1. Introduction

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Over the past twenty years European labour markets have seen the simultaneous rise of unemployment and working-time flexibility. While the growth and persistence of long-term unemployment have generated widespread concern about the negative effects of social exclusion, the flexible reorganization of working time has been greeted with more ambivalence. On the one hand, it represents a potential tool for ameliorating the problem of exclusion; on the other, it can increase labour market precariousness and segmentation. This book examines these problems by looking at the extent to which changes in working-time flexibility¹ and transitional labour markets (TLMs) can facilitate labour market integration for the unemployed and those outside paid employment, often categorized as the inactive or non-employed.

The concept of TLMs developed by Günther Schmid (1998) attempts to address both theoretical and policy-related concerns about the reasons why some people are able to leave unemployment permanently while, for others, exits from unemployment are merely 'revolving doors' that spin them back into a situation associated with social exclusion. The development and implications of working-time changes are key elements of the TLMs approach – alongside active labour market policy (de Koning and Mosley forthcoming) and training initiatives (Schömann and O'Connell forthcoming) in different employment systems (Schmid and Gazier forthcoming). The key issue addressed by this book is the extent to which flexible working time can provide stable and integrated transitions between different labour market statuses in different European societies.

Three key questions emerged and guided our research. First, can working-time flexibility integrate more people into paid employment? Second, can working-time flexibility prevent unemployment? And, finally, can it help make the barriers between core and peripheral employment more permeable in the way advocated by the concept of transitional labour markets? Here we focus on developments in Spain, Sweden, Ireland, Britain, Germany, France and the Netherlands, countries represented by our research partners in the TRANSLAM project funded by DGXII of the European Commission.

In this introductory chapter we provide an overview of the key features discussed in the book. First, we briefly outline the theoretical context and the way in which we have operationalized the concept of TLMs. Second, we draw out the implications of working-time changes for the type of transitions that are possible both within the employment relationship and in terms of social integration for those outside paid work. Third, we address the issues of cross-national comparative and interdisciplinary research. And, finally, we examine the main results and their implications for both policy-makers and future research agendas.

1 TRANSITIONAL LABOUR MARKETS: INTEGRATION, MAINTENANCE OR EXCLUSION

The aim of developing transitional labour markets is to find a compromise between competing interests and the needs of the actors concerned. Governments and policy-makers have increasingly been concerned with the need to develop more job-intensive growth to tackle the problems of persistent unemployment and exclusion from the world of paid work. From the employer's perspective, the desire to minimize labour costs and obtain optimal staffing levels has led to the introduction of a range of flexible working-time practices. From the employee's perspective, changing demographic and household structures have contributed to a diversification of working-time preferences over the life cycle. For example, as younger generations spend longer in the education and training system, and as mothers show an increasing propensity to want to return to paid employment, there may be a growing demand for jobs that are not organized on a traditional, full-time basis. At the same time, early retirement policies have been used in some countries to facilitate workforce restructuring in declining industries, encouraging an earlier withdrawal from paid employment, usually for male full-time workers. As a result, the labour markets of most advanced industrial countries have been undergoing significant structural adjustment.

The concept of TLMs has sought to describe ways in which transitions over different periods of the life cycle can accommodate these competing demands. In earlier formulations of the approach Schmid (1993) identified four main pathways between core employment and other statuses. These included the *school-to-work transition*, the transition between *unemployment and work*, the transition between *non-employment and work* and, finally, the transition to *retirement*. Additionally, this approach acknowledged the possibility of making *transitions within the employment relationship* by moving between different working-time statuses. In the forthcoming volume in this

series Schmid and Gazier critically discuss how these pathways are organized, financed and are being reformed in different countries.

In this analysis the role of working-time flexibility, and particularly part-time employment, is central to all four entry and exit pathways. In the past there has been a tendency to associate the relevancy of part-time work with female transitions between non-employment and paid work. However, during the 1980s and 1990s this form of working time has been part of a policy to facilitate labour market restructuring for a broader group. Thus, for example, policies to integrate apprentices on a part-time basis or allow part-time early retirement have been key issues on the negotiating agenda for unions and employers in Germany, the Netherlands and France. In some countries this has led to a slight increase in the number of men working part time (Delsen 1998), as well as an interest in examining the extent to which it is open and attractive to the unemployed (Doudeijns 1998; OECD 1999; O'Reilly and Bothfeld 1996; Walwei 1998). The key question arising from this earlier analysis is whether part-time work can facilitate integrative labour market transitions.

A key distinguishing feature of the TLMs approach is that it does not simply observe labour market transitions, rather also assesses their quality, as well as the quality of the policies that facilitate integration into paid employment and adequate sources of livelihood instead of patterns of exclusion or unemployment ghettos. The problem of defining 'quality' transitions, and what is understood by 'inclusion', is a thorny issue which is discussed at various points throughout this book. Ideally, one would like to adopt a life-cycle approach to assess how different patterns of labour market activity and inactivity affect living conditions in later life (see, for example, Ginn and Arber 1998). However, this book represents the first attempt to operationalize and empirically examine the TLMs approach from a comparative European perspective and, in view of limited time and technical data constraints, our analysis has to be more modest.

