



Flexibility in Industrial Organisation

Some Trends of Flexibility in Germany

European Foundation
Towards a Sustainable and Flexible Work Organisation
Dublin, 5-7 October

Institut Arbeit und Technik

Structure

1. Developments of flexible working time regulation in Germany
2. Trends of actual working times
3. Trends of flexible work organisation
4. Conclusions

Developments of working time regulation

Working time regulation in the era of fordism:

- Leading role of trade unions
- Strong working time norms
(duration/position/distribution)
- Flexibility in form of deviations (overtime) possible, but
highly regulated (codet.) and expensive

Developments of working time regulation

New developments in the 80s: two basic trends

- De-centralisation of working time regulation (Verbetrieblichung)
- Flexibilisation of working time regulation (breathing factory)



Starting point:

working time reductions in collective bargaining agreements (compensation periods and delegation of responsibility)

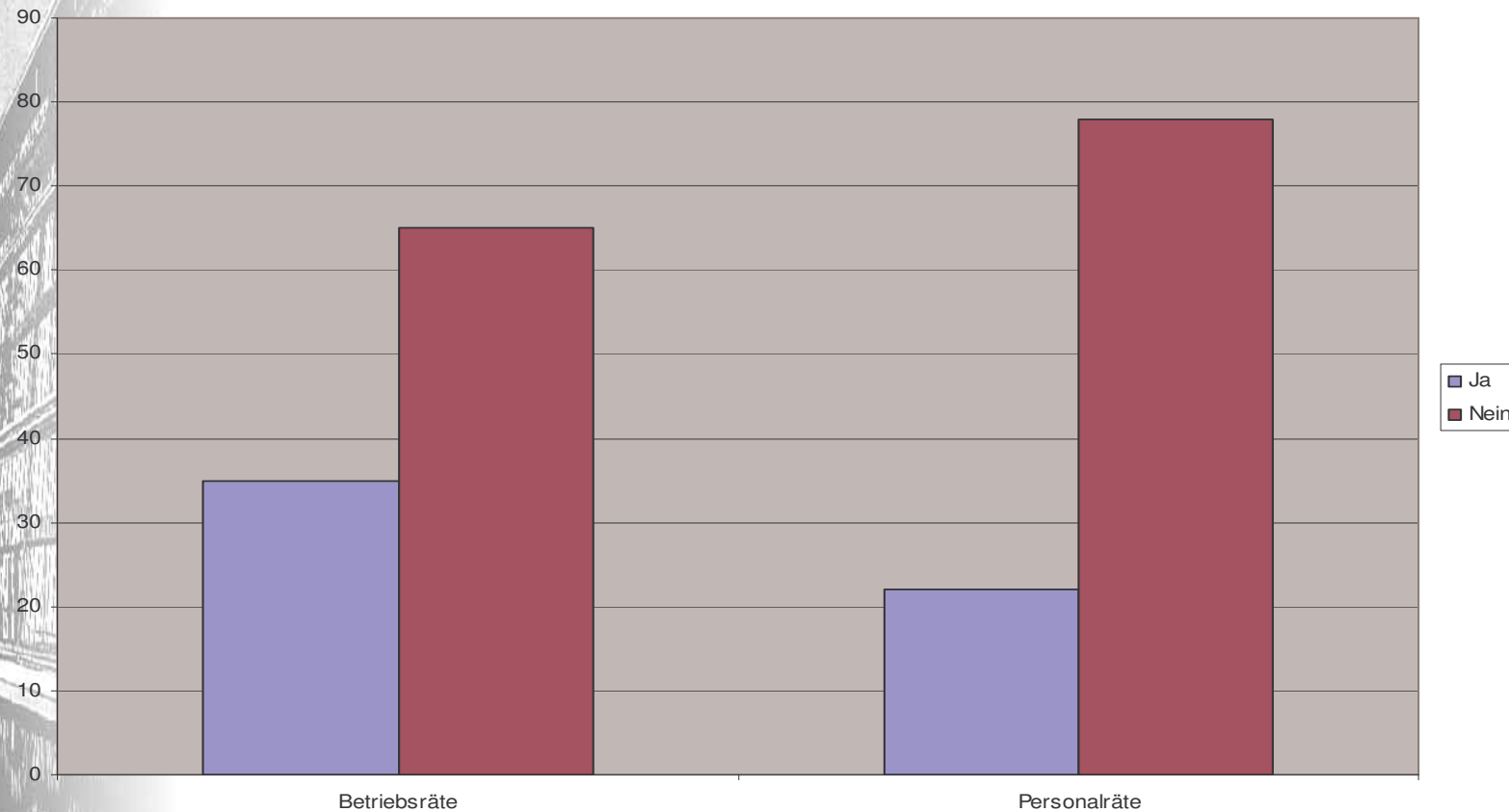
Developments of working time regulation

New developments since the 1990s: Differentiation of decentralisation

- Verbetrieblichung: local definition of general norms
- Opening: local shortfalls of general norms by opening clauses
 - Coordinated opening (central coord.)
 - Uncoordinated opening (without duty of agreement)
 - Wild opening (deviation)

