

# Contents

|                          |    |
|--------------------------|----|
| List of tables . . . . . | XV |
|--------------------------|----|

|                           |     |
|---------------------------|-----|
| List of figures . . . . . | XVI |
|---------------------------|-----|

## Chapter 1

### A Flexible Future: Aspects of the Flexibility Debates and Some Unresolved Issues

Paul Blyton and Jonathan Morris

|  |   |
|--|---|
| 1.1 Introduction . . . . .                         | 1 |
| 1.2 Flexibility: The Theoretical Debates . . . . . | 4 |
| 1.2.1 Regulation Theory . . . . .                  | 4 |
| 1.2.2 Flexible Specialization . . . . .            | 6 |
| 1.2.3 The Flexible Firm . . . . .                  | 7 |
| 1.3 The Structure of the Book . . . . .            | 9 |

## Chapter 2

### The End of Organized Society: A Theme in Search of a Theory?

Michael I. Reed

|  |    |
|--|----|
| 2.1 Introduction . . . . .               | 23 |
| 2.2 Exposition . . . . .                 | 25 |
| 2.2.1 Post-Fordism . . . . .             | 25 |
| 2.2.2 Disorganized Capitalism . . . . .  | 28 |
| 2.2.3 Post-Modernism . . . . .           | 30 |
| 2.3 Assessment . . . . .                 | 31 |
| 2.3.1 The Service Class . . . . .        | 34 |
| 2.3.2 Flexibility . . . . .              | 35 |
| 2.3.3 Surveillance and Control . . . . . | 36 |
| 2.4 Evaluation . . . . .                 | 37 |

### Chapter 3

#### Flexible Specialisation: New Times or Old Hat?

Al Rainnie

|     |                             |    |
|-----|-----------------------------|----|
| 3.1 | Introduction                | 43 |
| 3.2 | Defusing the Regulationists | 43 |
| 3.3 | Fordism                     | 44 |
| 3.4 | Regulation                  | 48 |
| 3.5 | Crisis                      | 50 |
| 3.6 | Flexible Specialisation     | 53 |
| 3.7 | Conclusions                 | 59 |

### Chapter 4

#### Primary Flexibility – the Flexible Firm and its Determinants

Peter J. Sloane and Anne Gasteen

|     |   |    |
|-----|---|----|
| 4.1 | Introduction                                | 63 |
| 4.2 | Empirical Evidence – Descriptive Statistics | 64 |
| 4.3 | Empirical Evidence – Statistical Analysis   | 73 |
| 4.4 | Conclusions                                 | 76 |

### Chapter 5

#### Going Flexible: The Penetration of New Management Practices and a New Workplace Politics in Sweden

Hans Glimell

|     |  |    |
|-----|--|----|
| 5.1 | Outline of the Paper   | 81 |
| 5.2 | Introduction: Leaving the Gospels Behind   | 82 |
| 5.3 | Sweden: Still Going Strong?  | 86 |
| 5.4 | New Practises in Management and Work Design: Examples from a Survey of Case Study Data | 91 |
| 5.5 | A Few Concluding Remarks   | 98 |

### Chapter 6

#### Imaginative Flexibility in Production Engineering: The Volvo Uddevalla Plant

Thomas Clarke

|     |   |     |
|-----|---|-----|
| 6.1 | Introduction: Programmable Technologies, Restructured Work Organisation and Niche Marketing | 103 |
|-----|---|-----|

|     |  |     |
|-----|--|-----|
| 6.2 | Uddevalla . . . . .                      | 105 |
| 6.3 | The Swedish Labour Market . . . . .      | 107 |
| 6.4 | Volvo Production Strategy . . . . .      | 109 |
| 6.5 | A Factory Based on Agreement . . . . .   | 113 |
| 6.6 | Quality Cars and Happy Workers . . . . . | 116 |
| 6.7 | Flexible Specialisation . . . . .        | 120 |
| 6.8 | European Work Organisation . . . . .     | 122 |
| 6.9 | Conclusion . . . . .                     | 125 |

## Chapter 7

### From Uniformity to Diversity: Changing Patterns of Wages and Work Practices in the North American Automobile Industry

