

LABOUR FLEXIBILIZATION IN SLOVAKIA – DEMAND FOR FLEXIBILIZATION AND ITS DETERMINANTS

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Abstract

In theoretical part of this paper we present main theoretical approaches/definitions of flexibility at labour market, especially with an emphasis on the diversity of approaches and with emphasis on the different kinds of view on importance of flexibility at the labour market in macroeconomics and microeconomics sense. In application part of this paper we present partial results of our original research focused on the labour flexibilization potential and the implementation practice into real settings in Slovakia with the Name *Determinants of Use of Labour Flexibilization in the Slovak Republic from the point of view of a Family and their Implementation into the Social System*, which is realised at The Institute of Economic Sciences of Faculty of Economics Matej Bel University in Banska Bystrica in the years 2012 – 2014. This research is supported by the Scientific Grant Agency of the Ministry of Education, Science, Research and Sport of the Slovak Republic (VEGA).

Key words: positive flexibilization, labour market, demand for flexibilization

JEL Code: J22 Time Allocation and Labor Supply

Introduction

Flexibility of work (employment and work organization) is an integral part of the current trends taking place in Slovakia and in the world, in the labour market, but also in the economy and society in general. Labour flexibility has a significant macro-economic, micro-economic and non-economic dimension.

In this paper we pay attention to the positive flexibility forms of work organization and working time in Slovak conditions. Although in the countries of Western Europe are flexible forms of employment and working time established and commonly used, in Slovakia is the positive flexibility in organizing work and working time underexploited. The issue of positive flexibility is known only in terms of concept, but not in terms of content and practical

utility. Existing studies on positive flexibility deal most common with legislative regulation of these forms in Slovakia and with analysing of use and usefulness of various flexible forms according to various criteria (typology of workers using flexible forms, typology of economic sectors, occupations or business activities in which are flexible forms of employment and organisation of working time actually used or usable).

Our intention in this paper, also in our research, is to focus attention on the demand side of positively flexible forms of employment and working time by the workers themselves (our target group are parents of minor children), exploring comprehensively the interest and needs this area, this means in the sphere of professional life, personal and family life, in the sphere of services and initiatives by the public sector, private profit and non-profit sector and civil society. In all these fields we look for the determinants of the use of positive flexible forms of work and working time on the demand side (workers, employees), on the supply side of the labor market (by of employers), and the determinants of institutional and structural nature (public policy - especially social policy, values, attitudes, behavior patterns of individuals and of society as a whole). These are positive determinants of the use of positive flexible forms of work. Knowledge about those determinants and their complex perception are assumption for implementation of the positive flexible forms of work and work organization in Slovak practice.

This support can be effectively implemented only parallel at all levels/by all stakeholders. It should also be noted that the preferences and needs in the field of flexibilization of work on the demand side are very diverse and not only among specific groups of workers (parents of minor children, older workers, disabled handicap etc.), but also within these groups. Instruments to encourage positive flexibility must therefore be formulated so, that the individual preferences and needs of any of these groups or its individual members will not be deformed, but that these individual needs and preferences must be taken into account and supported.

1 Types and importance of flexibility on labour market, theory and practice

There exists lot of definitions of flexibility of work (in the sense of working conditions, working time and working contracts). Wallace (2002) distinguishes flexibility of time, place

and condition, which is different structure compared to a breakdown of the distinction of numerical flexibility (change in the number of workers) and functional flexibility (the knowledge and skills of the workers) (see also Pollert, 1988). Wallace (2003) adds to time, place and contract flexibility income flexibility too. Time flexibility defines as non-regularity or irregularity of working schedules. Place flexibility is defined as working at home either the whole time or part of the time, abroad or having an irregular place of work (commuters are excluded). Contract flexibility was defined as people having anything a permanent regular contract (no contract, fixed term contract, on call, with a temporary work agency, on a fee only basis, subject to performance or on a work experience project). Cumulative flexibility covers all three forms of flexibility simultaneously. Křížková (2006, primary source Wallace, 2003) speaks about the world's ongoing transformations of the labour market that are labelled as greater flexibility of work, diversification and the emergence of new alternative forms of work organization. They are connected with spatial variability (place of work - at home, at work, in public spaces, combination), labour mobility (labour migration, loss of job, need of retraining), organizational flexibility and time variability. Höhne – Kuchařová (2010) distinguish between flexibility of employment or similar working contracts governing work and working time regimes (during the day, week or during longer period of time), governing place of work and duration of working contracts and daily working hours.

