FLEXIBILITY IN EUROPE



WORKING TIME FLEXIBILITY ARRANGEMENTS: VARIETY OF PRACTICES IN EUROPE

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1. INTRODUCTION

he importance of the use of working time flexibility or "flexi-time" arrangements is growing in various sectors of the European economies.1 However we have rather asymmetric knowledge in comparing the supply and demand sides of the European labour markets. In the views of several labour market experts the following "knowledge deficiencies" are characterising the present situation: much known from surveys on supply side (employee), little on demand-side (companies, employers) and especially less on linking both sides. (Ester et al., 2006) In addition, we have to note that there are rather weak efforts within the community of social scientists to combine the knowledge drawn from the "quantitative" (survey) and the "qualitative" (e.g. case study) research experiences. (Piore, 2006) In addition, there are few methodological ambitions to make distinctions among various approaches of the international comparative work (e.g. crossnational, cross-cultural and inter-national (societal) approaches).²

One of the rare exceptions of comparative research efforts focusing on the demand side of the labour market – belonging into the category of "cross-functional" comparative work – is the ESWT ("Establishment Survey on Working Time and Work-Life Balance, 2004-2005).³ One of the core hypotheses of the research was the following:

"... part-time work in itself can not be judged as good or bad for employees. Rather its impact on employees' work-life balance depends on the practical handling of such arrangements at the establishment level, for example the degree

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of autonomy granted to the users, or the legal conditions under which these work forms are offered. It also depends on the specific conditions of reversibility and work organisation." (Anxo et al., 2006: 5)

2. Use of part-time work in Europe: visible country differences

Before presenting some data of the establishment (ESWT) survey on the practice of parttime work, it is worth to have a "panorama" of the part-time employment known from the latest European LFS. According to these data, the share of the part-time employment is the highest in Netherlands (46 %) and higher than the EU-25 average (18 %) in such countries as UK (25 %), Germany and Sweden (24 %), Belgium and Denmark (22 %) and in Austria (21%). Within the country group in which the share of part-time workers is below the EU-25 average, the lowest rates of part-timers were found either in the Mediterranean countries of the old member states (EU-15) or in the New Member States (NMS), especially in Hungary and the Czech Republic. See the Table 1. Looking at the gender distribution of part-timers, we may say that the rate of women compared to men is varying significantly by country. In the EU-25 countries, the share of women among the part-timers is 4.6 times higher than among the men. The highest gap was registered in Luxembourg, where the rate of women among the part-time workers was 20 times higher than among the men. The lowest gaps between women and men were found in the following countries: Slovenia (1.6), Poland (1.8), Latvia (1.7), Denmark (1.8), Finland (1.8) and Hungary (2.0). (See Annex 1)

	The share of the employed (15 year or older) who work part-time			
Countries	Men and women (%)	Men (%)	Women (%)	
Netherlands	46	23	75	
United Kingdom	25	10	43	
Germany	24	8	43	
Sweden	24	11	38	
Belgium	22	8	40	
Denmark	22	13	33	
Austria	21	6	39	
EU-25	18	7	32	
Luxembourg*	18	2	40	
France	17	6	30	
Finland	13	9	17	
Ireland	12	5	22	
Italy	12	4	25	
Spain	12	4	23	
Poland	11	8	15	
Portugal	11	7	16	
Cyprus	9	5	14	
Slovenia	9	7	11	
Latvia	7	6	10	
Greece	5	2	9	
Czech Republic	5	2	9	
Hungary	4	3	6	

Table 1. Countries ranked by the percentage of the employed who work part-time, 2005

Source: Eurostat, Statistics in Focus 'Labour Market Trends – 3rd quarter 2005 data' Population and social conditions, 6/2006, table 6, In: Anxo et al., 2006: 8.

* Data for Luxembourg is for 2004.

