

Changing Work and New Forms of Marginalisation in the Work Place

Ivan Thaulow & Claus Friche

The Open Labour Market

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The Study

The Danish National Institute of Social Research carries out a research programme on the *Open Labour Market*, to be concluded in 2002. The research programme is initiated by the Ministry of Social Affairs.

This working paper presents the results of a case study in a Danish industrial company, the intention being to cast light on the relationship between re-organisation and marginalisation. The paper shows that the re-organisation of enterprises from traditional to more flexible forms of organisation can affect marginalisation in a number of ways.

The management and the employees in the case company have cooperated in the research with great interest and openness, which was of crucial importance for its completion. Thanks go out to the company and its employees.

The research was conducted by Deputy Head of Research Unit at the Danish National Institute of Social Research, Ivan Thaulow, Master of Political Science, and Work Psychologist Claus Friche, Master of Psychology, from The Occupational Clinic of Medicine at Skive Hospital, Denmark.

The paper is thus the result of a collaboration between the Occupational Clinic of Medicine at Skive Hospital and The Danish National Institute of Social Research.

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Fejl! Ukendt argument for parameter.

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1. Transition from Traditional to Modern Organisation of Work

1.1. Introduction

One of the most controversial changes in both private and public enterprises throughout the 80s and 90s was the transition from so-called traditional enterprises to more modern and flexible enterprises (Appelbaum & Batt, 1994, Best 1990, Osterman, 1994, Piore & Sabel, 1984, Womack et al., 1991). That is, enterprises which, to put it simply, are characterised by traditional, hierarchical organisations with many middle managers, individual narrow jobs, low degree of autonomy, and limited use of continuing training change to enterprises which are characterised by more flexible and flat organisations with few middle managers, group-oriented broad jobs, high degree of autonomy, and widespread use of continuing training and education (Csonka, 1998, and Navrbjerg, 1999).

To a large extent, this type of transition seems to be an international phenomenon which can be observed throughout the western world (OECD, 1996). This makes it a very suitable theme for international debate.

The majority of the literature concerning the consequences of this transition for the working conditions, environment, etc. of employees indicates and discusses the *positive* development opportunities which arise from the modern and flexible enterprise (Lewin & Stephens, 1995, NUTEK, 1996, Lawler et al., 1995, Womack et al., 1991 and Piore & Sabel, 1984). However, the question is whether the transition from traditional to more modern, flexible organisations can also imply increased demands for qualifications and intensification and thus lead to new forms of marginalisation and, in the end, exclusion of vulnerable employees (Lantz & Sconfienza, 1994 and Thaulow, 1998).

If the transition from traditional to modern, flexible types of organisation has the unintentional effect that new forms of marginalisation are created, it is vital to have these identified. Without knowledge of such marginalisation mechanisms, there is a risk that a development which is intended to improve human resources will, in fact, cause them to disintegrate. Therefore, it is important to ascertain the nature of this marginalisation and what can be done at enterprises to avoid or reduce it.

1.2. The Objectives of this Paper

The objectives of this paper are firstly to advance a conceptual apparatus which enables discussion of marginalisation in relation to developments of work organisation at specific enterprises. This includes establishing a model of the enterprise-relevant conditions which must be assumed to play a particularly important role in the scope and nature of the marginalisation which occurs at a given enterprise.

Secondly, through a specific study of a Danish enterprise, the paper will ascertain the implications the transition from traditional to more modern types of organisation seems to have for marginalisation at the enterprise in question.

2. The Traditional Debate Regarding Marginalisation in the Labour Market

For many years, research into marginalisation in the labour market has been macro-oriented and thus dominated by quantitative problems. This means problems such as: How many people have been marginalised, who are they, and where are they to be found in the labour market? (Hussain & Geerdsen, 1997, and Hussain, 1998), and how does the group grow or diminish over time? (Ingerslev & Pedersen, 1998, and Ploug, 1990).

