

Flexibility in East and West Europe

The project “Households Work and Flexibility” was completed in April 2003. It involved carrying out a representative sample survey of individuals between 18 and 65 (N=10123) in the following countries: the UK, Sweden, the

Netherlands, Slovenia, the Czech Republic, Hungary, Romania and Bulgaria. The aim of the project was to look at flexibility policies in each country and the types of flexibility that actually occurred there.

Types of flexibility

The study showed that there are many kinds of flexibility to be found in regular, secure jobs as well as in irregular or “atypical” ones (see Figure 1).

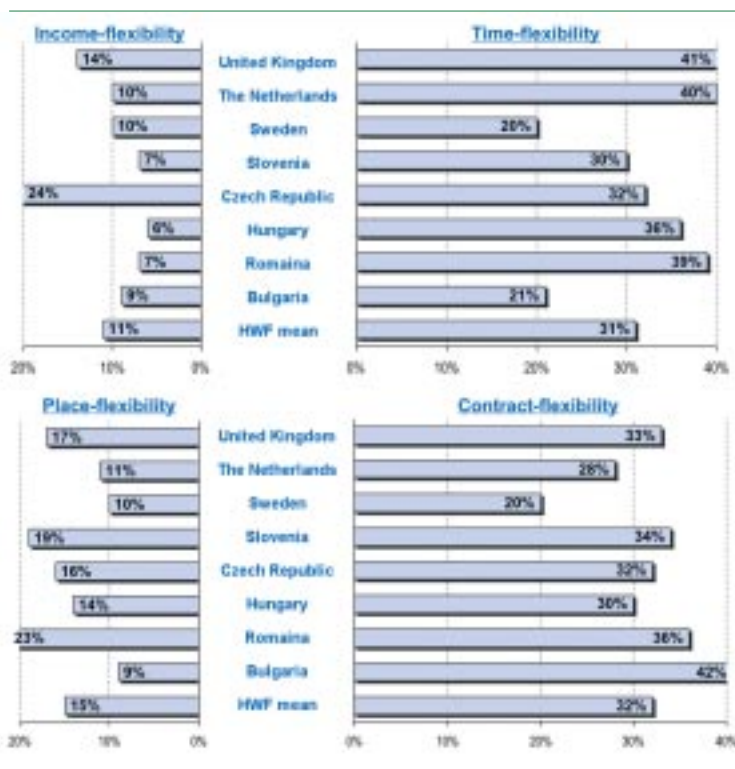
Here we can see that around one in ten people had multiple income sources, one in three was time flexible and the same number were contract flexible, one in seven workers was place flexible and nearly half had some combination of different kinds of flexibility.

Therefore, we argue that discussion of flexibility should not be limited to labour market de-regulation and the number of “atypical jobs” as measured in part-time and temporary work. Taking this broad view, there was a great deal of flexibility inside European labour markets as seen from the employees’ perspective.

If we look in more detail at the kinds of contracts that people have Figure 3, we find that those in Sweden and the Netherlands are most likely to have the most secure contracts. Those in the Accession and the Candidate countries are more likely to have a variety of precarious contracts, and this is especially the case in Bulgaria followed by Romania – places where unregulated flexibility has occurred. We also find a significant minority of people

(about one in ten) with “no contracts” in the UK, Romania, Hungary and Bulgaria. These are by definition not regulated and in the Eastern Central European Countries can indicate work in the black economy. (See Figure 2 on the next page.)

Figure 1 :: The rate of the different flexibility types by countries.



Source: HWF Survey 2001 - Unified international data collection

Interpreting flexibility

One can distinguish between the following types flexibility:

- ▶ “Income flexibility” where individuals had more than one source of income;
- ▶ “Time flexibility” where they worked something other than the standard week;
- ▶ “Place flexibility” where they were prepared to work in different places or places other than where they lived;
- ▶ “Contract flexibility” where workers had something other than a permanent contract.