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According to the results of the ESWT *establishment survey* (2004-2005), establishments in the Scandinavian countries and Netherlands are using this form of working time

flexibility arrangements at a higher rate in comparison with the Continental European, Mediterranean countries and with the former state-socialist economies of Central Europe – with the exception of Poland. For example, in the Netherlands, from ten establishments nine are using part-timers, but in the case of Portugal, from ten establishments a little more than one is employing this kind of working time flexibility scheme. Мако́

In the case of the emerging market economies in the Central European region, one from ten Polish or Slovenian firms is using part-timers, but in the other countries participating in the survey the share of establishments employing part-timers is much lower: in Latvia 7 %, in the Czech Republic 5 %, and in Hungary only 4 % of the firms are using this form of employment.

3. COUNTRY CLUSTERS OF THE WORKING TIME FLEXIBILITY

The European Survey on Working Time flexibility (ESWT) covered the EU-15 countries and 6 New Member States (NMS). It was carried out in 21.000 firms, and both the representatives of the employers and the employees (i.e. trade unions or works councils) were interviewed.

In the "Note 1" the constitutive elements of the flexible working time were listed (i.e. parttime workers, irregular hours, flexible working time etc.).

According to the first results of the ESWT 2004-2005 survey data "latent cluster analysis", the following country clusters of working time flexibility were distinguished. (Chung, Ester and Kerkhofs, 2007) See in detail the Table 2.

Country cluster	Patterns of working time flexibility	Countries
Northern Europe	high flexibility and employee-oriented	Finland and Sweden
Central Europe I	high and medium-level flex- ibility and employee-oriented	Czech Republic, Denmark, Latvia, Netherlands, Poland and the U.K.
Central Europe II	low or medium-level flexibility and employer-oriented	Austria, Belgium, France, Germany, Ireland, Luxembourg, Slovenia
Southern Europe	low flexibility and by employer-	Cyprus, Greece, Spain, Italy,

Table 2. Countries by clusters of working time flexibility (EU-21, ESWT: 2004-2005)

Source: Chung, Ester and Kerkhofs, 2007: 38.

The classification of the working time flexibility made a distinction between the "employer-oriented" versus "employee-oriented" or -friendly schemes. (See Annex 2) The first scheme is favourable only to the employers, the second version of the scheme is respecting the interests of the employees. According to the survey, Hungary belongs into the scheme

orientation dominated

of the employer-friendly and least flexible cluster of Southern European countries, together with Spain, Greece, Italy and Portugal. Among the other post-socialist countries

Hungary and Portugal

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participating in this survey the Czech Republic, Latvia and Poland are in the "high and medium flexibility and employee-friendly" ("Central Europe I.") country cluster, together with such countries as Denmark, Netherlands and the U.K. Surprisingly enough, the Slovenian firms are in the category of the "low and medium-level flexibility and employerfriendly" cluster, together with such countries as Austria, Belgium, France, Germany, Ireland and Luxembourg.

4. MOTIVES AND CONSENT BETWEEN SOCIAL ACTORS FOR THE USE OF PART-TIME WORK

Evaluating the various reasons for the introduction of part-time work, managers of establishments participating in the ESWT survey had to answer to the following question: "Did you introduce part-time work mainly in order to meet economic or organisational needs of the establishment, or in order to meet employees' wishes for shorter working hours?"

A little higher rate of managers (39 %) said that the part-time work was introduced mainly to satisfy their employees' request in comparison to the needs of the company (34 %). Again, significant variations were registered among the countries. Both in the Continental European and in the Nordic countries the key managerial motif of implementing part-time work was to satisfy the wishes of the employees – with the exception of Germany and the UK.

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While, both in the Mediterranean and the Central European countries the key argument for the introduction of part-time work was the managerial intention to satisfy the needs of the

organisation, with the exception of Italian, Slovenian and Czech firms.

In relation with the introduction of part-time work, it is interesting to know the existence or lack of social consent between the social partners. The rates of agreements between employers and employee representatives were especially low in the following countries (belonging into the cluster of the "low and medium-level flexibility"): Austria, Ireland, Poland, and the UK. By contrast, the highest rate of social consent on the use of part-time work was found in Hungary and Spain however these countries are belonging into the "low flexibility" cluster. See in detail the Figure 1.