Correspondingly, the most commonly applied definitions of marginalisation have been based on the length of time a person has been unemployed. If a person has been unemployed frequently and for long periods, he is typically considered to be very marginalised. However, few, short periods of unemployment, or no unemployment have been perceived as implying no marginalisation

These quantitative views are important in macro analyses which aim at estimating the size of the marginal group or future expenditure on labour-market-policy measures etc. However, these views are often detached from an understanding of the more qualitative causes of marginalisation. This implies the causes linked to the individual enterprise, its market position, the working environment, organisation of work, etc.

In contrast to this, a fundamental assumption in this paper is that the content and organisation of work have a significant influence on who is marginalised, and the reasons for this happening. In order to support this assumption, the paper will bring the marginalisation debate into the enterprise, partly by establishing a micro definition of marginalisation, and partly by identifying the internal conditions at an enterprise which seem significant for who is marginalised at a given enterprise, and why.

The focus here on the relationship between changes at enterprise level and marginalisation means that marginalisation is not primarily perceived as a condition associated with the individual. Although in its specific manifestation marginalisation will always be individual, it is assumed to be strongly dependent on structural conditions in its point of departure. Marginalisation is regarded as a structural imbalance between the resources possessed by a given employee and the demands placed by the employee's work¹. At enterprise level, this

implies that the way work is organised, the demands placed by work on employees, and employees' framework for managing these demands can be expected to play a significant role in who is marginalised and how they are marginalised.

¹ A corresponding notion can be seen in, e.g. Penn, Rose, & Rubery (1994), where they describe a *mis-match* between *job skills* and *own skills*, and where they examine the consequences of this mis-match for job satisfaction and motivation/commitment.

3. Transition and Marginalisation

This paper does not only focus on enterprises in general, but also specifically on enterprises which are in the process of converting from traditional to more modern types of organisation.

To perceive and analyse **transitions** at an enterprise in a marginalisation perspective can be described as an *undefined field of research*. The literature only includes the rudiments for analyses which address the relationship between changes at an enterprise and marginalisation. Four different rudiments, which can each contribute to the marginalisation debate are described briefly below.

Firstly, there are analyses which demonstrate that changes in the organisation of work can lead to increases in qualifications requirements (Gallie et al. 1998, Vallas 1990, Kern & Schumann, 1984).

Secondly, there are studies which indicate that transition to new, flexible types of organisation (primarily changes towards lean production) can imply increases in the intensity of work and work rates so that the psycho-social burden of work is increased (Berggren, 1993, Stewart & Garrahan, 1995, and Taplin, 1995).

Thirdly, there are analyses which highlight an increasing degree of individualisation of work which can undermine employee solidarity and collective resistance to, e.g. poorer working conditions (Berggren, 1993, Skorstad, 1994, and Lewchuk & Robertson 1997). Although none of these three types of analysis are specifically about marginalisation, they highlight changes which are likely to be significant for who is marginalised and why.

Finally, the theory of flexible enterprises also contributes to the debate on marginalisation, in that it highlights how the flexible enterprise focuses on core employees at the cost of more peripheral employees (Atkinson, 1987). In contrast to the other rudiments, this approach is interesting in that it indicates that an individual employee's risk of marginalisation is not only determined by the demands and contents of work, but also the employee's position (e.g. temporarily employed).

These four rudiments all have in common that, in contrast to the macro approach, they indicate that **the changes which occur at enterprises can, to a large extent, be relevant for the marginalisation which occurs at the individual enterprise, and thus also marginalisation in the labour market in general.**

These different rudiments provide a constructive, yet fragile, basis for creating a conceptual framework to understand the significance of the transition process for marginalisation. However, none of the rudiments unite conclusively the transition and marginalisation perspectives.

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4. Marginalisation at Enterprise Level

In Scandinavia, the transition from traditional to more modern, flexible types of organisation typically involves making better use of human resources by allowing employees more 'space' and better development opportunities². This is precisely why it is important to be aware of any unintentional effects which undermine and disintegrate human resources instead of enhancing them. Marginalisation is an important example of such an effect.