Through a process of theoretical discussion and empirical analysis we arrived at a distinction between three key types of working-time transitions that could be applied to the TLMs model. We differentiated between integrative, maintenance and exclusionary transitions, which we defined in the following ways. *Integrative transitions* refer to groups of people who were initially outside paid employment, either unemployed or non-employed, or on education or training schemes. We were interested in examining the extent to which they could be integrated into and remain in paid work – mainly through part-time employment. The chapters in Part II focus on transitions into and out of part-time employment, while the chapters in Part III provide an analysis of other working-time arrangements, including rotating shifts, night work and four-day shifts. We used the concept of *maintenance transitions* to

refer to people who are already in work and have found ways of maintaining employment continuity by moving between different working-time regimes. Finally, we identified *exclusionary transitions*, where periods of part-time or temporary employment, or unsociable working hours, are merely interruptions of longer patterns of non-employment or unemployment. These transition patterns do not facilitate social integration into the world of work over a longer period. Naming these three types of transitions in relation to the quality of integration they provide gives us a practical handle for assessing the quantitatively diverse range of transitions that are observable in the various data sources available to us, as well as allowing us to contribute to the broader TLMs framework.² In this way we have sought to tie the policy interests of TLMs into the wider debates on working-time changes.

2 WORKING TIME: PAID AND UNPAID WORK

The diversification of working-time practices can potentially provide paid work opportunities for people who are not available for full-time, standard employment. However, as Fagan and Lallement point out in Chapter 2, it can also lead to a reinforcement of existing labour market segmentation, with the less advantaged either being cordoned off into precarious forms of work or being excluded completely. Taking a broad historical perspective, they put into context the organization of time and paid work through the process of industrialization. They argue that the social organization of time and work has shifted from rurally defined economies to Fordist and, subsequently, flexible economies of time. The reorganization of standard and flexible working time and the development of TLMs reflect new ways of thinking about the organization of paid and unpaid work over the life cycle, as well as a new conception of full employment (Schmid 1995). With the aim of reducing exclusion, flexible working-time arrangements could be used to facilitate movement between the four pathways outlined in Schmid's earlier formulation. This perspective takes an institutional approach that encompasses an analysis of the changing organization of work within the spheres of economic production and social reproduction (Fagan and O'Reilly 1998; Humphries and Rubery 1984; Rubery 1994). It also embraces the impact of national or sector-specific institutional intervention. As Schmid *et al.* (1996) have argued, target-oriented policy-making may result in diverse methods to reach the same goal. The implication for policy-makers is that 'one size does not fit all' – what can be learnt from observing foreign practices cannot necessarily be directly applied at home. In this book we seek to develop this approach by linking analysis from the institutional regulatory framework to individual labour market transitions and the impact of organizational restructuring.

With this goal in mind we have structured the book in three sections. Part I consists of two chapters laying out the theoretical background related to debates on working time, social integration and cross-national comparative employment and welfare research. Part II focuses on the labour market transitions of individuals, using a range of household panel and labour force survey data. Part III examines how changes in labour contracts and organizational restructuring create opportunities or closure for potential transitions. These chapters use more qualitative case-study evidence, drawing on employer, trade union and employee interviews in a range of countries and sectors. The main results and policy implications of the research are discussed in the concluding section of this introduction.

3 CROSS-NATIONAL COMPARISONS

One of the key organizational principles of the research process – and the presentation of the chapters in this book – was that they were to be cross-national comparisons, each including at least two of the countries in the research network. Cross-national comparative research has a long tradition and has been gaining considerable significance in the field of social science research both for theoretical and policy-oriented reasons (Maurice *et al.* 1982; O'Reilly 1996; Ragin 1996; Théret 1997). Chapter 3 of this volume addresses these issues directly. Anxo and O'Reilly show how in different branches of the social sciences there has been a flourishing of competing typologies attempting to facilitate the categorization and comparison of different employment, welfare and industrial relations regimes.

One of the problems raised for researchers interested in issues related to working-time changes is the juncture it represents between the spheres of economic production and social reproduction. It is possible to examine the changes to working-time regulations by focusing exclusively on developments between the social partners and their application to the sphere of production and the organization of paid work. However, as both Chapters 2 and 8 clearly highlight, a broader interest in the changing organization of time in industrial societies requires an enlarged perspective that takes account of how these changes affect the household and lifestyles and of the use of time in unpaid work.

