

Job quality in Global Value Chains

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Part of theme 3
employee well-being and work life quality



This research aims to understand the changing nature of employment regimes and job quality of workers in Global Value Chains (GVC). We have seen studies addressing the importance of the institutional regimes (Gallie, 2013; Holman, 2013), however firms function in networks where powers such as ownership, legal and functional play a

crucial role in influencing the firms' relationship with employees (Gereffi et al, 2005), pressuring firms to structure their work internally or externally. This research will investigate how these factors influence job quality, by interviewing managers and employees across occupations and contract relationships.

Global Value Chains

Firms to attain competitive advantage and higher profits divide activities in **core** and **non-core**:

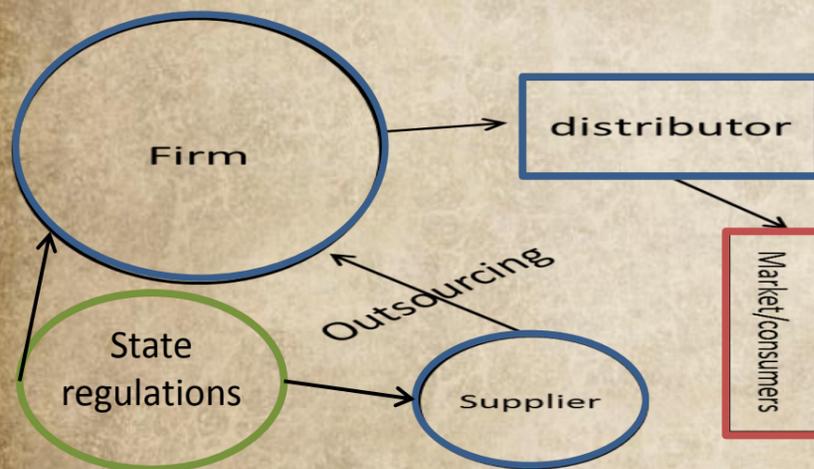
- **Internal consistency** by keeping production units in house:
 - Upskilling, job security, better wages, employee involvement;
- **Externalizing** production units through outsourcing/ offshoring:
 - Deskilling, fragmentation of labour, less voice, lower wages, more flexibility ;

Marchington et al (2005)

Functional power & market demands;

Legal power & national boundaries

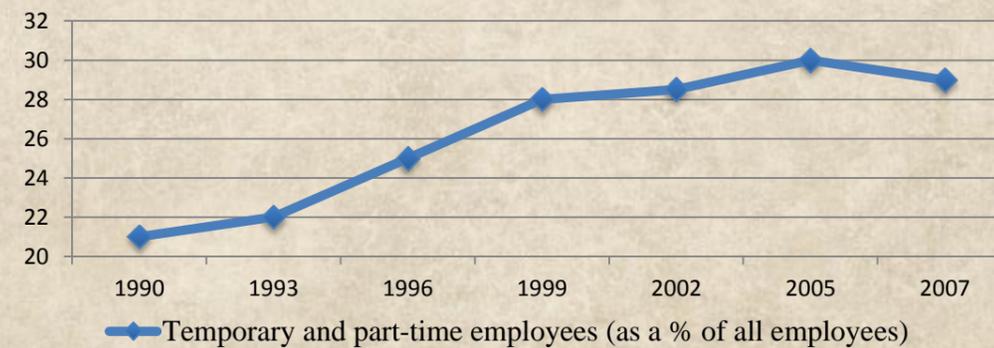
Financial power & ownership
Gereffi et al (2005)



Work organisation in factories

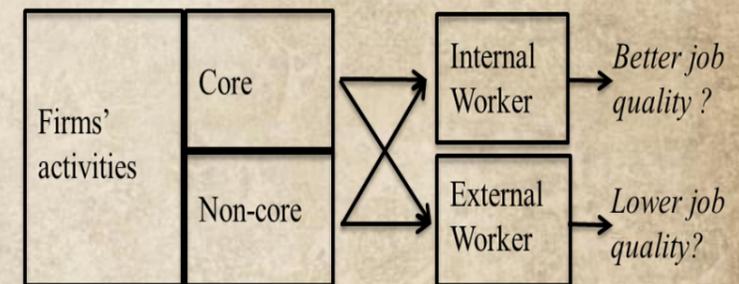
As a model based on Taylorism, Lean Production is typically implemented in factories as a demand driven production. Designed in short runs, in order to achieve maximum efficiency, resulting in work standardization and, consequently, in workforce deskilling (Aglietta, 1979). Typically are used temporary workers to attain the flexibility and cost-effectiveness that firms seek (Womack, 2002).

The trend is for companies to adopt increasingly atypical employment adjusting their strategies to externalize their risks and costs to the workforce, making employment more precarious and flexible for a portion of the workforce (Flecker et al, 2009). This trend is putting more and more pressure into the quality of jobs.



Growth of atypical work in Europe (1990-2007)
Source: Eurostat Database

Job quality



Flecker's et al (2009) suggestion that employment is becoming more precarious and flexible for a portion of the workforce.

Gallie's (2013) study focused on work quality in European countries regarding upskilling, autonomy & control, intensity of work, job security, and work-family conflict. Findings show that the economic crisis had significant impacts in all aspects of job quality, particularly in southern and eastern Europe.

Relevant basis for investigation of job quality in the present research, and understanding of its *genesis* in a specific financial/functional context.

Final considerations for the research project

Study of detailed mechanisms:

- design and mix of employment contracts;
- contracts between capital-capital and capital-labour;
- distribution of power and dependencies between parties;

How the quality of work is shaped ?

References

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 Gereffi, G. et al (2005). 'The governance of global value chains'. *Review of International Political Economy*, 12 (1), pp: 78-104.
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 Womack, J. (2002). "Lean Thinking: Where have we been and where are we going?". *Forming and Fabricating*, 9(9).