About importance of flexibility speaks according to Coe Neil – Johns – Ward (2008) report “Working together for growth and jobs: A new start for the Lisbon Agenda. In this report is placed the onus on nations – how and why to change regulation of their labour market: “Member states and social partners must improve the adaptability of the workforce and of businesses as well as the flexibility of labour markets to help Europe adjust to restructuring and market changes”.

Putnam – Myers – Gailliard (2014) justify that employees, managers and organizations develop, enact and respond to the flexibility initiatives differently and there are research finding about tensions and contradictions in this process. Authors present three primary tensions (variable vs fixed arrangements, supportive vs. unsupportive work climates and equitable vs inequitable implementation of policies). As alternatives for handling these tensions authors recommend reframing them through changing organizational cultures, adopting a philosophy of adaptability, customizing work and making workplace flexibility an employee right. They urge organizations and society too to reframe the tensions between

work and life, to treat them as enriching rather than competing with each other and to transcend these opposite poles through exploring third spaces.

Flexibility of the labour markets consider Sirovátka and Žižlavský (2002) as crucial for successful economic adjustment and economic growth on the Czech labour market in 1996 – 2000. To influence the flexibility of the labour force, they see role of active labour market policies as more important.

Keune (2003) makes comparative analysis of standard and non-standard employment (part-time employment, fixed-term employment, self-employment and employment without a contract) in two countries of Eastern Europe – Czech Republic and Hungary. He analyses exposure of gender, age groups, educational groups and branches to flexibility too. His analysis showed converging as well as diverging tendencies between these two countries. They have similar levels of standard employment, but standard employment is constituted differently (in terms of income, hours worked and working patterns). Standard employment is in both countries low in the sectors of agriculture and trade and services, also for the young, old and lowly educated. Keune (2003) describes Czech labour market more “egalitarian” and Hungarian one more “polarised”, while employment is in Hungary most precarious (due the stronger market orientation of the Hungarian post-socialist reforms and due the stronger fall of aggregate employment in Hungary in 1990s).

2 Research results - Preferences and needs of Slovaks in area of positive flexible forms of work and work organization

In this paper we present the results of research conducted in the Banská Bystrica region in 2013. Respondents were parents of minor children. We contacted more than 600 respondents, of which two-thirds were willing to answer. In respondent sample were men (14.5 %) and women (85.5 %). By structure of age had the highest proportion (41.1 %) age category of 35-39 year old, followed by the age group 40-44 years old (with 23.8 %) and category of 30-34 year old with 19.2 %. 44.6 % of respondents had secondary education and 47.5 % high-school education. 45.4 % of respondents worked in private and another 31 % in the public sector (for 23.5 % of respondents we could not identify the sector).

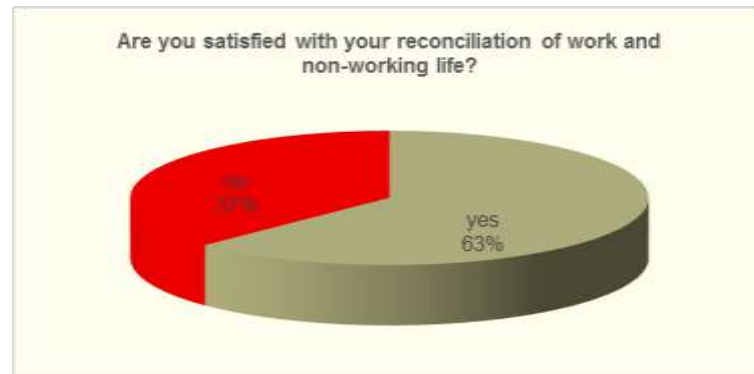
82.5 % of respondents worked in positions with majority of mental work, the remaining 17.5 % of respondents were physically working. In terms of levels of social activity

prevailed among respondents workers (73.6 %), another 10.6 % were self-employed, and the same proportion were persons on parental leave. Respondents were further structured according to the degree of social activity of their partners. According to this criterion, 72.7 % of respondents had partner employed. Partners of other 20.9 % of respondents were self-employed persons, 3.9 % of respondents had unemployed partner, and 2.5 % had a partner on parental leave.