Comparative approaches in social policy can be used to draw more attention to the impact of changing working-time patterns on the organization of domestic labour and to differences in the construction of labour supply, in particular for women. For example, the much debated typology of Esping-Andersen (1990) has pointed to the fact that in more liberal regimes domestic services are more widely available on the market; in social democratic re-

gimes they are more likely to be provided by the state; and in conservative regimes they are provided unpaid within the household. Although this typology has received considerable criticism, it does, nevertheless, indicate different employment opportunities and obstacles for women attempting to make a transition into paid employment. Rival typologies in the field of social policy have placed more emphasis on the impact of welfare policies in shaping these opportunities or constraints – in terms of access to work – rather than focusing on the organization of services as the central explanatory cause.

In the context of these debates the main point made in Chapter 3 is to indicate some of the practical and theoretical problems of grouping countries together for the purposes of conducting comparative research. Here Anxo and O'Reilly identify three distinct trajectories for regulating flexible working-time practices: *negotiated flexibility*, *statist flexibility* and *externally constrained voluntarism*. These indicate different trajectories of change and reform of working-time practices found in our seven-country study. The typologies can provide a useful heuristic tool for summarizing the key similarities and differences between societies. However, depending on the nature of the problem being examined, we found that on more than one occasion there were lively debates amongst the authors about where their country should be placed in relation to others.

The problems of classification and comparison become more evident when one moves from a generic ordering to a specific empirical comparison. What the reader will find in this book are a series of paired comparisons of very similar or very different countries. For example, Chapter 4 presents a comparison of Sweden and the Netherlands. These countries have been considered to be moving closer together, and we categorized them in Chapter 3 as an example of negotiated flexibility. A comparison of two very different countries, Britain and Germany, can be found in Chapters 5 and 9. These two countries have distinct industrial relations traditions and contrasting policy approaches to the development of working-time flexibility. However, at the same time, they also share a strong male-breadwinner form of welfare, which seems to be slightly stronger in Germany than in Britain (Fagan *et al.* 1999).

Moving away from studies that take the industrial relations system as their starting point for comparison, the chapters that follow focus on the similarities and differences in the characteristics of female labour supply. Chapter 6 looks at a case of difference: Spain and Britain. Here there is not only a difference between the levels of female participation, but also between the forms of working-time regulation (statist compared to voluntarist). Using relatively low levels of female participation and high levels of unemployment as a common starting point, Chapter 7 compares Spain and Ireland. Again there are distinct industrial relations traditions. At one level there are many similarities between Britain and Ireland, as indicated in Chapter 3, despite the

fact that they have also gone through significant processes of change in recent years. Yet when compared with Spain, these Anglo-Saxon and Celtic societies look more different from each other than one is initially tempted to think.

The aspects of similarity and difference are also brought out in Chapter 8, which looks at Sweden and France. Here we have similar levels but very different forms of female participation. Additionally, despite radically contrasting systems of industrial relations, we find some comparable outcomes in terms of working-time standards. The chapter explores through more qualitative research how the organization and restructuring of working time is implemented and negotiated in these specific national settings. The final chapter of the book takes three countries (Britain, France and the Netherlands) that illustrate the distinct regulatory trajectories identified in Chapter 3: voluntarist, statist and negotiated forms of flexibility. These countries differ both in terms of past and existing forms of industrial relations and in terms of patterns of female labour market participation.

The main aim of the comparative chapters in this book has been to make comparisons based on dissimilarity as well as resemblance regarding a number of aspects. In this way we have sought to empirically tease out the path-dependent hypotheses developed in generic typologies to learn about the direction and scope of change related to working-time transitions in these societies.

4 LEVELS OF ANALYSIS – QUANTITATIVE AND QUALITATIVE APPROACHES

Although the nature of cross-national comparison tends to give predominance to the nation state as the unit of comparison, the actual empirical analysis is conducted at several levels. It can focus on varying levels of aggregation – differentiating between individuals in households or employees in companies – depending on the type of methodological approach used. The reader will find comparisons using quantitative data of individuals from household panel studies and labour force surveys in Part II. Comparative organizational case-study research in Part III examines the impact of new employment contracts and working-time changes on transition opportunities for a range of sectors.

4.1 Quantitative Approaches

The quantitative chapters have the advantage of drawing on nationally representative samples of the population in each country. These individual data can be linked to other household and employment characteristics. In this way the

authors can identify different transition patterns and the characteristics associated with them for distinct groups of people within each of these countries. This approach has the advantage of allowing us to identify commonalities and differences in the extent of transition patterns of integration, job maintenance or exclusion. Table 1.1 provides a summary of the key methodological components, which are explained further below.

4.1.1 Types of data

The data used in the quantitative chapters come from two main sources. The first are household panel data, while the second are labour force survey data, reconstructed to form a pseudo-panel.

