

Work and Equalities Institute

The future of work: technological change, fragmentation and job quality

Trends in types of jobs and job quality

How technological advancement is changing the nature of employment, job quality, and shaping wider social inequalities remains one of the biggest societal issues today (Dundon and Howcroft 2018). Technology may have varying impacts on the availability and quality of work. Automation can replace labour leading to job losses, or may substitute tasks, resulting in the de-skilling of work by removing employee discretion from a job. However, it may also increase job discretion by complementing higher skilled work process (Parker et al. 2016). Technology has the potential to increase the demand for high skilled work but reduce the demand for more routinised medium and low skilled jobs, contributing to pay inequality between the top and the rest of the income distribution, and an increase in the polarization of job quality between high and low skilled jobs (Grimshaw and Rafferty 2016). However, these patterns of change are far from uniform and care work is both a low paid job and one that is set to expand (see box 1). Platform work is also expanding and contributing to the growth of fragmented and insecure work (see box 2). Moreover, the effects of technology on the labour market are not uniform across national contexts. WEI research shows that trends in job quality have varied substantially between countries in Europe over the last two decades (Holman et al. 2015, Holman and Rafferty 2017). The role of national institutional

context, such as labour market policies and trade union coordination, in shaping the impacts of technology appears important. Nordic countries in particular have been more successful in promoting higher levels of quality employment. Differences in patterns of job growth can also be expected by region and locality with consequences for equality (see box 3).

Dundon, T. and Howcroft, D. (2018). 'Automation, robots and the 'end of work' myth', *The Conversation*, January. Available at: (<http://theconversation.com/automation-robots-and-the-end-of-work-myth-89619>).

Grimshaw, D., and Rafferty, A. (2016). 'How have middle-income households fared in unequal Britain? A focus on work and employment trends', in Vaughan-Whitehead, D. (ed.), *Europe's disappearing middle class? Evidence from the world of work*, Geneva: Edward Elgar and ILO.

Holman, D., Holtgrewe, U., Rafferty, A., Ramioul, M. and Vandekerckhove, S. (2015). 'Convergence and divergence of job quality in Europe 1995–2010', Commissioned Report, Eurofound Office of the European Union, Luxembourg: European Union.

Holman, D., and Rafferty, A. (2017). 'The convergence and divergence of job discretion between occupations and institutional regimes in Europe from 1995 to 2010', *Journal of Management Studies*, 55(4), pp. 619–647.

Parker, S.K., Van den Broeck, A. and Holman, D. (2016) 'Work Design Influences: A Synthesis of Multilevel Factors that Affect the Design of Jobs', *Academy of Management Annals*, 11(1), pp. 267–308.

Convergence and divergence of job quality in Europe 1995–2010



Hebson, G., Rubery, J. and Grimshaw, D. (2015). 'Rethinking job satisfaction in care work: looking beyond the care debates', *Work, Employment and Society*, 29(2), pp. 314-330.

Holman, D., Mumford, C., Nagington, M. and McCann, L. (2017). *Employee Gentleness in Care Settings*. Manchester: The University of Manchester. Available at: (<https://www.mbs.ac.uk/research/funded-projects/alliance-projects/employee-gentleness-in-care-settings/>).

Rubery, J., Grimshaw, D., Hebson, G., and Ugarte, S. (2015). "It's All About Time": Time as Contested Terrain in the Management and Experience of Domiciliary Care Work in England', *Human Resource Management*, 54(5), pp. 753-772.

Box 1. Care work and skills

One of the areas of employment that is set to grow is care work. This an area of low paid work but not necessarily low skilled. However, staff shortages and increasing demands are putting pressure on staff to limit the care provided. Research by WEI on gentleness in care-giving found that a 'slow' approach to care can improve the quality of care but requires staff to have greater discretion in how they undertake their work (Holman et al. 2017). This 'slow' approach is in contrast to the tightly controlled workloads found among domiciliary staff, involving very short visits, fragmented daily schedules and zero hours contracts (Rubery et al. 2015). Even so, staff sought to mitigate these effects on clients and many found their work to be rewarding despite the low pay. However, WEI research found that this reflected in part the poor quality of work available in other sectors (Hebson et al. 2015) to these women and changes were needed if the sector as a whole was to solve its labour shortage and improve the quality of care.

