

Chapter 2

Socio-Economic Changes and the Reorganization of Work

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2.1 Introduction

In the last three decades, work and employment have changed considerably in the European Union. Socio-economic changes such as financialization, the rise of the network economy and digitalization have given rise to new work requirements and employment conditions. The liberalization of financial markets on a global scale has had consequences far beyond the financial industry. Corporate governance in general has adapted to the new business environment even in continental European countries previously known for their ‘patient capital’ and interlinkages between manufacturing and the financial industry. Liberalization and the privatization of public services have also expanded the scope of capital investments and have brought hitherto sheltered fields of employment under the purview of financial capitalism. In many sectors, the new corporate governance fostered the cross-border relocation of production and the outsourcing of a range of business functions in order to lower costs and increase flexibility. This has resulted in new networked forms of economic activities, lengthening value chains and expanding production

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networks. Financialization and the external restructuring of businesses are, therefore, important socio-economic trends that need to be taken into account when analyzing developments at the workplace level.

In addition, the last few decades have been characterized by accelerated technological change. In particular, information and communication technologies have facilitated economic restructuring, the emergence of new business domains and far-reaching rationalization and organizational change at the workplace level. The digitization of work has not only meant changes in employers' skill needs, the declining relevance of some occupations and the emergence of new ones, it has also added a new dimension to the global labor market in the making.

Against the background of, and fostered by, these socio-economic trends, there has been a dynamic restructuring of work and employment. In large parts of the labor market, employment has become less secure and the low-wage sector has expanded in many countries. Together with high levels of unemployment, this has resulted in an increase in precarious living conditions. While precarity has always existed on the margins of society, it is now more widespread, expanding the zones of vulnerability and insecurity. Societal trends of increasing female labor market participation and changing household structures have had consequences for the relationship between gainful employment and private life. Together with human resource strategies, the use of enabling technologies and a general acceleration of social life, this has amounted to a trend of eroding boundaries of work and employment. Temporal flexibility, spatial mobility and new forms of ICT-based work have changed what is considered to be 'normal' work.

In part, these trends have contributed to changes in work that have resulted in increased autonomy for workers. Changes to work organization and the erosion of previous boundaries often lead to expanded flexibility and freedom, in particular for highly skilled workers. This is often referred to as the subjectification of work. However, this trend does not necessarily mean improved working conditions. Stricter indirect forms of control, more direct exposure to market forces and higher levels of overall insecurity can make enhanced levels of relative autonomy a mixed blessing. Moreover, there are strong countertendencies towards standardized forms of work organization leading to deskilling and a degradation of work in new environments. Seen against the background of various socio-economic trends, work organization is currently being shaped by opposite management strategies, often resulting in hybrid forms of standardized and subjectified work.

In this paper, we first address three central socio-economic developments, namely financialization, network economy and digitalization, which have prepared the ground for recent changes in work and employment. In the next section, we take a closer look at these changes, referring to academic debates about precarization, the blurring boundaries of work and contradictory dynamics of work organization. We conclude that future research needs to focus on how workers are able to deal with these new demands.

2.2 Socio-Economic Trends

2.2.1 *Financialization*

For decades, the financial industry and financial markets were largely overlooked by the social sciences. Financial markets played either a marginal role or no role at all in the debates on the transformation of modern capitalism and its consequences for labor, which were waged along the lines of organized and disorganized capitalism (Offe 1985) and Fordism and post-Fordism (Hirsch and Roth 1986). Only in recent years has the insight begun to take hold that investigating the transformation of modern capitalism requires taking a closer look at financial markets. This reorientation is reflected in the debate on ‘financial capitalism’ in particular (Windolf 2005, 2008), which – similar to the debate in comparative political economy and analyses of ‘financialization’ (Epstein 2005; Krippner 2011; Deeg 2012) – has addressed the increasing significance of the financial industry and financial markets in contemporary capitalism. The financialization debate extends beyond the discussions on the neoliberalization of economy and society in the 1990s, which focused on the rollback of state coordination and the expansion of market coordination as the new system of social order (Crouch and Streeck 1997). The trend observed here is not only the radical liberalization of financial markets and the emergence of a globally operating financial industry but also, and in particular, a significant shift in the appropriation of profits from manufacturing to the financial industry. This shift can also be analyzed in terms of a power shift from the entrepreneurial and manager class to the financial class that is explained by fundamental changes in the private ownership of the means of production. According to this analysis, the liberalization of financial markets and the emergence of a global financial industry since the 1990s have gradually surrendered control over the means of production to “new owners”: institutional investors, private equity, and hedge funds. Historically, owner-managed enterprises were already seen being displaced by manager capitalism in the second half of the 20th century. What we are currently witnessing, it is argued, is that a type of ownership tied to an industrial base and to the means of production of an individual enterprise is being superseded by a new type oriented toward assets that are traded in capital markets.