Longitudinal panel data have the advantage of providing data from the same respondents and other household members interviewed on an annual basis over several years. The calendar files can also provide a more detailed monthly account of changes in employment status. One of the difficulties with using this data, apart from the fact that it is often quite complex to manage, is the problem of attrition (that is, respondents dropping out after a number of years). This can affect sample size and the extent of heterogeneity and create selectivity bias; complex weighting methods may be required to overcome these problems. Nevertheless, these surveys are considered to offer a very rich source of data for examining labour market dynamics and transitions. This book presents results from the British, German, Dutch and Swedish panels and from the European Community Household Panels for Spain and Ireland.

The second type of quantitative data used is based on the Labour Force Survey – a standard cross-sectional time-series household survey. It is designed to obtain a snapshot of a representative cross-section of the population at a given point, but can be repeated regularly over time. Repeated cross-sectional surveys are well suited to tracking outcomes or behaviour for groups of individuals, but they are not very informative about the dynamic aspects at the individual level. An annual survey such as the European Labour Force Survey (ELFS) can only provide more aggregate information from one year to the next. However, at least these data attempt to standardize categories between countries, allowing us to make some degree of cross-national comparison. Unfortunately, there are some difficulties in measuring working-time transitions using the ELFS, as the variable for the previous year does not differentiate between full- and part-time employment. To try to overcome some of these problems, Chapter 6 uses quarterly linked files for the same individuals from the Spanish and UK Labour Force Surveys to create a pseudo-panel that includes the same people over five quarters.

Table 1.1 Key characteristics of quantitative chapters

Countries/ Chapters	Netherlands– Sweden: Chapter 4	Germany–UK: Chapter 5	Spain–UK: Chapter 6	Ireland–Spain: Chapter 7
Type of data	Longitudinal household panel data	Longitudinal household panel data	Pseudo-panel from the labour force surveys	European Community household panels
Type of measurement	Discrete 1986–91 (two years compared)	Continuous 1991–5 (six years)	Discrete 1995–6 (quarterly information)	Discrete 1993–4 (two years compared)
Time period				
Transition models for each pair of countries	Exit model: From part-time in 1986 to full-time, out of work or remaining part-time (full sample). Probability of being out of work, part-timer or full-timer in 1986 (male and female separately).	Entry and exit model: Transitions into and out of part-time work from or into non-employment, full-time work or other statuses (men and women). Continuous pooled model 1990–95.	Entry model: From out of work in 1995 to full-time, part-time or remaining out of work in 1996. Exit model: From part-time in 1995 to full-time, out of work or remaining part-time in 1996 (pool of four one-year links: from 1 st quarter 1995 to last quarter 1996).	Entry model: From out of work in 1993 to full-time, part-time or remaining out of work in 1994 (women only).
Estimation methods	Multinomial logit model	Duration model, partial likelihood Cox regression analysis	Multinomial logit model	Multinomial logit model
Individual, household and labour market variables	Age (dummy) Sex Marital Status Education (three categories) Presence of pre-school children (< 6 years) Spouse's working hours Citizenship	Age Sex Marital Status Education Household employment structure Number and age of children Household income (three categories) Firm size and sector	Age (dummy) Sex Marital Status Education (three categories) Age of youngest child Occupational status Industry public/private Job tenure and type of contract Reasons for working part time Regional dummies	Age (dummy) Marital Status Education (three categories) Age of youngest child Occupational status Industry Gross wage

4.1.2 Types of measurement

To measure labour market transitions we can choose between time-discrete and continuous measuring, depending on data constraints and availability. At one level *time-discrete measuring* consists in identifying two points in time and comparing changes in employment status at these different points. The time span measured between changes depends on the nature of the survey. However, time-discrete measuring does not take account of the fact that people may change their employment status several times between the two points being measured. The transitions identified depend more on the structure of the survey than on the reality of the respondents' experience. In this book Chapter 4 uses time-discrete measuring, taking two waves from the panel sources and looking at the difference between those who remained in the same status at the two points in time, and those who changed status. Chapter 7 makes a similar two-points-in-time comparison using the only available wave from the European Community Household Panel for 1994 and drawing on retrospective data for 1993. The authors are then able, using a multinomial logit model, to estimate the factors associated with making one transition path in comparison to another.

Continuous measuring methods focus more on collecting work-history data, which provide more detailed information about durations and changes in different employment statuses and are sometimes available in monthly calendar files. Continuous measuring methods mean taking account of all the information available within the observation period. This requires panel studies or data that include retrospective work-history information. The advantages of this type of measurement are that it is sensitive to durations and provides an accurate picture of the next stage in a transition. Overall it provides a more complete picture of transition patterns, which is less influenced by the observation points imposed by the researcher because it also provides data about the span of time between these points. However, not all data sets collect or allow straightforward access to this type of data.

4.1.3 Types of transitions patterns observed

When looking at labour market transitions researchers are faced with a variety of options. They may be interested in examining *exit transitions* out of a particular status, for example unemployment or, alternatively, they may want to examine *entry transitions* into particular forms of employment, such as part- or full-time work. Both approaches are used in this book.

