

Workplace Flexibility and the Changing Nature of Work: An Introduction

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There has long been widespread adherence to the view that organizational survival and success depends, to a greater or lesser extent, on the degree to which organizational features incorporate a level of flexibility that allows them to adapt to changes in their environment (see, for example, Burns & Stalker, 1961; Duncan, 1972; Hall, 1991; Thompson, 1967). In recent times, this emphasis on flexibility has increased further as developments such as industry deregulation and advances in new technologies are seen to have heightened the competitiveness of markets and the pace and volatility of change (e.g., Drucker, 1997; Hesselbein, Goldsmith, & Beckhard, 1997; Nisbitt, 1984).

During the last decade, the factor that has been particularly adduced to signal a growing turbulence in product markets has been globalization. The reduction or removal of time and space as barriers to trade, and the resulting integration of spatially separate markets, has given (and continues to give) rise to an intensification in market activity, as a progressively greater proportion of the total market for goods and services becomes subject to competitive pressure. The upshot is seen to be an ever-increasing need for organizations to be capable of adapting to rapidly changing conditions. Such adaptability takes various forms, be it in terms of how organizations function (for example, whether they exist on the basis of direct ownership or through franchising arrangements), how they position themselves within new markets (through growth, acquisition, or strategic alliance), how they are internally configured (the degree of centralization/decentralization), how they organize production of goods and services (e.g., make or buy decisions), or how they organize their workforce (such as the mix of permanent and temporary contracts, patterns of labour deployment, and reward structures).

The papers gathered here were originally presented as part of a colloquium held at the Faculty of Management, University of Lethbridge, in December 1999 (Dastmalchian & Blyton, 1999). Financial support for the colloquium, from Certified Management Accountants of Alberta, Haul-All Equipment Ltd., and the University of Lethbridge, is gratefully acknowledged. The papers also benefited from the comments of those who attended the colloquium. The editors would also like to extend their thanks to Linda Janz for all her work both during the colloquium and subsequently.

Various writers on organizations have recently addressed these aspects of adaptability and provided insights into the implications of newer and more flexible forms of organization and the impact these are likely to have on the nature of work and employees (see, for example, Stevenson & Moldoveanu, 1994). Earlier, however, many of the features of flexible organizations were described by Bell (1973) under the conceptual umbrella of post-industrial organization. According to Bell, instead of organizing around the control of labour and the production of goods, as in the industrial era, post-industrial society is organized around the creation of knowledge and the uses of information. Attributes of post-industrial organizations include flatter hierarchies, more horizontal communication, greater use of outsourcing, informal mechanisms of influence (participation, culture), loose boundaries between functions and units (and organizations), a celebration of uncertainty, and innovation. The prototypical post-industrial forms of organization are networks, joint ventures, strategic alliances, and virtual organizations (Ghoshal & Bartlett, 1990; Handy, 1995; Powell, 1990). The challenges for management of creating and maintaining flexible and newer forms of organization have been the subject of considerable theoretical and conceptual work in recent years (for example, Clegg, 1990; Clegg, Hardy, & Nord, 1999; Hesselbein et al., 1997).

Yet, while flexibility is increasingly regarded as a "must have" in all functional areas of contemporary organizations, the introduction and maintenance of that flexibility is far from unproblematic. It is a question of striking a balance between those positive attributes attaching to flexibility (versatility, adaptability, and so on) and certain attributes attaching to those organizational features that are potentially undermined by flexibility—in particular, characteristics such as continuity and stability (Standing, 1986). The extent to which organizations successfully strike this balance, or achieve what some have described as "tight-loose" structures (Daft, 1995, p. 67; Legge, 1995, p. 139; Quinn, 1988) underpins much of the research on the strategies, structures and operations of organizations.

Consistent with this increased awareness of the significance of organizational flexibility is the identification of the tremendous impact of flexible and high perform-

ing organizations on the nature of work (e.g., Rifkin, 1995), the career path of the workforce (e.g., Waterman, Waterman & Collard, 1994), and the nature of human resource management practices and industrial relations (e.g., Ichniowski, Kochan, Levine, Olson, & Strauss, 1996; Kochan & Osterman, 1994; Pfeffer, 1994, 1998; see also the recent debate between Godard & Delaney, 2000, and Kochan, 2000).