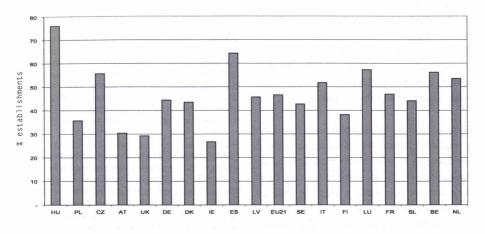


Figure 1. Proportion of establishments where manager and employee representatives agree on the impact of part-time work

Note: countries ranked by the proportion of establishments (manager interviews) reporting complications with the organisation of part-time work.

Base: Establishments with part-time work (management and employee representative interviews) Source: ESWT 2004-05. In: Anxo et al., 2006: 43.

Some questions instead of conclusions

Referring to the introductory remarks on the lack of knowledge on the demand side trends of the labour markets in the European economies, the ESWT survey certainly represents the right initiative to diminish the knowledge deficiency in that field. The first results on the "flexible working time arrangements" of European establishments indicate the variety of practices. Beside the individual (countrylevel) differences, the analysis of the survey data made it possible to identify the clusters of countries in relation with the "working time flexibility arrangements". These results may stimulate the recent discussions on the validity or transformation (erosion?) of the "variety of capitalism" (VoC) models (Sapir, 2005; Hall-Soskice, 2001).

Does this concept work in the case of the former state-socialist economies of the NMS? Do the NMS represent a homogeneous group of countries, or is their path dependency playing a decisive role in shaping their institutional arrangements (e.g. labour relations systems,

training and skill formation practices, structure of production paradigms, etc.)? What kind of changes will take place in the European business organisations (establishments) under

the influence of "interactions" of social actors and institutions between the "old" and the "new" member states? May the methodologi-

cal approaches (mainly quantitative research tools) widely used both in the supply and demand side analysis of labour market, working conditions and employment etc. help us better to understand the role of "temporality" ("social time dimension") or dynamism of these interactions and their impacts? What kind of "chance events" – political-social or economic – may create "new paths" of development?

In the context of globalization, problems at the workplaces (demand side of the labour market) are changing at a faster rate than mainstream methodologies.4 To describe the changes and their content (e.g. flexible working time arrangement) in the working and employment practices better, it would be advisable to combine the quantitative research tools (surveys aimed to understand both demand and supply side of the labour market) with the qualitative ones. Combinations of various research tools may help to describe and interpret the interactions between institutions/regulations and individual and/or collective actions. Adopting this methodological view, in the countries belonging to the "low flexibility cluster" of the ESWT survey, we may find other - not easily measurable - forms of "flexibility of working time arrangements".5 Beside the analysis of these practices, it would be very necessary to "map" the models of working organisations (e.g. "learning/post-fordist", "lean/neo-fordist",

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"fordist/taylorist" and "traditional/ simple") which may play a more decisive role in changing workplaces. (Lorenz and Valeyre, 2004)

Notes

¹ The term 'flexi-time' or flexible working time refers to "...a variety of working time arrangements, including flexible working bours, overtime, part-time work, work at unusual hours (e.g. shift work, night work, weekend work), childcare leave or other forms of long-term leave, and phased or early retirements. A common feature of all these arrangements is that they deviate in some way from the standard working time model (full-time Monday to Friday) with regards to the numbers, distribution, or the timing of working hours." (Anxo et al., 2006: 2-4)

² Adopting the classification of Maurcice (2000), in the case of the "cross-national" approach, the comparison is based on the principle of "rationality", which asserts continuity between the phenomena compared 'term by term' or 'item by item'. Rationality and the related principle of continuity of phenomena imply that various economic and social indicators (e.g. length of working time, rate of part-time work or unemployment) are automatically comparable by countries, and such social institutional settings as the labour relations systems, training and educational practices, welfare previsons, labour market institutions etc. only play a residual role. The notion of functional equivalance" often used in this type of comparative work indicates that the categories compared (e.g. part-time work) have the same meaning in different countries participating in the comparative research. (Makó, Csizmadia and Illésys, 2006: 23)