Chapter 4 concentrates on exit models. The authors take men and women with a part-time job in 1986 and then compare those who had remained in part-time or moved on to full-time employment or out of the labour market in 1991. Chapter 5, comparing Germany and Britain, uses an entry and exit approach. Here, however, the authors use a pooled sample, as opposed to two

discrete time-period comparisons. In this way they can pick up all the transitions during the six-year period. They look at the previous status of those taking a part-time job and also identify where part-timers went after this period of employment. Chapter 6 uses an entry-model approach to examine those finding paid work in 1996 from amongst the non-employed in 1995. The authors also look at exit models, because they are curious about what happened to those working part time in 1995, that is, what they were doing a year later. Here, they use a pooled sample of five quarters to describe the most common paths of entries and exits related to part-time employment. Chapter 7 examines entry patterns for Spanish and Irish women. They look at women who were out of work in 1993 and then entered a full- or part-time job or remained out of work the following year.

All of the quantitative chapters use transition matrices where the distribution of transition patterns between two states can be calculated (Chapters 4, 6 and 7). In Chapter 5 the authors were able to identify three-step transition patterns. From this simple descriptive data we can identify the most common status prior to taking a part-time job and after such a period of employment. Additionally, in Chapter 5 the authors estimate the length of time spent in a part- or full-time job, for both men and women, using a survival function to indicate the proportion of episodes that had ended or continued within a six-year period. This type of analysis can tell us about the employment stability of particular forms of working time for both men and women. These analyses also provide an additional function of showing the different ways contemporary data sets can be used to measure labour market transitions.

4.1.4 Types of variables and estimation methods used

Finally, the authors were able to draw on a number of variables in order to assess their significance and association with making transitions that led to integration, maintenance or exclusion. A summary of these variables is presented in Table 1.1 and explained in more detail in each chapter. Suffice to say here that the chapters all looked at common key variables related to age, sex, qualifications and presence of young children. Some authors also included individual and household income, as well as spouse's working time and household employment structures. This allowed them to address recent theoretical debates concerned with exclusion and job take-up in the broader context of household dynamics. Additionally, Chapter 6 sought to explore some of the attitudinal motives behind decisions to work part time. What these chapters show is that the level of national comparison can be broken down to within-society comparisons identifying more similarities than one might normally assume from the differences suggested by generic typologies.

In order to assess the impact of these different variables on the observed transition patterns, several of the authors used a *multinomial logit model*.

This is a standard logistic regression model used to estimate the probability of categorical, as opposed to binary or ordinal, variables on a given transition. Logit models are often used to analyse the probability of moving into or out of a particular labour market status (Cebrián *et al.* 1997; Moreno and Toharia 1998). In Chapter 5 the authors use a *partial likelihood Cox regression analysis* to estimate the probability of a transition from part-time employment to full-time work, non-employment or unemployment occurring within the observation period 1991–5. This is a standard estimation model used in event-history analysis because it allows the inclusion of censored spell data and an analysis of simultaneous competing events (Allison 1988).

Chapter 7 also examines the separate effects of different working-time regimes and labour mobility on female wages. The authors estimate a series of wage equations using the information about gross hourly wages reported by the European Household Panel. They use an Ordinary Least Squares (OLS) method to estimate the wage equations, as earlier tests indicated that there was no significant selection bias (Heckman 1979). This method calculates the regression equation that best summarizes a distribution, using the mean of the smallest possible sum of squared errors (or squared deviation scores).

4.2 Qualitative Approaches

The case-study chapters provide a different angle on the implications and perceptions of transitions. Specific firms and sectors have been selected to illustrate or examine changes related to particular theoretical concerns. Thus, Chapters 8, 9 and 10 provide a cross-section sample of firms in traditional manufacturing (electronics, engineering and metalworking), in processing (food) and in public and private service-sector occupations (local authorities, health and banking). While Chapter 8 covers a number of sectors, Chapters 9 and 10 focus only on traditional internal labour markets in the private and public service sector: banking and health. Whereas the quantitative chapters can inform us about overall flows, the case studies can inform us about the implementation, negotiation and interpretation of transition opportunities as they appear to the actors concerned within national and sectoral settings.

The case-study research was based on interviews with managers, trade unions and employees in different organizations and firms. Qualitative case-study research is a way to understand how working time is being arranged in practice, and how, and why, these arrangements may be very different from one firm, sector or country to another. The studies in this book deal with a major field of tension, namely between organizational and individual needs and preferences, which is central to the TLMs approach – aimed at facilitating choices between different transition opportunities. Working-

time arrangements are viewed not as the simple application of legal or conventional regulations, but as resulting from ‘negotiated orders’ (Reynaud 1989; Strauss 1978; Chapter 3 in this volume), which are not devoid of power relations and economic pressures. We are interested in looking at how institutional arrangements in a given society or sector impede or enhance the possibility of combining paid work with care or other social activities.