These were some of the characteristics of respondent sample by sociodemographic criteria, but also according to working characteristics. Based on these characteristics, we tested the statistical significance of answers to questions about the preferences and needs of positive flexible forms of work and organization of working time, due to the interests in reconciliation of work and non-working life. Determinants of the impact that we have identified by testing these dependencies were divided according spheres - the determinants in the sphere of work and working conditions, determinants in the sphere of personal, especially family life and childcare and determinants in the structural and institutional sphere, this is in institutions and activity of public sector, profit and non-profit private sector and civil society.

Some of the major findings we present below. 66 % of respondents worked on a fixed-time, 13.8 % had flexible working time during the day, 7.6% had flexible working hours during the week and 12.6 % had flexible working hours during the month or longer period. We examined how respondents valued the distribution of time between professional duties and the non-working time. Satisfaction of responses with actual kind of reconciliation of working and non-working time is shown in Fig. 1. Almost two thirds of respondents signed this arrangement satisfactory, 37 % valued it as unsatisfactory. This dependence, as well as all other responses, we further tested according to the above-mentioned characteristics of respondents. There were no statistically significant differences in the answers of men and women on this concrete question. Very similar respondents answered the question about satisfaction with their working time (the number of hours they spend at work). 68 % signed the amount of time they spend at paid work satisfactory, while 32 % were dissatisfied with it.

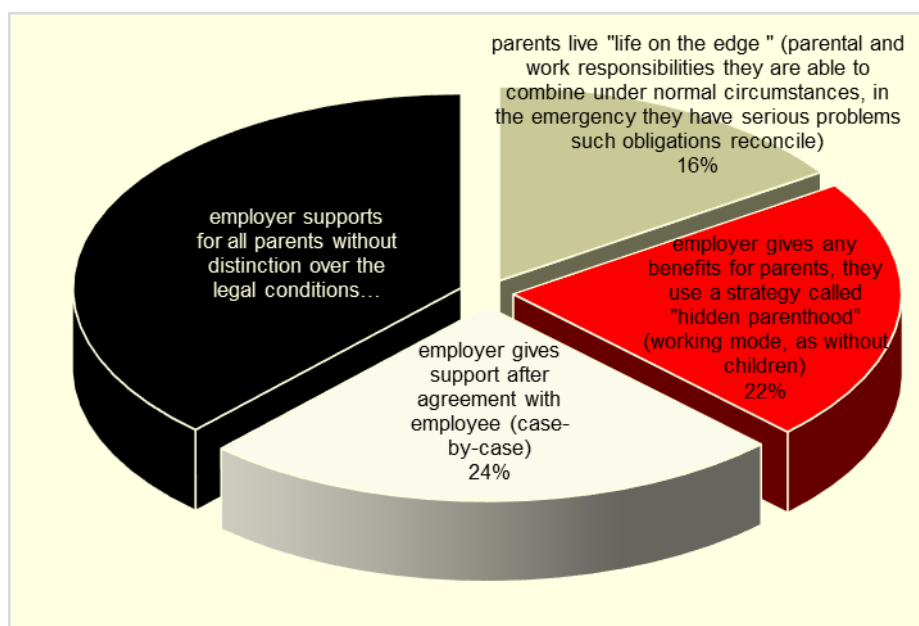
Fig. 1: Satisfaction of respondents with the arrangement of work and non-work life



Source: processing of the results of own research

Respondents were asked to evaluate working conditions, from the aspects of needs to balance work and non-work, especially parenting. Answers of respondents we bring in FIG. 2 The absolute majority of respondents (62 %) valued the attitude of the employer to support as positive, the remaining 38 % said about unwelcoming behavior of the employer. From the positive valuating respondents more than a third (38 %) valued the conditions created by the employer for the purposes of reconciling work and non-work life (especially parental) as more than standard, when an employer creates conditions for this purpose over legal obligations and an additional 24 % of positively valuating employers said about support based on agreement (requirements of employees were assessed on case-by-case basis). Among the 38 % of negatively valuating employer, 22 % of respondents used a strategy called "hidden parenting", when parents manage working duties without considering its non-working life, especially child care (no benefits and friendly working conditions, in order to reconcile the two spheres, were given), and a further 16 % of respondents (negatively answered) talks about "life on the edge" when parental duties they are able to combine only if the emergency situation no occurs. In the event of emergency duties they have serious problems in both spheres to combine them.