At enterprise level, **marginalisation can be defined as a social process under which an employee is increasingly perceived as a less important part of the workforce, either by colleagues or by management.** The ultimate result of marginalisation is that the person is excluded entirely from the enterprise, i.e. the person is dismissed or resigns.

Marginalisation is not perceived here as merely a change in circumstances, but as a process where many different conditions (e.g. personal, social, and qualificational) can combine and influence each other. With regard to changes at an enterprise, the central marginalisation issue is the extent to which the change supports processes of this nature, or whether, in contrast, it actually inhibits or stops them.

Change-related marginalisation processes can be divided in two; a latent and a manifest.

Latent marginalisation means an imbalance between the total resources of an employee and the demands placed on the employee by work. Latent marginalisation will inevitably arise in connection with any large reorganisation. If an enterprise introduces new technology, employees who know nothing about the technology will become a victim of latent marginalisation as, in the short term, they will not be able to use the new technology. Or else, if a specific reorganisation places significantly greater demands on internal cooperation between employees, those employees who find it difficult to cooperate will become victims of latent marginalisation.

Such an imbalance between resources and demands does not have to be recognised by either the person himself or his surroundings. However, if the mis-match persists, in the long term it will presumably present problems for the employee in question. This does not mean that latent marginalisation always leads to problems. With favourable conditions the imbalance between demands and competencies can become a source of continuing technical and personal development. For example, this may be the case if changes in demands are not too great in relation to the employees' resources, if employees are able to adapt themselves to the competencies which are necessary to live up to the new qualifications requirements, or if employees have a positive attitude towards personal development.

In contrast to latent marginalisation, **manifest marginalisation** affects the social and realisation (ontological) aspects of the process, that is, that the surroundings experience and assess that a specific person (or group of people) have problems living up to the demands of work. This part of the process, where the individual is stamped 'weak' or 'marginal' can be called social branding or stigmatisation. If an enterprise introduces new technology, it will not be surprising if, at first,

² This Scandinavian trend contrasts in part to developments in other parts of the world. In simple terms, there have been two different development trends. Firstly a 'Scandinavian' which arises from sociotechnology and aims at developing human resources at work. Secondly the 'Japanese' which was inspired by concepts such as 'lean production' and which can be regarded as a new Taylorisation of work, c.f. Frölich & Pekruhl, 1996.

employees find it difficult to operate it satisfactorily. However, as time goes by and most adapt to the new situation, it will be noticeable that some will continue to be unable to operate the new technology. At the time where the surroundings no longer consider this acceptable, marginalisation will become manifest.

The term 'manifest' emphasises that ultimately whether or not a person is marginalised is determined by the general *norms* and *values* of the surroundings, including norms for what an employee must be able to do in a given job, and by more specific attitudes and prejudices.

The relationship between latent and manifest marginalisation

Although there often seems to be a relationship between latent and manifest marginalisation, this relationship is far from automatic. Firstly, latent marginalisation will not always result in manifest marginalisation, far from it. In most situations where the demands of work change, there will be a prevalent expectation that after a certain length of time employees will be able to tackle these new demands without significant problems. Although latent marginalisation is involved, this does not naturally lead directly to social branding. However, if, after a longer period of time, an employee is not actually able to honour the new demands, social branding will begin. Colleagues will start to wonder why, and the surroundings will slowly begin to alter their opinion of the person in question.

On the other hand, manifest marginalisation can also occur without latent causes. For example where prejudices dominate employees' expectations of each other. If there is a general attitude at a workplace that certain groups of workers (disabled, immigrants, or older employees) are second-rate workers, this will lead to manifest marginalisation of people in these groups irrespective of how the individual employees carry out their work.

From the perspective of transition, the fact that latent marginalisation does not necessarily lead to corresponding manifest marginalisation means that there must be conditions which modify or compensate for increased latent marginalisation. These conditions are referred to below as 'compensatory mechanisms'.