The importance attributed to achieving and maintaining flexibility, and the simultaneous tension that this can generate where flexibility threatens to undermine stability and continuity, has ensured that different aspects of flexibility have remained, implicitly or explicitly, prominent in many branches of organizational research in latter years. This prominence has been particularly the case in the field of human resources research, and the papers that comprise this present collection contribute to this field by offering breadth (and hopefully some depth) to the analysis of organizational flexibility, particularly as it relates to employment and human resource issues.

In doing so, the papers address two common problems that have circumscribed much of the research to date on flexibility. First, existing studies have tended to focus on a single level of analysis (primarily the workplace or the firm) at the expense of other levels such as sector, country, and cross-national analyses. The inadequate number of enquiries across national boundaries, for example, has significantly restricted the identification of the effects of national systems on organizational flexibility. The present collection offers findings drawn from several levels of analysis, with different articles considering aspects of flexibility at the workplace, sector, and societal levels. Further, while two of the articles focus on single national contexts (Long's article on payment systems within Canadian organizations and Huang & Cullen's article on aspects of HRM in Taiwan), two others (by Venne and by Ng & Dastmalchian) utilize a small number of countries for cross-national comparisons (two countries in Venne's discussion of demographic trends and five countries in Ng and Dastmalchian's account) and the article by Bacon and Blyton draws on a much broader inter-country comparison.

A second aspect of the breadth offered by these articles is that just as flexibility relates to a range of human resource policies and practices, in the same way the papers cover a variety of aspects of flexibility, ranging from the flexibility contained in high performance work practices and more contingent contracts (Bacon & Blyton), to the flexibility in the rules governing both employer and employee behaviour (Ng & Dastmalchian), the reward systems associated with the development of organizational flexibility (Long), the relationship between flexibility and other HR practices (Huang &

Cullen) and the implications for employment and labour flexibility of current population patterns and demographic trends (Venne).

In the first article, Bacon and Blyton examine evidence on the introduction of high performance work practices—many of these predicated on the creation of greater functional flexibility—in the international iron and steel industry. They also analyze whether such practices are being introduced alongside a management commitment to job security (the importance of which is emphasized by Appelbaum, Bailey, Berg, & Kalleberg, 2000, emphasize) or whether in fact these practices coincide with an increase in job insecurity (as Osterman, 1998, 2000, has noted in a recent study in the United States). Bacon and Blyton examine this relationship between security and high performance work practices on a global scale, drawing on survey data gathered from the iron and steel industry in 30 countries.

The study identifies both a widespread adoption of more flexible working patterns in the iron and steel industry and a greater presence of insecurity, expressed not only in terms of increased layoffs and heightened perceptions of insecurity, but also by the growth of non-standard employment such as fixed-term and casual contracts. Following Appelbaum and colleagues (2000) the joint presence of both high performance practices and increased insecurity potentially creates a tension between the requirement for employee commitment to the work initiatives and the absence of a reciprocal management commitment to job security. However, in Bacon and Blyton's study, the absence of any single relationship between the work initiatives and job insecurity suggests that while some organizations are adopting flexibility as part of a broader high performance strategy, in other cases the flexible working is more a response to cost cutting and job reductions.

The apparent tension in these results—that in some cases, at least, high-commitment work practices are being introduced alongside increased insecurity—indicates a mix of “hard” (cost-based) and “soft” (employee development-based) human resource strategies (Legge, 1995) that is a more common reality than a wholly consistent HR approach. Some have argued that employers are unlikely to succeed with such a mix, that they will fail to secure the necessary levels of trust and discretionary labour from the workforce (Appelbaum et al., 2000; Lorenz, 1992). Osterman (1998), however, suggests that this argument may no longer be valid, that labour in less secure employment commits itself in the hope of reciprocation rather than the guarantee, because it has few options but to do so. The absence of a single pattern across the different countries in Bacon and Blyton's sample, however, underlines the dangers of generalizing single-country findings across national bound-

aries. While it does appear that flexibility agenda have a presence throughout industrial societies, the influences on the particular directions that flexibility will take, and the accompanying changes in other organizational features, will vary considerably.