John Holmes

|       |   |     |
|-------|---|-----|
| 7.1   | Introduction . . . . .  | 129 |
| 7.2   | The Fordist Industrial Relation System: Pattern Bargaining and Uniform Wage and Work Practices . . . . .                              | 131 |
| 7.3   | New Competitive Conditions and Technological Change: The North American Automobile Industry in the 1980s . . . . .                    | 134 |
| 7.4   | Towards a New Industrial Relations System in the Automobile Industry: From Concession Bargaining to "World Class" Contracts . . . . . | 137 |
| 7.5   | Towards a More Diverse and Non-Uniform Pattern of Wages and Work Practices in the North American Automobile Industry . . . . .        | 139 |
| 7.5.1 | Divergence in the Content of Auto Industry Collective Agreements Between the United States and Canada . . . . .                       | 140 |
| 7.5.2 | Changes in Methods of Wage Setting and the Principal Sources of Variation in Wages . . . . .  | 141 |
| 7.5.3 | Changes in the Connective Bargaining Structure and Variations in Plant Level Work Practices and Labour Relations . . . . .            | 147 |
| 7.6   | Conclusion . . . . .  | 151 |

## Chapter 8

### Between Control and Consent? Corporate Strategy and Employee Involvement in Ford U.K.

Alan McKinlay and Ken Starkey

|     |  |     |
|-----|--|-----|
| 8.1 | Introduction . . . . .   | 157 |
| 8.2 | Continuity and Change in Ford's Industrial Relations . . . . . | 158 |

|     |   |     |
|-----|---|-----|
| 8.3 | Organisational Change at Ford . . . . . | 159 |
| 8.4 | After Japan . . . . .                   | 160 |
| 8.5 | Employee Involvement . . . . .          | 162 |
| 8.6 | Participative Management . . . . .      | 165 |
| 8.7 | Conclusion . . . . .                    | 166 |

## Chapter 9

### Buyer-Supplier Relations in the UK Automotive Industry

Peter Turnbull

|     |   |     |
|-----|---|-----|
| 9.1 | Introduction . . . . .  | 169 |
| 9.2 | 'Obligational' versus 'Adversarial' Contracting . . . . .   | 170 |
| 9.3 | The U.K. Automotive Industry in the 1980s – Emulation or<br>Emasculation of the Japanese Model? . . . . . | 177 |
| 9.4 | Closing the Gap? . . . . .  | 185 |

## Chapter 10

### Strategic Management and the Decision to Subcontract

Hedley Malloch

|      |  |     |
|------|--|-----|
| 10.1 | Introduction . . . . .                                       | 191 |
| 10.2 | A Strategic Model of Manpower Policy . . . . .               | 192 |
| 10.3 | Changing Marketing Strategies . . . . .                      | 194 |
| 10.4 | Cost Reduction Strategies and Changing Systems of Production | 196 |
| 10.5 | Contracting and Work Organisation . . . . .                  | 198 |
| 10.6 | Management Values . . . . .                                  | 199 |
| 10.7 | The Form of the Contract . . . . .                           | 202 |
| 10.8 | Problems of Implementation . . . . .                         | 205 |
| 10.9 | Conclusions . . . . .  | 207 |

## Chapter 11

### Towards Flexibility: Technical Change and Buyer-Supplier Relationships in the British Clothing Industry

Marian Whitaker

|      |  |     |
|------|--|-----|
| 11.1 | Introduction . . . . .                               | 211 |
| 11.2 | The Garment Supply Chain . . . . .                   | 214 |
| 11.3 | Case Study A: The London Rag Trade . . . . .         | 217 |
|      | 11.3.1 The Distributor/Sub Contract System . . . . . | 220 |
|      | 11.3.2 Fabric Merchants . . . . .                    | 222 |

|        |  |     |
|--------|--|-----|
| 11.4   | Case Study B: Quality Street . . . . .   | 223 |
| 11.4.1 | Retailer Intervention: Design and Quality Control . . . . .  | 224 |
| 11.4.2 | Relationships with Fabric Suppliers . . . . .  | 225 |
| 11.5   | General Technical Problems . . . . .   | 227 |
| 11.6   | Analysis: Contrasting Approaches to Supply Chain Management in the British Clothing Industry . . . . . | 227 |
| 11.7   | Flexibility in Dyeing and Printing: An International Comparison . . . . .                              | 230 |
| 11.8   | Technical Change Survey . . . . .  | 232 |
| 11.9   | Financial Concerns . . . . .   | 234 |
| 11.10  | Looking After Small Firms . . . . .  | 235 |
| 11.11  | Work Organisation . . . . .  | 236 |
| 11.12  | Just-in-Time Production for the Clothing Industry? . . . . .   | 238 |