Compensatory mechanisms

Compensatory mechanisms can be many things and can be found at many levels. For example, at the individual level an employee's psychological resources are an important compensatory mechanism. Employees who are mentally positive towards change and who have the personal resources to cope with change will be in a better position to manage the transition process than employees who do not possess these qualities. At the group level, significant compensation may be found in the group's ability to show consideration and to help each other. At the enterprise level it may be the enterprise's ability to train its employees.

The following concentrates solely on compensation which affects group and enterprise levels, as the intention of this paper is primarily to demonstrate the more structural reasons for marginalisation and to illustrate how transition-related marginalisation can be minimised from the point of view of the enterprise.

Examination of social science literature, which at the enterprise level deals with how to compensate for unintentional effects of changes, provides inspiration. For example, there is working-environment research that shows that employee influence and social support modify negative changes in the working environment. In education research there is a fundamental

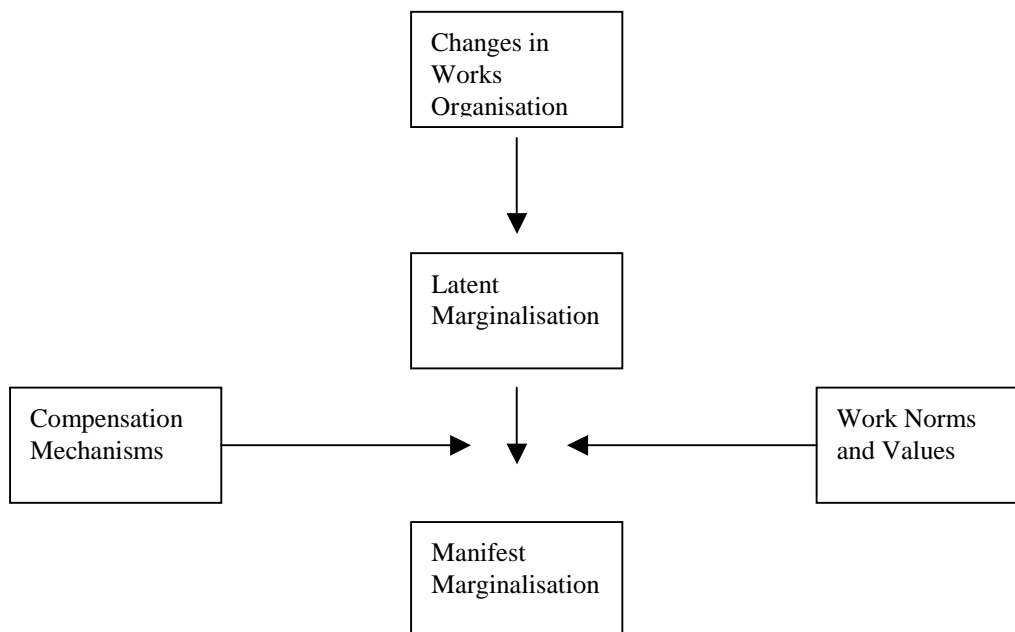
assumption that education and training (conducted in the right way and to the correct extent) can compensate for any change in enterprises' qualifications requirements.

Thus there is nothing new in the idea that enterprises can compensate for the different negative implications of changes which they implement. With regard to the debate on marginalisation, the question is what conditions are relevant to consider as being compensatory? This question is illustrated in the case description below in section 5.4.

A simple marginalisation model

On the basis of the above considerations regarding marginalisation and compensatory mechanisms, the relationship between change and marginalisation can be illustrated as shown in figure 1:

Figure 1.
Simple Model on the Relation Between Change, Latent and Manifest Marginalisation



On the basis of this simplified model³ the following section illustrates and discusses the implications of change through a description of changes at a Danish industrial company. The objective of the case description is to illustrate how, on the basis of the model, it is possible to analyse the relationship between transition and marginalisation in practice.

