

Functional flexibility good for skills development

Published on:

25 February 2004

Making optimal use of the employee's capacity to perform different tasks ('functional flexibility') is positively related to skills development and involvement in decision-making. It may lead to emotional exhaustion, however, if an imbalance exists, such as high job demands combined with a lack of adequate information.

The idea that functional flexibility is positive for skills development is an assumption based on qualitative case study research, as is shown in a Foundation report on the impact of flexibility on working conditions (Goudswaard & Nanteuil, 2000). Now a large-scale quantitative study has been carried out by TNO Work & Employment, using a representative sample of around 3,600 Dutch companies, involving over 11,000 employees in all sectors, with the exception of the civil service and education (Goudswaard, 2003).

About

Country: Netherlands

Author: Anneke Goudswaard

Types of flexibility

Labour flexibility can be advantageous in an increasingly flexible market, where companies have to deal with fluctuating periods of high and low supply and demand. There are several ways in which companies can achieve labour flexibility:

- by varying the number of personnel through the use of flexible working time arrangements, flexible employment contracts, part-time work, on-call contracts and the hiring of seasonal personnel (numerical or quantitative flexibility);
- by using the employee's capacity to perform different tasks when needed, through job rotation, widening the scope of the job, and job enrichment (functional or qualitative flexibility).

The TNO study shows that there is a positive relationship between functional flexibility and skills development. It explores this relationship, looking at several aspects of working conditions that relate to skills development. It also examines the direct or indirect impacts of functional flexibility on an employee's ability to retain their skills over a period of time. A direct impact implies that flexible work patterns such as job rotation, widening the scope of the job and job enrichment have a direct effect on skills retention. An indirect impact would imply that the working conditions, such as availability of training and greater job control, are more important than functional flexibility in itself. The results show that:

- there is a direct relationship between functional flexibility and long-term skills retention;
- functional flexibility is positive for skills development, because it is related to several positive working conditions, such as greater autonomy in directing one's skills, involvement in decision-making and access to training. This relationship leads to an indirect impact on long-term skills retention.

Flexibility can lead to exhaustion

However, this positive view of functional flexibility must be qualified by noting that there is also an association between functional flexibility and emotional exhaustion. On the basis of the analyses, it appears that this negative aspect is mainly due to the effects arising from other working conditions. There is also a correlation between functional flexibility and both quantitative and qualitative job demands. The relationship between functional flexibility and emotional exhaustion disappears when these job demands are taken into account.

Another finding, although very weak, is that functional flexibility may lead to emotional exhaustion when it is combined with inadequate information. Providing adequate job information appears to be more important for employees who perform different tasks, since they have fewer opportunities to rely on their routine or experience.

Promoting the 'flexible firm' - one focused on functional flexibility - may lead to an improvement of the quality of working life through the enhancement of skills. But, in doing so, care must be taken to achieve a balance between job demands and job control in order to prevent burn-out among employees.