

New Work Forms and Challenges for Public Policies

*Patricia VENDRAMIN, Gérard VALENDUC,
Fondation Travail-Université (FTU)
Namur, Belgium*

Introduction

This paper is based on a report on “Technology-induced atypical work forms”, carried out by FTU and CURDS (University of Newcastle) for the Office of technology assessment of the European Parliament (STOA) [Gillespie A. & al, 1999].

The focus of this study was to analyse the diffusion and challenges of “ICT-induced atypical work”. The term atypical has no value judgement. It covers all the new work forms, different from the classical work pattern of the full time male job, during the whole working life with the same employer at the same place. This classical work pattern is the basis of current labour legislation, social protection systems, and models of industrial relations in Europe. As a consequence, all the new work forms are at the margin of this regulatory framework and the potential benefits of these new work forms, for individuals and employers, are counterbalanced by risks of exclusion or precariousness. The term “technology-induced”, given by STOA, refers to the *enabling* role of advanced information and communication technologies (ICTs) in the development of a wide variety of new flexible work forms.

The purpose of this paper is to consider telework as one instrument for developing “non-standard” and flexible ways of working, which prefigure the future of work in the information society. An approach centred on all the “non-standard” ways of working gives a broader meaning to the classical challenges of telework (work status, social rights, skills and training, career, lifestyle, etc.).

Atypical work forms

The STOA study proposes a classification of all these new (or atypical) work forms under four headings (summarised in table 1, next page). Telework is considered as a component of this classification. There are of course close relationships between these forms, for example between flexible work time and flexible contracts.

Atypical working time

Atypical working time refers to a variety of working situation: part-time working, weekend working, flexi-time working, twilight-shift working, night-time working, overtime working, on-call working. Employers have always used a range of non-standard or atypical working time arrangements. ICTs are, however, clearly involved in new arrangements in the timing of work and employment and in the diversification of time patterns. For the employees, the option of atypical working time is not always voluntary; in many cases, mainly for women, it is imposed by the conditions of the labour market.

Atypical work-time potentially has both positive and negative social impacts. On the one hand, it allows workers to organise their work to suit their own lifestyles. In some ways these arrangements can be regarded as “family friendly”, though there is a lack of research on the long-term effects of such arrangements. On the other hand, atypical working time can reinforce existing discriminations on the labour market (e.g. gender discriminations) and lead to a deterioration of working conditions. Another danger is that if new forms of work, such as temporary, evening and weekend work, become the norm, premium payments for options such as overtime working and unsocial hours working disappear, thus reducing income. Another risk is that unpaid overtime and “presenteism” become the norm, particularly for managerial and professional workers, to the detriment of their non-work life.

<i>Table 1: classification of “atypical” work forms</i>	
Atypical work time	Atypical work location
Part-time working	Remote office working
Weekend working	Mobile working
Flexi-time working	Hot desking / hotelling
Twilight-shift working	Home working
Night-time working	Telecommuting
Overtime working (including unpaid overtime)	Telecottaging
Term-time working	Remote Computer Supported Teamwork
Split shift working	
Atypical contracts	Outsourcing
Fixed-term working	Employed by agency
Job sharing	Self-employed contractor
Specified hours contracts	Employed by third party supplier
Annualised hours	Work contract transferred to third party supplier
Zero-hours	
On-call working	
Piece Work/Performance related pay	
Individualised contracts	

Source: STOA Report, Gillespie & al., 1999

Atypical work contracts

Atypical work contracts also consist of both classical work patterns and new ones: fixed-term working, job sharing, annualised hours, “zero-hours” and performance related pay systems. ICTs make it easier to manage the organisation of such working. New technology is also clearly implicated in the revival of various forms of performance related pay (PRP) systems.

The introduction of certain atypical work arrangements can have benefits for both employers and workers. For instance, part time provides an opportunity for combining work and non-work responsibilities. A particular problem for these atypical workers is their access to promotion and career development opportunities. The impact of other forms of atypical contract, however, may not be so positive from the perspective of the employee. For example, reviewing a number of studies suggests that temporary work, probably the key area of atypical contract growth, is generally not desired by employees. Career prospects for temporary workers are likely to be less assured than for permanent workers and they run the danger of becoming part of a “peripheral” or “contingency” workforce. They may also receive less training, though on the positive side they are likely to pick up broader experience and be more flexible.

