

# The Adaptability of Work Arrangements Index

by

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## Content

- Outset: Why another index?
- Dimensions of change in work arrangements
- Indicators for measuring change and adaptability: AWAI -  
Adaptability of Work Arrangements Index
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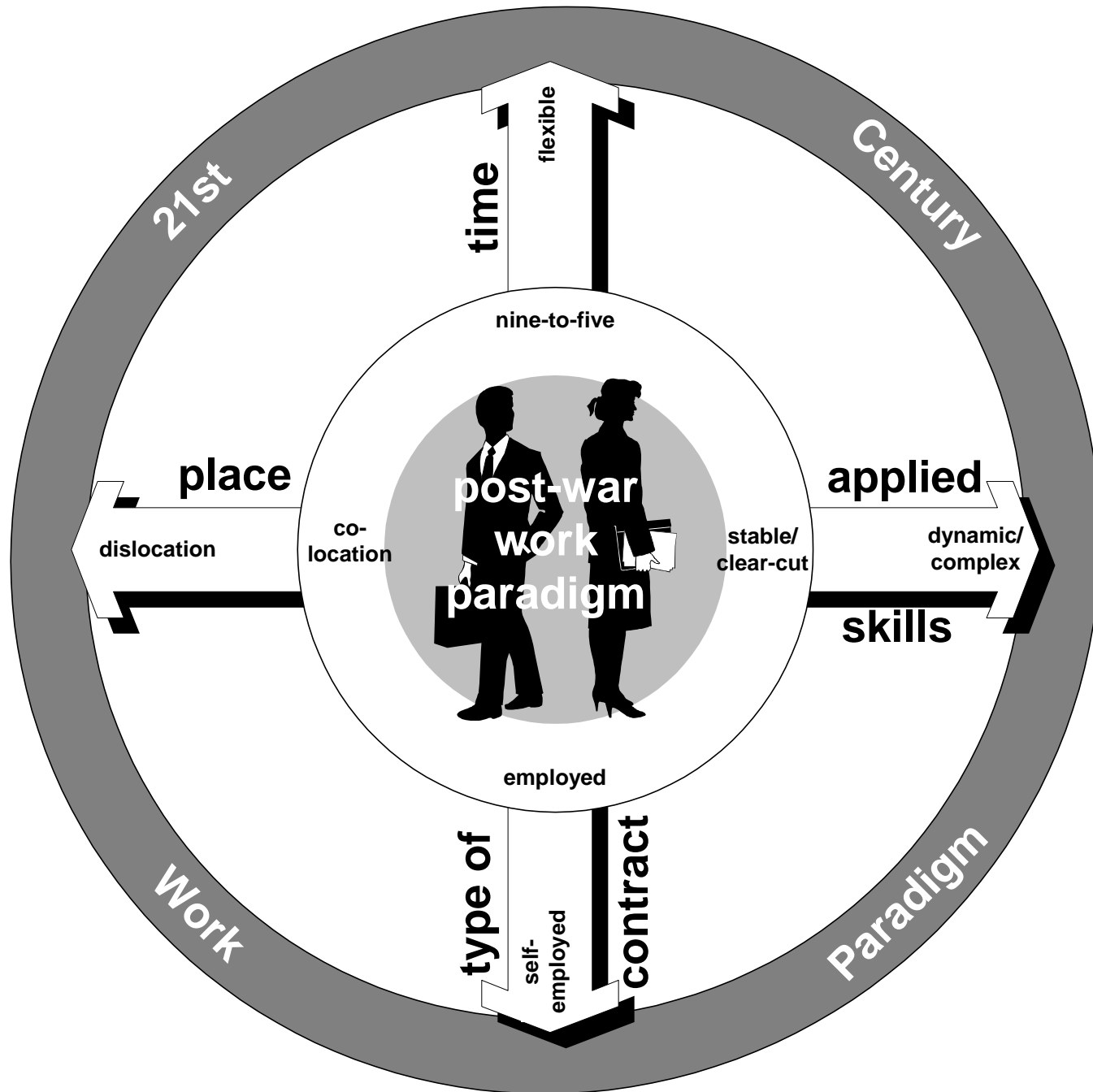
## The Outset

“The EU is to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth and **more and better jobs** and **greater social cohesion**”

European Commission,  
Lisbon European Council,  
March 2000

## Why another index ?

- European Employment Policy stresses adaptability instead of just flexibility
- Emphasis on labour market adaptability is not reflected in available indices (eg. from OECD)
- Available Labour Market Flexibility Indices only represent employer-centred flexibility
- Available Information Society Indices focus on technical equipment instead of outcomes at level of the individual
- **Adapatability of Work Arrangements Index**