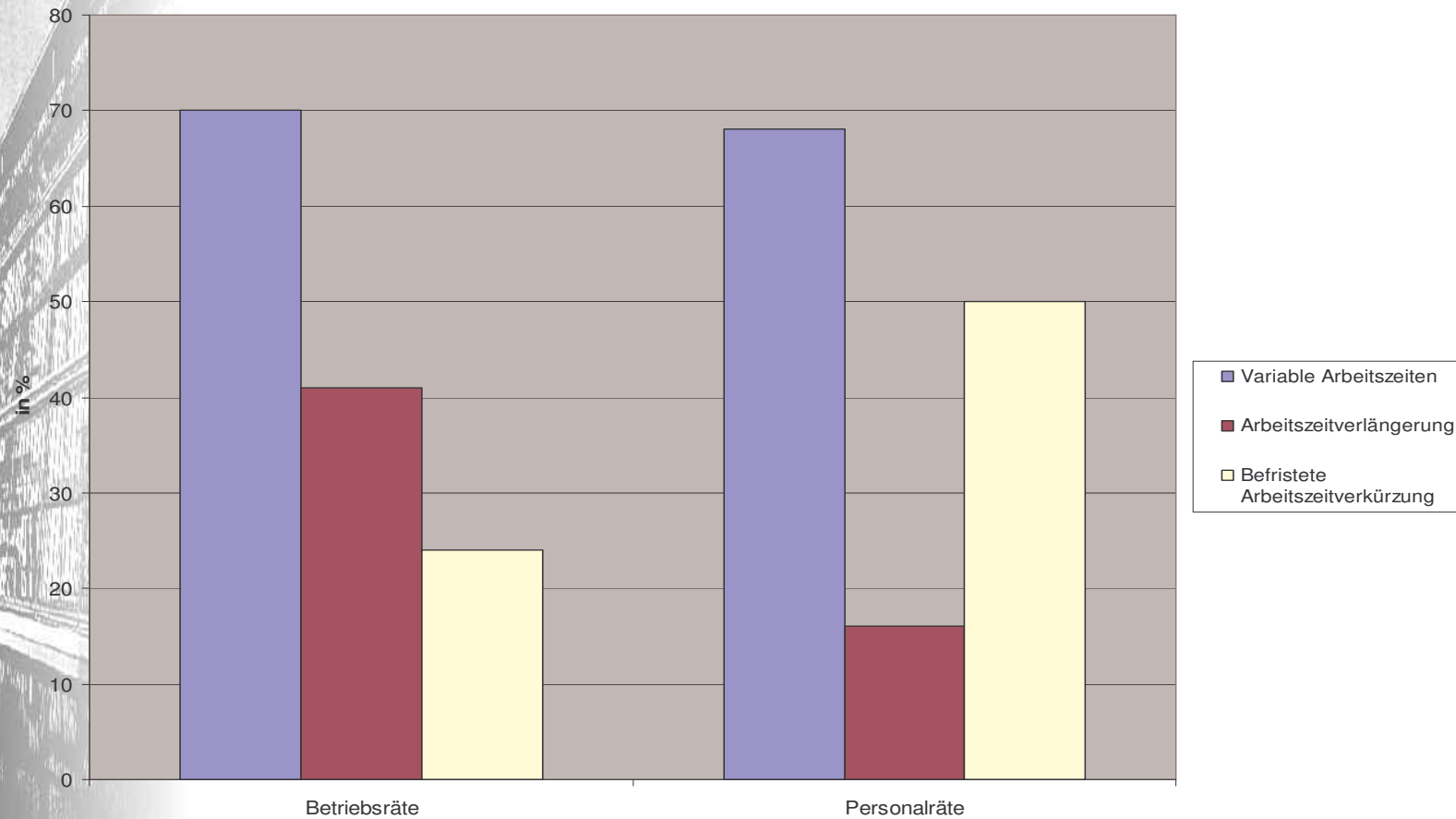
Developments of working time regulation

Use of opening clauses (2002; WSI)