The financialization thesis claims that businesses are increasingly aligned with the short-term profit expectations of global financial actors, and this observation is viewed in association with a fundamental structural transformation of modern Western-style capitalism. The emergence of a financially driven capitalism is identified at three levels: interests, ideas, and institutions. At the *first* level, a change in the constellation of economic interests is described that is considered to be rooted in altered ownership structures in enterprises. The *second* level refers to guiding principles or ideas. The diagnosis here is that we are witnessing a change in normative conceptions of what constitutes an efficient economic order. And *thirdly*, the emergence of a capitalism driven by financial markets is depicted at the political-institutional level as involving the deregulation of financial markets,

financial products, and financial enterprises. The conclusion drawn is that this change in the configuration of interests, ideas, and institutions has come to pervade the different varieties of Anglo-Saxon and continental European capitalism alike (Hall and Soskice 2001; Jackson and Deeg 2006).

How is the emergence of financial capitalism explained in detail at each of these three levels of analysis? At the level of interests, a change in the ownership structures of enterprises is postulated, leading to an increasing dominance of institutional investors. These “new owners” (Windolf 2008) command an ever growing amount of capital that can be utilized for investments in global financial markets with the objective of reaping quick profits from gains. This investment strategy of ‘short-termism,’ the argument goes, has infused listed companies with a focus on short-term profits, with the result that organizational and management decisions get caught up in the maelstrom of the external logic of capital markets. These ‘new owners’, such as investment, hedge, and private equity funds, are considered less and less willing to share long-term entrepreneurial risks. They have the option of selling their shares in a globalized capital market at any point in time in order to diversify investment risks and seek more profitable investment opportunities in other sectors or world regions.

The increasing shareholder-value orientation and the focus on short-term profits have severely affected employment relations and management control in what was termed ‘disconnected capitalism’ (Thompson 2003): ‘Labour was asked to invest more of themselves (effort, commitment, new aspects of labor power such as emotions) at work, yet employers were retreating from investment in human capital, a retreat manifested in declining security, career ladders, pensions and the like’ (Thompson 2013: 473). Disconnected capitalism thus integrates breaches of social exchange and career contracts into the organization and the employment relationship (see also Nalis, Chap. 5). Organizationally, companies intensified ‘management-by-objective’ principles, leaving it to their decentralized units to reach set targets. ‘Business-within-a-business’ formations (Lacity et al. 2008) put pressure on company departments by setting return-on-investment targets, specified customer requirements, etc. (Marrs 2010: 344). This has resulted in a market-centered organization of work in which individual workers more directly than ever before face market requirements in their everyday working lives (Sauer 2010), intensification of work (see Paškvan and Kubicek, Chap. 3) and increased flexibility demands (see Prem, Chap. 7).

2.2.2 Networks Crossing Organizational and National Boundaries

Financialization as a particular form of corporate governance also has consequences for organizational structures. To increase the return on investment and boost shareholder value, various business functions and activities within them become

subject to continuous make-or-buy decisions. Companies tend to concentrate on their core competencies and outsource other activities. These processes are often seen as a vertical disintegration or a hollowing-out of large corporations, resulting in a flexible network economy (Castells 2010b). Networks combine elements of hierarchies and markets, transcend corporate boundaries and cut across industry demarcations (Marchington et al. 2005; Windeler and Wirth 2010). In contrast to the accounts of a network economy, outsourcing can also be perceived as having resulted in the growth of new types of companies. In both the manufacturing and service sectors, large companies, in part with a global reach, offer to carry out production, IT or other business activities on behalf of clients in the private or public sectors (Flecker 2009). While it is true that the growth of these outsourcing providers has contributed to the decline of the vertically integrated manufacturing or service company, the networks that have emerged as a result do not necessarily consist of small or medium sized companies. In addition, what appears to be a move towards a network economy may simply be a restructuring of companies and industries. A case in point is the cooperation between brand owners (and partly hollowed-out corporations) such as Apple, Hewlett-Packard, Sony or Dell with the actually vertically integrated manufacturing company Foxconn (Lüthje 2006).