Fig. 2: Valuation of working conditions created by employers in terms of opportunities to reconcile work and non-work (especially parental) obligations



Source: processing of the results of own research

Then we tested a statistically significant dependence of the respondents' answers to the above question by sociodemographic characteristics of respondents and by work characteristics (physical vs. mental work, employment in public vs private sector of economy). A statistically significant dependence of answers to this question by sector, namely the respondents from the public sector in a statistically significantly higher rate signed the support from the employer after the individual agreement (32.1 %), while respondents from the private sector at a statistically significantly higher rate stated that their employers gave any benefits for parents and they are forced to choose so called "strategy of hidden parentage" (26.2 %).

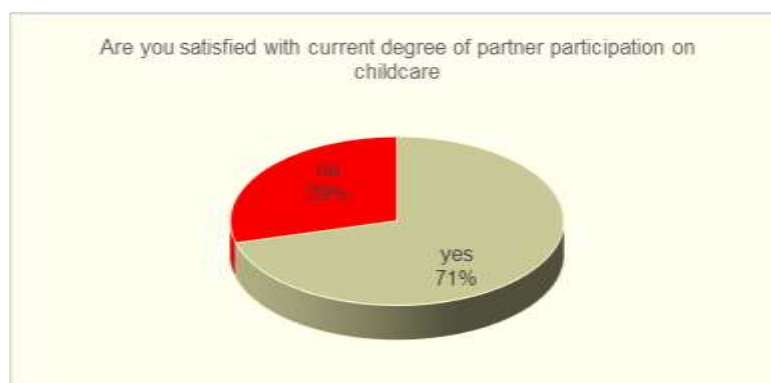
When testing dependencies of answers of the sample of respondents to this question by socio-economic and demographic characteristics, there was confirmed the dependence of the response from the residence, because a statistically significant group of citizens Banska Bystrica (25.9 %) states providing of support by the employer on the basis of individual agreements and statistically significant group of respondents from villages (42.9 %) was forced to choose a strategy called "life on the edge", when parents are normally able to combine duties and childcare, in the case of the occurrence of extraordinary circumstances, however, are not able to fulfill these obligations on both spheres. Among the preferred forms of support for parents and families expected from the employer's dominated financial and non-financial benefits, paid time off for family reasons over paid

time off, which are guaranteed by state legislation. Disproportionally smaller number of respondents expressed interest in corporate kindergartens, nurseries, children's playground equipment or other forms of short-term childcare.

Based on the above answers of respondents, affecting the workforce and working conditions, we can say about the "traditional" behavior patterns of working parents, about their satisfaction with the "traditional" arrangement of working time and about their requirements of the traditional support of families from the employers. Parents prefer more benefits related to non-working life than positive flexible working time arrangements during the day, week or longer time period.

The second sphere of research, connected with flexibility of forms of work and work organization, are the preferences and needs in the sphere of family life, parenting, and other family responsibilities. We asked, if are respondents satisfied with participation of both partners on childcare (see Fig. 3). Positively answered 71 % of respondents, 29 % of answers were negative.