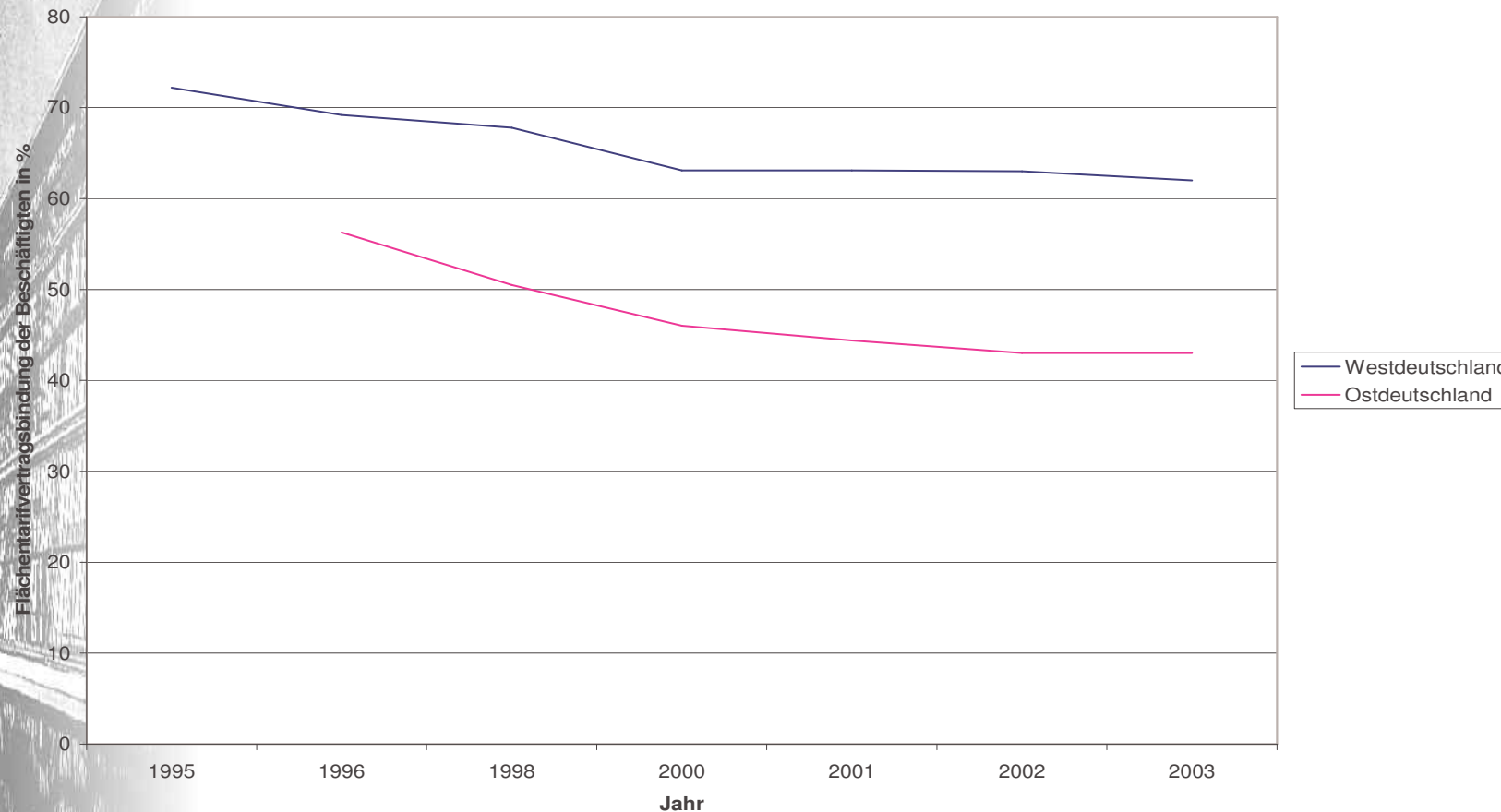
Developments of working time regulation

Application areas of opening clauses (2002; WSI)



Developments of working time regulation

Collective bargaining coverage in the German Economy
(Ellguth/Kohaut 2004 – IAB-Betriebspanel 2003)





Developments of working time regulation

Average working times according to collective bargaining agreements

Year	75	80	85	90	91	93	95	97	99	00	01	02
West Germany	40,3	40,1	39,6	38,3	38,1	37,8	37,5	37,4	37,4	37,4	37,4	37,4
East Germany	-	-	-	-	40,2	40,0	39,5	39,3	39,2	39,1	39,1	39,1



Trends of actual working times

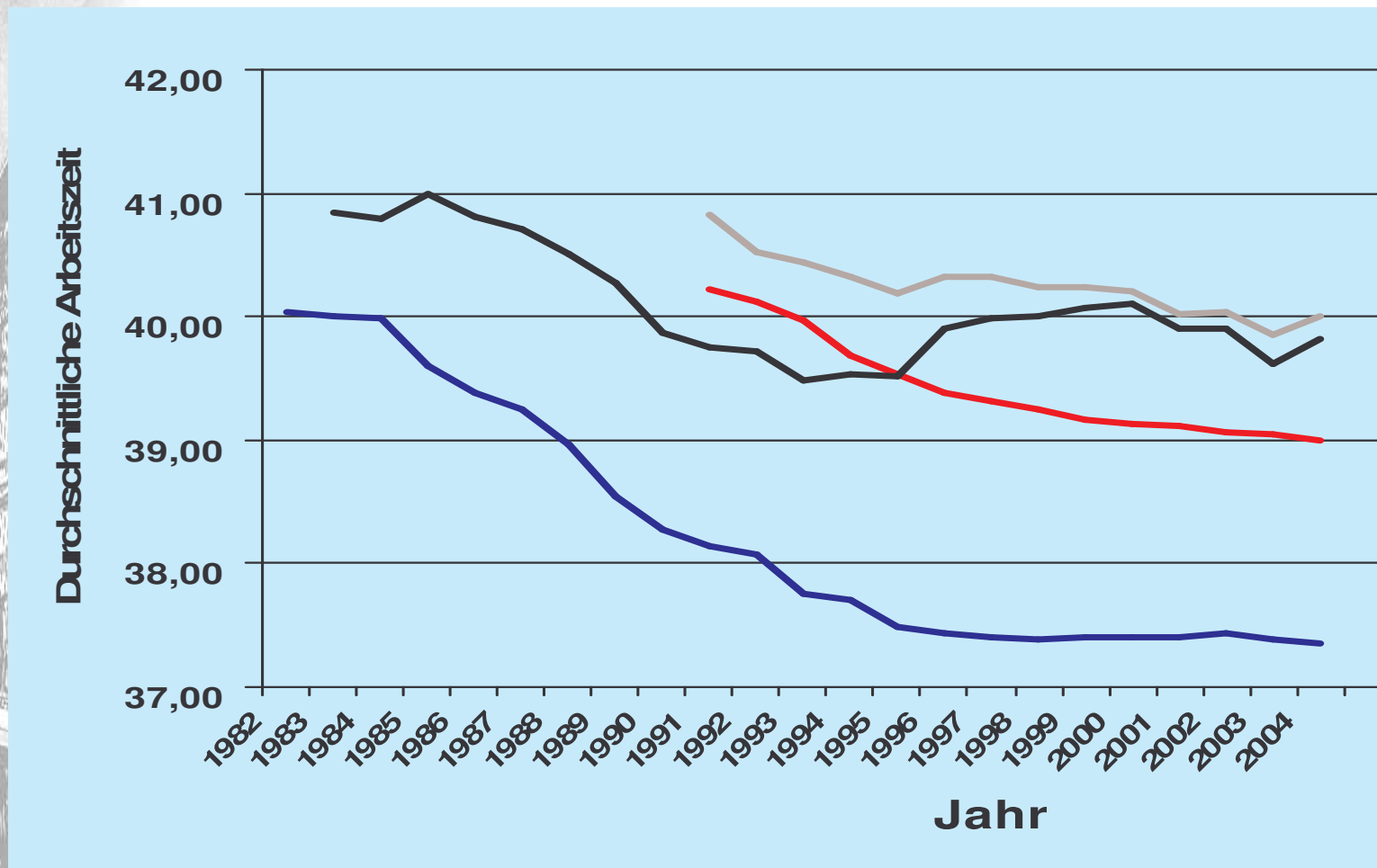
Average contractual working times according to size of enterprises (2002)

