

FLEXIBLE FORMS OF EMPLOYMENT IN POLAND

FLEXIBILNÉ FORMY ZAMESTNÁVANIA V POĽSKU

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Abstract

Changing environment means changing organizations – this process is an effect of striving for a continued existence in a turbulent environment. Organizations must quickly innovate and adapt to the new requirements of the market. Globalization and increasing competition make companies responding quickly to change [Kim et al., 2012], therefore, increasingly, companies focus on more efficient use of the most precious resource - human capital [Guest et al., 2006]. This new approach is especially conspicuous in knowledge-intensive sectors [Süß, Sayah, 2013].

The traditional model of employment involves, usually, fixed employment's costs, whereas flexible forms give the opportunity to control the labour's costs and allow employers to use effectively human resources, including recruitment of professionals. New forms of employment aim at development of employees and, as a consequence, keeping the talented staff in organization who, by their knowledge, skills and qualifications, constitute a strategic resource for the enterprise.

The financial aspect, which concerns the burden of employer's costs also causes, that flexible forms of employment have become a form of occupational activation, which is identified with the following groups of workers: young people with no experience, students, mothers combining the family life and working life, disabled and long-term unemployed.

The aim of the paper is the identification of flexible forms of employment, having an impact on better exploiting the potential of the human resource.

Abstrakt

Zmena prostredia prináša aj zmenu organizácií - tento proces je výsledkom úsilia o zachovanie existencie v turbulentnom prostredí. Organizácia musí rýchlo inovovať a prispôbiť sa novým požiadavkám trhu. Globalizácia a rastúca konkurencia nútia podniky rýchlo reagovať na zmenu (Kim et al., 2012), a preto stále viac firiem sa zameriava na efektívnejšie využívanie najcennejšieho zdroja - ľudského kapitálu (Guest et al., 2006). Tento nový prístup je zvlášť nápadná vo vedomostne náročných odvetviach (Süß, Sayah, 2013).

Tradičný model zamestnanosti zahŕňa fixné mzdové náklady, pričom flexibilné formy zamestnávania umožňujú kontrolu nad nákladmi na pracovnú silu a umožňujú zamestnávateľom efektívne využívať ľudské zdroje, vrátane náboru odborníkov. Nové formy práce sú zamerané na rozvoj zamestnancov, a v konečnom dôsledku na udržanie talentovaných zamestnancov v organizácii, ktorých vedomosti, zručnosti a kvalifikácia predstavujú strategický zdroj pre podnik.

Finančný aspekt, ktorý sa týka bremena nákladov zamestnávateľa tiež spôsobuje, že flexibilné formy zamestnávania sa stali formou zamestnaneckej aktivácie týchto skupín pracovníkov: mladí ľudia bez skúseností, študenti, matky kombinujúci rodinný život s pracovným, zdravotne postihnutí a dlhodobo nezamestnaní.

Cieľom práce je identifikácia flexibilných foriem zamestnávania, ktoré majú vplyv na lepšie využívanie potenciálu ľudských zdrojov.

1 THE TRADITIONAL MODEL OF EMPLOYMENT VERSUS FLEXIBLE FORMS OF EMPLOYMENT

A characteristic feature of the Polish legal system is the dominance of the traditional employment model. The staff member remains under the direction of the employer, which sets out measures and methods of work. A supervisor controls and supervise a whole process of work [Szewczyk, 2007, s. 141]. As the traditional model of employment is considered the model, when the relationship between employer and employees is established on the basis of an open-ended contract of employment. The employee working full-time, at fixed hours, in the place indicated by the employer and under his supervision.

Nowadays, the world economy changes. This influence the nature and structure of the work, and is associated with the escalating demands of the liberalization of labour law [Pisarczyk, 2004, s. 52]. Atypical forms of employment are a broad concept, encompassing a variety of ways of work. The main feature is that there are different from the traditional model [Felfe at all, 2008], [Kryńska, 2001, s. 32]. In the literature we can find different terms: "atypical forms of employment", "new forms of employment", "flexible forms of employment", "conception of flexicurity", "atypical work". Those terms, hasn't been, however, shown in the Labour Code. On the other hand, this term is widely used both by employers and employees. This new model of employment is also promoted by the European Commission. It is understood as an integrated strategy of increasing flexibility and security on the labour market [Panek, www.prawopracy.org].

Employment flexibility means, therefore, that a worker is employed in part-time, can individually chose a place and time to complete the task and is independent and responsible for the work. Those forms of employment can be generally split into two groups: "flextime" and "flexplace". The first gives the freedom of timing in work, the second group gives a possibility of choosing the place [Shockley, Allen, 2007].

Flexible forms of employment can also increase productivity. Frequent solution is the lack of fixed working hours. From the point of view of the employer, it may have an impact on the increase in motivation and potential to increase in efficiency. However, from the point of view of the employee, this solution allows to adjust the working time to the individual rhythm and needs [Bowl, s. 8, www.flexicurity.biz/pobr/PORADNIK_01.pdf].