Fig. 3 : Satisfaction of respondents with partner participation on childcare



Source: processing of the results of own research

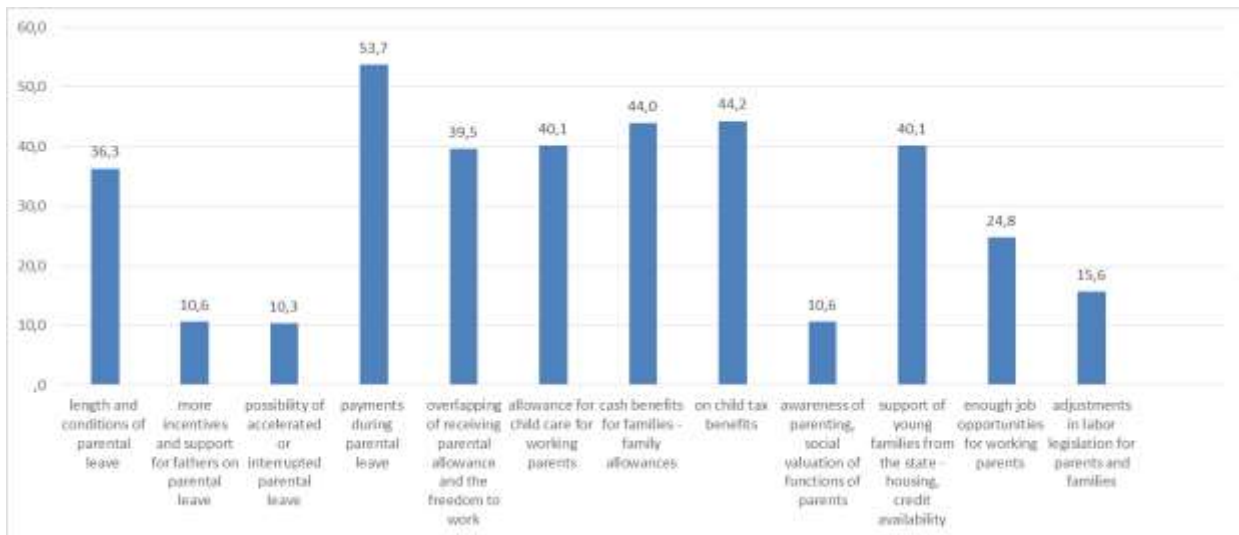
As opposed to the questions on figure 1, answers on this question were a statistically significant different by sex, because statistically significant positive male answers dominated over the negative answer. Between female answers dominated negative valuation over the positive. In terms of percentages by both sexes prevailed positive answers (satisfaction of both sexes with the participation of other partners in taking care of children), namely 83 % of men said they were satisfied with the involvement of both partners in the process (17 % were dissatisfied). Women expressed satisfaction in 60.2 % and dissatisfaction in 39.8 %.

One group of the above factors influencing the decisions of workers in the use of flexible forms of work organization and working time, with respect to the factors on the demand side (by staff), are individual and family circumstances, the value system of the individual, the family. The second group of factors are factors connected with the job (working conditions, enterprise policy in relation to human resources, corporate social responsibility of employer to current employees, to community, town, city, to potential employees, etc.).

The above mentioned sectors and factors influencing the decisions of workers in the use of flexible forms of work organization and working time are not the only. We cannot ignore the structural factors (macroeconomic development, economic performance, employment) and institutional factors (state family policy, of other macroeconomic and public policies and public services, non-profit sector), affecting attitudes and motivation of both sides of the labor market in relation to issues of positive flexibilization. Regarding the intensity of the impact of these macroeconomic and macrosocial factors on deciding to use positively flexible forms of work organization and working time tell us answers below. Specifically we examined the effect of three factors - the state of social, family and other policies, the importance of government services and programs for parents and families, as well as the overall social atmosphere to parenting, family values on the use of flexible positive forms of work organization and working time (in this case the parents of minor children, but not only they are target group of positive flexibilization).