Atypical work location

Atypical work location refers to remote office working, mobile working, hot desking and hotelling, home working, telecommuting, telecottaging, remote computer supported teamwork (CSCW). Remote working or distance working, using ICTs to communicate with other parts of the organisation, business clients or end-consumers, is the area where it is easiest to make the link between ICTs and new atypical forms of work.

Of the types of atypical work location only teleworking from home has been subject to the most exhaustive study. There is only a limited literature on mobile working and CSCW. In neither case does it have much to say on outcomes for mobile and distance workers. Whilst some travel time can be saved, other organisational changes which are associated

with mobile working may increase work intensification. There is a need for more empirical research in this area, specifically focusing on outcomes for workers.

Job detachment

Job detachment refers to various types of working status: employed by agency, self-employed contractor, employed by third party supplier, work contract transferred to third party supplier. Technology is involved in these process in a number of ways, though again it is arguable whether it is the proximate cause.

The trend towards job detachment is perhaps one of the most important aspects of atypical working. New individualised contracts replace traditional contracts, giving additional rewards and work opportunities to those staff who are skilled and are prepared to be flexible and geographically mobile. The growth of workers contracted to private sector employment agencies is also a significant development. However, there are several disadvantages to these arrangements for the worker. There is little opportunity for career development, though temporary workers may get an opportunity to show their abilities within the principal organisation and be employed on a longer term basis. The situation regarding the legal status of the worker's relationship to the agency varies from country to country.

Such an approach of the new work forms shows that the questions raised by telework in the area of regulation, social protection, access to social right, work status etc., are not really specific to telework but belong to a stronger and wider trend in the labour world. The major social risk is the development of a model of core / periphery workforce and the correlated risks of social exclusion for those working at the periphery.

The links between ICTs and atypical work forms

Some of these work forms (most obviously part-time working) are long-standing and pre-date recent developments in ICTs. However, it is suggested that ICTs are playing a role in the extension of some of these practices. Nevertheless, the development of atypical work forms is mainly linked to new trends in work organisation. The main driver in the emergence of new flexible work arrangements is organisational change in response to well known external stimuli, including increased competition, globalisation of production, growing consumer demands, feminisation of the workforce and so on, each of which present threats and opportunities to private and public sector organisations. The new organisational models have a common purpose, they try to gain more flexibility and they are based on principles such as just-in-time, network enterprise, outsourcing, etc. ICTs do not of themselves determine changes in work patterns (or indeed other social outcomes). Changes in production (and by extension in work patterns) often happen independently of technological change, but are then "extraordinarily enhanced" by the new information technologies. This implies that the impact of new technologies is a political matter in the broadest sense of the term and we would expect to see different outcomes from country to country. ICTs provide both challenges and opportunities. It is the "institutional filter" that influences to a great extent their net impacts on societies and economic systems.

Workers' conditions: two opposite views

The effects of flexible work arrangements and ICTs on workers' conditions are the main focus on the vast literature on globalisation, flexibility and the new information society. The impact on workers' conditions of these new work forms are seen in two relevant opposite ways: an optimistic one and a pessimistic one.

Optimistic analysis stress positive elements on the new job arrangements: autonomy, higher skills and more possibilities to reconcile work commitments with social ones. Former employees are becoming "portfolio workers": they sell their services to different employers; they develop their skills, their independence and entrepreneurial capacities [Handy, 1995].

Pessimistic analysis reverse the various characters identified by the optimistic ones: autonomy becomes dependence, work time flexibility would extend work activities to "social hours", affecting the real possibility of developing social relations. Dependence may become economic (self-employment status of workers actually integrated in the subcontracting firms), job-related, through the definition of strict and standardised objectives that may reduce to zero the potential autonomy of workers, technically-embodied, in that ICTs may permit constant and "intrusive" supervision, extended to workers' home. Tight objectives, rewards by results and self-exploitation associated with self-employment would then restrict instead of expanding free time and "social opportunities".

Both visions of the future of work are relevant. A very important point is that the available institutions are probably not suitable for facing effectively the challenges and profit from the opportunities that new work forms and ICTs bring with them. The main task which confront all social actors is actually, the definition of a new regulatory framework that in the words of the European Commission would allow to reach a right balance between flexibility and security.

Challenges for public policies

Telework as all other atypical work forms, that are growing more and more, put forward challenges for public policies. The future of work in the information society requires a new regulatory framework and deep changes in industrial relations in order to avoid a model of a core / periphery workforce and the development of precariousness. In this paper we will focus on three important challenges: the effectiveness of existing labour law for regulating new flexible work arrangements; the roles of the different stakeholders in employability and life-long learning; the transformations of interest organisations.