Depending on the industry and the occupations under investigation, different approaches to the analysis of economic structures and their consequences for labor seem appropriate. The Global Value Chain approach (Gereffi et al. 2005) focuses on inter-firm relations and, in particular, on the relationship between two links in a chain. This perspective highlights the dependency relations between a buyer company and its suppliers. This may reveal movements involving the economic upgrading or downgrading of companies and regions, resulting in improved or worsened opportunities for employment and job quality. However, social upgrading is not a necessary consequence of economic upgrading in the sense of 'the improvement in terms, conditions and remuneration of employment and respect for workers' rights, as embodied in the concept of decent work' (Barrientos et al. 2011: 301).

The existence and dynamics of value chains and production networks have far-reaching consequences for the analysis of working conditions. Whatever the direction of change in terms of upgrading or downgrading, the mere dynamic of value chain or production network restructuring may result in higher levels of insecurity for workers. The option of outsourcing (and re-outsourcing) and the continuous reshuffling of inter-firm relations imply a higher level of job insecurity as compared to the vertically integrated company which also relates to career prospects (see Nalis, Chap. 5). Inter-firm relations may also have an impact on other aspects of job quality. Depending on the relative power and contractual relations between the organizations, the client companies' strategies can affect pay, working hours, workload, flexibility demands, etc. to a greater or lesser degree. Service Level Agreements (SLAs), i.e. contracts between the client company and outsourcing provider, are an example of the influence the outsourcing company may have on immediate working conditions (Flecker and Meil 2010; Taylor 2010). Frade and Darmon (2005) argue that there is a general tendency within value chains

to pass on risks and flexibility demands, leading to worse and worse working conditions further down the chain.

The dynamics of value chain restructuring and their spatial implications do have considerable consequences for the analysis of job quality at the company or establishment level: First, work may exist only temporarily, resulting not only in insecurity but also in the possibility of repeated far-reaching changes in work. Second, the position of the firm within (global) value chains and production networks matters. Dependency at the level of the inter-firm relationship has an effect on working conditions. Third, inter-firm relations may result, from the workers' perspective, in multi-employer constellations (Marchington et al. 2005), blurring the responsibilities of employers and complicating negotiations and interest representation. Fourth, outsourcing or vertical disintegration may result in spatial relocation. This may result in mobility demands on workers or in the need to cooperate, and often also simultaneously compete, over geographical distance and disparate time zones.

2.3 Informatization and Digitalization

The impacts of societal changes on work and employment are often closely related to the development of technology, its application and its usage. During the last few decades, many aspects of social change have been closely related to information and communication technologies because these have played a major role in societal spheres such as media and the arts, financial markets, politics and, not least, work. ICTs are based on, and simultaneously support, a long-term societal development called 'informatization', understood as the growing importance of information and information processing (Schmiede 1996, 2015). In history, double-entry book-keeping was a prominent example; today it is Big Data. The expansion of information work as an enduring trend in capitalism has resulted in a convergence of many types of work in their outer form towards the use of computers, particularly in office environments. The technical integration of computers and communication technologies has intensified this trend, binding workers ever more tightly to their electronic devices and opening up further design leeway in the organization of work (see Kubicek, Chap. 4).

One aspect of socio-economic change is the acceleration of production and communication which, paradoxically, does not lead to more free time and leisure but rather goes hand in hand with an acceleration of the pace of life (Rosa 2005; Wajcman 2015). While complex societal and cultural developments have contributed to this outcome, it is obvious that people's sense of time has changed in an environment of instant communication. The internet and mobile ICT devices are often seen as contributing to information overload and the ensuing stress reactions. On the other hand, new information and communication technologies are also said to facilitate work-life balance (Pfeiffer 2012). Although research on the subject is not conclusive, observers seem to agree that the internet and mobile ICT devices

can be seen as enabling factors contributing to the societal trend of blurred boundaries between work and private life (see below). The separation of information processing from material processes of production, transport or trade does have spatial implications. Not only can office buildings be separated from the factory floor, information work can also be relocated even further away. This is even more so the case if both the objects of work are immaterial or digital and the means of work consist of computer hardware and, in particular, software. ‘Digital work’ may be found in a range of industries and occupations from journalism, software development, and graphic design to tele-medicine. The shift to services, the tertiarization of manufacturing and the emergence of internet-related businesses have accelerated the spread of digital work. At the same time, these tendencies intensify the worldwide competition between educated workers, the global ‘cybertariat’ (Huws 2006).