³ The model is extremely simplified in that it concentrates on a few, selected influences. For example, it does not include feed-back effects or internal effects between mediatory aspects such as, e.g. norms and compensatory mechanisms, although there is clearly a relationship between norms at a workplace and the scope of e.g. social support.

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5. Transition and Marginalisation at a Danish Industrial Company

5.1. The Prindo Company

Prindo is a Danish industrial company with 420 full-time employees. Prindo produces printed circuit boards for further processing in the electronics industry.

In the early 90's there was a crisis at the company with dramatic drops in turnover and a significant proportion of the workforce was made redundant. Since this crisis, Prindo has experienced recovery. Turnover and production have increased steadily and there has been no indication of further financial crisis.

Over the last ten years the company has been in the process of a rather classic reorganisation from a hierarchical company with many organisational layers to a flatter organisation with fewer middle managers and increased use of management by objectives and framework. This development was significantly advanced by the crisis in the early 90's.

About 350 of the company's staff are unskilled production workers. Production takes place in two halls. In the first hall, preliminary fitting of printed circuit boards takes place. This part of the process is highly mechanised. Final fitting, which has not yet been mechanised takes place in the second hall. Most of the work here involves fitting components by hand, soldering, testing, and final fitting. This work is primarily carried out by full-time, unskilled workers. Three-quarters of these workers are women.

The following focuses on the changes in manual production, as this part of the work organisation has undergone the most extensive reorganisation. The description and analysis are based on 22 interviews with company employees, including factory managers, administrative managers, 2 shop stewards, 2 safety representatives, all 6 middle managers in the production departments, and 18 manual production employees. The interviews were carried out in May - June 1999.

5.2. Reorganisation of Manual Production

Manual production work has undergone extensive reorganisation since the early 90s. At that time work was very traditional and solitary with few, and typically monotonous, work functions. Individual employees had fixed workplaces where they sat and performed very few functions. Employee influence was minimal in that middle managers controlled the work of the individual employee in detail. Physical fatigue was significant and many employees suffered from serious physical health disorders.

During the 90's the organisation of work was gradually changed so that today it is far more varied and flexible. The individual employee typically has several work functions and rotates between these functions. Work has been organised in groups. Work is therefore somewhat more varied and employees have much more influence on the specific organisation of work within the groups than before.

Work organised in groups

Work is organised in autonomous groups. This implies that, within a certain framework, groups organise their day-to-day work themselves. Within this framework employees divide tasks

between themselves, agree on any rotation programmes, decide the number of employees required, decide overtime requirements, and agree on individual working hours, etc.

As the group itself delegates work, the group becomes a unit which transforms and modifies the enterprise's requirements of the individual. In practice, there is a great degree of informal specialisation within the groups. That is, group members themselves agree who is to perform which tasks and at what time. Although most employees should in principle perform a large number of different functions, it is not unusual that many group members only perform a small proportion of these functions. The functions which the individual employee actually carries out and the skills required of the individual in practice are entirely determined by the group's choice of job delegation.

In general, a significant extension of responsibilities has occurred. Employees must perform more different types of work than before. Today, therefore, most employees have jobs which include both **core functions** such as manual fitting, soldering, final fitting, and/or testing, as well as **special functions** such as coordination, computer functions, quality control, etc. Responsibilities have thus extended both horizontally and vertically.

Moreover, with the transition to work organised in groups, a considerable increase in the significance of group-dynamics for the quality of work, etc. has occurred. When work is organised in groups, the way the group functions is decisive for both the process and the results. If the work of two groups with the same requirements and the same resources is compared, very different results will often be observed, depending on how the groups function internally.

Work organised in groups was introduced for both production and personnel reasons. The production reasons were that organisation in groups was to contribute to enhancing productivity, create greater flexibility in performing tasks, and improve the quality of the printed circuit boards. The personnel reasons were to reduce physical fatigue and make work more varied and interesting. The significance of the latter became more pronounced as the company found it increasingly difficult to recruit new (especially young) employees for manual work.