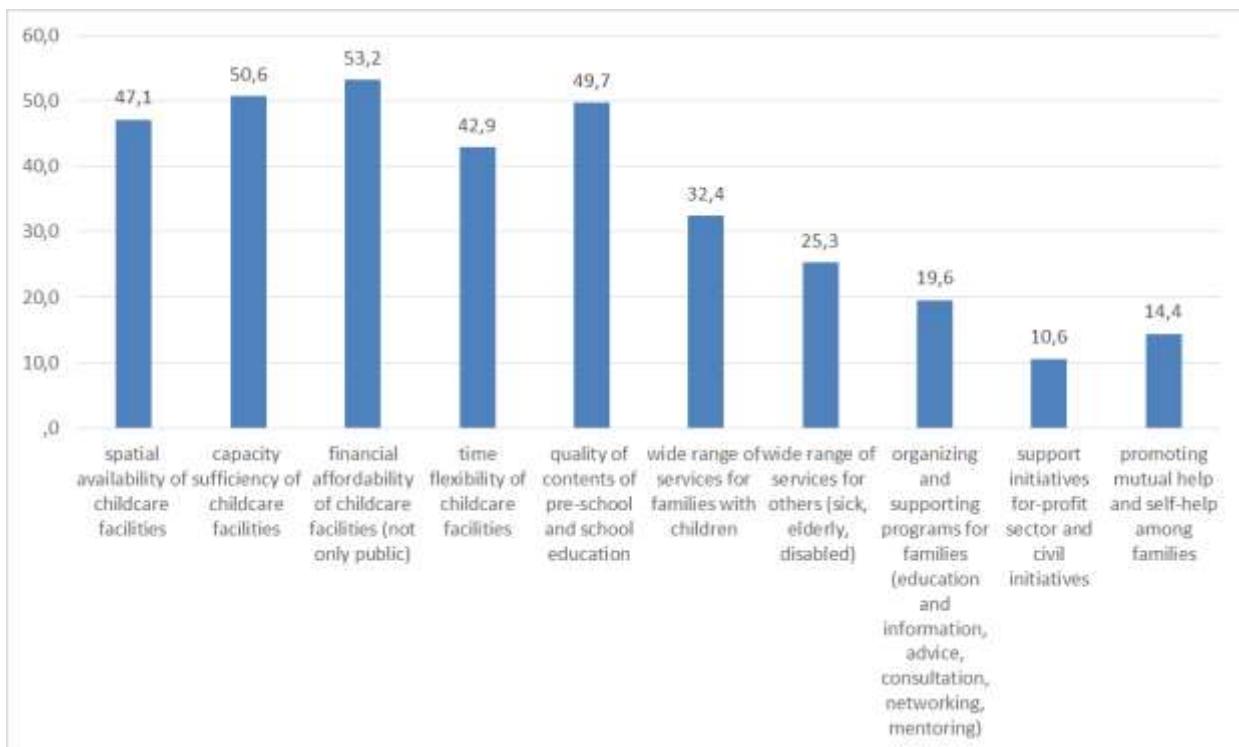
In figure 4 are the preferred forms of support from the state, we have identified as crucial in decision on parents to use flexible forms of work for the purpose of reconciling work and family. These are prevailing the instrument family and social policy (particularly the financial support of parents on parental leave for families with children or the length and conditions for parental leave). Much less percentage of respondents expects the state regulatory obligations of employers and the regulation of the labor market in order to support and respect the needs of parents of minor children. In figure 5 are the preferred forms of support from the self-government. Here dominated the requirement for financial and capacitive availability of childcare.

Fig. 4: With parents preferred forms of state support



Source: processing of the results of own research

Fig. 5: With parents preferred forms of support from the city

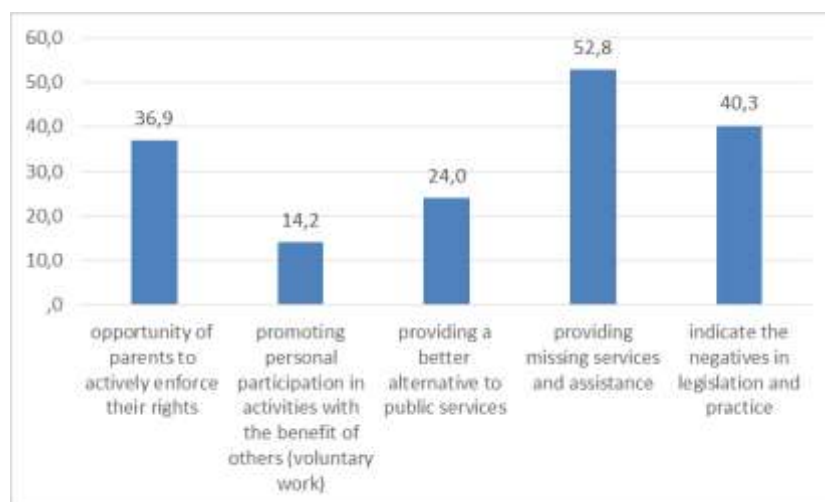


Source: processing of the results of own research

The last two actors in the process of promoting positive flexibilization of work are non-profit organizations and civil society to meet the particular information, opinion-making,