The case studies are a relevant way to supply answers to the three questions guiding the research project and outlined earlier in this chapter; they also show that different social or political conditions can lead to working-time flexibility having positive consequences for the integration of people into paid employment. For example, Chapter 8 shows that intermediate communities in France, such as the occupational groups, play a crucial role as levers for change and solidarity, whereas in Sweden working-time policy and family values play a more significant role in favour of a different form of female integration. Solidaristic employment policies in France can to some degree prevent rising levels of unemployment. Chapter 9 also shows how restructuring leads to new job opportunities that can integrate those outside employment in the British and German banking sectors. However, in a context where traditional internal labour markets are being rationalized, banks prefer to give priority to more highly qualified employees in their core labour markets, while there are less incentives in the more competitive environment to create a stable internal labour market for less skilled workers. Nevertheless, recourse to established training solutions for less skilled employees in Germany ameliorates the negative employment conditions associated with these jobs in Britain. Third, case studies help us to understand why and to what extent barriers between core and peripheral employment can become more permeable. Here, too, negotiations play a crucial role. All three chapters reveal how the benefits of working-time changes for peripheral employees also depend on social and institutional factors, such as the role of trade unions and statutory and sectoral forms of regulation. To sum up, one advantage of the qualitative approach is to highlight the importance of the strategies and negotiations which, at different levels (sectors, firms, plants), determine the kind of link between working-time flexibility and integration for different grades of employees.

Another advantage of the qualitative approach is that it gave us the opportunity to focus on three elements relevant to the TLMs approach. First, interviewing allows the researcher to probe beyond an observed pattern of behaviour to appreciate the meaning that individuals give to the ‘choices’ they make as, for example, regards labour market transitions. Second, qualitative investigation allows us to appreciate the nature of transactions not only between trade unions and employers, but also between wage-earners and unions, and between wage-earners and their families (see Chapter 8). Third,

case studies show that creating new opportunities for transitions may have individual and collective costs. For instance, in Chapter 9, the restructuring of internal labour markets in the British and German banking sectors has opened up employment opportunities to those previously excluded, but there has been a clear deterioration in the terms and conditions for employees in these new areas. In this way qualitative research can allow us to explore in greater depth the less transparent aspects of the transitions being made and the type and quality of the jobs been offered – information that is not always easily gleaned from quantitative studies. Although case studies can provide important insights into the application of regulations and negotiations, we have to acknowledge that results are not always representative or reproducible. Nevertheless, by interviewing several firms in a given sector or society one can check the extent to which common trends are repeated. One of the advantages of this method, given the limited number of firm panel studies available, is that a researcher can build up a longer-term perspective of the implementation of working-time changes by following developments in particular firms over a number of years.

From this brief outline of the main contents of the book the reader will see that we have drawn together very different methodological as well as interdisciplinary approaches to address the questions raised by the TLMs approach. We now briefly outline some of the main findings that are presented in more detail in the substantive chapters.

5 MAIN RESULTS AND POLICY IMPLICATIONS

Using the three categories of transition patterns we discussed earlier, we found that the people who made *integrative transitions* through part-time employment were more likely to come from the ranks of the non-employed than the unemployed. This was largely the case for all countries except Spain, where levels of unemployment are among the highest in Europe. Here, together with comparatively low levels of part-time work, there was less satisfaction amongst the unemployed who had taken these jobs as better-than-nothing options. The unemployed, in general, were more likely to be looking for a full-time job that could guarantee them an independent source of income. Only those who were seen as secondary earners or dependants could afford to take a part-time job and feel satisfied with it.

Part-time work provides access to the labour market for people who could not otherwise work on a full-time basis because of caring responsibilities or educational involvement. However, there is a significant problem with transitions that followed after a period of part-time employment: the very limited number of people who could move on to full-time work. These findings were

supported by the analyses of several countries with both high and low levels of part-time employment, for example the UK, Spain, Ireland and Germany. In only a tiny minority of cases did part-time work form part of a continuous employment trajectory. It was more often the case that part-time work led to an exclusionary pattern of transitions and only interrupted longer periods of non-employment. In this research we found that *exclusionary transitions* were more likely to be found amongst groups of people with lower-level skills and qualifications. Childcare and caring responsibilities were also closely associated with significant patterns of labour market withdrawal or marginal forms of employment. This evidence for the European countries studied has also been supported by studies conducted in the USA (Blank 1998). Part-time work clearly acts as a form of integration for those outside the labour market, but it is rarely part of a maintenance transition, except for the young and higher qualified who have better prospects of moving on to full-time employment.

The potential for part-time work to integrate those outside employment is also dependent on the nature of job growth and the extent of part-time jobs being generated in the economy. Bothfeld and O'Reilly show in Chapter 5 (Figure 5.1) that there have been significant differences in job growth and loss in Britain and Germany throughout the 1990s. While Germany has had a persistent and growing level of unemployment since 1992, in Spain, Ireland, the Netherlands and, more recently, Britain, job growth has been notable (OECD 1999). Clearly, increasing numbers of jobs helps integrate more people into paid work. However, job growth alone is not sufficient to guarantee successful transitions.