Overall, the transition from individually organised work to work organised in groups seems to have been the most difficult individual change in the reorganisation at Prindo. It was much more far-reaching than originally envisaged.

5.3. Changed Requirements and Latent Marginalisation

A number of the changes which, according to the literature, can be expected in work requirements, are also apparent at Prindo. This applies to demands for greater personal qualifications such as multi-functionality, responsibility, flexibility, and ability to cooperate, as well as more general requirements of better computer, language, or mathematics skills.

The greater demands on employees' personal qualifications arise primarily because organisation in groups involves an extension of employees' tasks and their independent 'space'. There are more demands that employees use their greater freedom responsibly. This implies requirements that the individual employee understands and to a large degree also can and will adapt to the conditions and demands of production. Employees who find it difficult to conform to this mainstream attitude will not fit in to work organised in groups and will tend to appear as

inflexible, recalcitrant or unconstructive. Therefore, there will not be much room for such an employee in work organised in groups.

In addition, employees organised in groups have to manage a number of complications of a social nature. What happens if there is conflict within the group? How should informal leaders be tackled? Can 'bullying' be accepted? What happens to colleagues who do not live up to the group's norms? This places great pressures on groups; pressures which many employees are neither prepared nor qualified to manage. Thus, requirements that groups manage a number of complications, including social complications, increase social and psychological demands on employees.

Developments at Prindo in many ways confirm that the transition from traditional to flexible work places a number of new demands on employees.

When the specific organisation of work is studied in more detail, it seems that the changes were not quite as significant as could be expected from a first analysis. For example, although an employee may have more work functions within the rotation schemes, most of the work the typical fitters perform is unchanged. Similarly, most of the day-to-day work remains solitary, although there are greater demands for cooperation, teamwork, etc. Also, even though the groups are autonomous, there remain many things which they can not decide.

Thus there is a duality in the changes in that they appear very extensive, but their specific content seems to be less extensive. In other words, changes and the greater demands appear more as potential threats than as actual problems.

Other tendencies towards latent marginalisation

In addition to the new demands, other tendencies towards latent marginalisation can be identified at Prindo. These are that the weak and vulnerable employees become even more vulnerable than before because of the reorganisation.

Therefore, the transition to work organised in groups has implied increased exposure of vulnerable employees' weaknesses. Where, in individualised organisation of work, such employees have been able to 'hide' in less demanding work tasks, this becomes more difficult in autonomous groups. Individuals' working skills and conditions become more visible in the group organisation. The same applies for the costs which colleagues may have to suffer as a result of the group including people who, for one reason or another, are not entirely as qualified or productive as the others.

Furthermore, developments indicate that the weakest employees in a group are left to themselves. This is partly because middle-management are at a greater distance from the groups, and therefore it has no insight into the day-to-day problems of the group. Thus, it is difficult for middle-management to provide the help and support the weakest need.

Overall, a number of clear tendencies towards latent marginalisation can be identified at Prindo. It is extremely hard to assess the number of employees affected by this, but one of the well-informed middle managers estimated that about 20 per cent of employees can be described as victims of latent marginalisation.

5.4. Compensatory Mechanisms

Latent marginalisation was modified by two compensatory mechanisms in particular at Prindo. The informal division of work in the groups and the rather extensive education and training activities.

The informal division of work in the groups implies that the groups protect each other against the full demands of the new organisation of work. By agreeing informally that a colleague performs more difficult parts of a person's work (e.g. testing or using the computer), demands on the person being protected are reduced. The problem with this strategy is that the person being protected does not (at first) acquire the qualifications which the job actually requires. Even after the group has been working for 1-2 years there are examples of informal divisions of work within the group which deviate significantly from what management perceive as 'normal'.

Education/training activities for production staff have been significant throughout the reorganisation period.

