

Executive Summary

Innovative and flexible approaches to working time



**Funded by
the European Union**

The opinions expressed in this report reflect only the authors' view. The European Commission is not responsible for any use that can be made of the information contained therein.



Innovative and flexible approaches to working time

Executive Summary



**Funded by
the European Union**

CONTENT INDEX

| | |
|-------------------------------|---|
| 1. InnovaWorking project..... | 3 |
| 2. Aims and methods | 3 |
| 3. Key findings | 5 |

1. InnovaWorking project

The InnovaWorking project (Project 101126491) is a two-year project supported by the European Commission, Directorate-General for Employment, Social Affairs and Inclusion, receiving funding under the call for proposals SOCPL-2022-IND-REL aimed at improving expertise in the field of working conditions and social dialogue.

Running for 24 months (November 2023–October 2025), InnovaWorking aims to explore on innovative working time experiences taking a dual approach. On the one hand, the research has analysed innovative agreements that provide for shorter working times. On the other hand, the research has focused on more flexible working hours, including hybrid and remote working practices.

In the future, work will undergo major transformations in numerous institutions and working conditions. These changes include working time, with policies such as the four-day work week. The scope of the project covers six countries (France, Spain, Finland, Netherlands, Ireland and Hungary).

To carry out the project, a transnational consortium has been set up. The consortium involves four research centres: University Carlos III of Madrid – lead organisation (Spain), Tampereen Korkeakoulusaatio SR (TAU, Finland), University College Dublin (UCD Ireland) and Eötvös Loránd University (Hungary) It also involves two organisations as associated partners (UGT and Fundación Cultural Primero de Mayo FIM, CCOO), which represent social partners at national level. In addition, the project has an advisory board made up of three prestigious researchers who work in academia (ETUI, VU-Amsterdam and University of Valencia) and one of the most significant European actors (ETUC) in the topic European policy context. Furthermore, the collaboration of the Hague University of Applied Sciences.

2. Aims and methods

The research has attempted to investigate and analyse innovative policies on working time arrangements that have been negotiated between trade unions and employers in both the public and private sector. With this premise, the objectives of the project may be summarised in the following research questions:

1. What kind of innovative and best short-time work practices/flexible working time arrangements can be observed within European workplaces (specifically, in the six country studies)?
2. What kind of hybrid and teleworking practices (combined with flexible working time arrangements) can be observed in the countries under study?
3. At which level (company, sector or national) are these agreements negotiated?
4. What are the drivers, barriers, and consequences of the introduction of short-time and flexible working (including telework/remote work) arrangements?
5. Under which circumstances do trade unions and employers argue for arrangements that reduce working time?
6. What are the strategies of bargaining partners to negotiate short-time work practices?
7. What is the underlying ideational motivation of social partners to argue for working time reduction?
8. How has ideational motivation changed over time?
9. How does it vary between industrial relations systems?
10. What are the experiences of (organised) employers and employees, both in financial and non-financial terms, regarding short-time and flexible working practices?
11. How does the legal system and institutional setting facilitate or limit the introduction of short-time/flexible work practices?
12. How does the Human Resources/Personnel department cooperate to facilitate working time arrangement or to support reducing time?
13. Is it mandatory to record working time in your country? Does it work?

The research was based on an empirical study that has chosen six cases in six countries of the European Union, including France, Spain, Finland, Hungary, the Netherlands and Ireland. The French case has been a pioneer in the commitment to balancing professional and personal lives, albeit through different mechanisms such as the 35-hour standard working week and the explicit recognition of the right to disconnect. It has been launched a questionnaire that the InnovaWorking team has created ourselves to identify those innovative cases, those cases of flexibility in working hours. This questionnaire has allowed us to identify where they are, in which companies, in which sectors of activity.

One relevant goal of the research was to select the cases in an attempt to include a large number of sectors. However, most of the cases affect employees from one company and not all employees of the sector.

In the research it has also tried not to investigate not only IT sector, but also other sectors of activity where there is actually less innovation. There is usually less innovation, such as in the metal sector, the construction sector or also the restaurant sector, which is very important, for example, in Spain.

3. Key findings

In the last period, the discussion has been focused more on working time reduction than flexible working time arrangements. However, the InnovaWorking research suggests that a link exists between both of them. The innovative process of working time in the companies is often started with flexible working time arrangements. Pilot programs on working time reduction may be explored if the experience of flexible working time arrangements is functioning properly.

Flexible working time arrangements is a broad category that includes several possibilities for negotiators and companies. Some of these arrangements may be combined to increase the scope of employees covered. Although the term flexible working time arrangements includes not only remote work, but also other benefits related to the working time, remote work continues to be the most well-known category. Interestingly, the research shows that remote work does not only focus on IT companies. Some traditional sectors as the metal industry have also implemented it, considering that innovation is possible in the area of working time.