# Indicators for Measuring Change and Adaptability in Work Arrangements

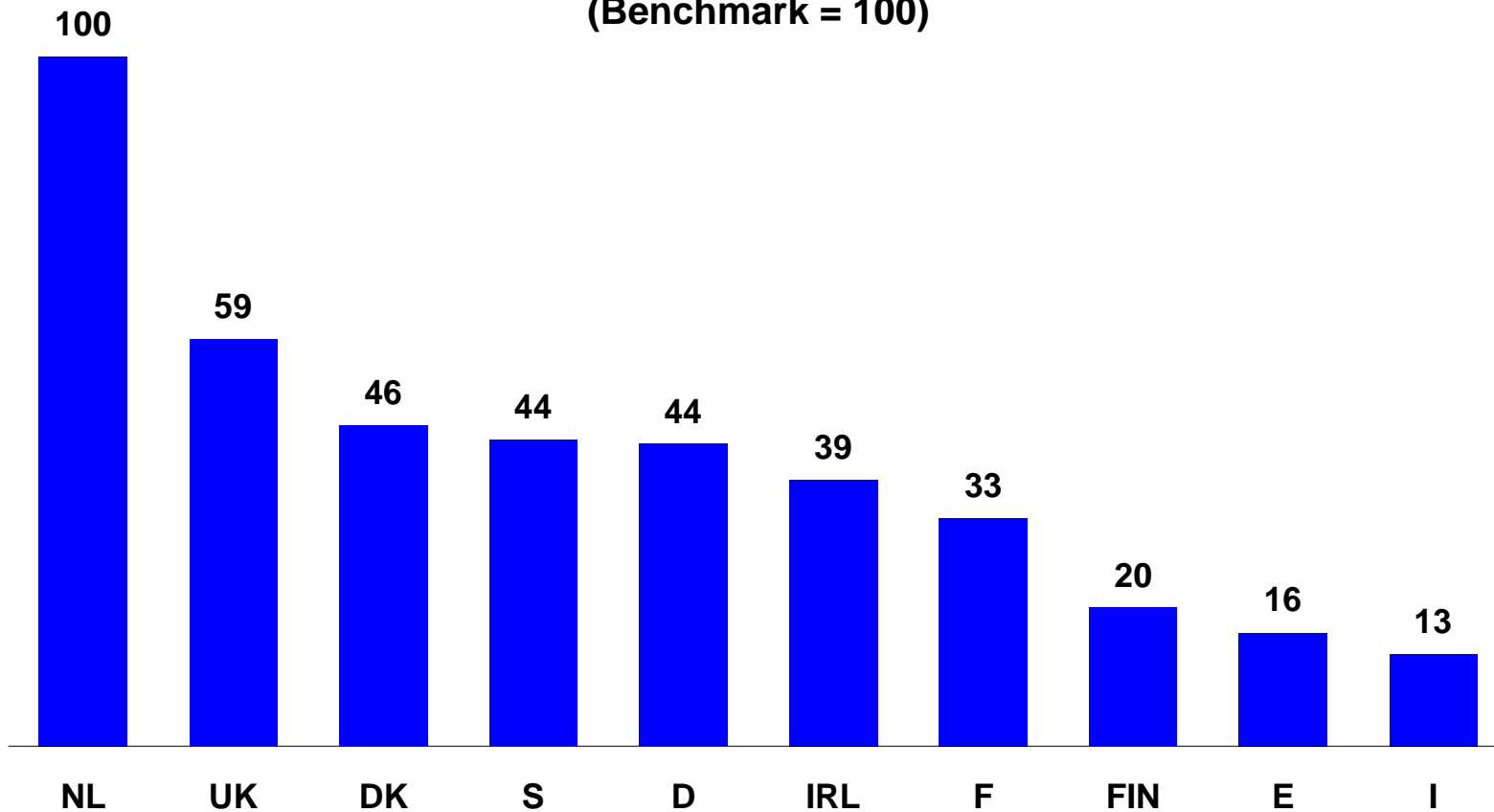
<b>Time</b>	<ul style="list-style-type: none"><li>• Voluntary part-time working</li><li>• Temporal autonomy in job</li></ul>
<b>Place</b>	<ul style="list-style-type: none"><li>• Teleworking</li><li>• Tele-cooperation</li></ul>
<b>Contract</b>	<ul style="list-style-type: none"><li>• Growth in freelance self-employment</li><li>• Employment protection legislation</li></ul>
<b>Applied skills</b>	<ul style="list-style-type: none"><li>• Managerial responsibility</li><li>• Lifelong learning of employees</li></ul>

## Indicators for Measuring Adaptability: Voluntary Part-time Work

- Strong increase in part-time work throughout the EU (in last decade)
- Large country differences in share of voluntary among all part-time work
- Voluntary part-time work is more adequate indicator of adaptability
- Often enabled by ICTs (better coordination of different time schedules through asynchronous communication and tele-cooperation)