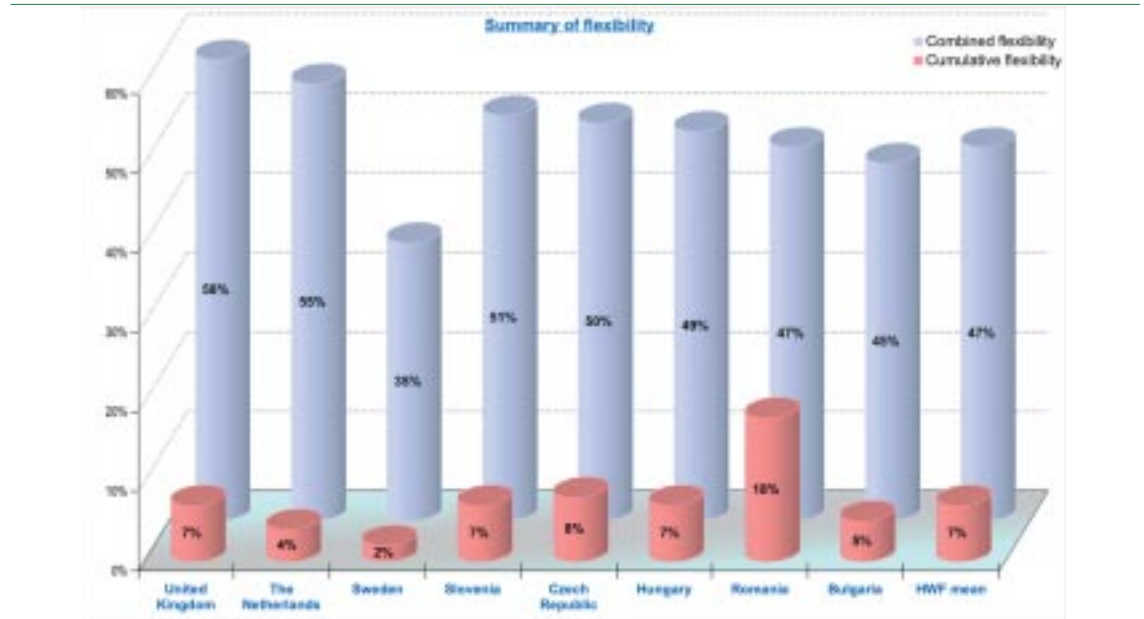
The above individual types of flexibility allow to reconstruct the integrated indicators:

- ▶ “Combined flexibility” using combinations of at least two of these different kinds of flexibility and
- ▶ “Cumulative flexibility” where workers had all these different kinds of flexibility. (See the next page)

HWF Project is supported by the European Community



Figure 2 :: Cumulative flexibility and Summary of flexibility



Source: HWF Survey 2001 – Unified international data collection

“Good flexibility” and “Bad flexibility”

However, we were able to identify “good flexibility” as well as “bad flexibility”.

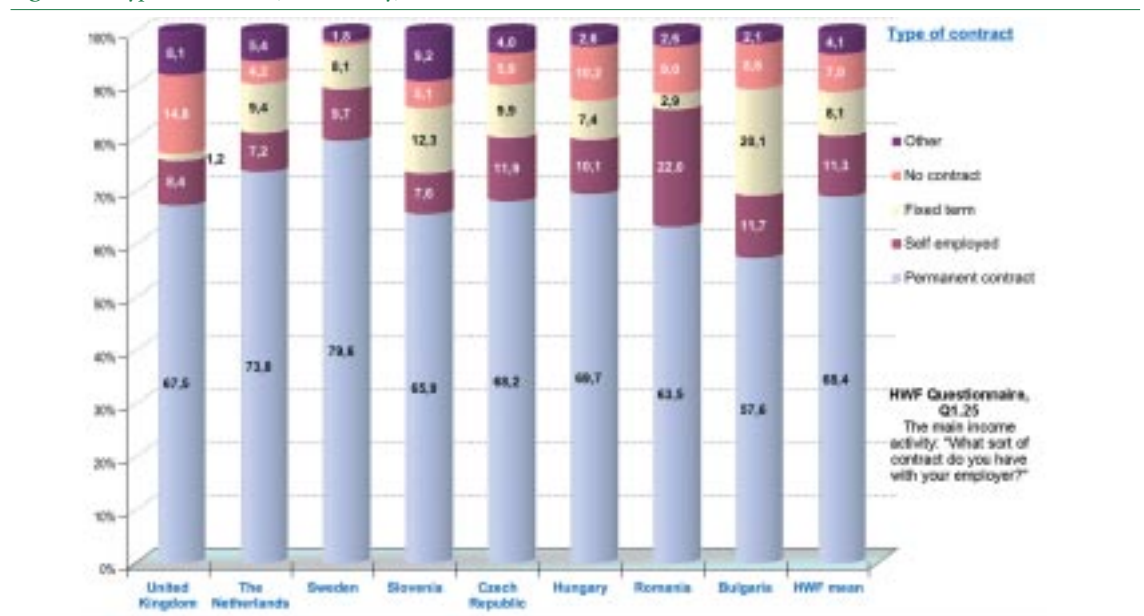
Good flexibility is where it was controlled by the person and was associated with high levels of job satisfaction. This was most often found among middle class professionals on higher salaries and was more common in the North Western EU countries than in Eastern and Central Europe.