Precarious work and protective gaps

In response to widespread concerns that work is becoming increasingly precarious, WEI research has been proposing new ways to conceptualise precariousness, using for example the notion of protective gaps in employment protection, social protection, representation and enforcement (Grimshaw et al., 2016), an approach also utilised to explore gaps in European law at different levels (Koukiadaki and Katsaroumpas, 2017). Despite gaps in all countries, there is wide variation in practices, offering scope to learn from 'best practice'. However, improving protection for precarious workers may normalise precarious work and increase demands on social protection (for example in-work benefits) just as employers may be reducing support for the social welfare system (Rubery et al., 2018). Too much attention may have been paid to using flexibility to get people into work and not enough to considering its longer term costs (Rubery et al., 2015). New regulatory approaches need to disconnect social protection where possible from standard employment status but also extend employment protection rights to non standard workers (Rubery, 2015; Rubery et al., 2018) while also recognising and promoting the role played by non legal regulation (Inversi et al., 2017). However, all proposals for regulatory reform are complicated by the changing role of the state such that it cannot be relied upon to be a promoter of equality and security (Rodriguez and Stewart, 2017).

Grimshaw, D., Johnson, M., Keizer, A. and Rubery, J. (2016). 'Reducing Precarious Work: Protective Gaps and the role of Social Dialogue in Europe: Comparative report for EC project, Work and Equalities Institute. Manchester: The University of Manchester. Available at: (<http://www.research.mbs.ac.uk/ewerc/Portals/0/Documents/Comparative-Report-Reducing-Precarious-Work-v2.pdf>).

Inversi, C., Buckley, L.A. and Dundon, T. (2017). 'An analytical framework for employment regulation: investigating the regulatory space', *Employee Relations*, 39(3), pp. 291-307.

Koukiadaki, A. and Katsaroumpas, I. (2017). 'Temporary Contracts, Precarious Employment, Employees' Fundamental Rights and EU Employment Law', Policy Department for Citizens' Rights and Constitutional Affairs, Brussels: European Parliament. Available at: ([http://www.europarl.europa.eu/RegData/etudes/STUD/2017/596823/IPOL_STU\(2017\)596823_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2017/596823/IPOL_STU(2017)596823_EN.pdf)).

Rodriguez, J.K., and Stewart, P. (2017). 'Guest editorial', *Employee Relations*, 39(3), pp. 258-262.

Rubery, J. (2015). 'Re-regulating for inclusive labour markets', ILO Working Papers: Conditions of Work and Employment Series, No. 65. Geneva: ILO. Available at: (https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_428981.pdf)

Rubery, J., Keizer, A. and Grimshaw, D. (2016). 'Flexibility bites back: the multiple and hidden costs of flexible employment policies', *Human Resource Management Journal*, 26(3), pp. 235-251.

Dundon, T. and Inversi, C. (2017). 'Worse than zero hours contracts: work, pay and inequalities in the gig-economy,' policy@manchester, July, Manchester: The University of Manchester. Available at: (<http://blog.policy.manchester.ac.uk/inclusivegrowth/2017/07/worse-than-zero-hours-contracts-work-pay-and-inequalities-in-the-gig-economy/>).

Howcroft, D. and Bergvall-Kärebörn, B. (2018). 'A Typology of Crowdwork Platforms', *Work, Employment and Society*. Available at: (<https://doi.org/10.1177/2F0950017018760136>).

Box 2. Technology and platform work

The rise of platform-based working and the gig economy is of growing concern. WEI research has shown that despite the variety of work activity, there are several common features. All types of work, whether conducted physically or digitally, is contracted via a platform. The platform is registered as a technology firm and positioned as an intermediary which enables it to dodge the obligations of a traditional employer (e.g. minimum wage, sick pay, holiday entitlement, etc.). Allocating work via a platform has led to the rise of bogus self-employment that shifts risk onto workers, despite the fact that many work for a single platform. Work activity resembles piece-work and is predominantly monotonous and low paid. The fragmented nature of tasks has given rise to the use of algorithms which act as a proxy for management since platforms are keen to present a veneer of quality assurance if they are to remain credible. This combination of features poses serious challenges to workers' rights and the future of work.