Number of employees	Industry	Private Services
1 – 19	39,1	38,9
20 – 99	38,2	38,9
100 and more	37,1	38,6
Total	38,9	38,9

Trends of actual working times



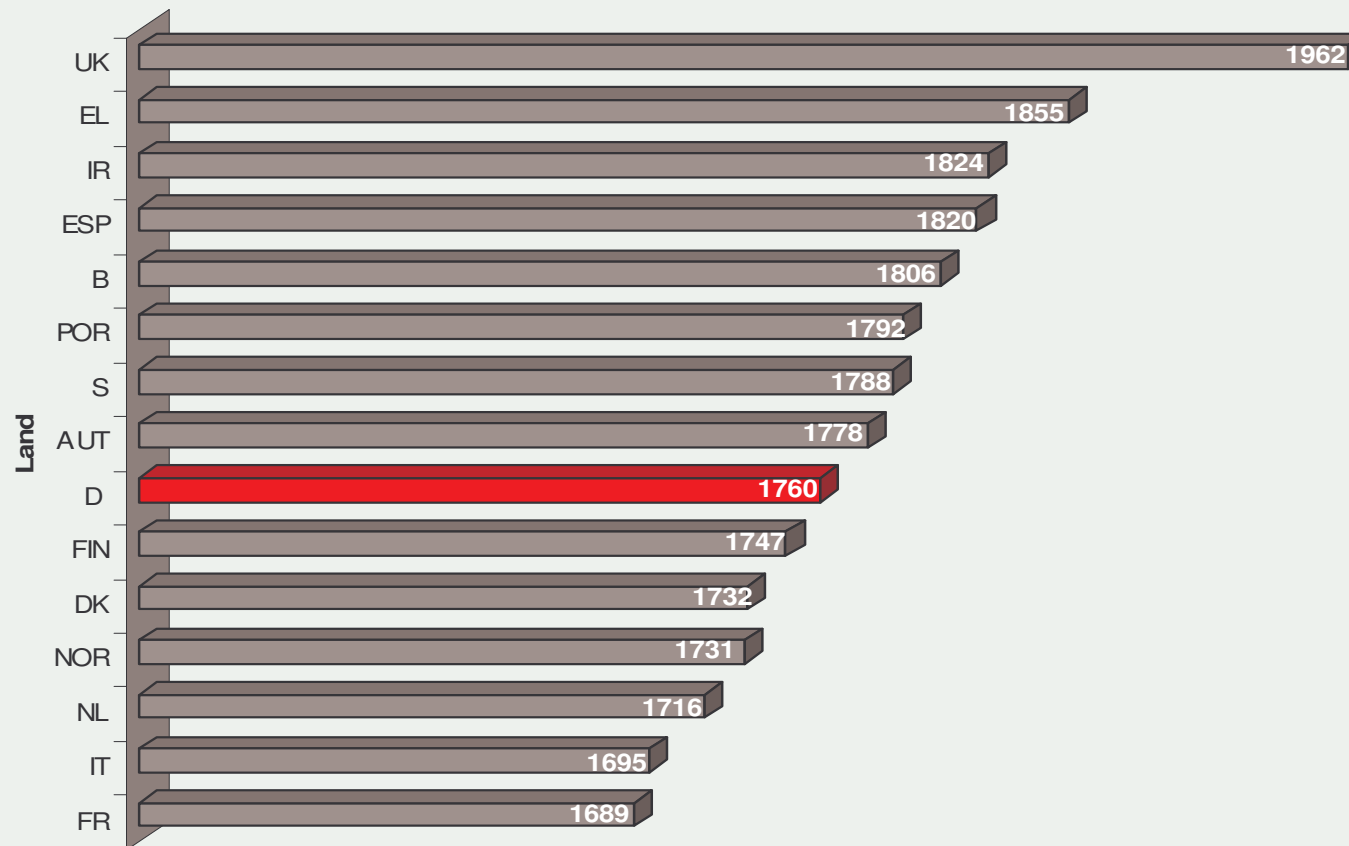
Average actual and c.b. working times of full time employees
(European labour force survey)



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Trends of actual working times

Average actual yearly working times of full time employees
(ELFS)