If one tension to be considered is that between labour flexibility and job security, another that has been emphasized in the past is the possible tension between the presence of trade unions and the achievement of flexibility. It has been argued that trade unions are likely to constrain management's achievement of greater flexibility. Trade unions not only wish to protect members from unilateral management action (see, for example, Ng & Maki, 1994), but also, trade union power in the workplace is based in part on the establishment and maintenance of certain rules, such as standardized pay scales, working time limits, and agreed job boundaries. However, Ng and Dastmalchian found little evidence of unions restricting flexibility, and in some parts of the world at least—in this case, the three Asian countries included in their sample—the presence of unionism actually increased rather than restricted management's flexibility. The authors argue that in turn this reflects the non-adversarial character of Asian trade unions within work organizations, as well as the influence of national culture on the roles and function of trade unions.

Rick Long's paper also addresses a potential source of tension between flexibility and other human resource practices, in this case between the development of flexibility and the retention of traditional payment systems. Long's study is based on the premise that organizations will operate more flexibly if there is an alignment of managerial and employee goals, an alignment that may be encouraged by the judicious use of reward systems, particularly profit-sharing schemes. Hence, a degree of financial flexibility—the level of reward varying depending on the workforce's performance—is seen as a necessary ingredient to achieving broader organizational flexibility. Long's study thus relates to the side of the high performance equation that tends to be overlooked, that is, the incentives and broader HR structures in which high performance work arrangements are embedded (Appelbaum et al., 2000). Long's findings provide evidence that some reward systems—in particular group-based systems such as profit-sharing schemes—are indeed associated with more flexible work organizations and thus that such systems may provide better conditions for the growth of flexibility than more standardized or individually based reward systems.

In their article, Huang and Cullen argue that organizational flexibility will be influenced by the extent to which employee participation in decision-making is encouraged. They maintain that high levels of communi-

cation and participation are likely to be critical components in maintaining organizational adaptability. In tracing which factors are associated with the encouragement of participation in a sample of Taiwanese organizations, these authors identify the importance of several human resource policies and practices, most notably the extent to which organizations facilitate or encourage their employees to pursue additional educational qualifications. The association between the presence of such support and the encouragement of employee participation suggests a mutually reinforcing relationship, with firms benefiting through employee participation from the education that they have supported, while the knowledge generated by this education gives employees greater participatory efficacy, which Pateman (1970) identified as critical to the development of participation.

While several of the articles address possible sources of tension between the development of flexibility and other organizational characteristics (degree of job security, presence of unions, nature of payment systems, and so on), Venne's article raises the level of analysis from the organizational to the societal level by examining the links between flexibility and demographic trends. She underlines the point that changes in the pattern of labour demand—for example, a greater demand for shorter term relations, more varied skills, and more adaptable behaviour—are predicated on the availability of suitable labour. From her analysis of population patterns in Canada and Japan, Venne raises several important issues relevant to the pursuit of flexibility. These include the need to accommodate a shortage of young workers and a comparative glut of older workers, and the challenges this poses not only for assumptions about which age groups are more flexible, but also for the provision of a training infrastructure that not only builds flexibility into young people's training programs but also creates opportunities for older workers to learn the skills required for greater flexibility, and makes those opportunities available throughout the working lifetime rather than only at the outset of working careers. Venne also raises a number of other important societal issues such as the role of immigration in contributing to a more flexible labour force and, in some societies at least, the need to address more thoroughly the question of whether women workers are being allowed to develop to their full potential and thereby contribute fully to organizational flexibility, rather than providing flexibility only through such means as part-time working.

In all, the papers in this collection attest to the continuing importance of flexibility as a central feature of contemporary organizations, and the continuing contribution of academic research and debate on different aspects of organizational flexibility.

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