DIRECTORATE-GENERAL FOR INTERNAL POLICIES
POLICY DEPARTMENT
 CITIZENS' RIGHTS AND CONSTITUTIONAL AFFAIRS

Constitutional Affairs
 Justice, Freedom and Security
 Gender Equality
 Legal and Parliamentary Affairs
 Petitions

Temporary contracts, precarious employment, employees' fundamental rights and EU employment law

STUDY FOR THE PETI COMMITTEE

EN



Rubery, J., Johnson, M., Lupton, R. and Zapata Roman, G. (2017). 'Human Development Report for Greater Manchester: Human Development Across the Life Course', Work and Equalities Institute. Manchester: The University of Manchester. Available at: (<http://www.research.mbs.ac.uk/ewerc/Portals/0/Documents/human-development-report.pdf>).

Grimshaw, D., Johnson, M. and Cartwright, J. (2016). 'Just Work in Greater Manchester Report 1: Just Work: Against Inequality and Precarious Work', Work and Equalities Institute. Manchester: The University of Manchester. Available at: (<http://www.research.mbs.ac.uk/ewerc/Portals/0/Documents/cartwright-report.pdf>).

Johnson, M., Martinez Lucio, M., Cartwright, J. and Mustchin, S. (2017). 'Just Work in Greater Manchester Report 2: The context of regulation in Greater Manchester', Work and Equalities Institute. Manchester: The University of Manchester. Available at: (<http://www.research.mbs.ac.uk/ewerc/Portals/0/Documents/just-work-report-2.pdf>).

Box 3. Just Work: fairness and justice at work in Greater Manchester

Greater Manchester, at the forefront of devolution in England, has adopted a strategic plan promising to focus on ensuring that the citizens of Greater Manchester can all benefit from economic growth and the opportunities it brings throughout their lives. This is an ambitious agenda as a Human Development Report for Greater Manchester produced by WEI researchers (Rubery et al. 2017) revealed very high levels of inequalities by locality and across each life stage. WEI researchers are exploring the development of working lives in the Greater Manchester area with a view to understanding the impact of efforts by the local state and other agencies to enhance and improve labour standards and social inclusion (Grimshaw et al. 2016, Johnson et al. 2017). Much of the Just Work project research is focusing on the lives and work of those on the margins and those who are not gaining from the supposed successes of Manchester's regeneration. This provides a counterbalance to reports that focus in almost an heroic way on its new flexible and internationalised economy. In interviews with public bodies, non-government organisations, employer organisations and trade unions on what can be done to improve working lives, a major challenge to emerge is a lack of coordination in the public and private sphere. Many bodies are struggling to create common policies, or joined up thinking, on questions related to social inclusion and worker rights (Johnson et al. 2017).

Fragmentation and outsourcing

Fragmentation of work though inter-organisational contracting is a key feature of the employment landscape. WEI research reveals that institutional context matters and that policy arrangements can mitigate or exacerbate fragmentation. European comparisons of outsourcing by local authorities reveal how the institutional context shapes the extent and outcomes of outsourcing. Institutional influences include not only public/private gaps in wages and unionisation but also employment protection laws and organisational and contract forms (Grimshaw et al., 2015). Where local authorities use social clauses in contracts to follow best practice, these proved most effective where pragmatic alliances of progressive local politicians, unions and employers were operating under supportive national and sectoral employment regimes (Jaehrling et al., 2018). A quantitative exploration of the use of temporary workers (Allen et al., 2017) across 31 European countries confirmed the importance of institutional characteristics but found that use also depended on interactions between an establishment's characteristics and its business system.

