

Employability, work contexts and labour market in Portugal

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ABSTRACT:

This paper aims to contribute to the problematization of the employability concept, namely by discussing its heuristic potential for the understanding of Portuguese labour market dynamics.

Starting with a revision of national and international literature, we will then discuss the role companies can play in promoting employability both through continuous vocational training policies and through the forms of work organization they choose.

KEYWORDS:

employability, vocational training, work organization, human resource management (HRM)

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INTRODUCTION

The introduction of the employability concept in the different discourses about labour market organization have been questioning the capacity of education and training systems to empower individuals with the competences required by economic systems. This focus contributes to hide the central role work contexts can play in employability development and/or maintenance.

Having Portuguese empirical reality as a basis, we will try to discuss the role work contexts can play in the development of workers' employability both through the importance companies attribute to continuous vocational training as a tool for competence development and maintenance and through adoption of organizational patterns capable of enhancing self-learning.

With the results obtained, our aim is to unveil the existence of a range of structural constraints that question the relevance of the concept of employability for the characterization of the logics underlying the way Portuguese labour market operates, considering population's low schooling rates, firms' low investment in continuous vocational training and prevalence of taylorist organizational patterns.

EMPLOYABILITY: A POLYSEMOUS AND MULTIDIMENSIONAL CONCEPT

Mainly used as a “buzzword” both at the level of public policy making when guided by the principle

of individualization and at the level of managerial discourses in favour of market de-regulation, and especially labour market de-regulation, the word employability has been a-critically adopted to legitimate a world view ideologically centred in neo-liberal perspectives.

Its dissemination among the academic world, at least in Portugal, seems to be contaminated by the ideological burden it carries along, therefore only very few seek to problematize this expression in a way to make of it a true scientific concept capable of accounting for new social phenomena by means of heuristically relevant responses.

Among the works carried out by the international scientific community with a view to discuss this concept's roots and dimensions, the contributions of Bernard Gazier (1990, 1998), Ronald McQuaid and Colin Lindsay (2005) assume particular relevance because of their structuring nature. The former proposes an X-ray photograph of the concept whereas the latter focus on the use of the word particularly in the field of public employment policies.

The concept's genealogy does not seem to be marked by great polemics, its origin being attributed to Anglo Saxons who at the beginning of the 20th century used to apply the term to distinguish between employable and unemployable people. From this historical mark onwards, this concept has been subject to a huge dissemination in the western world, with particular relevance to the efforts carried out by international organizations like OECD, ILO, UN and EU at the end of the century.

Such dissemination has been tightly connected to the societal conditions of the different national contexts where it was getting settled. Therefore, grounded on Gazier's proposal (1990 e 1998) about the historical evolution of the concept, it is possible to identify seven different conceptions also used by McQuaid and Lindsay (2005): dichotomic employability, socio-medical employability, manpower policy employability, flow employability, labour market performance employability, initiative employability, and interactive employability.

Among all these conceptions we decided to focus on those two with higher heuristic potential: initiative employability and interactive employability.

Initiative employability was born in USA in the 80's in a context of individualization of work relations where individual careers were assumed to be the product of the individual's capacity to change roles within the organizations, either because an opportunity has arisen or because s/he is obliged to it for internal restructuring reasons. When transposed to external labour market this conception "presumes a [worker's] wide functional flexibility in a deregulated market" (Gazier, s/d., p. 11).

On its turn, although having similarly emerged in USA in late 80's, interactive employability adds to the individualistic logic of previous phase an interactive and collective dimension in the determination of employability. This means that individual employability is determined by market rules, by the dynamics of economic cycles and it also depends on the employability of the other members of his/her professional group of belonging.

These approaches to the concept of employability along with its centrality in contemporary society reflect the growing tension between collective and individual management of work relations, which translates into the opposition between the primacy of "full employment" and the promise of "full employability", as mentioned by Finn (McQuaid and Lindsay, 2005, p. 203), of "lifetime employment" and "lifetime employability", as referred to by Kluytmans and Ott (1999, p. 262) or even of work as a "right" and work as a "responsibility", as stated by White (2001, p. 7).

From the point of view of interactive employability, these authors' perspectives privilege a conception of employability that can be defined as "the

relative capacity of an individual to achieve meaningful employment given the interaction between personal characteristics and the labour market" (Gazier, s/d., p. 11).

Having this analytical framework as a basis, which envisages employability as a result of the interaction between the individual and the labour market, McQuaid and Lindsay (2005, p. 208) propose an approach to individual employability comprising the following three dimensions: individual factors, personal circumstances and external factors.

According to these authors, individual factors are linked to competences and employability attributes which include school and professional qualifications and a whole range of competences of different nature such as social, attitudinal and problem-solving competences and adaptation to new situations. As these authors themselves point out this dimension reflects in part the contributions of the human capital theory on acknowledging the importance of training and valuing the role of Psychology in the study of intelligence forms.