Bad flexibility was associated with lack of control over hours, place and conditions of work, with low job satisfaction and with manual workers on lower incomes and with younger workers. This kind was most often found in Central and Eastern European countries. However, whilst in Western Europe the victims of bad flexibility were mostly women, in ECE countries they were often men.

The extent to which bad or good flexibility were ascendant depended to some extent on the regulation of flexibility. In Sweden and the Netherlands (and increasingly in the UK) flexibility was regulated so that flexible workers could also have job security and there was a shift from employer-lead flexibility to employee-lead flexibility with the individualisation of working hours and conditions as well as benefits. This is evident from the Figure 4 showing extent of control over the working schedule, which is highest in the Netherlands, followed by Sweden.

We find that this “good flexibility” is also reflected in the extent of satisfaction with the hours of work (Figure 5) where again those in the Netherlands are very satisfied, followed by those in the UK. In the Netherlands we therefore seem to have a model of flexibility which is controlled or negotiated by the worker and which leads to considerable satisfaction

Figure 3 :: Type of contract (main activity)



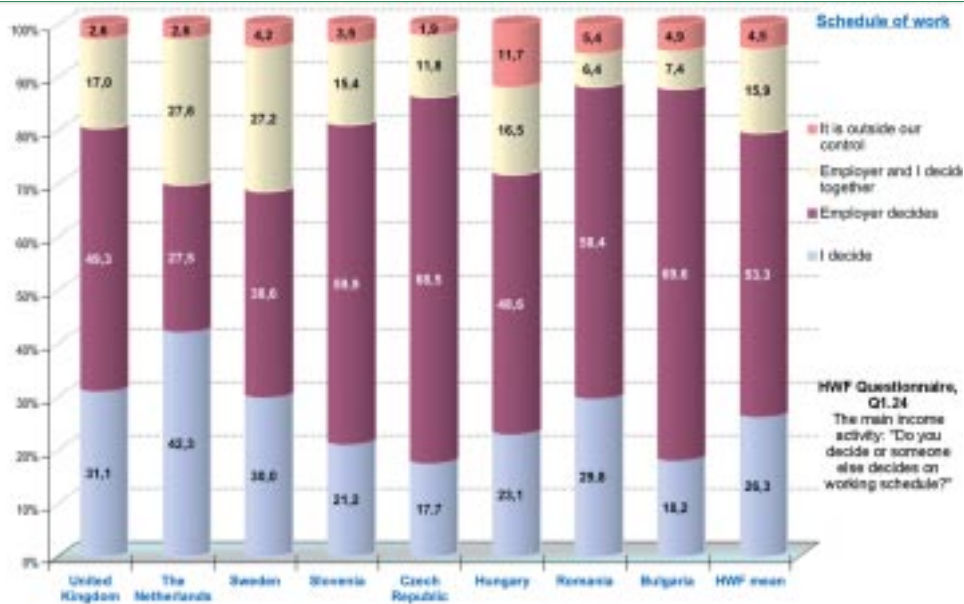
Source: HWF Survey 2001 – Unified international data collection.

“There exist good and bad flexibility.

Good flexibility is where it was controlled by the person and was associated with high levels of job satisfaction.