# Indicators for Measuring Adaptability

## Voluntary part-time working 1999 (Benchmark = 100)



Data source: Eurostat LFS

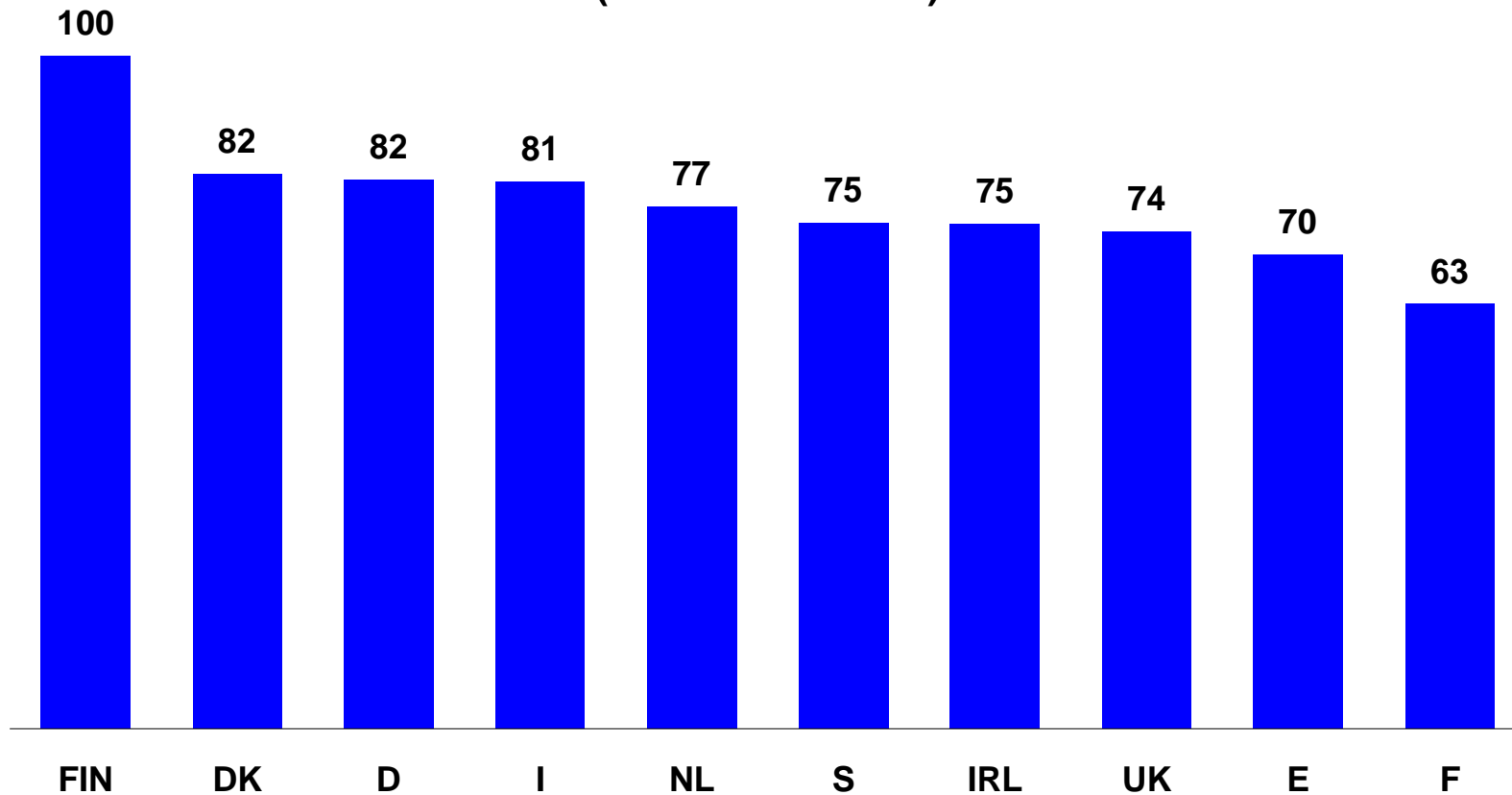


## Indicators for Measuring Adaptability: Temporal Autonomy in Job

- Flexitime work arrangements on the rise
- Adapted to increasingly diverse and manifold lifestyles
- Adapted to more varied business requirements (just-in-time working)
- Also often enabled by ICTs (better coordination of different time schedules)

# Indicators for Measuring Adaptability

**Temporal autonomy in job 1999**  
(Benchmark = 100)



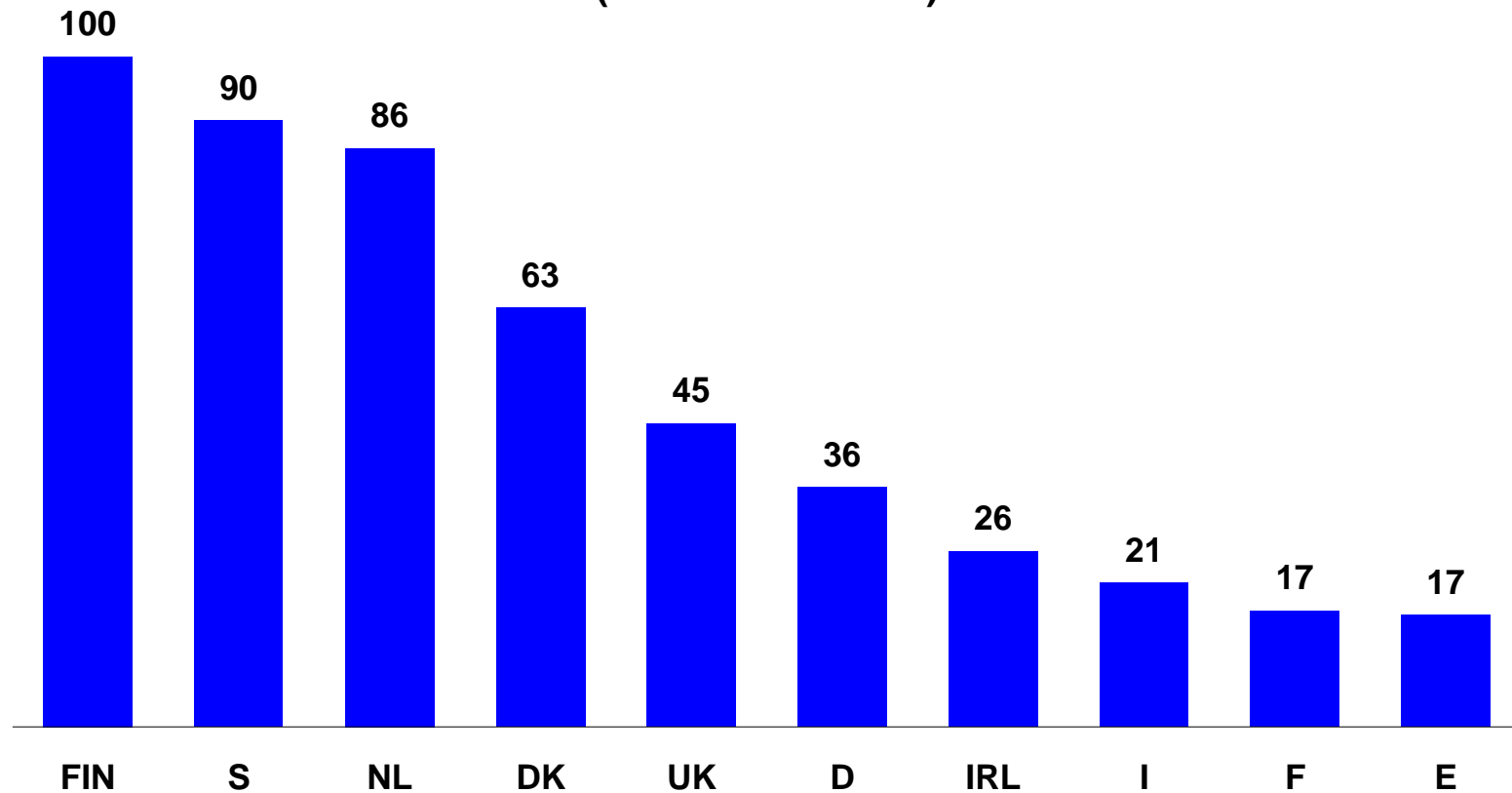
Data source: ECaTT (empirica)

## Indicators for Measuring Adaptability: Teleworking

- Spatial flexibility enabled by telework: Location of work can be changed in the short term.
- Companies are more adaptable to changes in their business environment
- Very dynamic development in last decade, but huge differences between countries

