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Decentralisation of working hours in Denmark – a win-win situation for employers and employees?

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Collective bargaining on working hours has increasingly been decentralised in Denmark, leading to a large number of agreements on flexible working hours at company level. Recent case studies suggest that these agree ments have improved the productivity of companies and the work-life balance for employees. However, although Denmark offers a best case scenario of organised decentralisation, certain groups of employees and companies seemless well covered by the agreements. Drawing on a comprehensive survey in the Danish industrial sector from 2008 this paper examines whether or not these trends can be confirmed with regards to company level agreements on flexitime. The paper concludes that the decentralisation on working hours in the Danish industrial sector has contributed to a broad and predominately even spread of flexitime agreements with a number of beneficial effects for both employees and companies. However, some challenges still remain with regards to those employees who are not covered by the agreements.

INTRODUCTION AND BACKGROUND

Over the last decades employers have pushed for decentralisation of collective bargaining to increase flexibility and competitiveness at company level (Katz 1993). Parallel to this development employees have increasingly been asking for more flexibility at work to balance their work and family life (Bosch 2004). However, it is heavily debated whether or not these developments are compatible. On the one hand, decentralisation enables a close adjustment of working hours not only to company needs but also to the needs of employees; on the other hand, a precondition to this is sufficient bargaining power for both sides of industry at the local level. In countries characterised by disorganised decentralisation like the US, low union densities and poor coverage of collective agreements makes if difficult for employees to articulate their needs (Traxler 1995). However, also in countries characterised by organised decentralisation such as Germany, it is disputed whether or not collective agreements at company level ensure a reconciliation of employer and employee needs for flexibility (Seifert 2003).

This paper addresses the question whether decentralisation of collective bargaining can be an instrument to improve the work-life balance for employees and the productivity for companies by examining the consequences of decentralisation on working hours in Denmark. Denmark offers an interesting institutional setting, as it upholds a very high union density combined with a high coverage of collective agreements and high presence of employee representatives with bargaining competencies. Today, union density in Denmark isclose to a level where eight in ten wage earnersare

organised, and eight in ten are covered by collective agreements (Ilsøe et al. 2007). Furthermore, a recent phone survey in the industrial sector concludes that almost eight in ten companies covered by a collective agreement have employee representatives with competencies to conclude agreements with the local management (Ilsøe 2008a). Even among small companies (20-49 employees) a relatively high proportion (six out of ten companies) reports having employee representatives. In other words, Denmark forms a critical case (in this example a best case scenario) on employee representation, which allows us to generalise negative resultsof the Danish case to less fortunate cases (Flyvbjerg 1996). Does the organised decentralisation of Denmark indeed facilitate integrative bargaining (win-win situations) on working time flexibility at company level, i.e. agreements on flexible hours that meet both the interests of employers and employees (Walton & McKersie 1965)? If this not the case (or only to a limited extent) in Denmark, we can expect similar findings in less organised settings.

The study is based on a large survey on company level bargaining on flexible working hours conducted in the Danish industrial sector. The survey aimed at testing a number of hypotheses developed in a series of case studies performed in the industrial sector in 2005/2006 which included explorative interviews with managers and employee representatives at five companies with agreements on flexible working hours (Ilsøe 2006). Many hypotheses were drawn from the indicative conclusions of the case studies and tested in the survey. However, we will in this paper only examine three of those.

- All companies participating in the case studies had signed written agreements on working hours that entailed significant improvements of the flexibility needed by the company and the flexibility asked for by employees (i.e. win-win situations). The first hypothesis is therefore, that many companies in the industrial sector will have signed working time agreements with beneficial effects for both sides of industry.
- According to some employee representatives interviewed in the case studies, smaller companies less often signed agreements on flexible working hours than larger companies. The second hypothesis is therefore that agreements on flexible working hours are unevenly distributed among companies of different size.
- 3. It appeared to be a challenge in more than one of the case companies to cover the needs of those employees that differed from the majority. Certain groups of employees seemed less well covered by agreements on flexible working hours, as they were unable to offer the flexibility asked for (older workers, lone parents etc.). Therefore the third hypothesis is that the benefits of flexible working hours obtained by both sides of industry are unevenly distributed among employees as well.