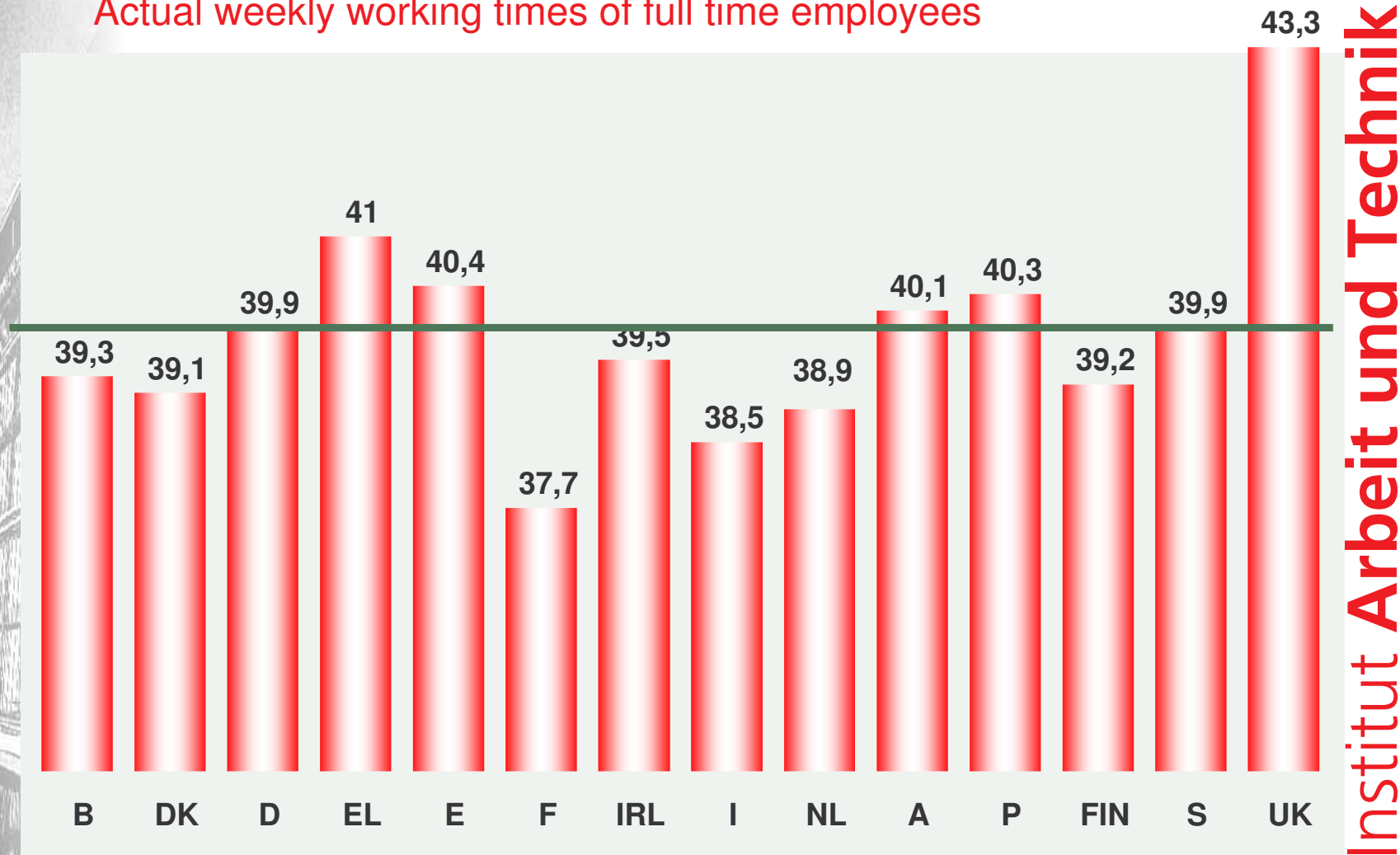


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Trends of actual working times

Actual weekly working times of full time employees



Quelle: Europäische Arbeitskräftestichprobe

Trends of actual working times

Average actual working times of different categories of full time employees

	1985	1991	1994	1997	2000	2001
Westdeutschland						
Alle ArbeitnehmerInnen (Vollzeit)	41,1	39,8	39,5	40,1	40,2	40,0
Männer	41,2	40,1	39,8	40,4	40,6	40,4
Frauen	40,7	39,3	39,0	39,3	39,3	39,1
<i>Difference Men/Women</i>	<i>0,5</i>	<i>0,8</i>	<i>0,8</i>	<i>1,1</i>	<i>1,3</i>	<i>1,3</i>
Arbeiter	40,6	39,4	39,0	39,3	39,5	39,1
Angestellte	41,4	40,2	39,9	40,5	40,6	40,4
<i>Difference Blue/White Collar</i>	<i>0,8</i>	<i>0,8</i>	<i>0,9</i>	<i>1,2</i>	<i>1,1</i>	<i>1,3</i>
Hochqualifizierte	42,8	41,4	41,2	41,8	42,0	41,9
<i>Difference High/Average Qualification</i>	<i>1,7</i>	<i>1,6</i>	<i>1,7</i>	<i>1,7</i>	<i>1,8</i>	<i>1,9</i>
Dr. Thomas Haipeter / Institut Arbeit und Technik 2005						



