

Company schemes for working-time reduction in Austria: Barriers and supporting factors for a successful implementation

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INTRODUCTION

Working-time reduction (WTR) has become a central topic in the debate on social-ecological transformation, as it has the potential to mitigate unemployment, improve well-being, and reduce environmental pressures. However, WTR might face resistance from both employees and employers, e.g. because of income losses, intensification of working time or increased cost for firms. It is thus essential to investigate the policy design and implementation of already existing working-time measures to identify factors that support or hinder a successful realization of WTR. For this purpose, Austria provides some notable cases that have hardly been studied.

RESEARCH FOCUS

The objectives of this study are:

- To illustrate the variety of existing WTR models on the company level based on 7 Austrian cases
- To identify problems that initiated the discussion on WTR, further motives and supporting aspects, possible barriers and risks, as well as factors for a successful implementation of WTR.

METHODS

Collective case study

- Seven firms
- Variation in firm size, business stage, economic sector

Multiple data sources

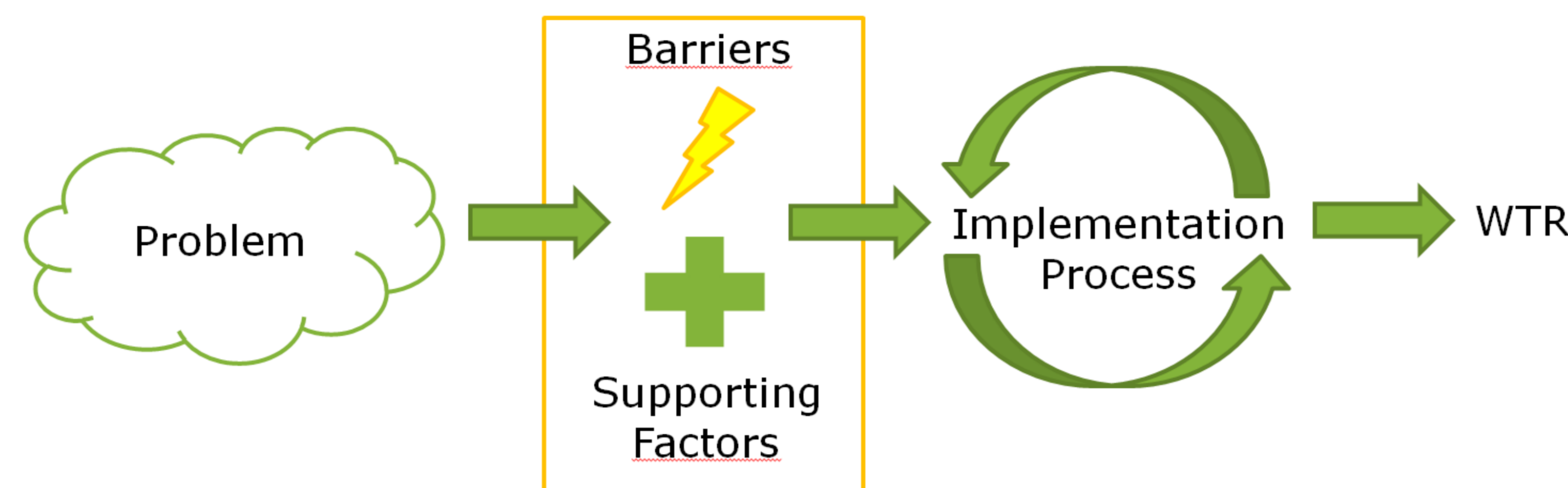
- company reports, info material from works councils
- Semi-structured interviews with works councils, employees and company representatives

Qualitative content analysis

RESULTS

Problems that initiated the discussion on WTR

- Increasing sick leaves & health problems
- Growing job dissatisfaction & staff turnover
- Blurred lines between leisure and work
- Issues of work-life balance
- Decreasing productivity



Motives and supporting aspects

Employee perspective:

- Desire for greater flexibility and (working) time autonomy
- Desire for better work-life balance
- Value change (leisure more important)

Firm perspective:

- New working-time scheme can improve firm image, attract high-skilled workers and decrease staff turnover
- Prospects of higher productivity, creativity and work motivation

Other factors:

- Powerful works council
- External consulting
- Institutional arrangements, e.g. leisure option, solidarity premiums model

Barriers and risks

Employee perspective:

- Income losses
- Intensification of work (especially for white-collar workers)
- Constrained (working-) time autonomy
- Resistance to change (habits)

Firm perspective:

- Increased costs: wage compensation, administrative costs
- Difficulties in finding additional skilled workers
- Deterioration of performance indicators, such as sales per capita
- Long hours necessary during start-up phase

CASE DESCRIPTION

	1	2	3	4	5	6	7
Sector	Electronics	IT services	Food trade	Furnishing	Electronics industry	Chemical industry	Steel industry
Age of company	> 50	5–10	5–20	20–50	> 50	20–50	> 50
No. of employees	> 1000	10–50	5–10	100–500	500–1000	100–500	> 1000
Share of employees	~ 10 %	100 %	100 %	~ 70 %	~ 30 %	~ 90 %	~ 30 %
Hours before	38,5	38,5	38,5	individual	38,5	38	38,5
Hours after	~ 37,5	36	30	individual	36,57	34,4	34,4
WTR in %	~ 2,6 %	6,5 %	22 %	individual	5 %	9,5 %	10,7 %
Wage compensation	0 %	0 %	0 %	0 %	50 %	50 %	75 %
WTR model	Leisure option	4-day week	30-hours week	Individual part-time	New shift model	New shift model	New shift model

Factors for a successful implementation

Implementation process:

- Democratic processes: deliberation, votes
- Information provision
- Pilot projects with probation periods
- Supported by scientific advice
- Experiences during pilot phase helped to diffuse resistances

Model features:

- Financial ‚cushioning‘, e.g. (partial) wage compensation or ‘living wages’
- Models associated with benefits for both employees and the firm
 - Longer leisure blocks
 - Improved health and work satisfaction
 - Higher productivity and work motivation
 - Improved employer attractiveness, lower staff turnover

CONCLUSION

This case study illustrates a variety of possible company schemes to reduce working time. It also shows that WTR can be successfully implemented in firms facing different preconditions (e.g. production vs. service sector).

The findings suggest that democratic implementation processes can help to overcome barriers and risks associated with WTR. The study also reveals that solutions, benefitting both employees and employers, are important factors for maintaining the new working-time models.

These company schemes of WTR represent interesting blueprints, which can provide valuable insights for policy makers on how to achieve WTR on a broader scale.

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