To limit the scope of analysis, the paper will focus on company level agreements on flexitime only. Hexitime – or flextime or comp time – is a flexible working time arrangement that (within certain limits) allow employees to vary their start and finishing time of work. It is often implemented via personal time accounts, where employees can save up surplus hours and later spend them as time off in lieu. Flexitime usually implies an increase in employee influence on the daily working hours and is often mentioned as an instrument to improve on employees' work life balances (Golden 2001; Fagan et al. 2001, Presser 2006; Deding et al. 2006). The introduction of flexitime agreements is therefore potentially beneficial not only to management, but also to employees.

The paper is structured in the following way. First, it gives a brief introduction to the decentralisation process on working hours in the Danish industrial sector. Second, the methodology of the survey is described. Third, relevant results of the survey are presented and analysed, i.e. the distribution and effects of company level agreements on flexitime. The impacts of the results are discussed in the concluding section.

DECENTRALISATION OF COLLECTIVE BARGAINING ON FLEXIBLE WORKING HOURS IN THE DANISH INDUSTRIAL SECTOR

The manufacturing industry in Denmark represented by The Central Organization of Industrial Employees in Denmark (CO-industri) on the employee side and The Confederation of Danish Industry (DI) on the employer side is not only the trend setting sector in collective bargaining in Denmark it also has the longest history of decentralisation on working hours (Due et al. 1994). Within this sector social partners at sector level started turning their attention to the benefits of varying the distribution of working hours (i.e. annualised hours and flexitime) already in the 1970s. Untill the 1970s the primary focus in sector level bargaining on working hours had been on determining the length of the work week (weekly working hours, overtime etc.) and on the managerial prerogative to vary the scheduling of hours (shift work, Saturday/Sunday work etc.) (Seifert 2005; Marginson & Sisson 2004). The possibility to negotiate flexitime at company level was mentioned for the first time in the 1979 Industrial agreement. Hence, a separate opening clause on flexitime was first introduced in the 1990s (Navrbjerg et al. 2001). During this period (1970s - 1990s) opening clauses on annualised hours were introduced as well. However, company-level bargaining on flexible working hours also existed long before the first opening clause on working hours was introduced to the sector level agreement. Indeed, decentralisation within this area of collective bargaining can be interpreted as a response to earlier developments at company level, where an increasing number of closet agreements (i.e. agreements more or less hidden from the sector-level partners) and local practices on working time deviated from the sector-level agreement (Navrbjerg et al. 2001).

In 2000, the so-called Pilot Scheme was introduced. This opening clause increased the scope for company-level bargaining dramatically by allowing management and employee representatives to ignore up to four chapters of the sector level agreement, including the chapter on working hours, if they concluded company agreements on these issues. In 2004, the scheme was made a permanent part of the sector level agreement, and an introductory demand to seek approval from the sector-level partners when using the scheme was removed. At the same time, a new option clause was added to the Industrial Agreement offering the possibility of concluding local framework agreements for individual bargaining on working hours. The use of the Pilot Scheme, however, remains somewhat limited, as statistics from social partners show that only 46 agreements using the scheme (mostly on working hours) had been concluded by 2006. The limited use might be a consequence of the wide range of possibilities for concluding company level agreements on flexible working hours already present in the sector level agreement.

METHODS

The empirical analysis draws on the results from a comprehensive web survey conducted in January 2008 with 226 randomly selected production companies with 20 employee or more in the Danish industrial sector. Companies were selected from a pool of companies covered by the Industrial Agreement and which had one or more employee representatives present as these are necessary preconditions to conclude agreements at company level. The survey included questions on company size, collective bargaining on working hours for employees in production, ∞ verage of employees, and on implementation and effects of working time agreements. Two separate versions of the questionnaire was made, as the survey was directed to both management and employee representatives at each company. However, as many questions as possible were kept identical to be able to compare their answers. The survey was sent to managers and employee representatives that were bargaining company level agreements for the largest groups of employees in production.

The response rate was somewhat lower on the management side (39,3 percent) than on the employee side (52,4 percent). A total of 145 managers and 151 employee representatives completed

¹ The figure was given to us in an interview with representatives from DI and CO-industri in spring 2006.

the questionnaire of which 70 came from the same companies. The survey therefore gave voice to the situation at 226 different companies. As the response rate was lower on the management side we analysed the sample to see if there were any significant differences in the composition of the non responding group and the responding group with regards to sex, age, company size or geography. Fortunately, we did not find any significant differences that could question the general representativity of the survey. This was also true for the employee representatives. The first general analysis of the survey results showed that management and employee representatives often gave quite similar answers to the same questions. This suggests a high validity of the questions asked. Both managers and employee representatives participating in the survey had been actively involved in company level bargaining for an average of eight years. They had therefore a solid experience on the subject we were asking to.