The quality of jobs and working-time arrangements which can help social integration is very much dependent on the nature of collective agreements and employment regulations that have been made in different countries and sectors (Chapters 3 and 8). The interrelationship between the take-up of flexible and/or part-time employment and other institutional arrangements is central both to the nature of integration and the whole concept of TLMs. This can be seen, for example, from the evidence drawn from countries like Germany, where the link between education and part-time work is strong, particularly for men. British men, on the other hand, are more vulnerable to drop-out transitions preceded and followed by periods of unemployment. Men in all countries studied tend only to spend very short periods of time in part-time work before moving on to something better.

Women, on the other hand, are likely to make more transitions over the life cycle than men, but are also likely to stay much longer in part-time employment. For women the tendency is more towards drop-out transition patterns. However, in Sweden women are less likely to drop out compared with Dutch women (Chapter 4), a finding which is partly attributable to leave and paren-

tal arrangements. Such policies have clearly helped women develop *maintenance transitions*. These we defined as ways of moving between different working-time regimes in order to enable employees to maintain continuity of employment. In many ways the traditional, conservative breadwinner model, which is more apparent in Germany, is also evident in the Netherlands. The importance of employment continuity over the working life is closely related to the way welfare systems operate, so that career breaks or spells of non-employment are not penalized in terms of pension receipts, or even in terms of entitlement to unemployment benefits over the working life. Wider access to childcare facilities, the earlier individualization of tax systems and the more generous and flexible organization of parental leave by varying working-time patterns over the life cycle clearly help integrate as well as maintain continuity of employment. Attempts to reform welfare systems to take account of more patchwork careers can be seen, for example, in Germany, where child-rearing years are acknowledged in relation to pension contributions, while in the Netherlands legislative reform proposals are being discussed to facilitate individuals' working-time choices. Nevertheless, German women are more likely to have more interrupted employment careers, taking longer times out of employment than is the case in Britain, and Dutch women are more likely to be found in very short-hour part-time jobs. The different ways that working-time flexibility is being discussed and introduced in these societies, as discussed in Chapter 3, suggest that the application of a model of TLMs will need to be sensitive to the varying constellation of actors within a given employment system (Schmid and Gazier forthcoming).

We now summarize the answers to the three questions set out at the beginning of this chapter, which are discussed in more detail in the chapters that follow. First, we asked if working-time flexibility could integrate more people into paid employment. The answer would appear to be 'Yes'. But these are largely people who are non-employed as opposed to unemployed. The unemployed are more likely to want to work full time. In Spain, for example, despite government attempts to encourage part-time work, there was a much higher level of dissatisfaction with these jobs from those who had previously been unemployed. Second, we asked if working-time flexibility could prevent unemployment. It would seem that where it is being used within a regulatory framework to facilitate gradual exits (as in Germany) or to encourage solidaristic policies (as in France) there is evidence that this can prevent people being displaced through the process of organizational restructuring. However, at present these policies are limited and could be developed further. And, finally, we wanted to know if working-time changes could help make the barriers between core and peripheral employment more permeable in the way advocated by the concept of TLMs. Here we found that working-time flexibility does not necessarily break down the skill and qualification

barriers. In some countries, such as Sweden and to a lesser extent the Netherlands, it can allow those in 'good' jobs to 'keep a foot in' and maintain employment continuity. For the less skilled the only option for employment integration might be through low-grade part-time or temporary jobs – as in Britain, Spain and Ireland. Working-time changes are clearly part of a package of broader restructuring of employment opportunities in all the societies examined. However, the barriers and forms of regulation between core and peripheral employment continue to resist the move towards a more permeable system that would facilitate the broader pallet of choices for employers, employees and those without work as proposed by the TLMs approach.

These results imply four key areas that need to be addressed both in terms of future research and policy reform: organizational restructuring, education and training, care responsibilities, and tax and welfare reform. *Organizational restructuring* through the use of flexible working time, part-time work and sabbatical arrangements can provide new opportunities for integrative and maintenance transitions, although in some cases they can also lead to the development of inferior job opportunities. An increase in part-time working arrangements higher up the organizational hierarchy might improve the status of part-time work and the potential for making integrative and maintenance transitions. Therefore, a combination of competitive policies to improve productivity and service delivery needs to be developed in relation to facilitating employees' choices. These policies need to be accompanied by incentives for employers, as is currently the case in France on the basis of the *Lois Aubry* and earlier versions of the *Loi Robien*, or as with experiments around the four-day week at Volkswagen in Germany.

