

FLEXICURITY AND TEMPORARY AGENCY WORK

an international comparative study on organizational practices and consequences on employee well-being

Pille Strauss-Raats, MSc
Department of Sociology and Work Science
University of Gothenburg, Sweden

Supervisors: Tommy Isidorsson, Kristina Håkansson

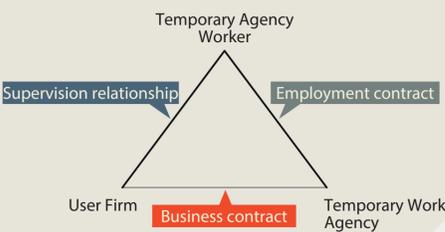
ITN CHANGING EMPLOYMENT THEME 3: EMPLOYEE WELLBEING AND WORK LIFE QUALITY

Background

Trends in globalizing markets have led to growing pressure for competitiveness and short-term financial profits, reflected in policy changes that aim for flexibilization of labour relations and emergence of a wide array of work practices substituting the 'standard' of full time permanent employment. EU has chosen the policy of flexicurity (Wilthagen and Tros, 2004) for keeping up with the global trends while maintaining a link to the European social model - the national mixes of measures of flexibility for employers and security for employees should lead to economic growth, more and better jobs and greater social cohesion (European Commission 2010).

Temporary agency work (TAW) with its triangular employment relationship can be seen as a measure for achieving flexicurity. In TAW, employers are provided with the benefit of numerical flexibility while the resulting job insecurity for employees is compensated by a mix of other securities - successive placements through a work agency and gained work experience contribute to future employment security for example. In regulatory context, TAW balances between services, social and employment regulation and a mix of standard-setting and enforcement practices exist in its national regulatory regimes, though they all fall under the general principles of the 'equality' directive 2008/104/EEC and fixed-term health and safety directive 91/383/EC. These national varieties together with local collective bargaining mechanisms create very different environments for TAW, leading to different possible strategies and outcomes for organizations and individuals.

Even though TAW practice differs across countries and organizations, academic research has almost uniformly associated it with lower levels of job quality and employee wellbeing when compared to direct-hired employees, thus exemplifying the precarity of work in modern dual labour markets (Kalleberg, 2011, Standing, 2009, de Cuyper et al, 2008).



Quality of work and temporary agency work sector

- ★ 'Employment risk management' through the temporary work agencies reflects conflict of interest between safety and business, higher risk for exposure to physical and psychosocial risks and unclear responsibilities in terms of risk management
- ★ High pressure to perform to 'earn' next/permanent placement coupled with insecurity
- ★ It is hypothesized that dualistic and/or constantly changing workplaces challenge social values such as identity, trust and mutuality, reducing opportunities to form secure and supportive social relationships at work

- ★ Presence of temporary workers affects the dynamics of workplace relations for direct-hired employees, with likely downward pressure for work quality.

Project objectives and research questions

There is a substantial amount of literature on consequences of precarious work practices on quality of work and employee health at individual level but few studies consider the effect of macro-level processes on the micro-level outcomes through the mediation of organizational structures and practices. Additionally, much work on individual level considers employees as rational independent actors with little focus on the mechanisms and patterns of social influence and interdependence, though previous work in the fields of social cognition and social contagion calls for more emphasis on mechanisms of inter-individual influence.

- ★ Current project aims to answer the following questions: How is the use of TAW in one MNC affected by the differences in regulatory regimes (including collective bargaining mechanisms), paying special attention to equal working conditions and occupational health and safety

- ★ What are the differences in working conditions for permanent employees and agency workers in these three countries and if and how these can be explained by the regulatory regimes
- ★ How does the use of TAW affect social integration and support patterns in organization within and between different employee groups
- ★ And finally, are the four security dimensions of flexicurity-discourse sufficient to ensure sustainable quality of work and employee wellbeing.

Research design

The research project will be an internationally comparative multilevel case study, using a mixed methods approach. Data is collected in three locations, characterized by relatively equal work settings under different national regulatory frameworks:

- one multinational company (MNC)
- similar type of production process
- similar type of work tasks (production)
- three different national backgrounds under 'the umbrella' of EU.

First stage of the project investigates regulatory regimes of health and safety of TAW shaping working conditions of temporary agency work in Sweden, Belgium and Poland, paying attention to standard-setting and enforcement activities of both state and non-state actors.

Secondly, interviews are carried out in the three subsidiaries of the one MNC in three countries to investigate their practices at organizational level. This will be supplemented by review of organizational policies and records.

Third, a questionnaire survey consisting of two elements will be used. The first part of the survey focuses on aspects of health, safety and wellbeing while the second part aims at investigating work-related advice and support networks, using the network analysis approach (SNA). The questionnaire will be distributed to both direct-hire employees and agency workers.

Implications

This project aims to fill the gap in research regarding multi-disciplinary international comparative analysis on national flexicurity systems and in-depth analysis into how the flexicurity practices are designed, implemented and maintained and what are the effects of these on employee wellbeing and quality of work.

Given the continuous popularity of flexicurity policies and the lean of these towards flexibility at the expense of security, there is a need for evidence-based studies of the consequences of these trade-offs for individuals, organizations as well as societies as a whole. The results of this study could be useful in policy design at both national and organizational level for achieving the flexicurity objectives - improving social cohesion and creating better jobs for improved employee wellbeing.

References

- De Cuyper, Nele, de Jong, Jeroen, De Witte, Hans, Isaksson, Kerstin, Rigotti, Thomas, & Schalk, Ren. (2008). Literature review of theory and research on the psychological impact of temporary employment: Towards a conceptual model. *International Journal of Management Reviews*, 10(1), 25-51.
- European Commission. (2010). *EUROPE 2020. A strategy for smart, sustainable and inclusive growth*. Brussels.
- Håkansson, K., Isidorsson, T., & Strauss-Raats, P. (2013). *Kunskapsöversikt om bemanningsbranschen och arbetsmiljöfrågor för hyresarbetskraft*. Arbetsmiljövärket.
- Kalleberg, Arne L. (2011). *Good jobs, bad jobs: The rise of polarized and precarious employment systems in the United States, 1970s-2000s*: Russell Sage Foundation.
- Standing, Guy. (2009). *Work after Globalization*: Edward Elgar Pub.