While it is argued that digital work can be done anywhere, labor, as with all human activities, always ‘takes place’ in particular localities. These localities are far from being evenly distributed in geographic space. Rather, activities in the internet age are actually becoming more and more clustered, mainly in metropolitan areas, the ‘nodal landing places’ (Castells 2010a) of transnational networks. Thus, while remote and mobile digital work are the result of the tendency to free work from particular places, closer scrutiny reveals that place and distance retain their importance. Therefore, digital business and work in the current political economy do show particular historical ‘spatial fixes’ (Harvey 1982) even though the dynamics and fluidity may be much higher than in other industries or epochs. As a consequence, digital work is characterized by both ‘placelessness’ *and* stickiness, by both dispersion *and* spatial concentration (Flecker 2016).

Pervasive electronic networks, mobile internet applications and a wide variety of mobile devices not only allow for delocalized but also mobile work. In combination with organizational change and new forms of management control, these tendencies result in an accelerated erosion of the temporal and spatial boundaries between work and non-work spheres of life for a range of occupations. In part, digitization also calls the definition of work itself into question as more and more tasks are passed on to consumers or Internet users, who, though unpaid, are integrated into processes of value creation over the Internet (Ross 2013).

2.4 Contemporary Changes in Work and Employment

The socio-economic and socio-technological changes described above are embedded in and intertwined with developments in employment relations and work organization that have considerably altered the features of work and employment since the 1970s. These include the decline of mass-production manufacturing industries, the expansion of the service sector, the increase in educational levels, the privatization of public sector enterprises and public services, a decline of state regulation of employment and partly a shift of state responsibility for welfare

provision to the market and to households (Watson 2008: 93). In the following section, we describe three central changes of work and employment shaped by these processes: precarization, blurring boundaries of work and contradictory dynamics of work organization.

2.4.1 *Precarization*

The term precarity does not describe just any kind of social change. Since it was first introduced in the work of Castel (2002), it has rather served to diagnose a profound transformation of contemporary work societies. Above all, it seeks to direct attention to the erosion of socially secure employment relationships. The main observation underlying this term is the return of types of wage labor (recommodification) that were believed to have been overcome under the conditions of Fordist capitalism and the ‘Rhenish’ welfare state. Stated more precisely, precarity characterizes an employment relationship that fails to meet certain social and legal standards that had hitherto been considered the norm and had been guaranteed by labor and collective bargaining laws as well as social policy and social security schemes. Gainful employment is precarious whenever the once common guarantees and legal rights are no longer fully granted or not granted at all.

Processes of precarization become apparent in negative deviations from the standards of normal employment or, more specifically, in structural discrimination compared to types of employment that correspond with the norm of the classical, socially protected ‘standard employment relationship’. Seen from this angle, an employment relationship qualifies as precarious when employment and income are insecure in the long term, labor rights are restricted, and social status is fragile. A person in precarious employment is thus in a peculiar state of limbo (Kraemer 2010) in which there is constant hope that an insecure job might provide a springboard to stable employment, but this hope is accompanied by fears of social decline and of having to come to terms with precarious employment as a permanent state of affairs should all attempts at returning to secure employment fail.

One of the key findings of research on precarity (for a general account, see Castel and Dörre 2009; for Europe, see Mau et al. 2012; Scherschel et al. 2012; for the USA, see Kalleberg 2011) is that precarization is observed not only on the margins of society or among social strata that have always faced the threat of poverty but has spilled over into the middle classes over the past two decades. As a consequence, work research on the workplace level cannot take for granted the standard employment relationship and job security even at the core of the labor society and in high-skilled fields. This means that analytically, jobs and workers need to be located in particular labor market segments. In addition, job insecurity and status ambiguity need to be taken into account in the analysis of other dimensions of the quality of work in order to reach a reasonable understanding of working conditions and their consequences.

