

# 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...

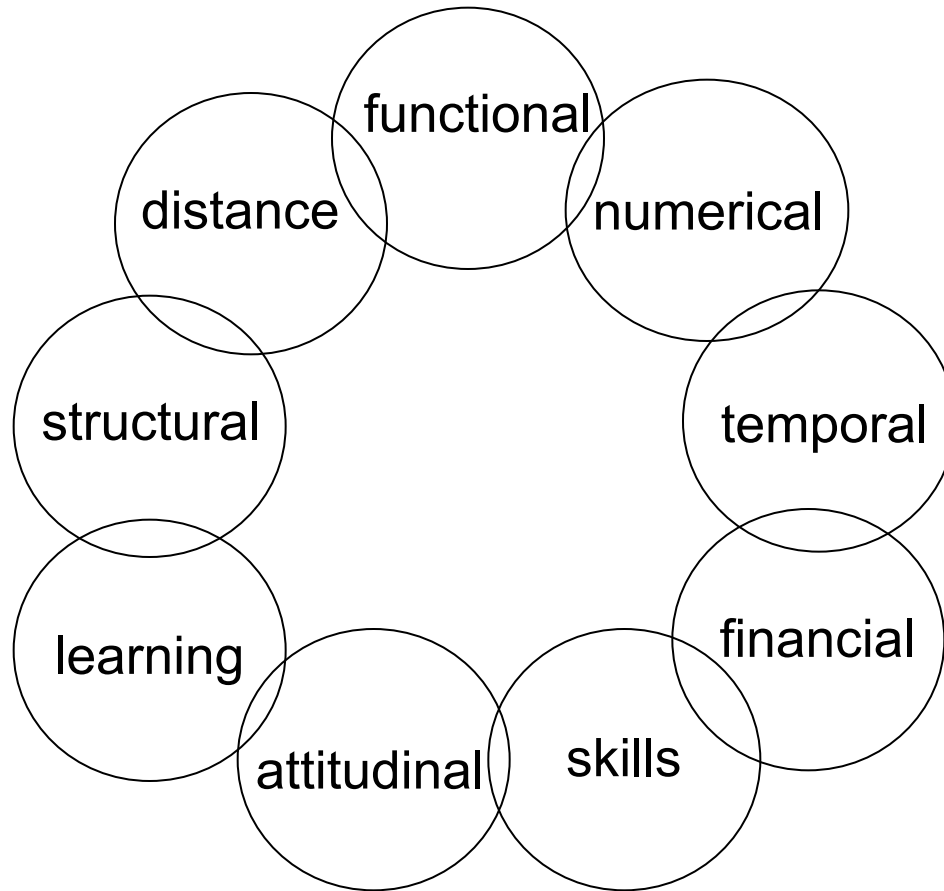
## Demand side

- 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...





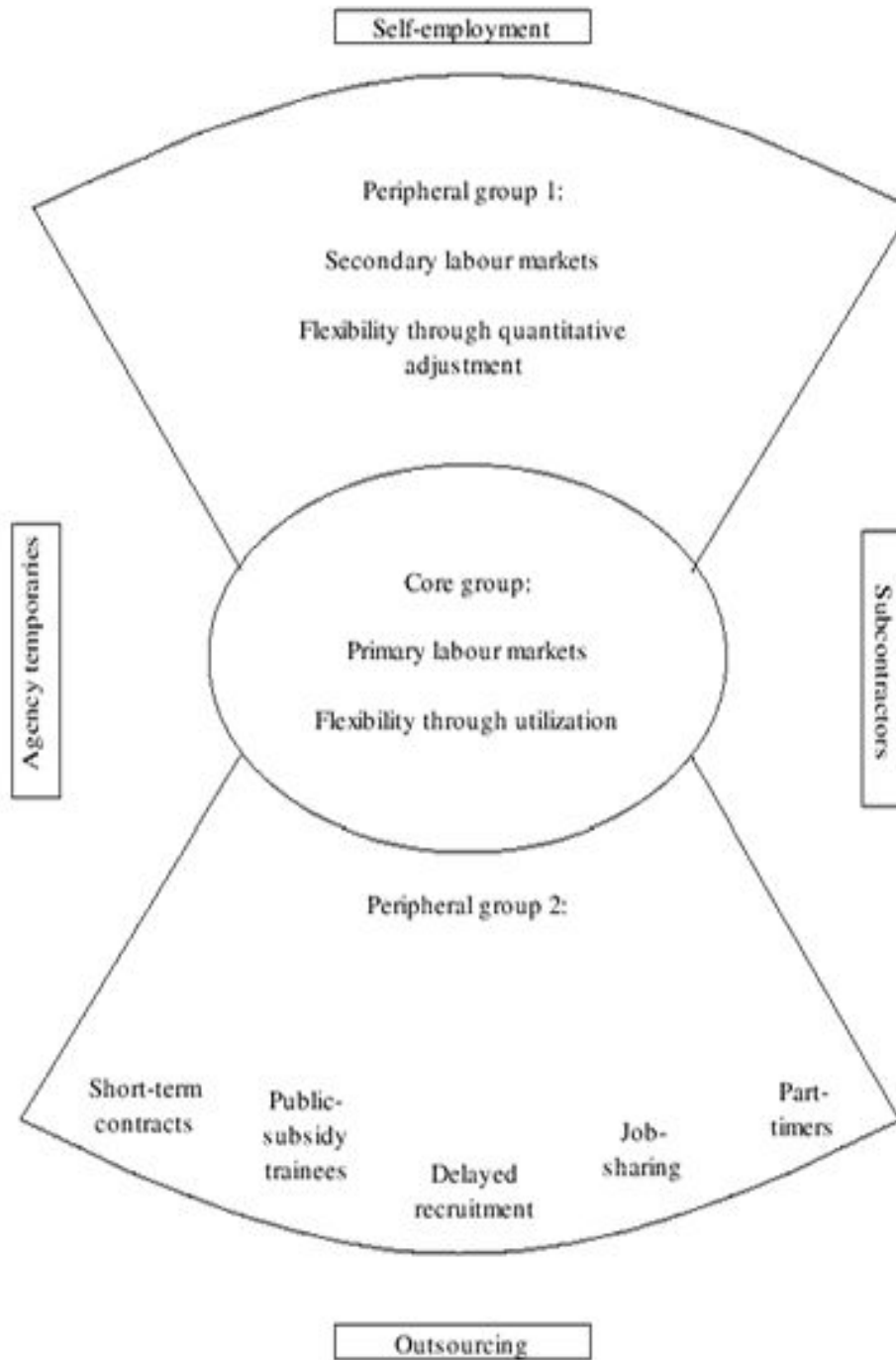
# The flexible firm (Atkinson, 1984)...

- **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?