



Chapter 4

Focusing on functional flexibility

Functional flexibility initiatives are well represented in our qualitative sample, as four fifths of the case studies show some sort of functional flexibility. However, it ought to be underlined that there are no examples of this initiative in the retail sector. As such, functional flexibility seems rather sector-shaped, at least in comparison with other flexibility strategies.

The pre-dominant type of functional flexibility is multi-skilling: it is represented in all case studies which show functional flexibility, except one. Although well developed, teamwork does not reach the same degree of development: 'restricted multi-skilling' is implemented in only one fourth of the sample with functional initiatives. In the latter category, it seems that companies would rather go for individual job rotation or job enrichment, with little organisational change based on a more collective pattern. The research here suggests that a large variety of internal qualitative strategies is being undertaken in European companies; but functional flexibility does not preclude any specific collective dimension within a context of change. The impacts on working conditions may vary according to such differences.

The measurement of functional flexibility impacts on 'conditions of work' and, more precisely, on 'exposure to risk at work' remains quite difficult. However, whether through 'decreased fatigue' (Finnish bank case study) or 'shorter periods of exposure to risk' (Dutch food-retail case study), some examples clearly point out what could be described as positive effects of functional flexibility on working conditions. These case studies account for a minority, as only one third of the sample showing functional flexibility and above one fourth of the whole sample are able to report such positive impacts. Therefore, from a wider perspective, it seems that functional flexibility shows a limited improvement in 'conditions of work', despite being significant in many case studies. In no way would organisational initiatives be able to replace proper OSH policies as a means of tackling physical and psycho-social risks at work. These do facilitate such objectives in certain working environments, but their contribution remains limited.

A similar conclusion may be drawn with regard to the impacts of functional flexibility on labour force segmentation, though to a lesser extent. Half of the sample showing functional initiatives is able to report some kind of reduction of the previous labour force segmentation, which actually accounts for less than half of the whole sample. This kind of reduction is reported when case studies explicitly mention career opportunities or social mobility due to some type of functional flexibility. However, bearing in mind other flexibility strategies and previous scenario outcomes, it seems that 1) the weight of external and/or quantitative strategies in the determination of the division of labour is predominant; 2) when functional flexibility manages to have some effect in the area, the internal working population is more concerned than the external one; and 3) in all cases, unskilled workers are mentioned as not taking any part in such changes.

Finally, one of the most important and surprising results deals with the evolution of job content within a context of organisational change. A high proportion of the case-studies (almost three-fourths) shows monotonous work and/or work intensification while functional strategies are implemented. The correlation between these two elements is not obvious. As already mentioned, functional flexibility is seen as having no direct impact on 'conditions of work' at least in comparison with other flexibility strategies. Such remarks would tend to indicate that, contrarily to some common expressions such as 'job enrichment', functional flexibility has only a limited impact on job content, i.e. on what could give sense at work or not (related to 'job monotony') or what could enable workers to overcome on-going difficulties at work or not (related to 'job intensification'). It would be fairer and more realistic to assert that job monotony and job intensification are correlated within an overall flexible framework, whereby external and/or quantitative strategies play a significant role. Hence, the current extent of flexibility in European companies makes the issue of job content an on-going problematic one.

Functional flexibility is therefore a key dimension of flexibility as a whole, but it should not be overestimated as a solution to working conditions issues. It has to be kept to its own place and role. Organisational initiatives cannot replace genuine OSH policies and/or improve job contents significantly.

As such, the idea of a better type of flexibility (e.g. functional flexibility as opposed to numerical flexibility) is not validated in this research, since flexibility strategies are very much combined together in all case studies; and since no specific type comes out as a type of 'better value' or 'greater efficiency' with regard to working conditions. It is less clear, however, whether the improvement of working conditions depends on an overall mix of initiatives, whereby working conditions are tackled from a general point of view (balancing 'exposure to risk' and 'division of labour' issues) and are part of a more institutional approach (the example of 'work/training' contracts in the Italian automobile company). Organisational change remains a key dimension of what would constitute an institutional framework for better working conditions within a more flexible environment. However, such an institutional framework still depends largely on national legislation and negotiation processes.



