

In depth

Employment crisis, work-family balance, and part-time work

In Spain, the public health, technology, and hospitality sectors have the highest percentages of part-time laborers. Compared to the average in Europe, however, Spain has the lowest rate of part-time laborers in these sectors: 9%. Greece and Portugal present similar rates to Spain. However, in countries such as Germany, the Netherlands, the Nordic countries, and the UK, where there are more part-time workers, the rate of female workers is also higher. Why is part-time work important in times of crisis?

When an employee works part-time, the aggregate number of hours he or she works is less than the number of hours he or she would work full-time, and logically, his or her salary would be lower than a full-time salary. The economic crisis has led Spain to a record unemployment rate of 17%, compared to 9% in the Eurozone Area. The Spanish government is now encouraging firms to adopt a new model to promote part-time work. By expanding the part-time opportunities, the Ministry of Labor believes it will reduce the absolute rate of unemployment. What is most surprising is that social agents across the board have agreed on this one particular point. The government wants to offer deductions to the social security quotas for 2009, and perhaps for 2010 as well, to those companies that are inclined to hire part-time workers.

In more detail, the Real Decreto law 2/2009 from March 6th modifies the December law of 2006. The new change provides deductions to the social security quotas of up to 30% to those companies that hire part-time employees. Therefore, if a company were to hire a worker for 70% of the full-time working day, the company will pay absolutely nothing of the social security quotas. On the other hand, if that same company hires a worker

full-time, at 100% of the working day, the company will not receive this financial benefit from taxes on social security. This is meant to incentivize companies to hire in times of low employment. The only requisite is that the person hired should be fully unemployed or has been already working at reduced hours of up to 33% of the full-working day.

It's about time that we ask ourselves if this plan will be able to take off. Will the plan effectively increase the rate of part-time laborers? Will it change the work-family balance for employees?

What hinders and what promotes part-time work?

A worker may hesitate in taking part-time work because he or she may think that they could lose out on opportunities within his or her professional career path. Additionally, a worker's professional goals may not be proportionally reduced. And in the end, working part-time does not compensate financially. Moreover, there is a cultural obstacle to this measure. Part-time work is a deviation to the cultural norm in Spain and the Hispanic culture is accustomed to working longer hours. It is especially difficult for the part-time worker, in service sectors to say, "I'm taking off" when he or she is done with his or her 70% of working day, particularly when they are working with clients. Perhaps this is the reason why part-time work has adapted more in sectors such as those mentioned earlier-restaurants and food services, production, and health care, where it is much easier to adjust and align different goals: work-day, salary, and objectives. Since a few months ago, the trade unions in Spain had not been supporters of the part-time work model because it was considered a way to impair the employee. In brief, Spain is placed second to last in terms of the proportion of part-time workers to total employment in all of Europe.

These countries have implemented the part-time work model for the following reasons.

- Finland, Germany, Belgium, France, the United Kingdom, and Holland: the balance between personal life, work, and family.
- Denmark, Greece, Italy, Spain, and Portugal: flexibility in production and organization of work:
- Belgium, Germany, and Spain (generational replacement contract): the generational replacement and the distribution of employment:
- Austria and Finland: The consideration of education and health:

Those who agree on the part-time work model

The reasons to choose this kind of model are different according to the gender of the decision maker. Women normally choose to work part-time in order to combine their working life with either the responsibilities of the family. Men choose part-time work because they may be in pursuit of an education, or even perhaps because they cannot find anything better. We began research on the work-time model at the “International Center for Work and Family” at IESE in 1999, which is the same year the law on work-life balance was implemented in Spain. Through our research, we have supported the part-time work model because it could be a good solution for those people who want or need to decrease the number of working hours but who do not want to leave the labor market. Because of the recent economic crisis, the reality is very different: the decrease in hours is not voluntary but, in many cases, it is imposed as a condition for not losing the job.

Observing the distribution between male and female employment within the part-time workforce will be particularly interesting. Thus, it exposes the very nature of the differences between men and women: between 65% and 88% of European part-time laborers are women.

Is part-time work always positive for the individual?

It was decided in Holland after the Second World War to implement a similar model of part-time work to support high rates of employment. Today one in every three Dutch works part-time. However, it is not without its disadvantages. As Evelyn van Lieshout, a bank executive for ABN-AMRO, stated, “The part-time work model functions because not only are the salaries high enough that people are able to live comfortably, but also due to necessity. The schedules in the schools are disastrous, and day cares are difficult to find. Couples must cut back on working hours in order to take care of the family.”

This is the general sense of success of part-time work. The Christian trade union CNV published a bulletin to its members that 36% of men would be willing to work part-time with a collective agreement with better terms and conditions, in addition to a law that add benefits such as special bonuses and a good pension plan.

Without resorting to the extreme, and as we begin a new path, it can be considered that this measure will benefit both the Spanish government as well as open opportunities to people who are outside of the labor market. Additionally, it would provide more time for personal and family matters. The question is whether the employees who accept a part-time position over a full-time offer will be able to manage their routine lifestyle with a lower salary. So far, the Spanish welfare state has responded well in terms of healthcare but not so much in other services such as training and education to those unemployed, which could significantly improve the rate of unemployment. This is a real challenge in Spain.

Some successful examples of companies that have implemented part-time work in Spain

Infojobs was established in 1998 with four people and today they have a staff of around 120. Through their portal they have helped over 500,000 people find work. Employees are in charge of their own schedules but the suggested working hours are between 9 in the morning to 6 in the evening. And they do not clock in or out. It is possible to work part-time at Infojobs and still not lose out opportunities for promotion or for a career path within the company.

Kidsco is a group of 10 daycares centers with around 90 employees, almost all women. Despite the long day (until 8 in the evening), the combination of schedules from the staff members, who may work either full-time, part-time, or reduced-hours, has made the daycare centers very successful. A few of the company policies include the ability to work close to home, and provide days off in forms of remuneration for performance or rewards.

Viena is a chain of restaurants spread throughout Catalunya. One characteristic about its staff is that 60% are women and that 60% work part-time. It is common that they share positions. Viena is an example how the part-time model can work successfully.