Bad flexibility was associated with lack of control over hours, place and conditions of work, with low job satisfaction and with manual workers on lower incomes and with younger workers.”

Figure 4 :: Control over the general working schedule (main activity)

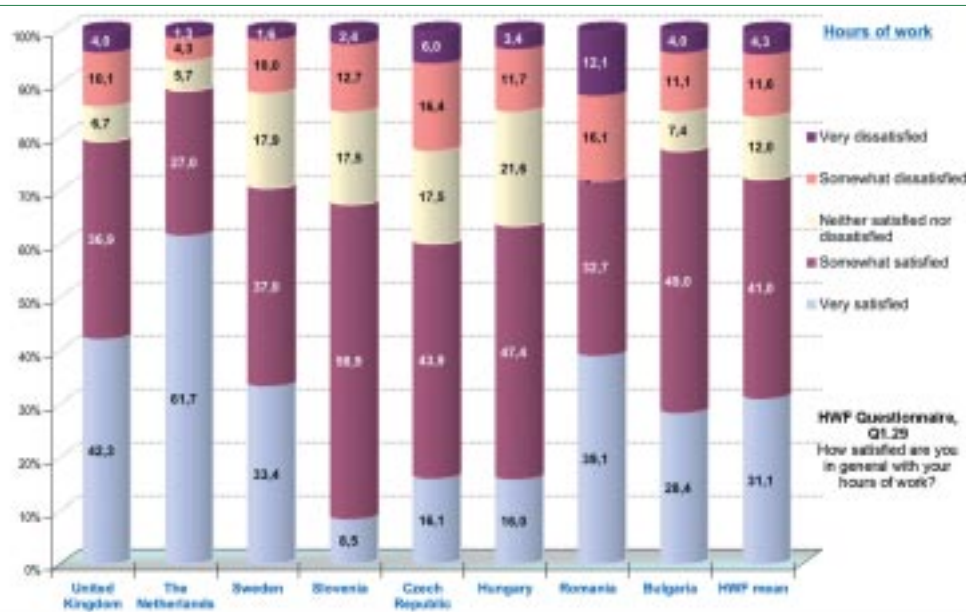


Source: HWF Survey 2001 – Unified international data collection.

In the Accession countries of Slovenia, Hungary and Czech Republic, the scope for flexibility had been introduced but take up was variable. In particular, the take up of part time work options were not appealing in countries where even wages from full time wages were low and where both men and women expected to work full-time. In Romania and Bulgaria the lack of legislation or ineffective legislation has meant that the sources of flexibility ha-

ve been concentrated among particular groups of workers in a highly segmented labour market. Flexibility is often forced upon people with no alternative. The lack of regulation as well as the over-regulation of flexibility leads to a greater proportion of bad flexibility rather than good flexibility jobs and the growth of informal methods of flexibilisation (avoiding regulations) through casual and informal work as well as agricultural subsistence work.

Figure 5 :: Subjective satisfaction with hours of work.



Source: HWF Survey 2001 – Unified international data collection.

Limits of the discussion of flexibility

Our results indicate that the discussion of flexibility is normally too limited. It is framed in terms of the extent of the removal of job protection and labour market regulation, whereas we have shown that it is precisely regulation that can lead to improved flexibility and wider acceptance of flexibility – to good rather than bad flexibility. The discussion of flexibility usually involves counting part-time, self-employed and contract workers. Our results show that not only are these not necessarily good measures of flexibility in a comparative context, but also that they were inadequate for understanding the many different kinds of flexibility that are

in fact existing, often in the context of full time and regular jobs. There were many variations on time flexibility. Working part-time or on temporary contracts were only two possibilities. Many people had the possibility to change their working schedule within the context of having a full time and regular job, so time flexibility was not only limited to precarious jobs. Time flexibility could take place across the day, the week, the year or across the life course and this would seem to be one way of introducing flexibility without worsening employment conditions.

“Flexibility needs to be seen in the context of the dominant cultures of work and care in different European regions, which determine the way in which different flexibility options are taken up by men and women.”