DISTRIBUTION AND EFFECTS OF FLEXITIME AGREEMENTS

The general results of the survey showed that most companies sampled had used of the opportunity to bargain company level agreements on working time. In fact, only 14 percent of the companies had not concluded any working time agreements. Approximately two thirds of the companies had actually closed more than one agreement, while one in five had concluded a single agreement. Hexitime agreements turned out to be one of the two most common types of agreements found and were only matched in figures by agreements on shift work (see Table 1).

Table 1: Company level agreements on working hours

| | Managers | Employee representatives |
|---|----------|--------------------------|
| Flexitime | 43 | 40 |
| Shift work | 35 | 49 |
| Saturday/Sunday work | 26 | 30 |
| Staggered hours | 28 | 26 |
| Compressed work weeks | 19 | 30 |
| 12-hour shifts | 18 | 24 |
| Annualised hours | 22 | 13 |
| Pnasea retirement | 10 | 19 |
| No agreements | 14 | 14 |
| Increased weekly working hours | 10 | 10 |
| Parttime | 11 | 9 |
| ⊢rame work agreement tor individual bargaining on working hours | 8 | 1 |
| Other | 5 | 9 |

Source: (Ilsøe, forthcoming).

Managers and employee representatives agreed that flexitime agreements where found in approximately four out of ten companies, whereas one in three managers and one in two employee representatives reported a shift work agreement present. The survey did not reveal any significant difference in the distribution of flexitime agreements across company size, as flexitime agreements seemed to be concluded with the same frequency in both smaller and larger companies (see Table 2).

Table 2: Flexitime agreements and company size

| | Managers | | Employee Representatives | |
|---------------------------|-----------|-----------|-----------------------------|-----------|
| | Flexitime | Flexitime | Flexitime | Flexitime |
| | yes | no | y es | no |
| Small (20-49 employees) | 41 | 59 | 48 | 52 |
| Medium (50-149 employees) | 39 | 61 | 33 | 67 |
| Large (150- employees) | 48 | 52 | 43 | 5/ |

Source: (Ilsøe, forthcoming). M:γ=0,110, p=0,425; ER: γ=0,013, p=0,929

Positive effects and time sovereignty

The high number of flexitime agreements allowed us to analyse the implementation and the effects of the agreements more closely. Companies with (one or more) agreements on working hours were in the survey asked which positive and negative effects they had observed of their agreements. However, as many companies turned out to have more than one agreement on working time, their answers on effects ∞ uld reflect on different agreements. Therefore the strategy of analysis was to compare effects reported by companies with agreements on flexitime and effects reported by companies without specific agreements on flexitime (but with other forms of working time agreements).

Hexitime agreements showed to have a number of positive effects (see Table 3). We will here primarily focus on the significant increases confirmed by both managers and employee representatives. Three out of four managers with flexitime agreements reported an increase in motivation among employees, whilst only half of managers from companies without flexitime agreements reported this. Twice as many employee representatives with flexitime agreements (61 percent) as employee representatives without (30 percent) would report an increase in motivation.

Table 3: Positive effects of agreements on working hours

| | Managers (n=125) | | Employee Representatives (n=128) | | |
|--|---------------------|-----------------|-------------------------------------|-----------------|--|
| | Flexitime yes | Flexitime no | Flexitime y es | Flexitime no | |
| increased motivation* | 73 | 48 | 61 | 30 | |
| Easier recruitment ^o | 60 | 26 | 39 | 13 | |
| Increased productivity 1 | 48 | 53 | 48 | 48 | |
| Improved work-life balance² | 43 | 24 | 54 | 24 | |
| Improved social inclusion ³ | 32 | 6 | 33 | 10 | |

Source: (Ilsøe, forthcoming). *M: $\gamma=0,485$, p=0,004; ER: $\gamma=0,056$, p=0,000; °M: $\gamma=0,628$, p=0,000; ER: $\gamma=0,614$, p=0,001; ¹M: $\gamma=-0,112$, p=0,530; ER: $\gamma=-0,004$, p=0,980; ²M: $\gamma=0,403$, p=0,024; ER: $\gamma=0,580$, p=0,000; ³M: $\gamma=0,742$, p=0,000; ER: $\gamma=0,614$, p=0,002

Rexitime agreements also appeared to ease the recruitment of new employees. Six out of ten managers with flexitime reported this effect compared to one in four without flexitime. Likewise four out of ten employee representatives with flexitime reported about easier recruitment – this was three times as many as those without flexitime. Further, flexitime agreements seem to improve on productivity with same high frequency as other agreements (approximately 50 percent). Turning to the effects on work-life balances flexitime agreements seemed to double the chance that work-life balances would be improved. Rexitime agreements also seemed to increase the social inclusion of

employees with special needs or less temporary problems. In fact, the agreements tripled the like-lihood of experiencing an improved social inclusion.