The development of flexible forms of employment should be considered as an irreversible process. Currently, this form of employment is used 25% of enterprises [Zasada ..., 2007, p. 28]. It should be noted, that in addition to the organizational and occupational benefits, some disadvantages may occur. Workers must be protected from negative effects of those forms, because not always European standards are respected and handled to national legislation [Wratny, 2008, s. 32].

The introduction and adoption of atypical forms of employment requires consistent respect for the new protective rules, which should aim to improve the conditions of work, and to increase the social rank and attractiveness of flexible forms of employment. This is associated with the ensuring of adequate social security [Szewczyk, 2007, s. 203]. Where people, under pressure of high unemployment, are forced to accept atypical forms of employment, and, as a consequence, lost any protection guaranteed by law [Seweryński, 2002, p. 323] should not be seen as a person with a low social status and this kind of employment should not jeopardize their social security [Hajn, 2004, s. 80]. Some forms of flexible employment deserve support, while others, especially when they are abused, the criticism [Wratny, 2008, s. 32].

2 CHARACTERISTICS OF SELECTED FORMS OF FLEXIBLE EMPLOYMENT

Employers increasingly apply flexible forms of employment (Figure 1). This is primarily due to lower labour's costs, but also, due to attracting and stopping skilled employees and seasonality of employment. Due to that, bigger enterprises apply more often flexible forms of employment, because of bigger scale of business [Kalleberg at all, 2003]. Those forms can be combined [Guest at all, 2006], and, on the other hand, there are some special form of employed dedicated to specific group (e.g. disabled people) [Aytac at all, 2012], which have not been presented in this paper.

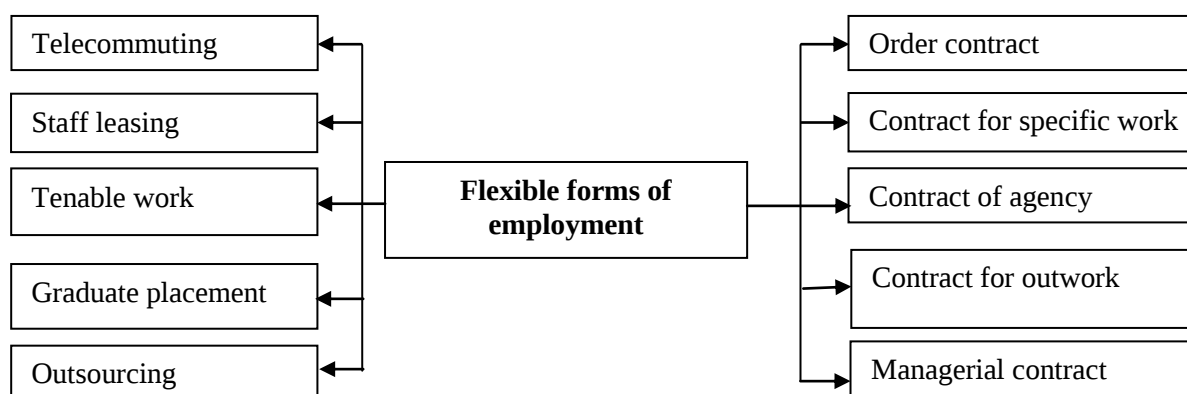


Figure 1. Selected form of flexible employment

Source: A. Staroń, M. Matejun, Zakres wykorzystania elastycznych form zatrudniania w sektorze MŚP [w:] S. Lechiewicz, M. Matejun (red.) Problemy współczesnej praktyki zarządzania. Tom I. Wyd. Politechniki Łódzkiej, Łódź 2007, s. 344]

The most famous forms of flexible employment include order contracts and the contracts for specific work. In accordance with article 734 of the Civil Code [Dz.U. 1964 Nr 16 item 93] order contract is a civil law agreement. It concerns the performance of selected task by commissioned party on behalf of the ordering party. Parties may be any natural persons or legal entity. The order contract may be paid or unpaid. The commissioned party is obliged to inform the ordering party about the progress of the contract and, finally, present the report. Contract orders are agreement of careful execution. This means, that it's execution not necessarily leads to a particular result. An order contract may be terminated by either party at any time. An order contract involves the obligation of health premium's payment.

An order for specific task is a typical agreement of result, paid, mutual and consensual. Conditions of contract for specific tasks are associated to determining of committed tasks (art. 627 – 646 of Civil Code) [Dz.U. 1964 Nr 16 item 93]. The conclusion of such an agreement can be beneficial to its parties, due to the fact, that in most cases, this kind of agreement is not a subject of social insurance contributions and health insurance (except of the situation when the ordering party is, simultaneously, the employer) [*Elastyczne...*, 2013, pp. 26-28].

