

***High performance work practices in
non-liberal market economies: some
lessons from three industries in
France, Germany and Sweden***

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Introduction

- ‘High performance work practices’ (HPWPs), are assumed to reconcile productivity, innovation capacity and job quality (in terms of job enrichment, skill development, greater autonomy, higher involvement.... and overall job satisfaction) = “win-win” work systems for both the workers and their companies ([Appelbaum et al., 2000](#))
- Previous research on HPWP points to discrepancies between ‘theory’ and practice and at best partial successes (biased towards productivity ‘wins’) due to increased competitive pressures in globalized supply chains + financialization
- So far limited knowledge about the interactions between technological change (‘digitalization’) and HPWPs, in conjunction with these economic dynamics, as well as institutional and other context factors
- **Aim of the paper (still in a very exploratory stage): better assess the factors influencing the adoption, the implementation and the outcomes of HPWPs in the (early) digital age**

Methods + Empirical basis

- Research Context: European research project on interrelationship between innovations and job quality (www.quinne.eu, 2015-2018)
 - Qualitative research: comparative case study methodology covering 7 countries, 8 industries
 - For this paper: Selection of HPWPs found...
 - in 3 CMEs countries (France, Germany, Sweden);
 - In 3 contrasted industries (aerospace, computer games and retail logistics) to cover HRM strategies for occupations with different skill levels
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- >>> For lack of space and time, we will present the case of Retail logistics and Aerospace

Neo-Taylorism and the failure of job rotation in France and Germany

- 5 case companies were chosen in retail logistics, in-house warehouses, food (FR-Food; GER-Food) and non-food (FR-Media ; GER-FMCG ; GER-Fashion); 44 interviews with managers, employee representatives and employees
- 2 work systems
 - Traditional warehouses: highly impacted by “warehouse management systems” software, and the increasing digitalization of picking (“pick-by-voice”)
 - Semi-automated systems (conveyors and automated sorting of packages)

Neo-Taylorism and the failure of job rotation in France and Sweden

- The “Neo-Taylorist” scenario in both work systems (“digital-Taylorism”) => in the opposite direction of what is usually associated to High Performance Work Systems
 - Deskilling, reduction in task discretion
 - Increased monitoring (“management by indicators”, “digital panopticon”), reduction in employees’ autonomy (even at top level, such as in FR-Food)
- In some warehouses attempts to promote Job Rotation: a move in the direction of HPW practice? Not really:
 - In semi-automated warehouses, rotation between very repetitive tasks only to avoid musculoskeletal disorders
 - In traditional warehouses, more associated with multiskilling, but used to increase functional flexibility, on a very limited scale, and with some negative consequences for the workers
 - Overall: job rotation is just a device to better cope with neo-taylorist requirements and/or consequences

Lean and the search for high involvement work systems in Aerospace firms in France and Sweden

- 5 case companies were chosen in different segments of the supply-chain and thus include both Original Equipment Manufacturers (OEMs) (FR-Plane and SW-Plane), and tier-one / tier-two suppliers (FR-Parts 1, Fr-Parts 2 and FR-SW); 70 interviews with managers, employee representatives and employees
- Lean principles and tools were implemented in all the companies; if “Lean” is associated with efficient operations management in manufacturing ([Bloom and Van Reenan, 2007](#)), it not does equate necessarily HPWPs => contrast between the technocratic-top down-rigid form of lean in the French cases, and the “lean principles with an agile approach” in the Swedish cases => key differences between the two countries: workers involvement, autonomy, skill-development

Lean and the search for high involvement work systems in Aerospace firms in France and Sweden

- But in France, many managers (up to the level of chief executive of industrial plant) realized that the current work system was problematic , as it was an obstacle to employees' initiative and innovative capacities, and had a negative impact on job satisfaction => search of new models to move to high involvement work systems, even with some radical innovations (such as the “liberated company” experiment at FR-Plane)
- Contrasted ways in using digital tools (e.g. tablets and computers for instructions for operators)
 - In France, so far, digitalization has increased monitoring and the “management by indicators”, reinforcing the “technocratic” mode of functioning => in contraction with high involvement work practices
 - In Sweden and in France new experiments, digitalization is more used as an empowerment tool, to make work more autonomous and more cooperative => promotes high involvement

Concluding remarks

- No technological determinism: organizational choices associated with digital technologies are crucial, to undermine or to promote HPW practices
- Beyond “formal” institutions (such as legal rules of employees’ consultation), social dialogue, and the way managers and employees and employees representatives interact play a role; a “cultural dimension” to explain some across countries differences? (*“lean à la française”* in Aero and Retail Log)
- Our results also confirm that economic pressures, related in particular to the position in the supply chain, may be an obstacle for the emergence of a “win-win” solution (see the problem of suppliers of standard parts in Aero; and all the logistics companies in Retail Log), even in a favourable institutional context (as compared to the LMEs); the potential higher employee’s “institutional” power in CMEs may be constrained by a too weak “positional” power , that also undermines employees associational power