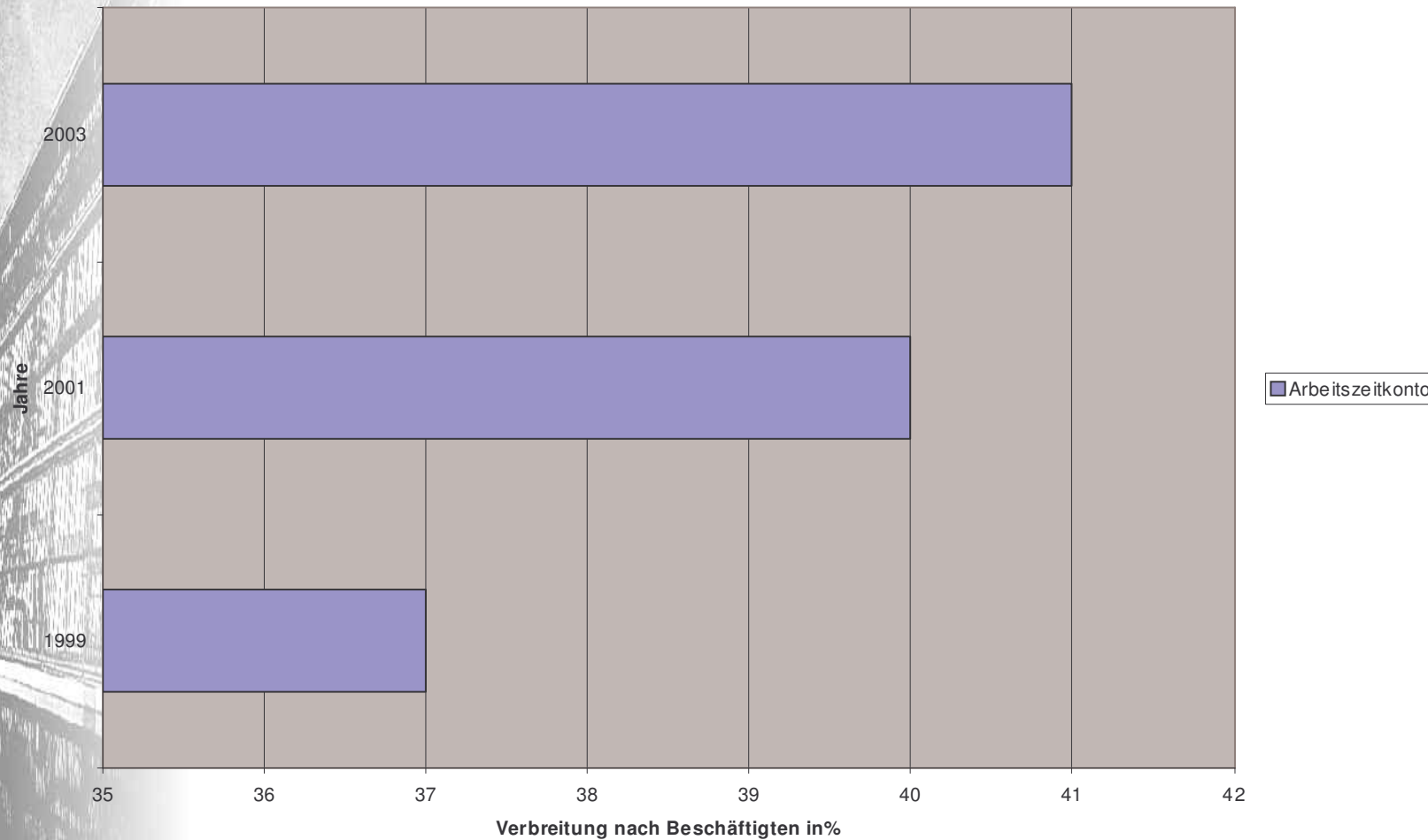
Trends of actual working times

Volume of overtime work and forms of compensation (ISO 2004,
in Stunden)

	1989	1999	2003
Volume of overtime work per week	2,0	2,8	2,7
<i>paid</i>	1,0	0,9	0,7
<i>unpaid</i>	0,4	0,8	0,9
<i>time compensation</i>	0,6	1,1	1,1

Trends of actual working times

Spread of working time accounts related to employees (ISO 2004, in hours)



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Trends of actual working times

Variable distribution of working times, (ISO 2004, in %)

Variable and self organised	32
Among: actual weekly working times up to 4 hours longer than agreed	53
Among: actual weekly working times more than 4 hours longer than agreed	22
Among: Working-time account	59

Trends of actual working times

Practice in case of transgressions on working time accounts (in
%, ISO 2002)

Transgression of compensation periods

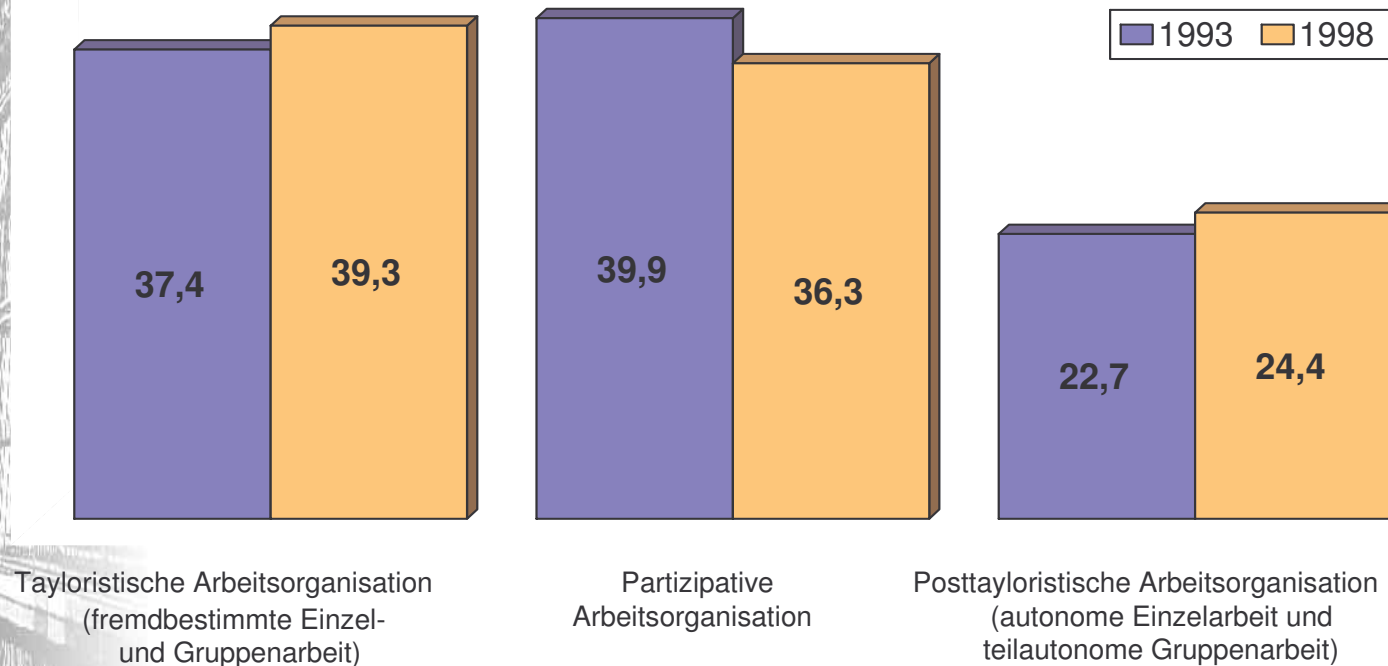
Payment	17
Expiry	24
Compensation in time	19
Transfer to next compensation period	22
Transfer to long term accounts	3
No Transgression	16