Collective continuing training has been extensive. Because of the considerable differences in work pressures in low and high seasons, each year an extensive training programme is planned for the low season. Every spring, a large number of employees are sent on carefully planned courses. These may be both technical and general courses. On average, employees are on courses or the like for several days each year. Some are on courses for up to a week.

The system for individual continuing training is also well developed. Via annual employee interviews, education/training requirements and requests are collected for individual employees. Attempts are then made to transfer these requirements and requests into specific training activities. This system seems to function fairly well, particularly for employees who can make and formulate specific training requests themselves.

Therefore, in parallel with the reorganisation, comprehensive continuing training has taken place. Although most of the adaptation to the new requirements has been through day-to-day work, there is no doubt that the training activities have advanced employees' technical and personal development. Therefore, training has contributed to enabling employees to live up to the new requirements. This applies for both technical and general requirements.

However, it should be added that a requirement for continuing training has developed and a small number of employees have difficulty living up to this requirement. These are typically older employees who have previously experienced poor results from school and education.

Finally, it seems to be significant that the **reorganisation took place gradually** and relatively slowly. For example, the autonomous groups have developed gradually from covering only a few areas of production to covering almost the entire production. Also, the initial very limited competence has developed to competence in more and more areas.

This has meant that demands have increased gradually and thus employees have become better able to acquire new skills during the process. At the same time, it has also been possible to test and correct new ideas so that they can settle in the organisation. This may be an important reason why resistance to the reorganisation has not been particularly pronounced. Experience from Prindo indicates that gradual transition, which allows time to correct the way in which

things are done and allows employees to adapt to changes, contributes to reducing latent marginalisation.

5.5. Manifest Marginalisation at Prindo

Although a number of definite tendencies towards latent marginalisation can be demonstrated, these are only reflected in manifest marginalisation to a limited extent.

The **most significant tendency towards manifest marginalisation** is regarding management and staff's assessment of employees who deviate because they are unwilling to cooperate, they are unconstructive, etc.

Compared with earlier work, the new and more flexible work emphasises participation from the individual employee and constructive interplay in day-to-day work. To a larger degree, day-to-day management is through goal and value management rather than detailed management and control. For example, where supervisors previously put people to work, controlled employees and took all important decisions in a department, there are now autonomous groups which organise work and working hours themselves. In order for this to work, there are far greater demands for employees to be responsible, cooperative, and constructive. This implies that employees who do not live up to these demands may find it very hard to cope. They will almost inevitably experience conflicts with both management and colleagues, and will often appear as negative people who defy or sabotage the work team. In the long term they can therefore find it difficult to cope with the workplace and will thus often be less valued members of the team.

This marginalisation due to 'attitude' becomes more distinct in the autonomous groups. In groups where cooperation is most developed, demands that everyone participates actively and constructively in day-to-day work and helps solve daily problems and conflicts can be considerable. Furthermore, these groups may have a tendency to form almost closed in sub-cultures which do not allow much space for colleagues with different attitudes or behaviour.

An interesting aspect in marginalisation due to attitude is that it appears more clearly as a norm than seems to be justified by the actual changes in work! Examination of how organisation of work functions in practice with informal division of responsibilities, relatively limited cooperation, etc., does not entirely correspond to the significant shift in norms which managers in particular represent. Perhaps it could be said that norms are 'in front of' actual developments. Or perhaps expectations of how things will develop from norms rather than reality itself.

It is thought-provoking that marginalisation due to attitude seems to apply to completely different groups than those which are normally considered as marginal in the labour market, for example groups such as the elderly, women, or immigrants. Thus, reorganisation-related marginalisation seems to break with more traditional marginalisation in this respect.

Although marginalisation due to attitude is significant, the interviews at Prindo give an impression that the extensive latent marginalisation has not had such an impact as the manifest marginalisation.

As mentioned above, this is presumably partly because the new demands have not (yet) had their full impact on day-to-day work, and partly because of the compensatory mechanisms which have taken place in the informal division of work and the extensive training activities.

