

Contemporary HRM

Flexibility

Work organisation and flexibility...

- The major influences on work organisation
- Pressures for flexibility
- Policy context for developments in work organisation
- Objectives and expectations of employers and employees

Influences...

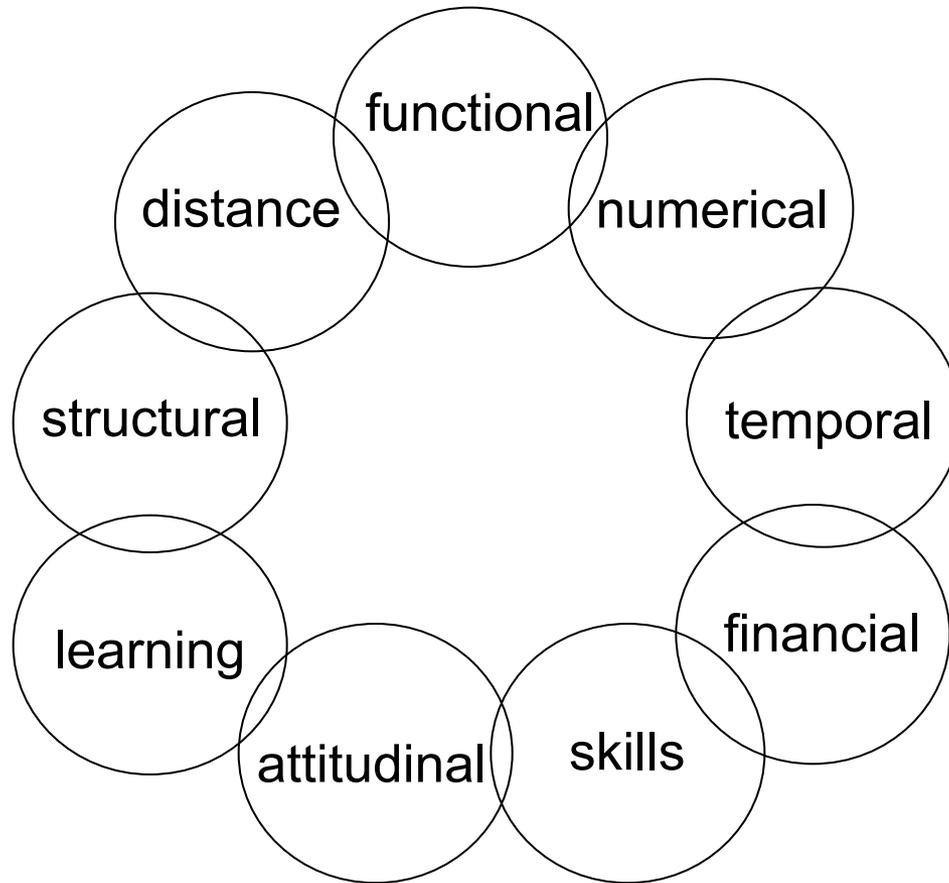
Demand side

- technology
- knowledge based employment
- shift in many Western economies to **service sector**
- extent to which state has facilitated flexibility

Supply side

- increasing participation of women in labour force
- increase in single parent families and dual career couples
- aging population

Types of flexibility...