The empirical findings suggest that flexitime agreements have positive effects in many companies and they appear beneficial not only to managers (increased motivation, easier recruitment and increased productivity) but also to employees (work-life balance and social inclusion). Hexitime agreements indeed make it possible for companies to combine an increase in productivity with improvements in employees' work-life balances. However, the large number of positive effects suggests that the outcomes of company level agreements on flexitime are more complex constellations than the focus on productivity and work-life balance signifies. In fact, a series of win-win outcomes can be obtained by introducing flexitime agreements. Moreover, the positive effects are likely to support each other blurring the boundaries between outcomes that are beneficial to managers and to employees. Flexitime might contribute to an improved social inclusion be cause it eases employees' work life balance. Employees with challenging family lives or other responsibilities outside work can for instance more easily continue in paid work if they are able to organise their working hours with consideration to their commitments outside work (Larsen 2005; Philipset al. 2002). Also an increased motivation among employees and easier recruitment may be closely related to an improvement in the work-life balance. It might be more attractive to work at a company where a reconciliation of work and family life in fact is possible than else where. Employees might also be more encouraged to consider company needs in their working time planning, if they know they can consider family commitments when needed.

The examples presented suggest that the work-life balance of employees is the nexus for many of the positive effects of flexitime agreements. However, it is questionable if flexitime always causes such a significant improvement in employees' work life balances. A crucial factor in flexitime and its potential to improve on employees' work life balance is the degree to which employees are allowed to manage their working time accounts them selves. If employees are not gained any time sovereignty it is difficult for them to adjust their working hours to family needs with a short notice. Conversely, if they are allowed to administer their accounts on their own, they can create a working schedule that fits the needs and wishes at work and at home. Case studies have showed that there can be many dimensions to this employee influence (II søe 2006). In practice, working time accounts are not only used to vary the start and finishing times of work, but also to schedule working days, whole days off and longer periods of leave (vacation).

The survey included questions to these four dimensions of time sovereignty. An analysis of the answers showed that flexitime agreements did mean a significant increase in employee influence on two of these dimensions. Whilst one in four manager and employee representative without flexitime agreements reported a high employee influence on the daily start and finishing times of work, this figure rose to six out of ten for those with flexitime agreements (see Table 4). According to the answers from the employee representatives, it also meant a significant increase in employee influence on which days they should work (Table 5).

Table 4: Employee influence on the daily start and finishing times of work

| | Managers | | Employee Representatives | |
|--------|-----------|-----------|-----------------------------|-----------|
| | Flexitime | Flexitime | Flexitime | Flexitime |
| | yes | no | y es | no |
| High | 60 | 27 | 57 | 23 |
| Medium | 22 | 27 | 23 | 38 |
| Low | 18 | 46 | 20 | 39 |

Source: (Ilsøe, forthcoming). M: γ = -0,560, p=0,000; ER: γ = -0,506, p=0,000

Table 5: Employee influence on which days they should work

| | Managers | | Employee Representatives | |
|--------|------------------|-----------------|-----------------------------|-----------------|
| | Flexitime yes | Flexitime no | Flexitime y es | Flexitime no |
| High | 25 | 15 | 38 | 16 |
| Medium | 33 | 32 | 25 | 38 |
| Low | 41 | 54 | 38 | 45 |

Source: (Ilsøe, forthcoming). M: y= -0,245, p=0,079; ER: y= -0,308, p=0,000

The high levels of influence on these two dimensions of working hours may explain the number of positive effects of the flexitime agreements. Increased employee influence on the start and finishing timesof work as well as on which days to work might not only ease employees' work-life balance. Other aspects that are affected by work-life balance improvements may also improve. Flexitime agreements did, however, not seem to contribute to a higher employee influence on the two remaining dimensions of time sovereignty: the scheduling of whole days off and the scheduling of vacation. This could be explained by the fact that most employees in the sampled companies — regardless of any agreements on working time — seemed to have a high level of employee influence on these aspects. According to both managers and employee representatives, seven out of ten employees in industry had a high influence on the scheduling of their vacation and half of the employees had a high influence on scheduling of whole days off.