In this sense, it is recommended that the issue be addressed by legislators or considered in collective agreements, not only identifying flexible working time arrangements with remote work.

Types and patterns of innovation in working time in the six countries are influenced by collective bargaining structures. The European countries under review display an impressive diversity of institutional forms and paths of evolution in industrial relations. This is of great relevance since the role of the collective agreement in addressing working time reduction or flexible working time arrangements is a relevant issue in the InnovaWorking research. Strong collective bargaining schemes may increase the possibility of innovating working time arrangements. In countries having weak collective

bargaining structures, increased difficulties are found with respect to introducing changes to flexible working time arrangements in the sector or in companies.

It is important to emphasise that the selected cases on working time reduction are located in countries where the right to negotiate collective agreements is recognised or protected by the law. In the other countries, the analysis has focused on remote work.

Consensus exists in the case studies with respect to the factors that have contributed to promoting flexible working time arrangements. Research reveals that exogenous and structural factors have served as drivers to address it. A relevant external factor was the Covid-19 pandemic, which has accelerated the acceptance of home offices, with many professionals enjoying the resulting flexibility and improved work-life balance. Prior to the Covid-19 pandemic, there were some related initiatives, but they did not cover certain employee categories (for instance, professional and administrative staff). The Covid-19 pandemic was of key importance for exploring remote work for the first time. In some countries the growth of remote workers was an incentive to approve a new regulation on this issue.

Since the most acute period of the Covid-19 pandemic ended and workers in various sectors have resumed working on-site, there has been a push from employers to reduce access to remote work. This was also visible in the workplaces under study. In this sense, where the power of trade unions is greater, pilot initiatives on flexible working time arrangements have continued to function well.

From the employee point of view, the main drivers for the introduction of short-time and flexible working (including telework/remote work arrangements) are the promotion of work and family life conciliation.

The case studies analysed reveal that the implementation of the 4-day working week relies on different approaches depending on the sector, worker profile and funding model. While in some contexts it has been used as a tool to attract and retain talent, in others it has been aimed at reducing work-related fatigue and extending professional longevity for certain groups.

The presence of mechanisms for partial salary compensation or the reorganisation of working time are key factors in its acceptance and effectiveness. However, experience also shows that when working time reductions are accompanied by a redistribution of workloads without a real decrease in job demands, worker participation tends to be low, and counterproductive effects may result, increasing pressure on employees.

These findings offer some key conclusions with respect to conditions that favour the feasibility and sustainability of working time reductions. Evidence suggests that their positive impact depends on ensuring that they do not lead to work intensification, that they are adapted to sector-specific needs, and that their implementation is equitable across the company or professional group. The existence of well-designed regulatory frameworks or collective agreements facilitates the integration of such measures without creating inequalities or adverse effects on productivity or work organisation. Worker acceptance is also influenced by the maintenance of salary and social entitlements, as well as the recognition of the benefits associated with improved work-life balance and occupational health.

It has been found that there are successful experiences and experiences that have not been so successful, that have not failed. Reducing working hours is a very positive thing a priori, but it must be implemented properly. Not every form will be suitable. Not every sector allows for the same formula.

It seems very important that in each of the companies in which they are adapted, in each of the sectors their specific production conditions, the specific way in which they work, how they are organized, are taken into account, If there are shifts, if 24-hour care is necessary, if it is possible to reduce the company's overall service time regardless of the time of the workers, if each department has to have its own organization, that is. It should be avoid magic formulas, miraculous formulas, you have to know the activity well. That's why corporate commitment is so important.

The most successful experiences have usually started with entrepreneurial initiative and then been proposed for negotiation. It is always important for both parties, that the Workers' representation to describe what their needs are, if it works, if it adapts well to the needs of the workforce what the company is proposing. But at the same time, the company is the one that will know whether it can organize the work in one way or another.

The right to disconnect takes on relevance when addressing flexible working time arrangements. Although some countries (France and Spain) have introduced legal developments, the right to disconnect is not yet a labour right protected at a European level.

Furthermore, in some countries, such as the Netherlands, collective agreements are attempting to cover the legal void, by including provisions on the right to disconnect. However, in practice, compliance with the same varies between companies and there appears to be a lack of awareness of this area. Some European countries may serve as examples to contribute to the drafting of a right to disconnect within the framework of the European Union.

-Some cases reveal the collaboration between collective agreements (at sectoral and provincial levels) and company policies. It appears relevant that the sectoral (national) level establishes some general rules on this issue to promote flexible working time arrangements that may be completed at provincial or company levels.

Although different levels of involvement are observed in the research, the role of social actors is underscored in the case studies. Examples of three levels of participation (information sharing, consultation and negotiation) are found, as well as a combination of two or three of them.