On their turn, personal circumstances reflect three categories of factors: family circumstances — such as the need for childcare or old age care, work culture reflected on the way work is, or is not, encouraged within family — group of friends or community contexts, and access to facilities like those allowing physical mobility (transports), those giving access to consumption (financial capital) or those giving access to information and status groups (social capital).

Finally, external factors have to do with labour market dynamics, either in quantitative or in qualitative terms, with macroeconomic trends, with forms of contract, with work conditions and companies' recruitment policies. Such external factors mostly reflect the regulation mechanisms of the labour market and companies' human resource management policies.

Approaching employability from an interactive perspective, as Gazier proposes, and from a multi-dimensional perspective, as McQuaid e Lindsay do, assumes particular relevance not only for its intrinsic heuristic potential but also because it allows us to discuss the role work contexts play in the promotion of individuals' employability.

Work contexts contribute to explain part of individual employability, since “companies also contribute to the development of employability” (Gazier, 1990, p. 583). Therefore, work contexts have been deserving researchers’ growing attention because of an increasing differentiation of HRM policies with a view to looking for new competitive advantage in the context of a techno-economic paradigm (cf. Freeman & Soete, 1987) tightly linked to technological development in general and to the role of information technologies in particular.

This new techno-economic paradigm highlights the importance of dynamic competitiveness models based on the capacity to innovate at the levels of production processes, of products and of the organizational base (cf. Rodrigues, 1991).

In this context, the employability development is no longer a strictly individual problem or a public policy problem but a share responsibility of companies becoming “a company’s true social policy” (Saint-Germes, 2004, p. 1889). On requiring learning about change, the promotion of employability becomes a human resource management practice capable of supporting processes of technical and organizational innovation which are indispensable to modern competitiveness.

To promote individual and/or collective learning, organizations can rely upon two main instruments: training policies and different forms of work organization.

As for the former, on adopting training structured policies, organizations are not only strengthening their own competitive capacity, since in the light of human capital theory this implies an increase in work productivity, but they are also promoting workers’ commitment to their organization by enhancing their competences in a context of pre-sustainable professional mobility.

However, this apparently virtuous relation shows some limitations which stem from different levels of investment in training, from unequal access to training and from prevailing training formats.

Having statistical information as a basis, several authors point out investment discrepancies in training both between countries and between companies.

Therefore, considering there is some connection between employability and investment in training, it might be said that there are different starting points in the promotion of employability according to different national contexts and to the different companies in which workers are employed.

As for the second variable, discrimination in the access to training, some socio-professional groups face symbolic and material barriers when time comes for them to participate in training. In this group there are mainly women, lower educated workers, workers at the end of their professional careers, and low skilled workers, among others.

Finally, it should be noticed that choice about the training format plays a particularly important role since not all training formats can promote sustainable development of competences capable of assuring employability, in a context marked by innovation and job volatility.

From this perspective, since employability is a process sustained by continuous long-term learning, it is particularly relevant to invest in the development of specific human capital or human capital in general (Becker, 1964) or even, as Boyer (2000) states, in the development of specific competences as opposed to transversal ones.

Choosing one model instead of another seems to be strongly determined by their associated risks which raises the dilemma of organizational commitment and non-commitment, mainly if we take into account that “the promotion of workers’ employability increases their probability to leave the company before the investments in human capital have become profitable” (Kluytmans & Ott, 1999, p. 269). However, such risk is all the more probable the less integrated the organization’s HRM policy. According to the same authors, this risk has to be balanced against the organizational consequences of most workers’ professional stagnation. As for the second learning-encouraging instrument — forms of work organization — there’s more than enough literature illustrating the limits of tailorist-based traditional forms of work organization, being even considered as an instrument of culture regression for workers with increasingly higher education levels (cf. Kovacs and Castillo, 1988).

This explains the importance of choosing more participative and learning-promoting forms of work,

bearing in mind that “any worker as an actor must be able to go further than his/her prescribed work” (Saint-Germes, 2004, p. 1899), which becomes the more relevant the more “learning mainly occurs within one’s workplace” (Kluytmans & Ott, 1999, p. 267).

The epistemological revaluing of experience underlying new forms of work organization and requiring the rethinking of the role of lifelong professional development transformed in a “process of self-production” (Canário, 2001: 15) leads us to an idea of employability development as centred on the worker as a “reflective professional” (Schon, 1987).

This is the context where the qualifying organization concept best shows its potential, envisaged as “an overall human resource development model where all workers participate in daily learning practices” (Stahl *et al.*, 1993, p. 11) or as Peter Senge (1990) proposes, of the “learning organization” concept, viewed as the organization where workers continuously develop themselves by learning how to learn.

The following basic features are common to organizations that focus on workforce qualification: (Terressac, 1994):

- They are organizations where it is possible to manage the uncertainty proper to changing societies in opposition to prescriptive organizations like the Taylorist ones which presume the existence of stable environments;
- They are organizations ruled by horizontal communication systems connecting different sectors and different decision-making poles in opposition to organizations ruled by vertical communication systems centred on a single decision-making and value-production unit;
- They are organizations where their members are autonomous and entitled to make any decisions concerning their work.