Adapting labour law for regulating new flexible work arrangements

With reference to regulatory frameworks, the first issue at stake is the effectiveness of existing labour law for regulating new flexible work arrangements. The “demise” of traditional work is said to be eroding the fundamental bases of labour law since this was built around the full-time lifelong employment of the “Fordist” company. The main elements that are changing radically can be summarised in the following trends [Simitis, 1997]:

1. The growth of the tertiary sector, while the legislative regulation of work developed in accordance with the needs of the industrial manufacturing sector.
2. The decrease in importance of the factory as the typical workplace. This goes with other characteristics as lifelong employment, job contents hierarchically determined, the integration of workers in a “community” that implied a higher relevance of the collective rather than the individual. These tendencies are linked to the development of outsourcing, telework, hotelling, and so on.
3. The increase of entrepreneurship, but in terms of quasi-self-employment which does not mean the end of the basic condition of dependence on the employer. Simitis names these workers “minimal entrepreneurs”. Downsizing and outsourcing give rise to structural underemployment. Instead of the *just in time*, a *just in case* mode of production could be part of the future.
4. The end of the equivalence between work and lifelong employment, caused by structural downsizing processes and demographic trends.
5. The end of collective bargaining as a means of improving working conditions. Now, collective bargaining in many cases reduces workers’ past achievements.
6. The end of the overlapping between workers’ interests and social improvement, as the case of environment protection illustrates well.
7. A global organisation of the production process which lead to the decrease in importance of national regulatory frameworks.

In general, all these trends might be interpreted as a way back to a regulation similar to the *Code civil*, that is based on individual bargaining. For this reason, an important redefinition of the legislative framework is probably required. According to Simitis [1997], the focus of law should no longer be employment, but rather work in general and working conditions in particular.

Another issue which is related to regulatory frameworks pertains to the future of welfare state. If traditional employment is decreasing, a new financing system for welfare will be required, which will not be centred exclusively on employees’ and employers’ contributions.

De-linking work status and social rights

One of the reasons why atypical jobs can lead to social exclusion is the fact that social rights and social protection are closely linked to work status. Atypical work status only gives access to partial social rights.

As the diversity of work forms will probably continue to increase, due to deep trends in the organisation of the economy, it becomes more and more necessary to find concrete systems allowing a disconnection between work status,

that are changing and unstable, and social rights, that should be guaranteed. It is clear that new systems will be required for the financing of two areas of central concern, namely, unemployment benefits and pensions..

Over the past few years, some well known proposals have been made to develop “radical” reforms of the income structure: universal allocation, second cheque, etc. There are also other proposals which only relate to the financing of the social security system. Systems based on taxation (such as in the Nordic countries) are reputed to be less harmful to atypical work forms than systems based on employers’ and employee’s contributions.

More recent proposals, which are already being discussed at the European level [Supiot & al., 1999], develop policy proposals aimed at de-linking work status and social rights, without weakening any of them. The central purpose is to re-think labour law in a context of deep mutation of the labour world. The approach of the “Supiot Report” is particularly relevant for flexible work in the information society [Vendramin & Valenduc, 1999, pp. 111-125]. Innovative ideas are proposed:

- The concept of “*individual professional state*” instead of “work status”. This concept of professional state is based on the idea of a continuity of social rights over a long period, attached to the individual whatever should be his work status. It is a way to include different periods (wage-earning, self-employment, training, individual leaves, etc.) in a “trajectory of working life”, with opportunities and means for passing from a situation to another.
- The concept of “*social drawing rights*”, complementary to universal social rights. A “capital” of social drawing rights should be accumulated by the individual along his working life, and used whenever they are needed. These social drawing rights should allow some freedom to wage-earners, as regards for example training or private leaves, but without losing their income security. Such changes in labour law explicitly include atypical work in the global regulation of labour relations.

In the same framework, the evolution of the concept of “subordination” in work contract, which characterises wage-earning, is also discussed. Pathways need to be explored between wage-earning and self-employment. As the distinction between employment and self-employment becomes blurred, and since the autonomy and bargaining force of self-employed cannot be taken for granted, some of the traditional protection assured to employees might be extended to some groups of self-employed workers. At the same time, employment status will also need some flexible modalities usually linked to self-employment.