# Indicators for Measuring Adaptability

## Telework 1999 (Benchmark = 100)



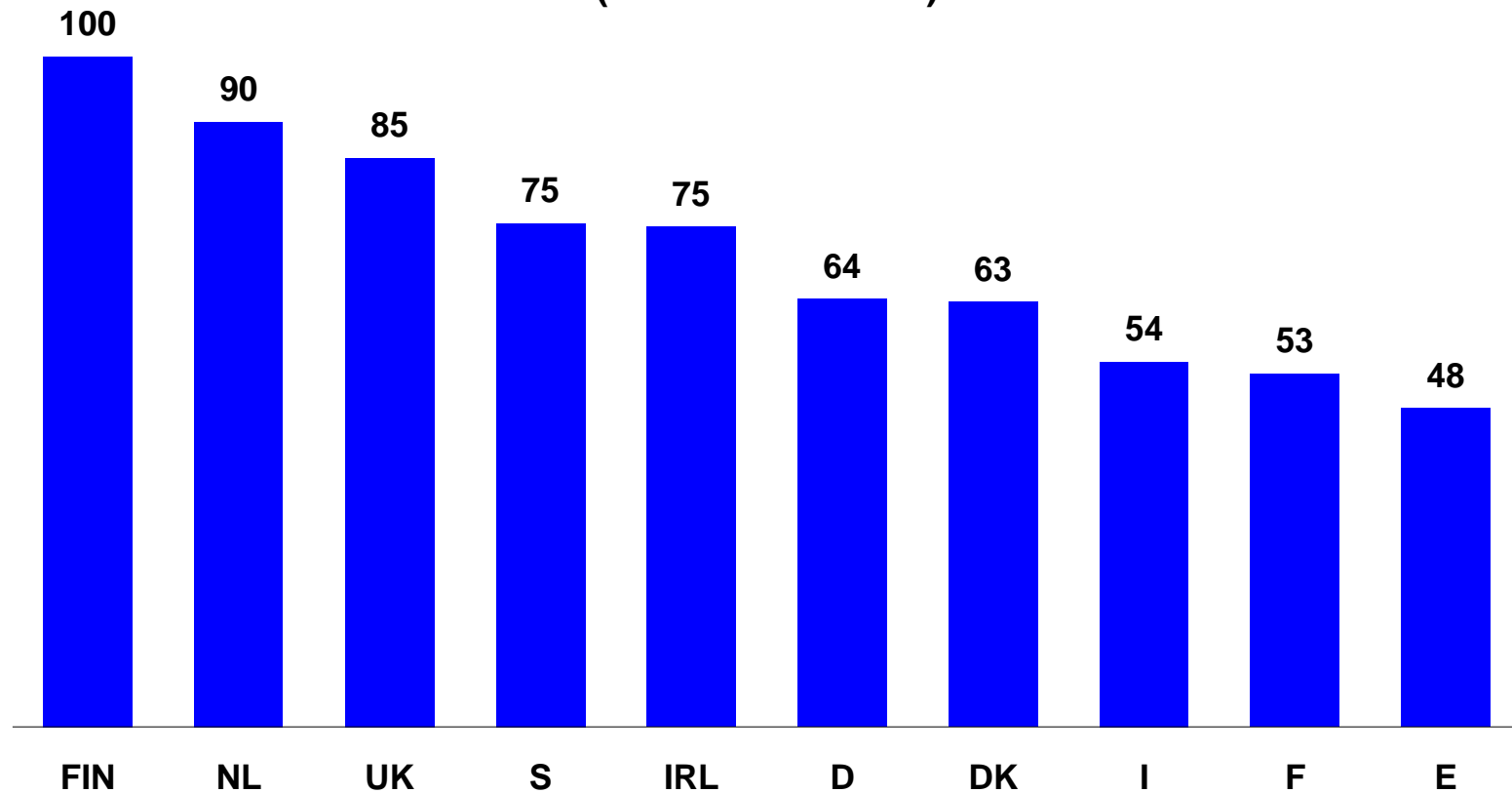
Data source: ECaTT (empirica)

## Indicators for Measuring Adaptability: Tele-cooperation

- Collaboration across boundaries of establishments by means of ICTs
- Boost to productivity and innovation in companies
- Flexible configurations of human capital without moving people from one place to another
- Except for Finland, in all EU countries less than half of the labour force do tele-cooperate (average 30%)

# Indicators for Measuring Adaptability

**Tele-cooperation 1999**  
(Benchmark = 100)



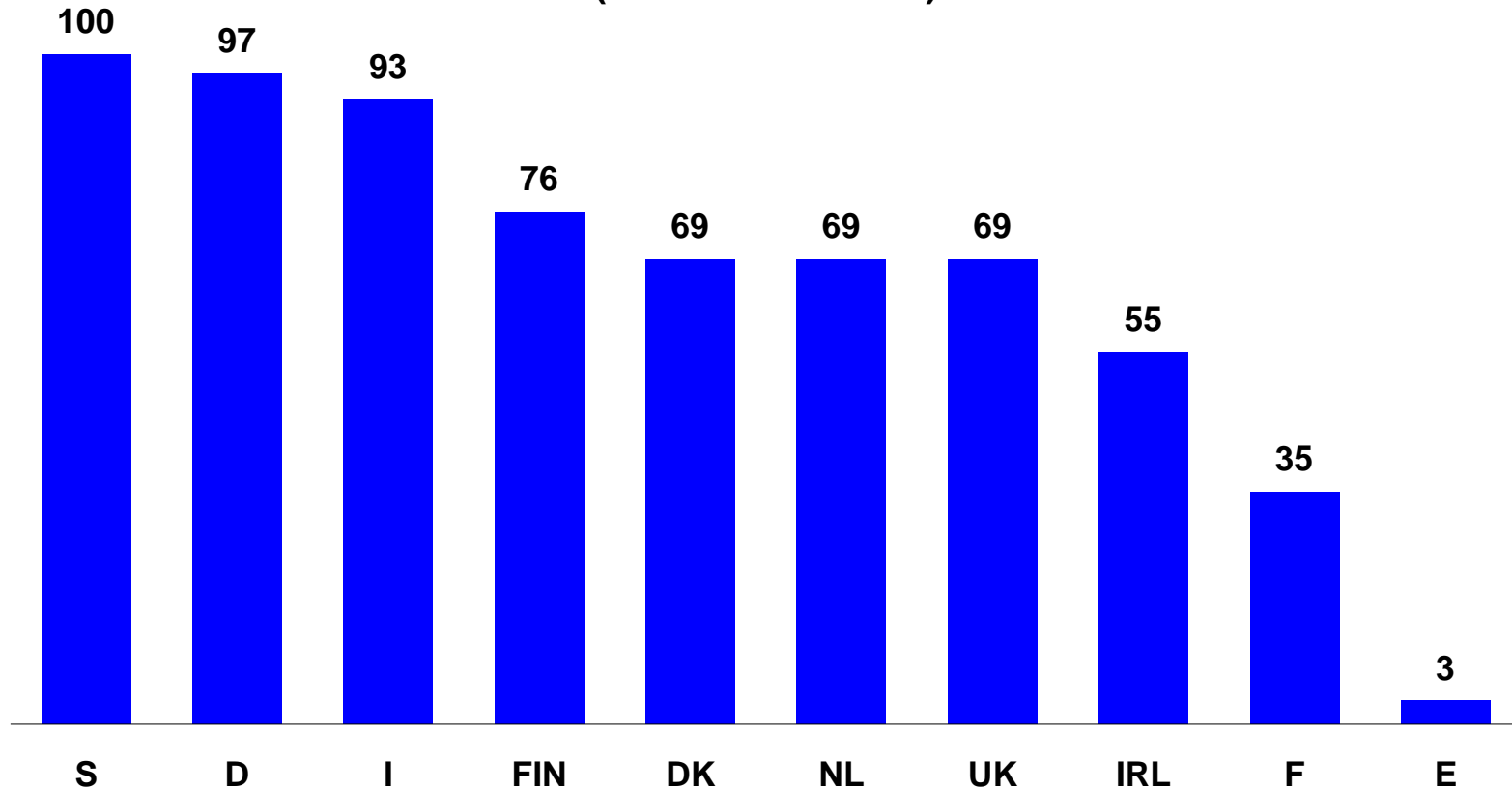
Data source: ECaTT (empirica)