Chapter 5

The role of national industrial relations systems

Turning to national debates and legislation, it seems that most regulating measures currently undertaken focus on employment contracts (making it possible and protected) and working time issues (reduction of working time and regulation on unsocial hours). There is only minimal discussion of functional flexibility, which is linked to company innovation (the Italian case studies) or working conditions (the Dutch case studies). There is little or no political debate on outsourcing.

The idea that strong cooperation between government and, or among, social partners mitigates the downside of flexibility on the one hand, and contributes to positive compromises for both employers and employees on the other hand, emerges from our qualitative sample. Nevertheless, the studies point to different processes and levels of negotiation, including:

- government legislation and measures ;
- cooperation between government and, or among, social partners at national level;
- cooperation between social partners at sectoral and company level;
- individual arrangements;
- an increase in 'job control' at the workplace.

From a research point of view, it is difficult to draw general country by country conclusions regarding legislation and negotiation processes, given the limited size of our sample. However, some transversal trends do emerge. There seems to be three countries where flexibility strategies are being developed within a context of institutionalised cooperation between government and, or among, social partners: Italy, the Netherlands and Finland. Conversely, social regulations are taking place on a more local and individualised basis in France and in the UK, even though the

reasons for such evolutions are very different. Whereas, in the UK, the employment relationship seems to be increasingly implemented on the basis of face-to-face arrangements between employers and employees at the workplace, with no longer any overall regulations, the French case studies reflect a lack of institutionalised negotiation between social partners, whereby local agreements could find some long-term support; and yet public regulations in France continue to be prevalent. Germany holds an intermediate position as the branch frameworks still play a major regulating role, but seem to be somehow bypassed by the rapid emergence of new working time patterns, such as marginal part-time work. As for Spain, the modernisation process has significantly changed the situation of the Spanish industry, even if it has not been able to tackle the increase of non-permanent jobs and if major problems remain in traditional industrial areas.

All in all, our sample concretised the idea that the more institutionalised the relationships between government and, or among, social partners are, the more likely positive compromises are to be found at different levels. With this in mind, it is worth observing that subcontracting seems to diversify the industrial relations framework, while there appears to be a relationship between atypical employment status and low levels of union membership. The trend towards the decentralisation of labour relations can be interpreted as a risk for 'weaker' groups on the labour market (low-skilled, young entrants, women). Working time pattern seems to be as important as employment status in the evolution of working conditions, but less discussed and negotiated in the companies from this point of view.

Such observations raise, in particular, the issue of workers' representation and participation within a flexible context, as the workforce becomes more and more heterogeneous. This issue is twofold: it is firstly a problem related to the lack of formal rules or guarantees towards atypical workers' representation and participation; and secondly it is also related to the possible lack of interest and mobilisation, as these workers are less committed to the local workplace issues. The whole collective bargaining process is therefore called into question here, as strong cooperation between all parties involved in the flexibilisation of labour processes seems to be an important line to follow.

The following figure gives some idea of the possible levels/areas of negotiation regarding the impacts of flexibility on working conditions:



Figure 2: *Different areas/levels of negotiation*

Scenarios	Issues	Levels of negotiation
Scenario 1	Conditions of work	OSH policy and training
	Exposure to risk, occupational health and safety	National, sectoral and corporate levels
Scenario 2	Conditions of employment <i>(Job insecurity, access to training, career prospects, pay gaps, gender segmentation)</i>	HRM policy Collective agreements, balanced with individual arrangements
	Division of labour	Sectoral and corporate levels, national 'stimulating' measure
Scenario 3	Work organisation	Job control
	Job intensification or monotony	Corporate level, with local management agreements



Conclusions

Five areas for future reflection or action

The overall analysis that has been undertaken in this research leads to the identification of five areas for future reflection and action:

1. Improve the theoretical frames of analysis of both managerial practices of flexibility and new possibilities of job control at the workplace

Research is still needed in the area of flexibility, especially when looking at how flexibility strategies combine together. In other words, the issue of the management of flexibility should be examined further, especially when taking into account the types of external constraints which flexibility usually faces. Future research should nevertheless try to clarify the concepts used in the field of flexibility, as strong conceptual differentiation leads to different approaches and results, in particular when looking at working conditions aspects. There also appears to be a need for improved theoretical models to identify possible new forms of job control and control over working time at the workplace, as a response to work intensification and time flexibility.