Such working-time policies need to be developed in relation to *education and training needs*. Much of the research presented in this book indicates that low levels of education and training are more closely associated with exclusionary transitions. Lifelong learning policies, as discussed in more detail by Schömann and O'Connell (forthcoming), need to identify effective labour market practices that can help the unemployed back to work. While higher-level qualifications clearly improve integration patterns across many countries, the aggregate effect can vary depending on the distributional structure of qualification attainment in a given society.³ Improving qualifications *per se* will not necessarily get these people into a job. This is because in some countries highly skilled workers do not always fit into the existing skills structure; in other countries the skills hierarchy effectively excludes those who do not make it into and through the standard entry system. In addition to these factors, existing forms of training may be ill adapted to the new demands of skilled employment and the new types of jobs being created in these countries (Crouch *et al.* 1999; O'Connell and McGinnity 1996). Further, qualification inflation can also lead to a relative polarization and

disadvantage of those at the very bottom of the qualifications ladder, who are then left on the sideline. Nevertheless, a future policy and research agenda needs to identify where a combination of these policies around working time and training can produce social integration.

One of the key elements of the TLMs approach has been to argue that policies need to focus not only on the sphere of production, but also on the organization of reproduction and factors affecting labour supply. *Care responsibilities* are one of the major factors associated with labour market withdrawal. The lack of care provision differentially affects potential labour supply and the terms and conditions under which employees with these responsibilities are available, if at all, for work. Future policy-oriented research needs to explore, from a comparative perspective, the range of different care options that are currently available or being discussed in a number of societies. These options range from publicly funded facilities to leave arrangements or tax incentives. While public provision, as in France or Sweden, offers the potential to create new forms of employment, parental leave schemes can create transition patterns of withdrawal, depending on the financial and organizational incentives associated with taking up these leave arrangements (compare Germany and Sweden). The combination of favourable institutional arrangements, such as the permissive legal framework for leave of absence and decentralized decision-making processes concerning working time, as in Sweden, ensure relatively smooth working transitions over the life cycle. Nevertheless, the actual uptake of these various schemes varies according to socio-economic factors (such as age, gender, occupation, etc.). This means that the provision of such leave entitlements needs to be examined in relation to the effects of the *tax and welfare systems*.

The benefits system can create incentives for households to limit their labour supply or withdraw from paid employment. The complexity of these income effects is highlighted at different points in this book. For example, in Chapter 3 Anxo and O'Reilly show the relative impact of different working-time arrangements on household income for a number of countries. In Britain and Germany social contribution thresholds have created incentives in the past for both employers and employees to prefer short-hour part-time jobs. In Spain and Ireland, under different regulatory settings, part-timers would seem to benefit from somewhat higher wage levels, although here the growth of part-time work is more limited. A key issue for future research would be to examine how welfare policies can provide secure transitions both in terms of current and future income. Reform, as advocated by the OECD, to reduce the high levels of marginal taxation on the low paid is clearly an issue that will need to be examined in more detail in the future.

These results indicate a field for future research that is central to the development of policies to reform the work–welfare relationship, which is

currently undergoing such significant changes in a number of countries grappling with these problems. Although this book does not set out to deliver ready-made answers to some of these very difficult problems, it nevertheless provides a systematic, original and comparative analysis of a range of transition patterns in a number of European countries. In this way it offers the reader both new empirical evidence and policy-relevant analysis of how working-time transitions impact on integration into and exclusion from paid work.

NOTES

1. In this book we focus mainly on transitions through part-time employment. For an analysis of a broader range of working-time patterns for each country, see O'Reilly (forthcoming).
2. However, the authors of Chapter 8 make a fourfold distinction between collective and individually agreed policies that result in either employment maintenance or upward mobility. *Winning transitions* refer to individuals (usually the unemployed in France and women in Sweden) previously at the margins of the labour market who have been able to stabilize their employment conditions through a collective agreement. *Integrative transitions* characterize young workers who use part-time, night or weekend work as a route to permanent labour market integration. *Solidaristic transitions* occur when employment maintenance and/or job creation is the primary objective of the change in working-time patterns; in this case employees' motives are not primarily related to individual advancement, rather are a way to safeguard or promote employment in general. *Matching needs transitions* refer to individuals who have opted for reduced working time to avoid difficult or unattractive work with low career prospects. The different categorizations reflect different levels of analysis, and in Chapter 8 the analysis is based on case-study material focused on those in employment. While this approach has the advantage of including both the form of regulation and the employees' perception of their situation, we have opted for the simpler threefold grouping throughout the rest of the book. The reason is that it allows us to describe a wider range of transition patterns, including those of persons who are not currently in employment. This can help us to assess more explicitly the outcomes of different transition patterns in relation to exclusion or integration.
3. For example, Kirsch (1999) points out that across different countries the proportion of low-skilled workers among young people (25–28 years old) as a percentage of the total working-age population (16–64) varies significantly. For example, in Sweden the percentage of young people with no qualifications was 13, compared to 24 percent in France and 46 percent in Britain.

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