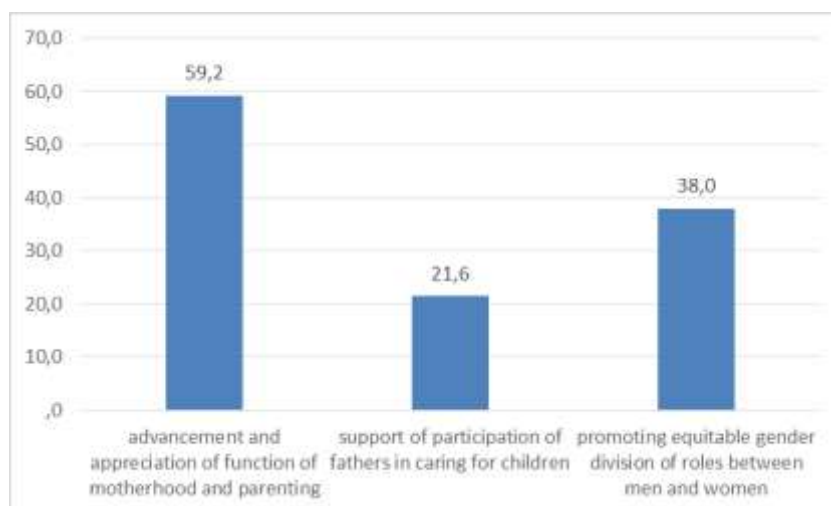
mobilization, motivational, educational function, but often also as a service provider. Non-profit sector often figures in the position of bearer of innovative approaches, innovative ideas, but also in the position of substitution of the public sector in the provision of services to support parents and families to promote positive flexibilization of work. In this position is perceived by the respondents in our study (Fig. 5). Our survey expressed dissatisfaction of respondents with the social atmosphere in relation to issues of family and family values, when a simple majority of the respondents, almost 60%, felt the need for a more sensitivity of society to these family values and parental roles. In figure 7 are presented expectations of parents in the sphere of social perception and appreciation of parents and family function for society as a whole.

Fig. 6: With parents preferred forms of support from the non-profit sector and civil society



Source: processing of the results of own research

Fig. 7 : With parents preferred forms of change of social perception and appreciation of parenthood and families



Source: processing of the results of own research

Conclusion

In this paper we presented findings that brought us the primary research about the needs, preferences and expectations of parents in the sphere of positive flexible approach of labour, working conditions, which aimed at parents of minor children (they were our target group) to promote their interest and needs of positively flexible forms of work organization and working time. We examined not only sphere of working life, but the sphere of family life and the sphere of family services provided by public and private sectors too.

We have to note the conservatism of Slovak parents, both in the sphere of labor (they chose strategies of “hidden parentage”, they declared relatively low interest in flexible forms of employment, satisfaction with the traditional arrangement of work and family life - in terms of length and organization of working time, in terms of kinds of working contracts) and in the sphere of gender division of roles in private life, in the family and childcare (gender stereotypes in perception of the role of partners in the family, child care and home care). Causes described above are the result of different factors on institutional, structural and individual level, concrete: 1st: institutional settings (public policy, particularly family and social policy, structural factors such as economic performance, employment and unemployment, labor market, business policy, corporate culture, corporate social responsibility to employees), 2nd: individual beliefs and value orientations, resulting in family values and frames of decisions making, lifestyle of Slovak families, 3rd: overall societal perceptions of parenting and the importance of family, civil and legal awareness and active solicitation of parental rights in the sphere of professional life and in the sphere of public life

(the life of citizens in the local community). A change in the direction of promoting of wider application of positive flexible forms of work organization and working time must be realized parallel on all these levels and by all these actors.

What tools we propose to support the wider use of positive flexibilization, which has not only microsocial and microeconomic but also macroeconomic and macrosocial impact: the fight against unemployment, again negative demographic trends, the fight against poverty and social exclusion, etc.). We propose the following tools: 1st need for information, more sensitive actors and the public and non-profit sector and civil society in general on issues of positive flexibilization of work, informations and advisory about issues of labor rights and parental rights, application of new trends of modern human resource management by employers, 2nd the need for dissemination examples of good practice, 3rd the need for education and training of practical skills (including manuals, handbooks).

A change in favor of support for wider application positively flexible forms of work organization and work must be done parallel on all these levels and by all actors. This theme requires an individual, targeted approach. Flexibility has a potential to support solution of wide range of economic and social problems. It can be valuated diverse, positive or negative, depends of motives and impacts on both sides of labour market (supply and demand side). Since the issue appears in many cases controversial, with conflicting interests on the demand side and the supply side, both sides should be adequately informed, motivated and skilled for practice of implementation of flexibility. Parents, or workers/employees in general are not only target group, but important actor of this process to. It is important to promote their rights and inform them and give them practical skills to have a chance to be successful in this process. Patterns of behavior of this target group of flexibilization and initiatives of this group (so called "bottom-up" approach) will be therefore crucial in process of implementation and wider usability of positive flexible forms of work organization and working time.

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