The essence and the function of the agency contract is to regulate the provision of services between the parties to the agreement. By signing such an agreement in accordance with article 4. 758 § 1 Civil Code [Dz.U. 1964 Nr 16 item 93], order taker (the agent) undertakes, in respect of the activities of his company, to the standing proxy for the principal (customer) or to conclude them on his behalf for the agreed remuneration (commission).

Outwork, commonly called the cottage industry, is a transition form of employment - between a contract of employment and an order for specific task. It is the form of the non-labour employment having civil character, with elements representative for employment contract. The contractor has social security and health insurance, and is entitled to sick pay, annual leave and maternity leave, however, the salary is based only on made-up work. The main benefit for the employer is the reduction of employment costs, resulting from the lack of the need of workstation's creation. For the employee, the basic benefit is the ability to perform work without leaving home, at time the most convenient for him.

The custom form of employment is the managerial contract. These agreements are usually the form of employment of persons performing managerial functions. According to this kind of contract, the manager provides its expertise in return for remuneration [Bernais, 2005, s.20].

Telecommuting is a form of employment, which use modern technology and telecommunications systems. Telecommuting is provided outside home, in, the so-called, call-centers. Another flexible form of employment is a staff leasing, where the service provider takes over all procedures associated with the process of recruitment and selection of employees to the organization. The service provider is the agency whose business relates to the temporary hiring of workers [Makowski, 1999, s. 10]. The company also apply a tenable work, which is the temporary employment. This work is a temporary detachment of an employee to another company to perform a specific work. Another form of employment, which doesn't create the cost of the employer is internship. The graduate gains experience and new skills. Payment is submitted by the Employment Office.

The last form of flexible employment is outsourcing, which idea is to outsource from the outside of the organization. By outsourcing organizations avoid the labour costs. This form of work contributed to the so-called, "weight loss" of organization, reduction of departments, reduction of employment and labour cost in the organization [Lipski, 2001, s. 28].

3 BENEFITS OF FLEXIBLE FORM OF EMPLOYMENT

Each of atypical forms of employment brings other benefits. Both the employee and the employer may perceived them from a different point of view. Taking into consideration the social aspects of flexible forms of employment, we should point out an effective fight against the unemployment and increased economic activity of various social groups, in terms of education, gender, age.

Alternative forms of employment allow [Reck, Wieczorek, 2013, s. 45]:

- to gain work experience, improve skills;

- occupational mobilization of elderly, long-term unemployed, disabled, raising children;
- to take up a new job or its continuation after a long absence, maternity leave, parental leave;
- employment of persons without work experience;
- taking up employment and the reconciliation work with other obligations.

Alternative forms of employment can be also considered as a bridge to traditional employment [Jahn, Rosholm, 2014], [Smith, 2007] or an element of job matching process [Smith, 2007]. In addition to the social benefits of flexible forms of employment, we should also mention about the other benefits for the individual and the organization (Table 1).

Table 1. Benefits of flexible forms of employment

Employee	Employer
the possibility of employment	a reduction in labour costs, resulting from the lower burden of tax and insurance premiums
the ability to work for more than employer or orderer or self-employment	a reduction in operational cost of the company and the costs of the creation of new workstations
a freedom in choosing the type and place of work	adjustment of employment to the needs of organization
a possibility to reconcile work with family life	reduction in costs associated with the human resource policy (training, recruitment)
monitoring of the labor market	reduction in risks and costs associated with the termination of employment
a possibility to gain work experience	exploitation of the whole potential of employees
individual responsibility and independence	a possibility of accomplishment of non-typical tasks
the facilitated possibility of termination of employment	a possibility of working with highly skilled specialists from different fields
	a possibility of recruitment staff from the regions, where labor costs are lower

Source: own elaboration based on: Reck, Wieczorek, 2013, s. 45-46

Flexible forms of employment, although they are not free from disadvantages and limitations, represent a rational method of tackling a situation where there is an excess of workers in a company. These forms allow to adapt the size and structure of the staff to the changing conditions and needs without drastic actions like the exemptions of permanent employees [Sidor-Rzadkowska, 2010, s. 84]. The flexible employment may also allay the conflict between work and family life [Shockley, Allen, 2007], [Süß, Sayah, 2013]. Accept of many advantages, flexible forms of employment are often chosen not voluntary and the job satisfaction can be lowered [Bardasi, Francesconi, 2004] and workers employed on flexible contracts may be more exposed to, sometimes unreasonable, demands of employers [Guest at all, 2006]. This kind of contracts involve also increased risk, because they can be easily terminated [Felfe at all, 2008].

SUMMARY

Flexible forms of employment have both his opponents and supporters. The erosion of stability in employment is dictated by globalization, competition, crisis. The use of an appropriate form of atypical employment can contribute to the reduction of labor costs and improve the efficiency of the use of human resources in the organization, and to reduce the

scale of the redundancies in times of crisis. On the other hand, this form of employment are connected with risk, and it's burden must be carried out by an employee.

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