## Indicators for Measuring Adaptability: Growth in Freelance Self-employment

- Expected to rise as a result of ICTs that have boosted opportunities
- Self-employment has been decreasing until only a few years ago
- Excluding farming and self-employment with employees = freelancers
- Share of freelancers has risen in last decade
- AWAI uses growth in share of freelancers

# Indicators for Measuring Adaptability

**Growth in self-employment: freelancers 1988-98**  
(Benchmark = 100)



Data source: IAB based on Eurostat LFS

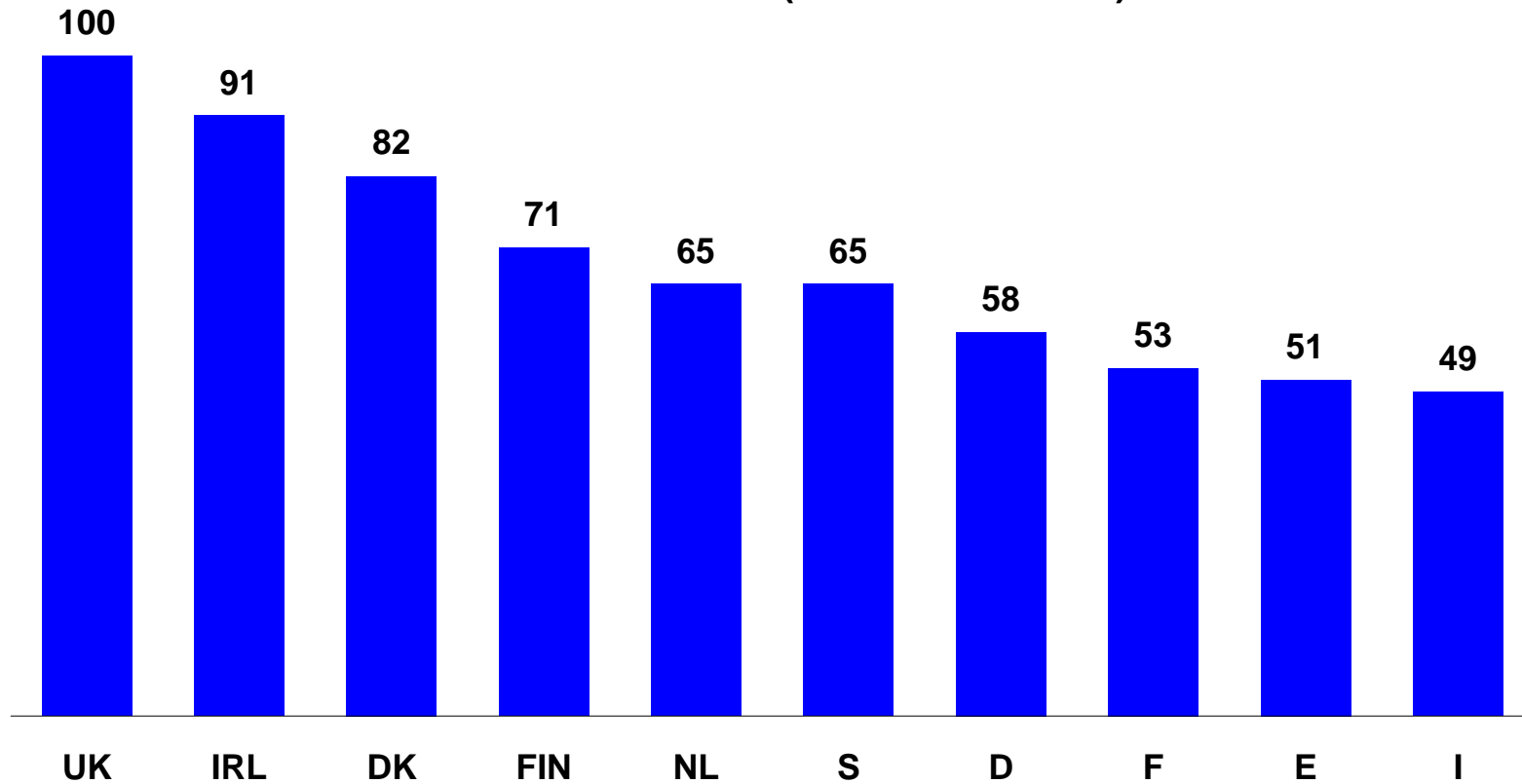


## Indicators for Measuring Adaptability: Employment Protection Legislation

- Compound Indicator developed by OECD
- Measures stringency of national labour market regulation
- Includes information on provisions re dismissals (hire & fire), part-time and temporary work etc.