Trends of work organisation

Forms of work organisation in Germany and their development (IAT 2000)

Tayloristische und posttayloristische Formen der Arbeitsorganisation in Deutschland

1993 und 1998 in %

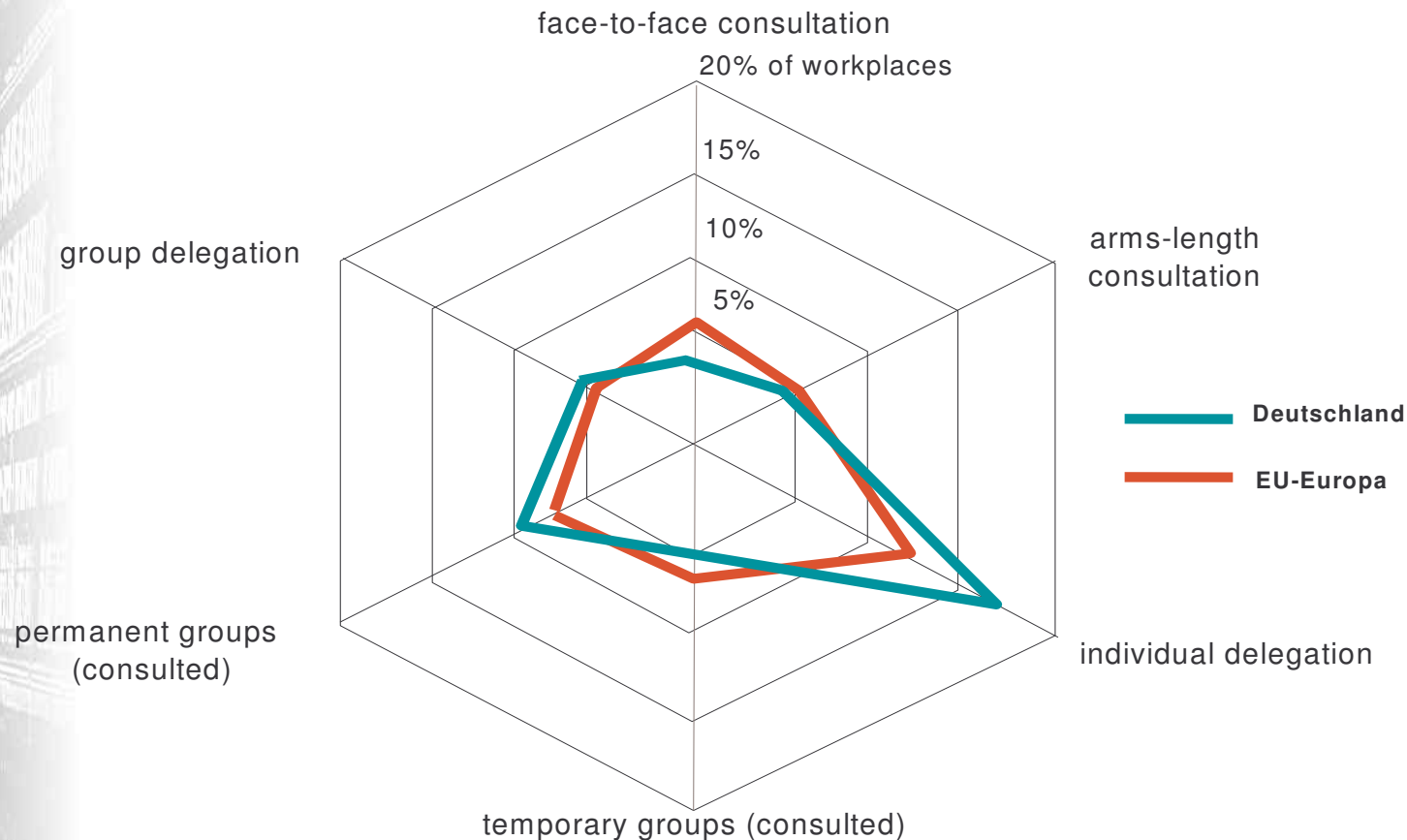


Quelle: Sonderauswertung der Strukturberichterstattung des IAT

Trends of work organisation

Forms of employee participation in Germany (EPOC, 1996)