2.4.2 *Boundaryless Work*

In the 20th century, the predominant model of paid employment was characterized by a clear separation between the public and private spheres and often based on the model of the male breadwinner in standard employment and on female homemakers and caregivers. Since the 1970s, this organization has dissolved, profoundly changing the triad of standard employment, the welfare state and the nuclear family (Aulenbacher and Riegraf 2009). Increased female labor force participation, temporal flexibility, technological change and new management strategies have contributed to a blurring of the boundaries between paid work and workers' private lives and to the erosion of further institutions of work and employment. According to Voß (1998: 474), boundaryless work results from a social process 'of erosion and partly deliberate dissolution of social structures that regulate and delimit social processes and that have developed under particular historic conditions'. These shifting boundaries tend to restructure work and employment as a whole and are not only related to temporal and spatial aspects of work but also affect skills and competencies.

The blurring of *temporal* structures has progressed so far that today flexible working hours are perceived as 'normal' (Gottschall and Voß 2003: 17). In addition to the variety of forms of working hours (part-time, flextime, working time accounts, all-in contracts, on-call work) the beginning and the end of the workday, the location of working hours or work intensification periods are becoming increasingly situational and variable (Seifert 2007; Eichmann and Saupe 2014 for Austria). According to the sixth European Working Conditions Survey (EWCS), more than half of European employees work on Saturdays once in a month and one third work more than 10 h a day once in a month. In sum, 57% of European workers report having (highly) irregular working hours and arrangements; however, 43% do not (Eurofound 2015). This means that even the blurring of temporal boundaries does not affect all employees.

Regarding the *spatial* aspect, there are more and more virtual workplaces enabled by connections (internet, wifi and intranet), devices (laptops, smartphones and tablet computers), applications and services (email, calendars or access to databases and clouds) (Vartiainen 2006: 16). Work activities (even interactive work, Huws et al. 2004) can be carried out over spatial and temporal distance at home, on a train or even on a park bench (Halford 2005: 20). Aside from income or career aspirations, *personal identification* with work (Baethge 1991) serves as a motivation resource for why the boundaries between private and professional motivation have blurred (Voß 1998), preparing the ground for devotion and the self-exploitation of workers required to act as 'labor power entrepreneurs' (Voß and Pongratz 1998).

These new forms of working practices go along with new demands on employees (Voß 1998; Felstead 2005; Brodt and Verburg 2007). Although job autonomy is known as important job resource for employees, it can also become an obligation (Kubicek et al. Chap. 4). Workers are increasingly confronted with the

need to self-organize their activities and to balance diverse and at times contradictory demands. For example, workers face the ambivalence of simultaneous self-control and stricter operational accountability or that of balancing the needs of family and work in highly boundaryless contexts (Heiden and Jürgens 2013: 40). In order to harmonize ambivalent requirements and highly contradictory demands (Heiden and Jürgens 2013: 38f), active border management is required for workers to maintain their own labor and ‘life power’ by defending, shifting, recreating or abandoning boundaries (Jürgens 2006).

A rather new example of boundaryless work is crowdworking: Crowdworkers perform tasks online which companies advertise on crowdsourcing platforms on the internet. ‘More casual and short-lived forms of collaboration’ replace conventional employer-employee relationships (Holts 2013: 40). Employees organize their time and workload and have to decide for themselves when and how long to work and which jobs to accept and which to decline. However, high competition and cost pressure depress remuneration, result in long working hours and require high availability on the platforms (Schörpf et al. 2016). This leads to ‘client colonization’ (Gold and Mustafa 2013) in the sense that workers’ private lives are highly dependent on their clients. However, arrangements like teleworking or the opportunity to work from a home office also dissolve boundaries between home and work and result in changes to traditional forms of management control based on visibility and presence (Felstead et al. 2003). Furthermore, new office concepts such as hot desking, where employees are not assigned to desks and thus lose ‘ownership of space’ (Hirst 2011: 767), have been introduced, changing the way ‘in which employees engage with the organization as well as who they are most likely to engage with’ (Millward et al. 2007). Overall, these developments raise the question as to how demands for spatial and temporal flexibility allow for meeting psychological needs (see Gerdenitsch, Chap. 6).