# Indicators for Measuring Adaptability

## OECD Employment Protection Legislation Indicator 1998 (Benchmark = 100)



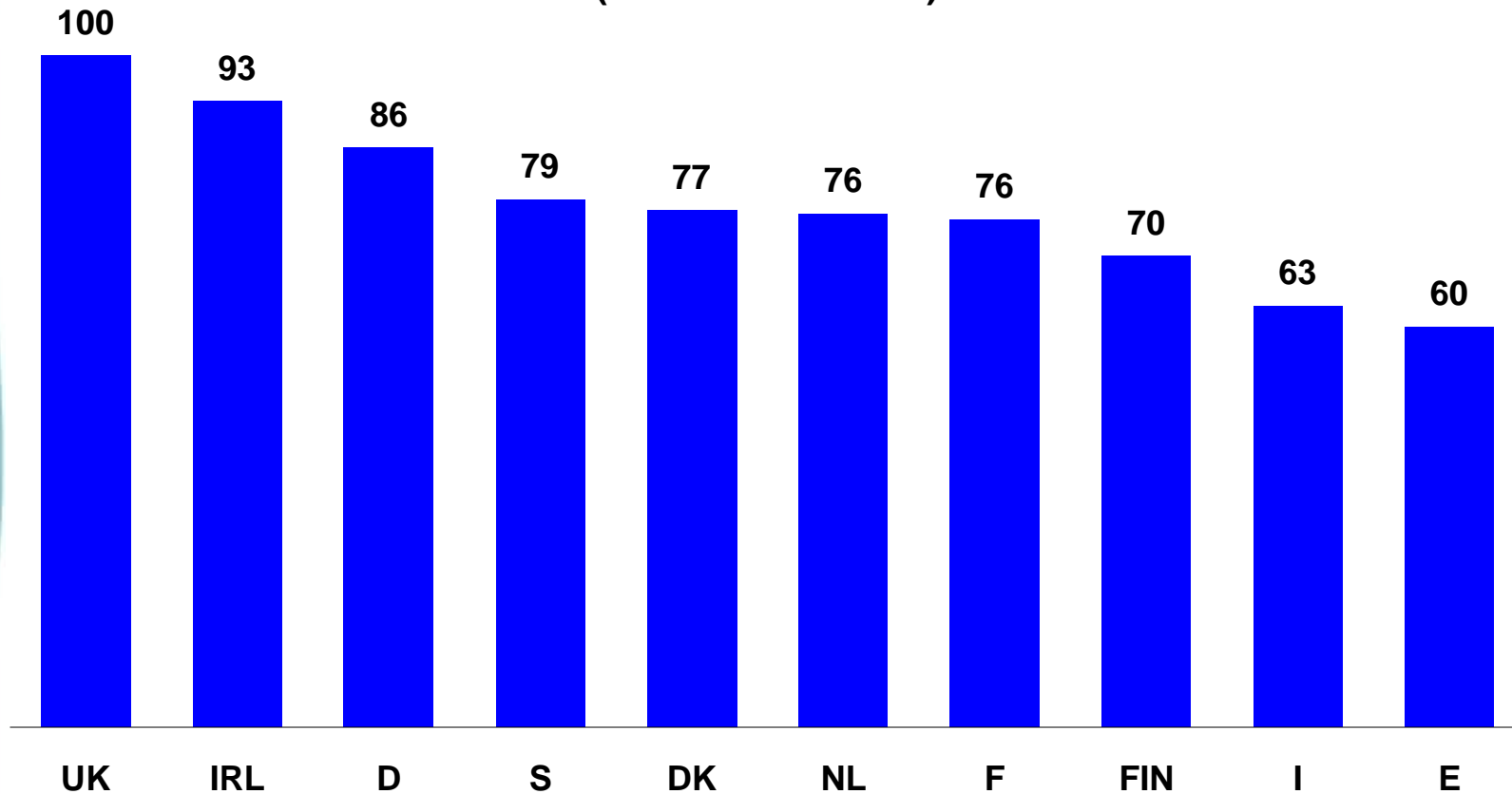
Data source: OECD

## Indicators for Measuring Adaptability: Managerial Responsibility

- Business re-engineering asks for flatter hierarchies and more responsibility handed to workers
- Job enrichment and worker empowerment means that managerial responsibility is spread over more members of staff

# Indicators for Measuring Adaptability

**Managerial responsibility 1999**  
(Benchmark = 100)



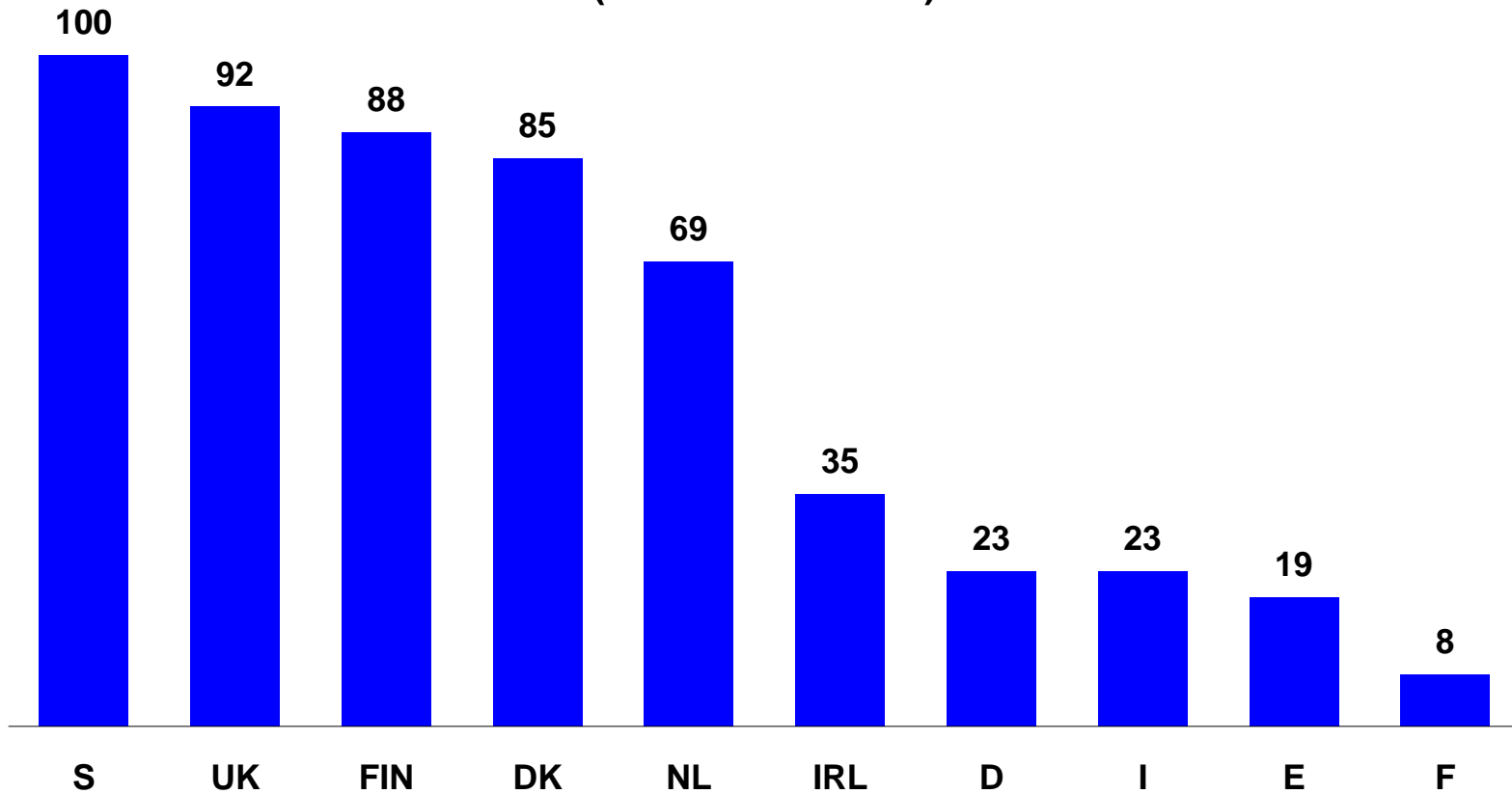
Data source: ECaTT (empirica)

