FLEXIBLE FORMS OF EMPLOYMENT: influence on the employees, employers and society

Marre Karu
Praxis Centre for Policy Studies
Estonia
Outline of the presentation

• What is flexibility
• Is flexibility good or bad?
• What does it depend on?
• How does it influence
  ... employees,
  ... employers,
  ... society?
• What can we conclude?
Whose flexibility?

- Flexible labour market
- Flexible worker
- Flexible company

→ EQUAL project: Flexible forms of training and work – best practices of reconciling family and professional life.
What is flexibility?

- **External flexibility:** hiring and firing, nonstandard contracts (short-term and fixed contracts, self-employment etc.).

- **Internal flexibility**
  - Time flexibility: part-time work, unusual or irregular working-time, shifts etc
  - Place flexibility: working at home, telework, commuting etc
  - Task flexibility: functional rotation, transfers etc
Is flexibilisation good or bad?

- Pessimistic view: it creates more precarious labour market for low paid employees.

- Optimistic view: it is potential for using flexibility to enhance personal development and the family-work balance
# Employees: good or bad flexibility

<table>
<thead>
<tr>
<th>Good flexibility</th>
<th>Bad flexibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee-lead</td>
<td>Employer-lead</td>
</tr>
<tr>
<td>Predictable</td>
<td>Unpredictable</td>
</tr>
<tr>
<td>High social protection</td>
<td>Low social protection</td>
</tr>
<tr>
<td>Supported by services</td>
<td>Not supported by services</td>
</tr>
<tr>
<td>Sufficient income</td>
<td>Low income: working poor</td>
</tr>
<tr>
<td>Accepted by society</td>
<td>Not accepted by society</td>
</tr>
</tbody>
</table>
Employees and external flexibility

Temporary and short term contracts:
+ opportunity for less employable people
- low career prospects
- less training
- lower bargaining power
- social protection low
- insecurity
- impossible to make long-term plans
Employers and internal flexibility

+ Provision of just-in time services
+ Increase in human capital: productivity, health and loyalty of workers
+ Attracts better workers
+ Decreases the turnover and absenteeism

- Working at home may decrease work quality
- Complicates planning the work
- Instability of labour

→ who controls the flexibility?
Employers and external flexibility

+ adjusting to market conditions
+ adjusting to globalisation
+ adjusting to changes in production
+ just-in-time production
- higher hiring, training and supervision costs
Flexibility and society

• Freedom of choice
• Possible increase in employment
• Possible increase in fertility
• Possible increase in gender equality
• Influence on risk groups
• May increase poverty
To conclude

Flexible work ...

... has many types, aspects and dimensions...

... which all influence people, companies and societies in different ways...

... and the influence also depends on the characteristics of employees, labour market, companies and society.
Thank you for your attention!

http://www.praxis.ee

e-mail: Marre.Karu@praxis.ee