Specifying the roles of the different stakeholders in employability and life-long learning

If the concepts of employability and long-life learning are to become more than “buzz-words”, a number of “*stakeholders*” will need to take positive action. These include government, enterprises, employment agencies, trade unions, and, most importantly, if such schemes are to work, individuals.

1. *Government* has several roles as a provider of training, as a promoter of change, and as a regulator.

As provider government must ensure primary, secondary and tertiary education provides core basic skills, such as “numeracy”, literacy, IT literacy and communication skills. Increasingly, however, the curriculum will have to promote less measurable competencies such as self-sufficiency, adaptability and confidence-building, all of which will be required if individuals are to sustain themselves in world characterised by impermanent employment.

Government will also be responsible for ensuring that the infrastructure is in place to enable the other stakeholders to fulfil their roles in the process. Allied to this will be a promotional and educational role for government. As with any social phenomenon many actors and institutions will be slow to change. Government must promote change in a way which makes clear both the social and individual benefits

Finally, governments have a regulator role. They must provide both “carrots” and “sticks” to ensure that the other stakeholders fulfil their obligations; on the one hand, introducing tax-breaks and other credits for providing or undertaking relevant training, on the other hand, obliging enterprises and agencies to provide training, or at least time for training, where those organisations do not necessarily see it as benefiting their own enterprise. If government is unable to convince enterprises of the merits of the case then a hypothecated training levy may be appropriate. Government, in its regulatory role must also seek to ensure that those who exit the labour market, for example women expecting children, are able to receive the required training to re-enter the labour market.

One way forward in the area of skills portability may be to insist that firms and other employing organisations issue “*skills passports*” to workers. These passports would itemise the competencies developed by workers. This would both help workers in finding jobs and cut recruitment costs for firms. Such schemes are already practised in firms with significant use of temporary workers, both in the Netherlands and the UK [Belt & al, 1998]. The main critique against skills passports argues that the definition of skills remains quite dependent on the state of the labour market at a moment. An alternative is the encouragement of vocational qualifications based on competencies, but this involves extra time costs for both worker and firm.

2. *Enterprises* also have a role to play. Attitudes to training vary across the Union, best practice must be transferred across the Member States. It may also be necessary to ensure that currently best practice countries or industries continue to build on these practices. As the direct relationship between workers and employers becomes more attenuated, and the relationship between worker training and an individual firm’s performance less clear, the temptation to cut back on training or restrict training to an increasingly small “core” work-force may become stronger. Firms should be required to provide a certain amount of training time and resources for both core and non-core workers. A balance will have to be sought between this social obligation and the primary role of firms as profit-maximising enterprises. However, a suitably skilled labour pool from which to select, even on an as required basis, must help all firms in the longer-run. Measures will be required, however, to ensure that the best practice firms in this area do not suffer from poaching by less scrupulous organisations. The development of “skills passports”, as discussed above, would be a relatively inexpensive way of facilitating skills portability to the benefit of workers.
3. As the STOA report shows *temporary employment agencies* are beginning to play a significant role in the emerging flexible economy. They are differentially represented across the Union, and there are variable levels of regulation across countries. If these organisations are to become a key lubricating element within the flexible economy, as the larger organisations in the sector are beginning to argue, then they must meet certain social obligations, either alone or in partnership with *other* stakeholders. In particular they should have an obligation placed upon them to encourage and facilitate training and skills portability for staff. Here the respective roles of agencies and the enterprises to whom they supply staff would have to be clearly specified.
4. Another actor in this process would be the *trade unions*. Many unions are seeking to develop new roles which take into account the evolving flexibilisation of work. Working in partnership with other stakeholders the unions may be able to replicate certain elements of the craft guild unions, with regard to training, without, of course, replicating the rigidities. This would, of course, require a dialogue between the various partners. There are clear difficulties here, particularly in countries such as the UK where many of the more flexible firms see only a minimal role, if any, for trade unions. However, in a process of social dialogue, unions could become “agents of change in the skills revolution”.
5. Finally, *individuals* will be the key players in this process and each person will have to take the responsibility for her or his own advancement, but without the support of other actors (as outlined above) only those who are already advantaged will prosper. The new flexibility in working time and working contracts must be similarly reflected in flexible training. Individuals must have access to training at a time (period of the year or time of the day) which best suits their needs. As there will not be a limitless budget, this suggests that training and education will often need to be self-directed. This, in turn requires at least two things. First, that all individuals will have the underpinning skills to identify and access the appropriate training. Second, each individual must have access to the appropriate infrastructure to access *timely* training. Given the rapidly changing nature of the work environment this will increasingly mean that training will be facilitated by ICTs, but ideally with a human based back-up.