Negative effects and coverage of employees

Most managers and employee representatives did not experience any negative effects regarding their working time agreements. This was both true for companies with and without agreements on flexitime (see Table 6). Only one type of negative effect was significantly more likely to be found in companies with flexitime agreements than in companies without. Six percent of managers with flexitime agreements reported more conflicts at the work place (among employees or between employees and management) compared to none of the managers without flexitime agreements. Sixteen percent of employee representatives with flexitime experienced more conflicts compared to eight percent without flexitime². How can this be? Does the implementation of flexitime agreements contain special hurdles?

 $^{^{\}rm 2}$ This difference was, however, only statistically significant on a ten percent level.

Table 6: Negative effects of agreements on working hours

| | | | Employee Representativ ⇔ (n=128) | |
|---------------------|-----------|-----------|-------------------------------------|-----------|
| | Flexitime | Flexitime | Flexitime | Flexitime |
| | yes | no | y es | no |
| No negative effects | 68 | 64 | 57 | 42 |
| More conflicts* | 6 | 0 | 16 | 8 |

*M: y=1,000, p=0,039; ER: y=0,417, p=0,119

Recent case studies might supply us with some possible answers to these questions. They showed that it can be difficult for employees to administer their working time accounts themselves, as some employees tend to build up too large surpluses or deficits to be able to balance them out again on their own (Ilsøe 2006). There were examples of lone mothers, who used the account to pick up children form day care early once a week but over months would accumulate deficits they had no change to balance out. There were also examples of young men without family obligations, who worked so many surplus hours that they would never be able to spend them all as time off in lieu. Thisoften contributed to disagreements between management and employees. The large surpluses also created problems when a number of employees were fired, as employees with surplus hours were not entitled to receive unemployment benefits. Neither the managers nor the em ployee representatives interviewed wished to reduce the high employee influence on time accounts, as this was seen as profitable for both companies and employees. Instead, the solution often found was to introduce some quite narrow upper and lower limits on time accounts to control the development in hours. The results of the survey showed that approximately eight out of ten of the participating companies with flexitime agreements had agreed on an upper limit on the flexitime time accounts, and nearly all companies had agreed on lower limits. Only a small minority of companies seemed to have implemented flexitime agreements without an upper or lower limit on time accounts and therefore to risk this type of workplace conflicts.

Another possible explanation for the increase in work place conflicts could be a less than full coverage of employees at companies with agreements on flexitime. The web survey was designed in a way that offered the opportunity to add comments after most questions. Some managers took the advantage of this. Their comments suggest a close link between a less than full coverage of flexitime at the work place and a rise in workplace conflicts. They reported that the introduction of flexitime had caused disagreements among the employees as not all were covered. One manager characterised the phenomena as 'flexitime jealousy', as employees in departments where flexitime for scheduling or organisational reasons could not be introduced got upset by the fact that their colleagues in other departments worked flexitime. Indeed, conflicts on working time agreements are a common phenomenon, and can build up severe cleavages between different groups of em ployees at the same work place. Other research has revealed examples of strong conflicts between male and female employees (especially lone mothers) at a company that wanted to introduce an increase in the weekly working hours for a longer period of time (Ilsøe 2006). Here, the conflict arose from the fact that not everybody wanted (or were able) to work the new schedules, as they needed to fetch children at day care. The employee representatives had focused on the needs and wishes of the majority of the employees in the bargaining process which left the minorities with a risk of being squeezed. The comments in the survey suggest that flexitime can cause the reverse type of conflict – everybody wants them, but not everybody can get them. However, the figures from the survey reveal that flexitime agreements in most cases cover the majority or all employees in production (see Table 7).

Table 7: Flexitime agreements - share of employees covered

| | A majority or all | Half | A minority | Don't know |
|---------------------------------|-------------------|------|------------|------------|
| Managers (n=63) | 87 | 3 | 10 | 0 |
| Employee representatives (n=61) | 77 | 3 | 16 | 3 |