## Chapter 12

### Subcontract, Flexibility and Changing Employment Relations in the Water Industry

Julia O'Connell Davidson

|        |  |     |
|--------|--|-----|
| 12.1   | Introduction . . . . .   | 241 |
| 12.2   | The Water Industry in Britain . . . . .  | 244 |
| 12.3   | Flexibility and Restructuring in Albion Water . . . . .                        | 246 |
| 12.3.1 | Albion Water's Use of Contractors for 'Peak Lopping' . . . . .                 | 246 |
| 12.3.2 | Contracting Out Ancillary Functions . . . . .                                  | 250 |
| 12.3.3 | Bringing Work Back In-House . . . . .  | 251 |
| 12.3.4 | New Initiatives, New Forms of Non-Standard Employment . . . . .                | 253 |
| 12.4   | The Impact of Change and its Significance for the Flexibility Debate . . . . . | 255 |

## Chapter 13

### Quality Strategies and Workforce Strategies in the European Iron and Steel Industry

Hans-Werner Franz

|      |   |     |
|------|---|-----|
| 13.1 | Introduction . . . . .  | 259 |
| 13.2 | External and Internal Changes in the Steel Industry . . . . . | 259 |
| 13.3 | Diversified Quality Production . . . . .                      | 261 |
| 13.4 | Redundant Capacities . . . . .                                | 262 |
| 13.5 | Prospects . . . . .   | 264 |

|       |   |     |
|-------|---|-----|
| 13.6  | Practical Steps . . . . .               | 265 |
| 13.7  | Training and Further Training . . . . . | 266 |
| 13.8  | Organization of Work . . . . .          | 269 |
| 13.9  | Structural Integration . . . . .        | 270 |
| 13.10 | Management by Participation . . . . .   | 272 |

## Chapter 14

### Flexibility, New Technology and British Coal

Jonathan Winterton

|      |                                       |     |
|------|---------------------------------------|-----|
| 14.1 | Introduction . . . . .                | 275 |
| 14.2 | Historical Perspective . . . . .      | 277 |
| 14.3 | Flexibility in British Coal . . . . . | 282 |
| 14.4 | Conclusions . . . . .                 | 292 |

## Chapter 15

### Open Secrets and Hidden Agendas: Working Time, Flexibility and Industrial Relations in British Engineering

Alan McKinlay and Des McNulty

|      |   |     |
|------|---|-----|
| 15.1 | Introduction . . . . .                          | 295 |
| 15.2 | The Engineering Employers' Federation . . . . . | 296 |
| 15.3 | The Amalgamated Engineering Union . . . . .     | 298 |
| 15.4 | 'Confidential but not Secret' . . . . .         | 300 |
| 15.5 | Conclusion . . . . .                            | 307 |

## Chapter 16

### Human Resource Management and Labour Flexibility: Some Reflexions Based on Cross-National and Sectoral Studies in Canada and the U.K.

Gillian D. Ursell

|        |   |     |
|--------|---|-----|
| 16.1   | Introduction . . . . .                            | 311 |
| 16.2   | The Data . . . . .                                | 314 |
| 16.3   | Description of Respondent Organisations . . . . . | 315 |
| 16.4   | Labour Needs and Labour Costs . . . . .           | 315 |
| 16.4.1 | Oil and Gas . . . . .                             | 315 |
| 16.4.2 | Health Services . . . . .                         | 316 |
| 16.5   | Corporate Restructuring . . . . .                 | 317 |
| 16.5.1 | Oil and Gas . . . . .                             | 317 |
| 16.5.2 | Health Services . . . . .                         | 318 |

## Contents

XIII

|        |                                  |     |
|--------|----------------------------------|-----|
| 16.6   | Status and Role of HRM . . . . . | 318 |
| 16.6.1 | Oil and Gas . . . . .            | 318 |
| 16.6.2 | Health Services . . . . .        | 319 |
| 16.7   | HRM Practices . . . . .          | 320 |
| 16.7.1 | Oil and Gas . . . . .            | 320 |
| 16.7.2 | Health Services . . . . .        | 322 |
| 16.8   | Conclusion . . . . .             | 324 |