Allen, M., Liu, J., Allen, M.L. and Saqib, S.I. (2017). 'Establishments' Use of Temporary Agency Workers: The Influence of Institutions and Establishments' Employment Strategies', *International Journal of Human Resource Management*, 28(18), pp. 2570-2593.

Grimshaw, D., Rubery, J., Anxo, D., Bacache-Beauvallet, M., Neumann, L. and Weinkopf, C. (2015). 'Outsourcing of public services in Europe and segmentation effects: The influence of labour market factors', *European Journal of Industrial Relations*, 21(4), pp. 295-313.

Jaehrling, K., Johnson, M., Larsen, T.P., Refslund, B., Grimshaw, D. (2018). 'Tackling precarious work in public supply chains: A comparison of local government procurement policies in Denmark, Germany and the UK', *Work, Employment and Society*, 32(3), pp. 546-563.

Box 4. Outsourced cleaning work

A qualitative study of cleaning services in the UK across 12 clients spanning six industries found that although some clients and subcontractors claimed to be taking action to improve employment conditions, the improvements were only marginal and payment of living wages may be traded-off against other conditions. These voluntary actions were also mainly undertaken for reputational reasons, underlining the limits of voluntary action as a solution for poor work.

Grimshaw, D., Cartwright, J., Keizer, A. and Rubery, J. (2018). 'Market exposure and the labour process: the contradictory dynamics in managing subcontracted services work', *Work, Employment and Society*. Available at: (<https://doi.org/10.1177%2F0950017018759206>).



Reducing Precarious Work Protective gaps and the role of social dialogue in Europe



Work and Equalities Institute

Identifying and promoting the conditions for more inclusive and fair work and employment arrangements

New thinking on how to address the challenges posed by changes in work, employment and equalities is urgently needed. Inequalities – from health and education to poverty and exclusion – are influenced by labour market factors, but employment conditions are also shaped by patterns of inequality. The Institute brings together two internationally-recognised Alliance Manchester Business School research centres (European Work and Employment Research Centre and Fairness at Work Research Centre) with expertise across human resource management, industrial relations, labour economics, organisational psychology, employment law, technology, organisation studies, sociology and social statistics.

Our research is being used in knowledge exchange, dialogue and debate with key stakeholders and policy makers, and makes informed contributions to policy formation and practice. To achieve this, the Institute draws on input from an advisory board of policy makers and practitioners with local, national and international expertise. The Institute's research ranges from the local to the global, and builds on the already strong connections with national and international policy bodies. Our approach to research includes the use of international institutional and comparative analysis, organisational case studies and qualitative interviews, and surveys and quantitative data analysis.

Our work is central to the debate on inequality in society

The team has a track record, built over more than twenty five years, of informing the evidence-base and policy agenda of the European Commission, the European Parliament, and the United Nations' International Labour Organisation, as well as national organisations such as the Equality and Human Rights Commission, the Chartered Institute of Personnel and Development and the Trades Union Congress. They have also helped launch many doctoral students and early career researchers onto successful careers as academics, researchers and policy makers in various sectors and countries.

WEI has an active PhD community of over 20 students

Our research students are working on a range of issues concerned with the changing nature of regulation and work including: new forms of worker voice and conflict in the gig economy, migrant networks and the emergence of independent worker networks, regulation and HRM in SMEs, union revitalisation in South America, CSR and labour standards in West Africa, precarious work and women's employment, technostress and well-being, the impact of automation on women's work in the retail sector, the experience and/or the regulation of precarious employment, UK pension reforms, bystander behaviour in workplace bullying, and women stepping away from high level careers, to name but a few. The group of students actively present at conferences and organise a range of seminars and research networks within the institute. They build on long traditions of work on labour market segmentation and inequalities, comparative employment research, regulation and representation issues in employment relations, human resource management, stress and well-being and technology and work organisation. There are a number of AMBS scholarships available each year to support new PhD students as well as studentships from the ESRC's North West Doctoral College.

✉ Alliance Manchester Business School
Booth Street West
Manchester
M15 6PB

@ WEI@manchester.ac.uk

🐦 mbs.ac.uk/WEI

Director: Professor Jill Rubery

Royal Charter Number RC000797