Source: (Ilsøe, forthcoming),

CONCLUSION AND DISCUSSION

The survey among 226 Danish companies covered by the Industrial Agreements shows that the opportunities to sign company level agreements on working hours are widely used. Only 14 percent of companies have not concluded an agreement on working time. Agreements on flexitime are one of the most frequent agreements, as four in ten companies have concluded an agreement on this issue. Managers and employee representatives agree that these agreements have caused a variety of positive effects including increased productivity (for some companies) and improved work-life balances (for some employees). Among companies with (one or more) agreements on working time, the presence of a flexitime agreement doubles the chance for improved work-life balances. A number of other positive effects included increased worker motivation, easier recruitment (for companies) and social inclusion (of employees). A possible explanation to these positive effects could be the increase in employee influence on the daily scheduling of working hours and on the choice of which days to work. It is therefore likely that most flexitime agreements form winwin situations with multiple beneficial outcomes for management and employees. This confirms the first hypothesis that collective bargaining on flexible working hours (flexitime) at company level with win-win bargaining outcomes is a widespread phenomenon in the Danish industry.

The second hypothesis on the uneven distribution of flexitime agreements across company size is however, not confirmed. The survey shows that the likelihood to conclude an agreement on flexitime is independent of company size. However, the third hypothesis on an uneven distribution of flexitime agreements across different groups of employees seems to be confirmed. Although flexitime agreements in most cases cover all or the majority of employees, they in some cases only cover a minority. According to some managers this can cause a form of 'flexitime jealousy' among those, who are not covered by such an agreement at the work place. This corresponds well with the general finding that flexitime agreements can cause a rise in work place conflicts. Other research findings support this, as they show how disagreements on working time can result in severe cleavages between different groups of employees. These studies also suggest that conflicts might also be due to a lack of upper and lower limits on working time accounts. However, the survey document that only few companies have no such limits, a problem that easily can be restored. Indeed the findings raise the question what can be done for those employees in industry who for different reasons (such as the type of production, scheduling or work organisation needed) cannot work flexitime. Both for sake of these employees and their work-life balances and for the sake of preventing work place conflicts.

Shift work, which many managers and employee representatives comment upon in the survey as unpopular among employees, is still wide spread in the companies participating in the survey. Case studies from the US suggest that a reorganisation of the shift work schedule to a compressed work week might improve employees' work-life balances as they will have more days off during the week (Ilsøe 2008b). This is an attractive solution in the US context, where parents want to reduce day care fees, whereas it isquestionable how it would work in a Danish context. One company participating in the Danish case studies reported that they had moved young male employees from departments with compressed work weeks to other departments, when they had children, as they found it difficult to combine compressed work weeks and modern family life. However, the em-

ployee representative of this company also reported that the compressed work weeks were very attractive among other groups of employees, who enjoyed more days off in a row (for hobbies, summer house visits etc.). Further, it will be interesting to see the results of a recently launched research project in the public sector in Denmark entitled 'Prioritized Working Time'. The project seeks to uncover the effects of an increased employee influence on the scheduling of working days for those employees who are working shifts (shift work, compressed work weeks, 12-hour shifts) and cannot work a flexitime schedule.

It is fair to believe that the broad spread of flexitime agreements with win-win outcomes for management and employees (among both larger and smaller companies) rest on the fact that the decentralisation on working hours in the Danish industrial sector has been organised. Danish industry is a highly organised sector with a high coverage of collective agreements and of employee representatives – even among smaller companies. Many companies have the opportunity to sign company level agreements on working hours, as they meet the preconditions to do so (coverage of the Industrial Agreement and at least one employee representative present) Representatives from CO-industri have argued that especially the high coverage of employee representatives has been a decisive precondition for them, when agreeing on a decentralisation of bargaining competencies on working hours from the sector level to the company level 3. An elected employee representative can articulate the needs and wishes of the employees and bargain local solutions with management that balance employee and company concerns.

However, an organised decentralisation of working hours still face the problem's that can arise when introducing flexible working time arrangements and the survey suggests that the implementation of flexitime agreements can cause trouble at some workplaces. Due to different reasons it is sometimes impossible to cover all employees when an agreement on flexitime is concluded. This can contribute to conflicts between those who are covered and those who are not, and as a result create cleavages between different groups of employees or disagreements between management and employees. These conflicts might question the position of the employee representative and affect the bargaining relations locally. As the collective bargaining system in the Danish industry is heavily decentralised, this is an important challenge where conflicts emerge. It can, however, also be a crucial challenge in less organised sectors or in less organised countries, as flexitime is asked for by employees all over the world, and certain job functions by nature are more compatible with flexitime than others. Employee representatives in less organised settings might even be more affected by conflicts on flexitime than employee representatives in organised settings as their position in company level bargaining and among employees can be more fragile.

³ This statement was made at an interview with a representative from CO-industri in 2005.

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