2.4.3 Work Organization – Subjectification, Standardization and in Between

The emergence of the knowledge society is often assumed to have led to upskilling and higher levels of autonomy in work. Two main reasons are usually put forward: *First*, changing skill needs and new forms of management control have resulted in a more holistic use of labor power, in particular capitalizing on subjective capabilities such as ingenuity, creativity, responsibility, emotions, etc. This is in line with forms of management control characterized by greater autonomy for the workforce, which have been termed ‘responsible autonomy’ (Friedmann 1977), ‘bureaucratic control’ (Edwards 1981) or ‘hegemonic control’ (Burawoy 1979). These control mechanisms conceptualize workers to a lesser extent as unwilling subjects whose subjective influence on the labor process thus needs to be minimized, as in Taylorism. In contrast, management acknowledges and demands intrinsic motivation, the

search for self-fulfillment in work, workers' self-organization or devolved decision making. *Second*, people who have spent more time in the educational system and have attained educational and vocational qualifications seek to apply and further develop their skills, carry out demanding tasks in terms of content and participate in the shaping of work situations. This 'normative subjectivation' (Baethge 1991) of labor means that individuals make subjective demands on work and want to identify with it. Companies react to societal trends of individualization and educational expansion by increasing workers' discretion and opportunities for decision-making individually or in teams by introducing indirect forms of control such as management by objectives.

Subjectivity in work may be used either to compensate for the shortcomings of highly bureaucratic or Taylorized labor processes or to actively structure a less restrictive labor process (Kleemann et al. 2002). In their compensatory form, the subjective potentials of blue collar and white collar workers have always been used. However, in new forms of work organization this is no longer denied but workers are actively encouraged to bring in their subjectivity. As a consequence, in their structuring form, workers organize their own work and deploy their capacities to reach goals in an efficient way. This is why some authors argue that management control, i.e. making sure that labor power as a potential is actually being transformed into value-creating performance, is being shifted onto the working subjects themselves (Marrs 2010).

Subjectification is a particularly widespread tendency in the areas of high-skilled or creative work. Yet even there, autonomy may be limited to individual aspects of the labor process such as temporal or spatial ones, the content and skill dimension of work, the dimension of cooperation, emotional aspects, etc. (Lohr 2013: 431). And there are persistent tendencies to the contrary, i.e. the standardization of work. The prime example, of course, is Taylorism, characterized by distrust, deskilling and detailed surveillance (Braverman 1974). In recent years, research on call centers, public administration or shared service centers have provided examples of the standardization of work in the context of its informatization (Bain et al. 2002; Carter et al. 2013; Howcroft and Richardson 2012).

The restructuring and standardization of labor processes often goes along with the deskilling of workers. In order to achieve standardized procedures during the labor process, reliance on individual and personal engagement is reduced by way of the codification of tacit knowledge (Polanyi 1966), increasing the interchangeability of workers. The removal of individual expertise leads to a deskilling of workers, which in turn allows for lower wages (Howcroft and Richardson 2012). Howcroft and Richardson (2012: 120) analyzed the set-up of a shared service center and reported that management aims to achieve the 'right skill mix', that is to limit the number of skilled workers and workers with ambitious career plans. Therefore, promoted workers are replaced with the 'unofficially qualified' such as 'women returners and part-time students'.

The trend towards standardization alongside the one towards subjectification is being strengthened by processes of external company restructuring and the lengthening of value chains (Flecker and Meil 2010). The outsourcing of business

functions are not ‘lift and shift operations’ (Ramioul and Van Hootegem 2015). Rather, outsourcing and relocation often require a far-reaching restructuring of the entire original labor process to be able to outsource locally or to relocate across borders (Howcroft and Richardson 2012; Ramioul and Van Hootegem 2015). This also means that ‘placelessness’, which is often ascribed to digital work as such, in reality needs to be actively produced (Flecker and Schönauer 2016).

By monitoring the process with standardized key performance indicators and other recording systems that streamline the production process (Ramioul and Van Hootegem 2015), management establishes new control mechanisms. This is true even for tasks that are not themselves standardized. Electronic monitoring and indicators allow for the graphical depiction of the performance and “achievement” of workers, sites and teams (Howcroft and Richardson 2012), providing immediate feedback on sales and other numbers. This puts increased pressure on workers, as these ‘performance metrics’ allow not only for surveillance from a distance by setting norms for productivity but also guide management’s personnel decisions (on work intensification see Paškvan and Kubicek, Chap. 3). Therefore, ‘the technology not only enables streamlining of processes, but also provides micro-level detail about their execution’ (Howcroft and Richardson 2012: 118). However, standardization does not necessarily have to lead to a decrease in job quality, as bureaucratic control can increase labor process transparency and help in managing complex tasks (Adler 2005; Perlow 1999).