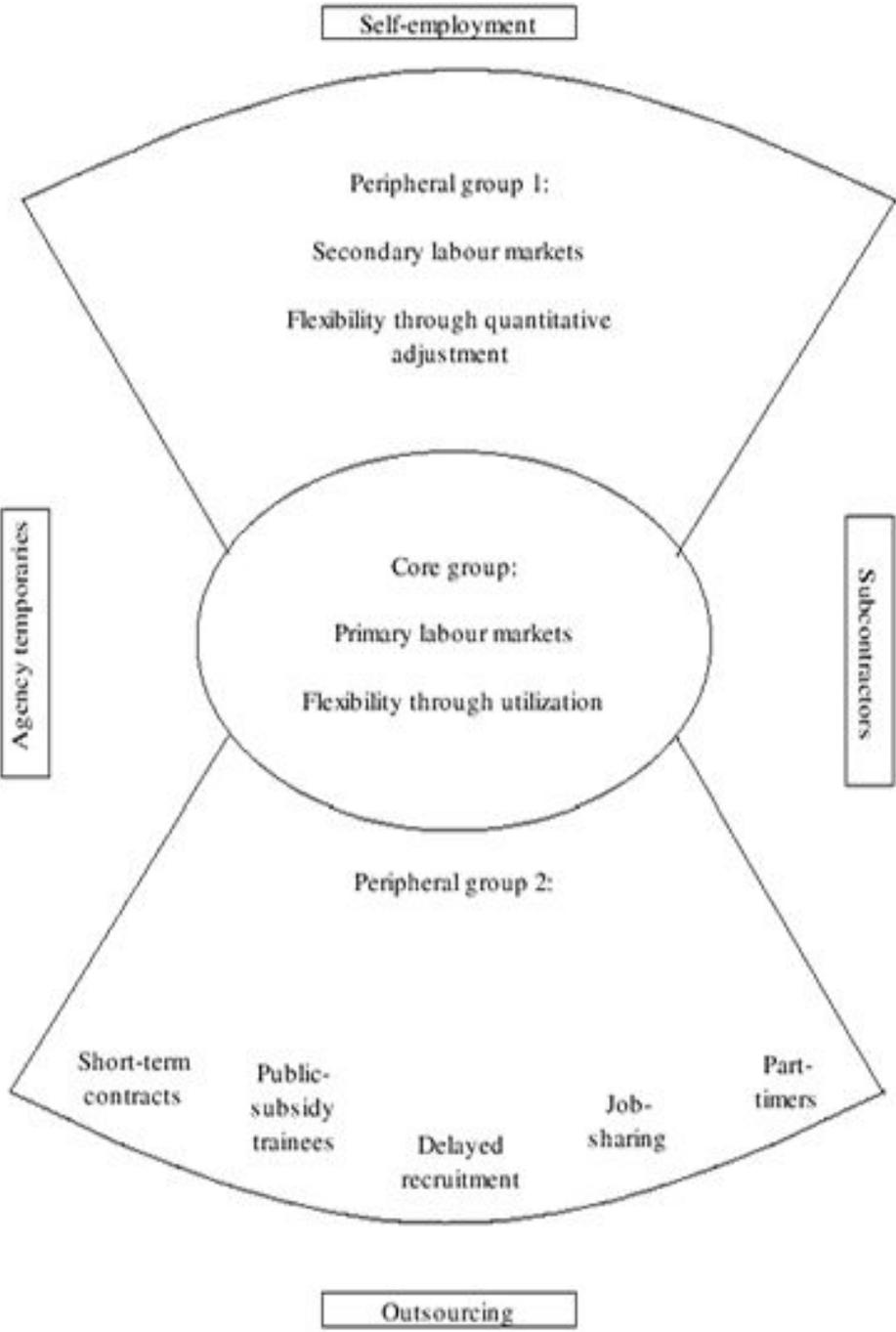
The flexible firm (Atkinson, 1984)...

- **Functional flexibility**
 - rapid redeployment of staff
 - acquisition of new skills
 - the 'learning organisation'
- **Numerical flexibility**
 - adjusting headcount quickly and cheaply
 - looser contractual relationships
- **Financial flexibility**
 - employment costs related to state of market
 - pay systems which support functional flexibility
 - targeted on contribution



The flexible firm (Atkinson, 1984)...

- **Core group**
 - primary labour market
 - functional flexibility
- **Peripheral group 1**
 - secondary labour market
 - numerical flexibility
- **Peripheral group 2**
 - 'as and when' workers
 - contacts for services
 - sub contracting





Employee driven flexibility (work-life balance)...

- An individual concern or a social issue?
- Indirect benefits for business
- Types of flexibility preferred
 - flexible leave
 - flexible hours
 - flexible deployment of time, flexible location
 - access to care arrangements
- Need to be supported by security of income and employment, access to training, i.e. no disadvantage for the employee

The reality of flexibility...

- Piecemeal and limited in practice
- More likely to be driven by cost reduction concerns than by expectation of strategic benefits, i.e. numerical or financial forms
- Can create employee dissatisfaction and poor employee relations



Implications for employee relations...

- Difficulties with labour organisation/recruitment for trade unions - “workers” not “employees”
- Increased management control
- Dismantling of traditional structures of wage determination, demarcation and employee job control
- Increased insecurity and stress - impact on balance of power?
- Emergence of ‘**knowledge workers**’ – individual bargaining power?