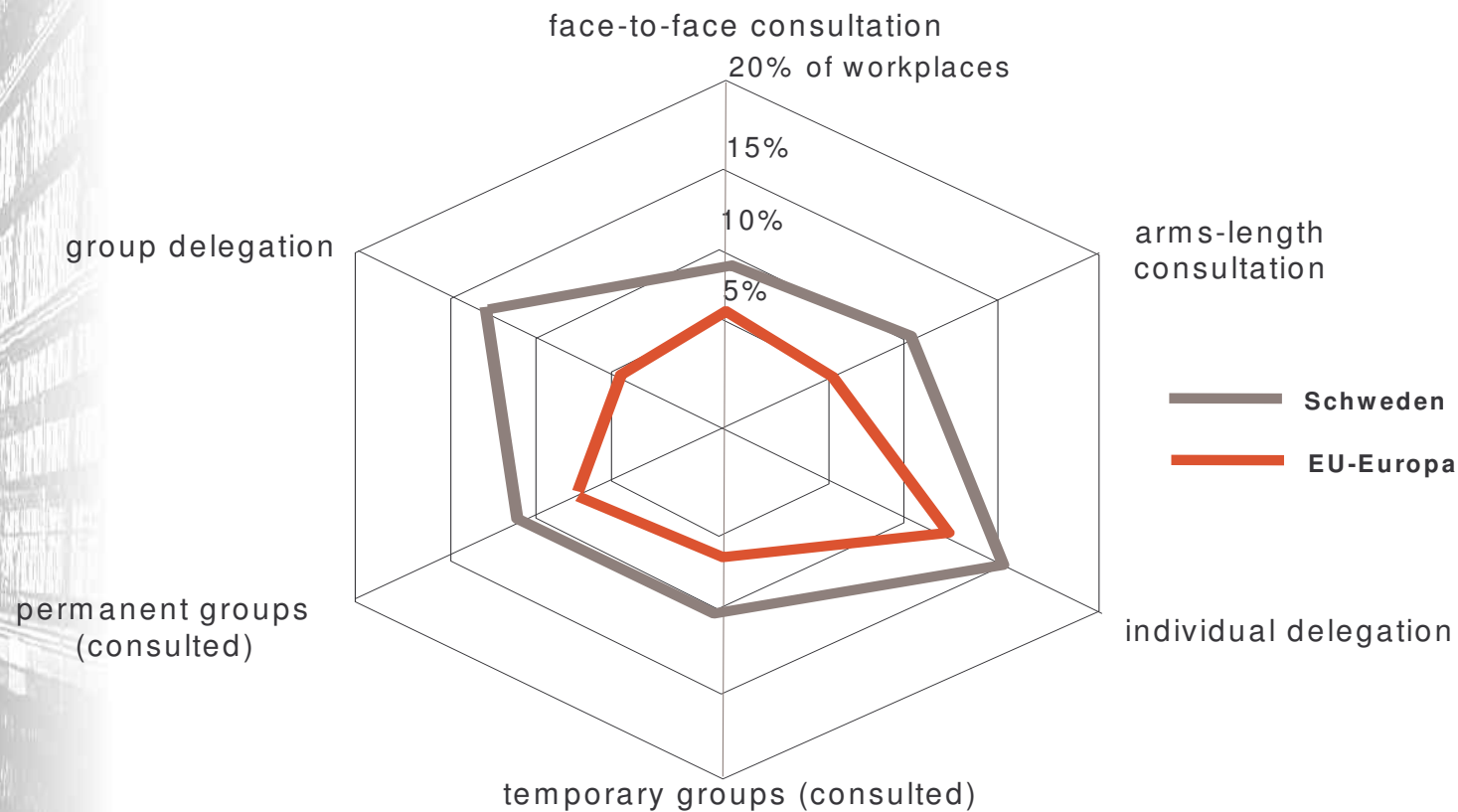
Direkte Beteiligung - Deutschland -



Trends of work organisation

Forms of employee participation in Sweden (EPOC, 1996)

Direkte Beteiligung - Schweden -



Trends of work organisation

Further results:

- Only 4% of the factories in Germany are group oriented (more than 70% of the employees), but 11% in Sweden (EPOC)
- Only 3,2% of the employees work self organised in the sense of semi-autonomous group work (IAT)
- The dynamic of the introduction of group work is declining (IAT)
- Main motive of introduction is cost reduction (EPOC)

Trends of work organisation

Reorganisation of work in the investment goods producing industry (Latniak et al. 2002)

			wide definition (% of establishments) (Yes to respective question)		medium definition (% of establishments) (30% in groups; decentralisation of indirect functions, Integration of some indirect functions in groups)		narrow definition (% of establishments) (Task rotation in groups, decentralisation also of planning, indirect functions plus planning by groups)	
	N 1997	N 1999	1997	1999	1997	1999	1997	1999
Group work	1287	1442	57,1	64,1	37,3	46,8	14,5	19,5
Decentralis ation of indirect functions	1233	1393	34,2	39,3	11,8	14,4	2,7	3,6
Task integration	1242	1402	49,0	59,1	9,9	14,6	2,6	3,4

Trends of work organisation



Market-oriented de-centralisation in the investment goods producing industry (Latniak et al. 2002)

			Wide definition (%of establishments) (Yes to respective question)		Medium Definition (%of establishments) (One hierarchy level or 50%of units reorganised)		Narrow Definition (%of establishments) (1/3 of hierarchy levels abolished or 75% of units reorganised)	
	N 1997	N 1999	1997	1999	1997	1999	1997	1999
Reduction of hierarchy levels	1280	1409	63,8	74,6	37,9	65,6	16,0	25,9
Use of production segments	1261	1414	42,2	47,6	34,8	39,4	25,4	27,6
Central departments re-organised	1216	1409	29,9	52,1	24,9	43,0	17,2	27,7

Trends of work organisation

Work organisation and the production model

Old (DQP)

- Functional (and hierarchical) structure (Development/production/sales - Direct/indirect functions in production)
- Vertical integration of the value chain
- Flexibility based on occupational skills and expensive overtime work

New

- (Decentralised) Process orientation
- Modularisation (make or buy; dominated networks)
- Enhancing flexibility based on flexible working time regulations and further broadened skill base

Conclusions

1. Wide spread of flexibilisation (breathing factory) and de-centralisation, but also weakening of working time norms in Germany
2. 40-hours-week hidden norm of actual working times - actual working times in Germany are in the midfield compared to other advanced economies
3. Some indicators for problems of flexible working times (grey zones)
4. Low dynamic in spread of new forms of flexible work organisation
5. Strong dynamic of changes in the production model