-A relevant issue is the role of trade unions to monitor the quality and transparency of the flexible working time arrangements. Here, the Spanish case describes the participation of trade unions as crucial for addressing how flexible working time arrangements may be very effective. First, they can reject pilot projects on a compressed work week when this may lead to worse working conditions for employees. Second, they can negotiate the agreement on remote work with the company.

-Sectoral collective agreements may inspire the development of decentralised agreements on flexible working time arrangements. In France, explicit managerial clauses are included in national interprofessional agreements. These clauses, which address managerial relations in the framework of telework, appear more explicitly in recent national interprofessional agreements. As such, they can inspire more decentralised agreements. In this sense, the Finish case points to a definitive statement: “Both sectors underscore the importance of collective agreements in ensuring that flexibility does not become a substitute for worker exploitation”. And when no agreement is reached, at least, certain means of defending employee interests shall be implemented. For instance, in the Irish case, the following is explained: “Where an employee requests blended working and their request is rejected, there is a grievance procedure, in which the employee in question can be represented by their union”.

-Transparency of the process appears to be a key factor to generate trust between employees to request those types of arrangements. In countries where trade union power is limited, the works council was informed and consulted. This indicates that, at least to some extent, employees were involved in the decision-making process. Although it helps initiate the process, the lack of negotiation appears to be a problem that addresses personal employee needs or concerns.

From the company perspective, the main obstacle to open the door to flexible working time arrangements is how those innovative changes may affect productivity. Evidence indicates that productivity has been maintained or even increased. The InnovaWorking research does not reveal a decrease in productivity. In this sense, the Spanish case points out the following: “In Schneider Electric, the assessment of the measures is very positive according to the survey and the interview with the trade unions (CCOO and UGT). Remote work does not imply a risk for the quality of the productive process. The productive process is remotely controlled. In addition, according to the union representative from CCOO, remote work has led to a major reduction of costs for the company, while constituting a relevant incentive for the employees”.

Interestingly, in countries where there is no statutory framework guaranteeing trade unions negotiation rights in the workplace, increased recognition of the opportunities offered by blended and remote working resulted in increasing opportunities to assert negotiation coverage.

This is illustrated by the Irish case study: “In University A, SIPTU, which is the only union recognised by the university for consultation purposes, were presented with a blended working pilot document drafted by the HR department. As noted above, the pilot specified the allowance for remote working to apply across the university- one day per week. This fell far short of the mandate of a 50/50 split between on campus and remote working that SIPTU had received from their members through polling. Union representatives were also aware that University A’s pilot was the most prescriptive offering in the sector. The union pursued the 50/50 mandate with the employer and University A offered to allow employees two days of remote working for 21 weeks of the year. Seeking to improve on this offering, SIPTU brought a case to the WRC. As a result of negotiations under the auspices of this body, University A agreed to grant two days per week remote work for those who want to avail of it, a compromise acceptable to both sides.”

The issue of health and safety of employees appears to be ambivalent. The experience of trade unions shows that when there is a flexible policy of working time it is necessary to enhance employee health and safety.

Cases have shown that flexible working time arrangements improve employee mental health. One of the reasons is that employees are able to respond to personnel issues. Remote work may also help reduce exposure to a hostile environment (interpersonal conflicts at work, bullying, etc.). At the same time, the perception of employees regarding those arrangements as something valuable may have a negative impact on their own health. Employees may voluntarily work more than the maximum working time and suffer psychological risk if they do not respect the minimum statutory resting periods.

The Spanish case describes this situation very well: “In short, these two relevant flex working measures implemented in the company, which are remote work and flexible

schedules, imply both benefits and inconveniences: they contribute to the employees' well-being, operating as an important incentive for them without hindering work performance; but, since the Company's culture is focused on the autonomous working of the employees and the self-assumption of responsibility of their own duties, these measures may end up leading to excessive working hours, which is self-inflicted by the employees themselves".

Another beneficial factor focuses on the gender gap and the well-known difficulties to take on the management positions in the case of women. Certain case studies such as the Irish one have provided information on how the flexibility of those arrangements have led to part-time female employees requesting to be full-time employees. The benefits of remote working are reduced commuting time and increased compatibility with family arrangements. That innovative process plays an important role in the empowerment process of women. Those findings are explained in the Irish case: "Both male and female workers have indicated to their unions their preference for remote work because it suits their family arrangements. Parents have split the days that they are working remotely so that they can share responsibility for transporting children to and from school. Although remote work does not facilitate child care (...) having a presence at home can mean that workers no longer need to take a day off when their children are off school (...) To some extent, the move to remote work has ameliorated issues that SIPTU had previously sought to address by campaigning for a 4-day week. While a 4-day week remains a goal of the union and the wider labour movement, especially for those who cannot work remotely, for those that can access it, remote work provides some of the work-life balance benefits sought associated with reduced working hours.