HWF Project funded
by the FP5 programme
"Improving Human Research
Potential & the Socio-
economic Knowledge Base"
of the European Community



Project supported
by the Austrian Federal Ministry
for Education, Science and Culture



HWF Project co-ordinator:
Institut für Höhere Studien (IHS)
Institute for Advanced Studies
Stumpergasse 56
A-1060 Vienna, Austria
<www.ihs.ac.at >

Order Form and Detailed
Publication Prospectus
is enclosed as a separate sheet
inside this FF Newsletter.
These can be also downloaded
from < www.hwf.at >

© HWF Research Consortium
(2000–2003).

Editorship by
Alexander Chvorostov
< alex.chv@ihs.ac.at >

Design by youngstær:vienna
< www.youngstaers.at >

Printed by Facultas Vienna
< www.facultas.at >

Policy implications

The regulation of flexibility

Flexibility should be regulated. The de-regulation of labour market protection can lead to an increase in bad forms of flexibility. However, the way in which it is regulated is important. Over-regulation can force flexible workers into the black economy and too little regulation leaves them vulnerable to exploitation and poverty. Therefore, flexibility should be regulated in such a way that it allows both the employer and the employee have maximum chance to manage their flexibility. It is clear that the opportunities to do so are

Different kinds of flexibility

On account of the varying cultures of work and care across the European Union as well as the different structure of employment in each country, it would seem that there are different roads to flexibility. What might work in one country, will not work in another. Therefore, we should be beware of using

Employee-lead flexibility

The HWF project has focused upon employees rather than employers. However, what we have shown is that there is considerable scope for flexibility in Europe and that this need not necessarily lead to bad jobs. An important dimension was the control of flexibility in leading to job satisfaction, and so it seems to us that the variety of options that can optimise and

Flexibility and enlargement

Flexibility has been approached in a very one-sided way in ECE countries – almost entirely as a way of introducing more employer-lead flexibility and in ways that threatened the situation of working people. In

maximised in the Netherlands where flexibility was used as a way of modernising the workforce and raising levels of employment. Sweden was also very successful in raising employment and offering work flexibility to employees, but using a different strategy to the Netherlands, more fitting to the culture of work and care in that country. It would seem that these examples of the regulation of flexibility could serve as examples of good practice.

too narrow a definition of flexibility (for example: deregulation or counting the numbers of part time, self-employed and temporary workers) and rather see flexibility in broader terms to include a variety of working arrangements both inside full time or secure jobs as well as outside of them.

individualise flexibility can only be beneficial. This is well developed already in the Netherlands, where it has been an explicit policy goal and where it is the right of the employee to be able to negotiate their own flexibility on an individualised basis. As we can see from the preceding data, this has been successful as a strategy of flexibilisation.

Western EU countries, by contrast there are more progressive models of flexibility, ones which can enhance employment at the same time as maintaining social protection.

Table 1 :: Trends in Labour Market Policies

1980s	1990s and 2000s	Countries
De-regulated flexibility	Partially de-regulated flexibility	UK
Regulated non-flexibility	Regulated flexibility	The Netherlands Sweden
Strongly regulated anti-flexibility	Partially regulated flexibility	Hungary Czech Republic Slovenia
Strongly regulated anti-flexibility	Mainly unregulated flexibility	Bulgaria Romania

Source: HWF Project, Claire Wallace, 2003

Policies should include the following elements:

- ▶ **Improving the acceptability of flexibility** among the population, for whom it is often a dirty word associated with the erosion of jobs and work conditions.
- ▶ **Introducing the idea of employee-lead** as well as employer-lead flexibilisation
- ▶ **Encouraging the regulation of flexibility** so that it takes place within the scope of the official economy and complies with employment regulations.
- ▶ **Encouraging the regulation of flexibility** in such a way that it is not driven into the black

economy (for example by reducing the number of permits and documentation needed to develop self-employment and liberalising working hours).

- ▶ **Monitoring the take up** and implementation of policies. Some policies may exist on paper but never really be implemented or taken up. This may be due to the fact that people don't know about them or that they are not suitable to people's needs.
- ▶ **Trying to avoid contradictory** and confusing regulations in different fields of policy – what is sometimes called "joined up policy".