The choice for the qualifying organization model is therefore an option capable of fostering the development of individual employability, both internally and externally, since it tends to value the development of competences that place the workers at the centre of changing processes (Villeval, 1993) by promoting organizational flexibility (Iribarne, 1984).

To sum up, qualifying organizations seem to represent an unquestionable opportunity for employability maintenance and development, particu-

larly in the case of workers who otherwise would be excluded from the labour market (Lopes, 2000), as a consequence of organizational restructuring processes calling for new generation competences required by knowledge societies.

Some structural specificities of Portuguese labour market

Analysing the potential of work contexts for the development of employability in relation to the abovementioned dimensions — professional development policies and work organization forms — implies to bear in mind some structural elements that configure the specificity of Portuguese labour market within the political and economic context Portugal is inserted in.

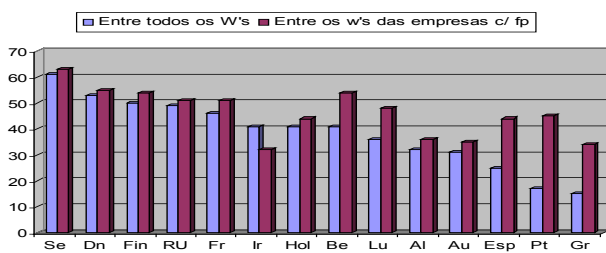
Although ruled by a competition paradigm historically based on cheap labour and on a productive specialization pattern centred on intensive labour (cf. Rodrigues, 1991), some innovation islands have emerged in Portugal whose relevance derives from their demonstration effects rather than from their structural impacts on the prevailing of social and economic organizational pattern.

There are certainly multiple explanations for this fact, although not alien to the organizations’ human resource management policies, which despite modernizing discourses hardly seems to be directed to break with the described scenery, rather proving a service to the reproduction of a historically dated pattern of socio-economic management.

As stated by Helena Lopes (2000, p. 239) in the conclusions she draw from an empirical study about the Portuguese reality, “all firms acknowledge human resources as a competitiveness factor, however, it is difficult for most leaders to recognize, manage and enhance the knowledge capital accumulated by people”.

In the field of professional development policies, apart from a tiny number of big companies operating in sectors more exposed to international competition, there is low commitment both to the promotion of professional development (chart 1), and to the institutional body that represents the national vocational training system (cf. Aventure *et al.*, 1999; Almeida, 1995).

CHART 1 —
WORKFORCE ACCESS TO TRAINING BY COUNTRY



Fonte: Th erry et alli, 2002

To this context unequal access to training is also added particularly in the case of the following categories of workers (DGEEP, 2005): women, lower educated workers, workers at the end of their professional careers and workers on the lower level of the skill spectrum.

Finally, prevailing training formats seem to be targeted at developing specific competences as stated in one of the most recent and extensive empirical studies carried out in Portugal (Caetano, 2000, p. 295). Here is one of its outcomes: “companies are mostly concerned with enhancing workforce skills related to short-term needs rather than with developing their employees’ competences and professional qualifications”.

As for work organization forms, prevalence of taylorist patterns is unequivocal in Portugal, where “workplace contents only affords the acquisition of practical knowledge, which indicates poor learning” (Lopes, 2000, p. 236).

However, this does not mean it is not possible to find both neotaylorist organizational patterns, centred on valuing some professional elites, and post-taylorist ones marked by internal and generalized participation in decision-making and problem-solving processes, in the development and trial of new procedures and in the adoption of different forms of work.

It is in this post-taylorist framework, adopted in Portugal by only a few, that qualifying organizations can be found, which “in the long run will be able to

assure the possible adaptation to new competitiveness conditions at the same time as they represent a unique opportunity to raise the employability of a wide range of workers” (Lopes, 2000, p. 242).

In this context, qualifying organizations are all the more relevant as Portuguese workforce is characterized by low educational attainments — more than 60% of the employees (subordinate work) have no more than a 9th grade education — and by a high number of youths who do not conclude secondary education — more than 50% of enrolled youths drop out before conclusion. For this population, work is the privileged context, if not the only context, where they can develop their own employability.

CONCLUSION

The option for the employability concept to understand some of Portuguese labour market dynamics reveals limited heuristic potential, considering the different logics underlying the concepts of individual and interactive employability.

This fact stems from the country’s structural constraints, marked by the population’s low educational attainment and by human resource management policies which do not value human capital.

From this perspective, the way work contexts are organized assume particular relevance since they can either enhance or condition the professional development of a structurally underqualified workforce in face of modern competitiveness requirements.

An adequate strategy to enhance employability seems to be both the generalization of vocational training policies targeted to the integrated development of specific and transversal competences and the adoption of increasingly richer forms of work organization. Such a strategy would allow us to avoid the exclusion of a range of workers who unavoidably reveal higher difficulties in coping with a new social contract seeking to replace lifetime employment with lifetime employability.

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