## Indicators for Measuring Adaptability: Lifelong Learning of Employees

- Shorter technology life-cycles require workers to be trained continuously
- Lifelong learning boosts adaptability of both companies and individuals on the labour market
- Today lifelong learning schemes are primarily targeted at the unemployed
- AWAI uses data on employees (persons holding a job) having participated in training in 4 weeks prior to the survey

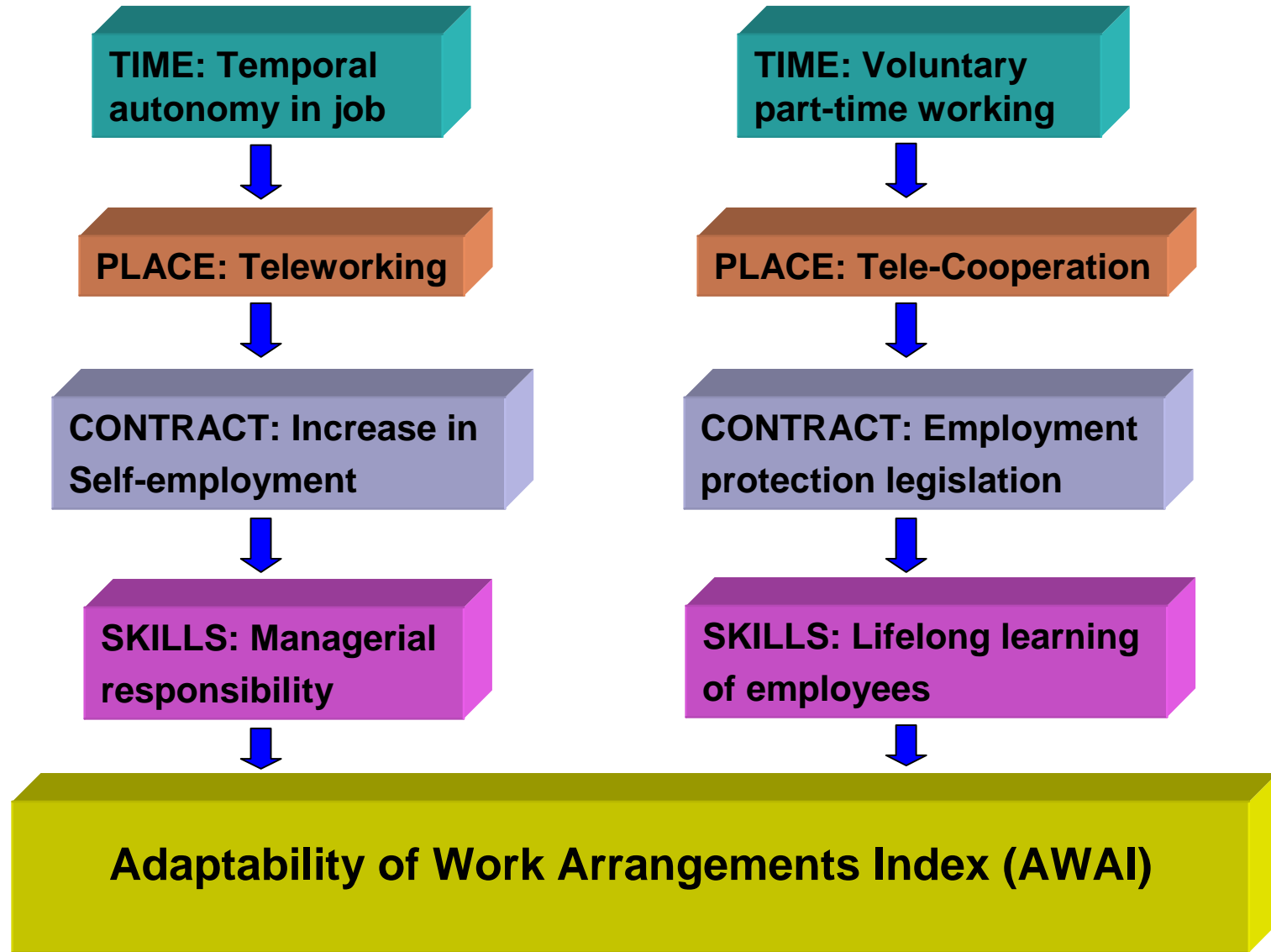
# Indicators for Measuring Adaptability

## Lifelong learning of employees (Benchmark = 100)

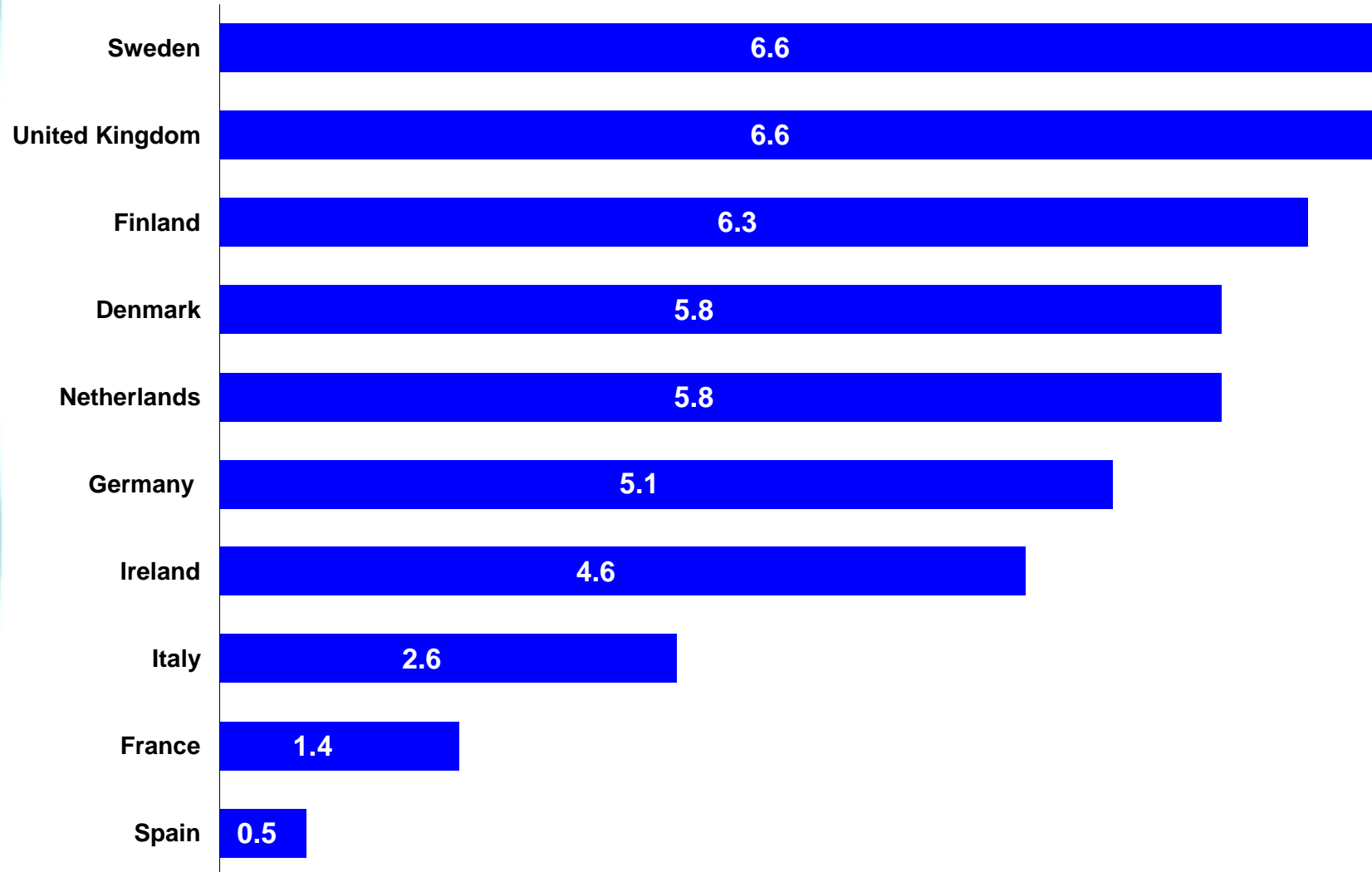


Data source: Eurostat LFS

# From Indicators to Index



# AWAI Index Results





# AWAI Index Results

## Fast Movers

**Sweden, UK, Finland**

- Highly adaptable, dynamic labour markets

## Circumspect Followers

**Denmark, Netherlands  
Germany, Ireland**

- Solid middle group which attempt to combine (positive) aspects from the past and future

## Sedentaries

**Italy, France, Spain**

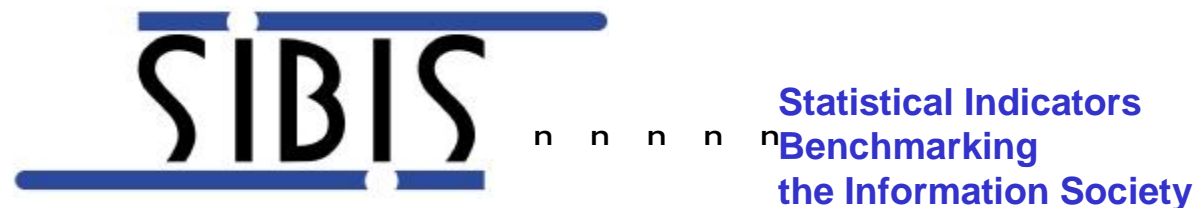
- Slow movers, running the danger to loose contact to developments in the rest of the European Union

# AWAI Index Calculation Results

Dimension <b>P</b>	TIME		PLACE		CONTRACT		APPLIED SKILLS		AWAI Index <sup>1</sup>	Overall rank