³ The "Establishment Survey on Working Time and Work-Life Balance" (ESWT) was initiated and supported by the European Foundation for the Improvement of Living and Working Conditions. This is a large-scale sample survey covering establishments in 21 European countries: the EU-15 member states and six new Member States (NMS): the Czech Republic, Cyprus, Hungary, Latvia, Poland and Slovenia. In more than 21.000 establishments personal managers and - where available - formal employee representatives were interviewed about working time arrangements and work-life balance issues in their firms. The number of cases per country ranged from about 350 cases in the smallest countries (e.g. Luxembourg, Slovenia etc.) to 1.500 cases in the largest economies (e.g. Germany, UK, etc.). Within the 21.000 establishments, in one quarter of them (5.200 cases) it was possible to conduct interviews with employee representatives (i.e. shop-stewards or Works Council representatives). The response rates varied significantly, from 11-12 % (Hungary and Italy) to 50-60 % (Finland, Germany and Poland). (Riedman et al., 2006: 56-57,;Anxo et al. (2006: 3-4)

⁴ We may assert an extraordinary competition on the capitalist labour market following the entry of China, India and the former Soviet bloc countries. Their entry almost doubled the number of workers in the market economy, from 1.46 billion to 2.93 billion, according to the latest analysis of the well-known Harvard labour economist Richard Freeman. In addition he notes: "Since those countries brought little capital with them, the number of workers in the system shot up while the amount of capital increased very little. As the law of supply and demand might suggest, when labour is abundant and capital scarce, the returns to labour tend to fall and those to capital rise." Tomkins, R. (2006), Financial Times, October 14/October 16, p. W2.

⁵ To overcome these shortcomings we need to devote more efforts to the revision of methodologies used in order to better understand the quicker changing practice. In this respect, I share the following critical opinion: "The existing methods used on a regular basis and replicated by disciplines do not allow for properly conceiving the redefining of problems. Thus, there is a need for addressing again and again methodological issues to innovate and create an interdisciplinary foundation for knowledge...In this respect, it is worth to quote that Max Weber stressed: "... the most significant progress in social sciences stress from changes in civilizations' <u>practical issues</u> that take the shape of criticizing the structuring concepts." (Dumez, 2006, p. 4)

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Annex 1. Ratio of part-timers by gender, 2005

Countries	Women/Men ratio among the part-timers
Netherlands	3.3
United Kingdom	4.1
Germany	1.8
Sweden	3.5
Belgium	5.0
Denmark	2.5
Austria	6.5
EU-25	4.6
Luxembourg*	20.0
France	5.0
Finland	1.8
Ireland	4.4
Italy	6.3
Spain	5.8
Poland	1.8
Portugal	2.2
Cyprus	2.8
Slovenia	1.6
Latvia	1.7
Greece	4.5
Czech Republic	4.5
Hungary	2.0

Source: Anxo et al., 2006: 3

* Data for Luxembourg is for 2004.

Annex 2. Theoretical classification of flexibility options covered in the ESWT survey

		Worker-oriented flexibility		
		Yes	No	
Company-oriented flexibility	Yes	 Part-time work (INT) Flexible working time / schedule (INT) Phased retirement (INT) Early retirement (EXT) 	 Unusual working hours (night shift, Saturday shift, Sunday shift, shift work) (INT) Overtime (INT) Temporary employment (EXT) (fixed-term contracts, temporary agency workers, freelance workers) 	
	No	 Parental leave (INT) Long-term leave for care, education, others (INT) 	, , , , , , , , , , , , , , , , ,	

Note: (INT = internal numerical flexibility) (EXT = external numerical flexibility) Source: Chung – Kerkhofs – Ester (2007), p.25