The transformations of industrial relations

Whatever are the consequences for workers (positive or negative), it is very likely that the role of trade unions will have to change, though this would probably be different whether positive aspects would outweigh negative ones, or vice-versa.

The transformations of interest organisations will be linked to changes in the employment and economic structures: both workers and companies will have more varied and specific needs. For this reason, the main task of trade unions and employers’ organisations, i.e. finding shared objectives for bargaining, will become more difficult, or the objectives will become too vague, undetermined and contradictory and consequently less relevant.

Problems of trade union representation would probably arise for two main reasons:

1. As far as the positive effects of flexible and atypical work forms are concerned, it is questionable if there would be any significant room for collective regulation of work relationships. High-skilled professionals may be very likely better “represented” in individual, atomised and direct relations with employers. Therefore, probably the importance of human resource management policies would increase, while union membership would be less attractive. But a revival of union membership might come from a renewal of individual services provided by the unions for their members: juridical advising, help desks, training services, on-line information services, etc.
2. If we turn, on the other hand, to the possible negative effects, a number of elements tend to weaken the union capacity of actually getting in touch and organising workers: the concentration of employment creation in “atypical” jobs (fixed-time employment, temporary agency employment, part-time, etc.); the growth of quasi self-employment; the “distance” of workers from companies and union representatives.

Problems of employers’ representation would also arise, as far as the classical structures of employers’ organisations are torn by two opposite but simultaneous trends: on the one hand, the expansion of SMEs, the development of network firms; on the other hand, internationalisation and globalisation of decision structures resulting from mergers, as well as the increasing power of shareholders and the decreasing influence of in-house managers in strategic decision making.

Besides these difficulties, social partners have to act more and more in some areas in which they are less experienced, for instance: negotiating at the territorial level (regions or sub-regions) rather than at the enterprise level; negotiating in network enterprise; preparing and concluding agreements at the European level.

Social partners can play an important role; however their ability to cope with the new challenges should not be taken for granted. In fact, the problems of representation outlined above might hinder the efficiency of interest organisations in finding solutions for new situations. Important changes in workers’ unions and employers’ organisations would be needed for facing the representation demands.

The development of atypical and flexible work forms puts on the agenda the debate on the modernisation of trade unions. According to some analysts [Valkenburg & al., 1996], the way trade unions will take into account the interests and representation of atypical workers is a key test of their own modernisation capacity. Atypical work and work flexibility are considered as “paradigmatic cases” for the implementation of new concepts of solidarity and participation. Other proposals go a step further and suggests that the trade union of the future “flexible society” might be a sort of “community union”; it means an organisation which would group workers and NGOs in a community in order to try to obtain retributive justice [Standing G., 1997]. The crucial point in this analysis is the hypothesis that the economy would be centred on local networks of firms and therefore the community association principle would grant workers the higher possible bargaining power. This scenario is possible, but far from being certain or likely to concern a limited part of the economic activities. However, it is quite true that something will have to change in both structures of trade unions and employers’ organisations and industrial relations processes.

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Authors briefing:

Patricia Vendramin is a project manager at the Work & Technology Research Unit of the Fondation Travail-Université (FTU) in Namur, since 1992. She has a background in sociology (1981) and communication sciences (1983) and a master degree in development studies (1983). Her main research interests are related to social and economic aspects of information and communication technology: flexible work practices, distance working, new work organisation and new needs for skills and training.

Gérard Valenduc is a research director at the Fondation Travail-Université (FTU) and a lecturer at the University of Namur. After a background in nuclear physics (1975) and science policy (1981/84), he started doing research on technology and society at FTU in 1984 and he created the "Work & Technology Research Unit" of the FTU in Namur in 1992. His current research interests are related to the social evaluation of science and technology policy options, in two main areas: the information society; sustainable development.

Keywords:

Atypical jobs, new work forms, flexibility, industrial relations, information society, social policies

Contact Details:

Patricia Vendramin
Project manager
E-mail: pvendramin@compuserve.com

Gérard Valenduc
Research director
E-mail: gvalenduc@compuserve.com

Fondation Travail-Université (FTU)
Rue de l'Arsenal, 5
B-5000 Namur – Belgium
Phone: +32-81-725122
Fax: +32-81-725128