2. Set up a regular evaluation process of the OSH impacts of flexibility strategies, within the perspective of a better European co-ordination

Exposure to risk at work is changing in nature but not in intensity. Occupational health and safety appears as a major transversal issue for the European workforce within a context of increased flexibility. The national reports make different proposals related to this issue, such as: focusing on OSH issues for atypical workers (Finnish report); widening the access to social protection systems for these workers (UK report); harmonising OSH regulations at European level (German report). All in all, it seems that a regular evaluation process of the OSH impacts of flexibility strategies



would be very appropriate, given the constantly changing working environment. This applies especially to SMEs and subcontracting companies. The levels and actors of such a process would be diverse, including: stimulating legislating measures, collective agreements at national, sectoral or company levels, stronger HRM involvement. The European level should not be neglected either, as OSH issues have now entered a European dimension.

3. Redesign regular access to training for flexible workers, along with improvements in training methods and career paths

The issue of training is very important, as access to training seems to be one of the most differentiating variables among the workforce when examining flexibility strategies. Flexible workers here include: subcontractors, part-timers, and non-permanent workers. In the case-studies some proposals are formulated: stimulating public intervention, along with tri-partite negotiation, on access to training and skills recognition concerning flexible workers (UK report); the establishment of work/training contracts, whereby non-permanent jobs would be compensated by guarantees of access to training at the workplace, with appropriate career perspectives (Italian report).

Redesigning regular access to training for a more heterogeneous workforce is probably one of the key challenges of the future for European society. This could encompass significant improvements in training methods, combining 'on the job' learning processes and appropriate academic background. Such a challenge could use several routes: new rights for flexible workers with regard to access to training; more training-shaped agreements and negotiations; more value given to vocational training as compared to educational training; and skills recognition for atypical workers. The lack of career paths, which is a determining factor in the re-enforcement of a feeling of precariousness among the non-permanent workforce, therefore strongly calls into question HRM practices at corporate and sectoral levels.

4. Examine and exploit all possibilities given by work organisation to improve working condition, beyond the fashionable aspects of functional flexibility

The issue of functional flexibility has shown significant utility with regard to working conditions, but this utility remains limited. It actually appears that most functional developments still go along with some sort of job monotony and/or job intensification. As such, the virtue of functional flexibility should not be overestimated. Yet the role played by work organisation in the improvement of working conditions is clearly established, despite being insufficiently used and negotiated. To put it simply, changes in OSH policies, access to training or career paths could not be implemented without major transformations in the area of work organisation. There is still plenty of scope for innovation in this area, at corporate level in particular.

5. Develop more appropriate and stimulating negotiation frameworks, with a special focus on institutionalised cooperation

All case studies underline the role of negotiation in the definition of positive compromises between employers and employees in the field of flexibility and working conditions.

However, the national reports point to different dimensions, depending on differences in the local negotiation processes: a more active role towards OSH and safety issues from the trade-unions, especially with regard to atypical workers (Finnish report); compromises to be found in a balance between labour market flexibility and social protection (Dutch report); more attention to be paid to European directives and to social protection guarantees (UK report); supra-company co-ordination and negotiation, in order to adjust flexibility and predictability (German report); importance of institutional agreements between the social partners (Italian report).

The latter is probably one of the key dimensions to be developed in the future: the earlier flexibility develops, the greater the need for some institutional cooperation, as it is likely to be one of the best ways to tackle the aforementioned issues on a holistic basis. As the study has repeatedly demonstrated, segmented solutions cannot be applied to the improvement of working conditions within the context of a global flexibilisation process.