## Chapter 17

### Workplace Flexibility in Professional Organizations: A Study of Canadian Hospitals

Ali Dastmalchian

|        |   |     |
|--------|---|-----|
| 17.1   | Introduction . . . . .                            | 329 |
| 17.2   | Flexibility and Hospitals . . . . .               | 331 |
| 17.2.1 | Flexible Firm Model and Hospitals . . . . .       | 331 |
| 17.2.2 | Hospitals as Professional Organizations . . . . . | 332 |
| 17.3   | The Purpose of the Study . . . . .                | 334 |
| 17.4   | Method . . . . .                                  | 335 |
| 17.4.1 | Sample and Data Collection . . . . .              | 335 |
| 17.4.2 | Measures . . . . .                                | 336 |
| 17.5   | Results . . . . .                                 | 339 |
| 17.6   | Summary and Conclusion . . . . .                  | 341 |

## Chapter 18

### The Reshaping of 'Flexible' Labour? European Policy Perspectives

Tim Walsh

|      |   |     |
|------|---|-----|
| 18.1 | Introduction . . . . .  | 349 |
| 18.2 | Labour Flexibility in Europe . . . . .                          | 350 |
| 18.3 | 'Flexible' Jobs and the Supply Side: The British Case . . . . . | 351 |
| 18.4 | Comparative Policy Perspectives . . . . .                       | 354 |
| 18.5 | Flexible Labour in the 1990s . . . . .                          | 357 |
| 18.6 | External Labour Markets . . . . .                               | 357 |
| 18.7 | Internal Labour Markets . . . . .                               | 359 |
| 18.8 | Conclusion . . . . .  | 361 |

|                                |     |
|--------------------------------|-----|
| List of Contributors . . . . . | 365 |
|--------------------------------|-----|

# List of tables

- 4.1 Industrial distribution of SCELI organisations
- 4.2 Percentage of organisations using non-standard employment contract workers (NSECs)
- 4.3 Mean values of non-standard employment contract workers as a % of organisations' regular workforces
- 4.4 Non-standard employment contract workers as a mean percentage of the regular workforce by industry (1980 SIC divisions)
- 4.5 Reasons for the use of short-term contract and casual workers
- 4.6 The nature of activities performed by temporary staff
- 4.7 Reasons for the use of part-time workers
- 4.8 Use of demand fluctuation adjustment mechanisms
- 4.9 NSEC model
- 4.10 Temp model
- 7.1 Key elements of a "World Class" local labour agreement, General Motors of Canada
- 7.2 Contingent compensation payments, U.S. auto industry, 1984–89
- 7.3 Changes in job classifications introduced in 1984–87 local agreements, GM assembly plants in the United States and Canada
- 9.1 Number of component manufacturers supplying major customers
- 9.2 Buyer–supplier relations
  - 11.1 Four way perception assessment
  - 11.2 Comparison of dyers/printers UK and West Germany
- 12.1 Cost of hired and contracted services as a % of expenditure on all labour power since 1983
- 17.1 Correlations of flexibility with variables of environment, context, organization, and labour relations
- 17.2 Multiple regressions of flexibility variables on context, HR and organizational factors

# List of figures

- 2.1 The logic of disorganization
- 2.2 From 'organized' to disorganized' society
- 3.1 Flexible specialisation versus mass production
- 5.1 A classification of product strategies
- 5.2 The 1987 state of Taylorism in Swedish car industry
- 7.1 Base wage-rates for an assembler GM, Ford and Chrysler, U.S., 1958–89
- 7.2A Base wage-rates for an assembler GM, Ford and Chrysler, U.S., 1977–89
- 7.2B Base wage-rates for an assembler GM, Ford and Chrysler, Canada, 1977–89
- 7.3A Base wage-rates for an assembler GM Canada and U.S., 1979–89
- 7.3B Base wage-rates for an assembler Chrysler Canada and U.S., 1979–89
- 10.1 A strategic model of manpower policy
- 10.2 Two-way contracting
- 10.3 Reciprocated contracting
- 10.4 Risk-bearing, the form of the contract and client involvement
- 11.1 Garment supply chain
- 11.2 Mounting pressure on small manufacturers
- 11.3 Buying and merchandising programme
- 11.4 Comparison of supply chains
- 14.1 Phases of the labour process at the coal face
- 14.2 The MINOS hierarchy
- 14.3 Model for the coal industry based on the Wheeler plan
- 17.1 Suggested relationships between hospital structure and external environment
- 17.2 A framework for studying flexibility in hospitals
- 17.3 Plot of numerical and functional flexibility strategies in hospitals