

Chapter 13

Changes in working practices

Working practices have been changing rapidly over the last 30 years. Employment practices are very different now than in the 1970s and before. This is due to the following factors:

- the decline in trade union power;
- the end of demarcation (a process that separated different types of work and assigned them to members of different trade unions);
- the loss of employment in heavy industry;
- the increasing number of women in the workforce.

Throughout this period we have been moving towards a pattern of employment and contractual arrangements that has led to a greater degree of flexibility in employment practices.

A more flexible workforce is one designed to provide labour in the quantities required at the time that businesses need it. Every business has changing demands for labour. This can be related to changes in the economy, seasonal changes or even as demand fluctuates from day to day. The flexible workforce is designed to meet these changing demand patterns and provide labour specifically when it is required.

Key features of the flexible workforce

Flexible hours	A worker on flexible hours has an agreed number of working hours. These are made up of core hours which must be worked – the remainder of the contracted hours can be worked on a flexible basis. For example, a worker has a contract for 35 hours with core hours of 10am–3pm over five days. The remaining 10 hours can be worked in non-core time (say between 8–10am, and 3–6pm over the 5 days). This can work well for parents who may need to collect children from school.
Home working	Many jobs of professional status (e.g. design, accountancy, IT programming), can include homeworking time as part of each working week. A good PC and broadband connection can mean that many tasks can be fulfilled by working from home. Those who do these sorts of jobs from home benefit from time saved and the stress of commuting. Businesses benefit by a reduction in overheads if less office space is required.
Part-time employment	Part-time working is becoming increasingly common. Parents with young children and students find that it particularly suits their requirements, and businesses benefit from the flexibility it offers. During busy periods, part-time workers are employed to meet the needs of the employer. At quieter times the core full-time staff are sufficient. Clearly this has cost-saving implications.

Temporary employment	Employment for a specific period of time, for example six months to cover maternity leave. Some temporary work is arranged through employment agencies which provide workers to employers who are seeking workers with specific skills for a set period of time. The growth in temporary contracts has been much criticised by trade unions as it offers little security or career development to those employed.
Job-sharing	Job-sharing means that two people share the same job, often on a fifty-fifty split. Job-sharing often lets professional workers continue in employment, when otherwise they may have had to take a career break. The best example of this happens with new mothers, who, through job sharing, can combine work with bringing up children. Job-sharing may last a number of years.
Multi-skilling	This involves businesses training their workforce to be able to work effectively across a wide range of tasks. This offers a greater degree of flexibility. No longer do manufacturing firms have to wait for a specific tradesperson to come and fix a fault – it can be done by the production staff who have been trained to spot and resolve problems with machinery. Multi-skilled workers are likely to be better motivated and change will be far easier to implement with a flexible workforce.
Zero-hours contracts	This type of contract means that an employee has to be available for work but is not guaranteed any work. This provides employers with total flexibility. If the employer is busy, those on zero-hours contracts may find that they are on nearly full-time hours. However, if demand for labour falls, workers may find themselves sent home. Workers on these contracts have virtually no income security at all. These contracts are being increasingly criticised as they are deemed to be exploiting workers.
Hot-desking	Hot-desking means that an employee has no fixed work space within an office environment. Hot-desking cuts down the need for office space – if a business has a sales team that spends little time in the office, supplying permanent desks for the team is a waste of resources. Also it is supposed to allow greater innovation and encourages new networks to be established in the workplace. Some workers who are forced to hot-desk complain of the breakdown of workplace relationships, and can feel disconnected from the organisation.

Possible benefits to businesses of flexible working practices

- Businesses can expand and contract their workforce quickly in response to a rise or fall in the demand for their product or service. Permanent staff are not easy to dispose of in comparison to temporary workers on zero-hours contracts.
- Temporary staff and subcontractors may be cheaper to employ as they are unlikely to get any of the benefits that may be available to permanent staff. For example, employers are responsible for training permanent employees, which can prove very expensive. Temporary sub-contracted workers will have acquired their skills elsewhere at no cost to the business currently employing them.
- A flexible workforce is likely to make a business more efficient. This may result in lower costs and make the business more competitive, especially for those businesses operating in sectors that are labour intensive.

Possible drawbacks to businesses of flexible working practices

- Temporary workers are less likely to have the same commitment to a business when compared to permanent workers. They will take a short-term view and may not carry out their work to the same standard as those who see their long-term future within the business. This may damage the company's reputation and result in the loss of customers.
- Communicating with a workforce which works largely from home can be an issue and the benefits of teamwork may be lost. Workers may feel isolated and the cross-fertilisation of ideas which springs from meeting with colleagues on a regular basis may result in less innovation.

Discussion themes

Using examples, explain what is meant by the flexible workforce.

Flexible working practices bring more advantages to employers than employees. To what extent do you agree with this statement?

Read the article on zero-hours contracts and give the reasons why employers use them and why some people dislike their use.

<http://www.bbc.co.uk/news/business-23573442>