	Voluntary part-time working	Temporal autonomy in job	Teleworking	Tele-Cooperation	Employment Protection in Legislation	Self-employed	Managerial Responsibility	Lifelong learning of employees		
<b>Sweden</b>	44	75	90	75	65	100	79	100	<b>6.63</b>	<b>1</b>
<b>United Kingdom</b>	59	74	45	85	100	69	100	92	<b>6.63</b>	<b>1</b>
<b>Finland</b>	20	100	100	100	71	76	70	88	<b>6.25</b>	<b>3</b>
<b>Denmark</b>	46	82	63	63	82	69	77	85	<b>5.75</b>	<b>4</b>
<b>Netherlands</b>	100	77	86	90	65	69	76	69	<b>5.75</b>	<b>4</b>
<b>Germany</b>	44	82	36	64	58	97	86	23	<b>5.13</b>	<b>6</b>
<b>Ireland</b>	39	75	26	75	91	55	93	35	<b>4.63</b>	<b>7</b>
<b>Italy</b>	13	81	21	54	49	93	63	23	<b>2.63</b>	<b>8</b>
<b>France</b>	33	63	17	53	53	35	76	8	<b>1.38</b>	<b>9</b>
<b>Spain</b>	16	70	17	48	51	3	60	19	<b>0.50</b>	<b>10</b>

## Conclusions

- AWAI Results should be interpreted with care because sustainability of flexible work arrangements is still not adequately measurable
- Data on labour market adaptability is scarce
- New, more adequate indicators are needed
- Research is on the way è SIBIS Project



- Website: <http://www.sibis-eu.org>

# Thank you very much for your attention!

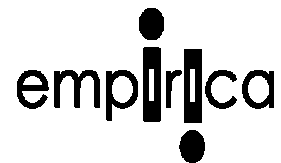
For more information please visit:

<http://www.ecatt.com>

<http://www.empirica.com>

<http://www.sibis-eu.org>

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