Although some scholars suggest there is a historical linear trend line of development from Taylorism towards subjectified forms of labor processes, research shows a coexistence of various forms of work organization in everyday working contexts (see for example Friedman 1977). In particular, recent contributions by labor process theorists refer to the use of hybrid forms of control (Sturdy et al. 2010; Reed 2010). Management combines various forms of control in order to ‘juggle with the competing demands of market rationality, political expediency, social inclusivity, administrative conformity and legal integrity’, giving a ‘new solution to an old problem’ (Reed 2010: 51). Prominent examples of such hybrid forms of control are industrial ‘lean production’, which combines fragmented and standardized work with team responsibility and continuous improvement processes, or ‘Neo-Taylorism’ in call centers (Sproll 2016) with standardized scripts, timelines and monitoring on the one hand and emotional work, which demands the mobilization of subjective capabilities, on the other. In elderly care as well, we find such hybrid forms of control between autonomy (individual interaction with clients according to the principles of good care) and standardization (narrowly clocked time slots and clear areas of operations) (Sørensen et al. 2015). Workers must meet the contradictory demands of each control form, and can hardly anticipate which type of management control will be applied in a concrete situation.

2.5 Summary

In the last few decades, we have observed changes in work and employment, which have speeded up since the beginning of the 21st century. In this paper, we have addressed three major socio-economic developments, namely financialization, the network economy and digitalization, that shape the contemporary organization of work, preparing the ground for the rise of phenomena such as precarization, boundaryless work and subjectified or standardized work organization.

The significance of financially driven capitalism has risen during the last few decades. Beside the liberalization of financial markets and the emergence of the globally operating financial industry, ‘new owners’ such as institutional investors, private equity and hedge funds have gained control over production. These ‘new owners’ are not willing to take on long-term risks, using their option of quickly selling shares on the global financial market in order to seek more profitable investments. In turn, businesses must orient themselves toward short-term profits in order to meet financial actors’ expectations. Firms pass on these demands to their employees, introducing target values, decentralizing units, creating ‘business within business’ formations and simulating and confronting employees with market requirements within the firm. Management’s reliance on workers’ intrinsic motivation has led to the emergence of ‘labor power entrepreneurs’ (Voß and Pongratz 1998), which enhances workers’ autonomy but also prepares the ground for workers’ devotion and self-exploitation (see Kubicek et al., Chap. 4 on bright and dark sides of job autonomy).

However, there is not only a trend toward subjectified work forms for all workers. Vertical disintegration that keeps core competencies and outsources other activities has led to a flexible network economy and the emergence of global value chains. Relocation processes often require a massive restructuring of the entire labor process, resulting in the standardization and streamlining of work flows (Ramioul and Van Hootegeem 2015). Yet even in highly standardized working environments, hybrid forms of work organization (Sturdy et al. 2010) combining subjectified and standardized forms of control can be observed.

As value chains are characterized by power and dependency relations between firms, firms pass flexibility demands down the value chain (Frade and Darmon 2005). The economic upgrading or downgrading of companies and regions can improve but also worsen conditions of work and employment like pay, working hours or workload. However, the dynamics of value chain or production network restructuring themselves result in higher levels of insecurity for workers. Multi-employer constellations (Marchington et al. 2005) complicate negotiation and weaken bargaining opportunities (e.g., threats of cross-border relocation).

As a third major driver of changing work organization, we referred to informatization and digitalization. On the macro level this trend goes along with a shift towards service work, the tertiarization of production and the emergence of internet business, resulting in new forms of work in the sense of information work, digital work or mobile work. On the employee level, electronic networks and

mobile devices allow for constant accessibility, resulting in the blurring of former temporal and spatial boundaries between work and non-work spheres (Vartiainen 2006). Workers actively conduct boundary management in order to harmonize ambivalent requirements and highly contradictory demands and to obtain their own labor and life power (Jürgens 2006). In addition, other social structures which once regulated and delimited work are eroding, e.g., the ‘standard employment relationship’, as precarious working conditions and atypical employment are found not only at the margins of society, but have already reached the middle classes.

In conclusion, recent socio-economic changes have given rise to new forms of work, resulting in new job demands for employees. The dominance of financial markets, a global network economy and digitalization have facilitated greater autonomy and responsibilities for workers, but have also been used to standardize and deregulate work, leading to a rise in precarious employment and blurring the boundaries between work and non-work activities on various dimensions. Future research needs to address how workers can cope with these new requirements.

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