5.6. The Enterprise Closes in on itself

In one way, developments have clearly resisted marginalisation in that job security during the transition process has been considerably improved for the full-time production staff. However, temporary employees on short contracts have paid the price for this development.

About five years ago, a contract between management and staff was established at Prindo. Under the contract, management is provided with greater flexibility and in return, the staff has greater job security. Flexibility is enhanced because the contract allows employees fewer working hours in the low season, while there are more working hours during the high season. Job security has been improved because the contract stipulates that the normal fluctuations in work will be covered by employing external workers on short contracts. Where previously a number of the full-time employees had been laid off during the low season, all full-time staff are now kept on. New employees are now only employed on short contracts during the high season.

The results of this are obvious. The full-time staff feel more secure, and therefore a good basis has been established for high motivation, mutual confidence, and long-term skills development, etc. On the other hand, it is much more difficult to obtain full-time work at the company.

This trend is underpinned by the spread of autonomous groups. The groups' internal loyalties overshadow consideration for people on the outside who want a job at the company. Therefore there are strong incentives within the groups to help keep hold of colleagues, even though these colleagues may find it difficult to cope with the new demands of work. And the more independence a group has, the more difficult it becomes for management to intervene in the group's social interplay. If a group wants to keep a colleague in spite of possible problems, it can be very difficult for management to intervene by, e.g. transferring or firing the person.

This development is not without its problems for the company. Management is also not entirely satisfied with the fact that in the future they will have to make do with poorly qualified full-time employees. This is particularly inappropriate at times when many well-qualified staff leave the company.

In addition, the recruiting process at the company has become much tighter in recent years. There are indications of a company which is closing in on itself. That is, closing itself around the employees who, at a given time, are employed full time.

Much of the logic behind this development is that the induction period and therefore induction costs have increased in line with work becoming more and more complex. In the manual part of production, where previously it was possible to almost take people in from the street, there is now a induction period of about six months. Thus, the financial incentives to retain or recruit have changed, so that it has become more attractive to rely on existing staff.

If this image of many companies in the process of closing in on themselves and their employees is correct, then there are indications that the marginalisation problems of the future will perhaps increasingly concern exclusion rather than retention.

The example does not only illustrate this tendency towards exclusion. It also illustrates that at a general level, marginalisation can be created politically (c.f. Peck 1996). This political alliance between management and full-time staff determines that an employee on a short contract, by definition, is in a very marginal position within the enterprise.

Fejl! Ukendt argument for parameter.

6. Conclusion

Conceptually, this paper points out that, when discussing the implications on marginalisation of enterprises' transitions, it can be beneficial to distinguish between latent and manifest marginalisation. Latent marginalisation means that transition creates an imbalance between the individual worker's resources and the demands which are created when the work is reorganised. Employees who are not able to live up to the change in demands can be regarded as latently marginalised. Manifest marginalisation means that the work surroundings register this type of imbalance as being a problem for certain, distinct individuals, who are therefore assessed as being less significant. These types of employees can be regarded as manifestly marginalised.

Although wide-spread latent marginalisation exists, it doesn't necessarily have to result in marginalisation being manifested. This is due to, among other things, the fact that several things can compensate for latent marginalisation, and therefore minimise or prevent further consequences. In the described case study, this mainly involves extensive educational activities, as well as the groups' opportunities and abilities to organise their own work.

By means of a description of a transition in a Danish industrial company, attention is brought to **three important marginalisational perspectives on the transition** from a traditional to a more flexible form of work organisation.

First of all, transition brings with it a series of clear tendencies towards **latent** marginalisation. Partly, requirements for personal and general qualifications are growing, and partly there is a tendency towards the demand that groups themselves must be able to handle internal social conflicts and difficulties, an increased focus on the exposed workers' weaknesses, and the weakest workers in the groups are increasingly left to themselves.

Secondly, the transition shows, at least in one particular point, that it causes **manifested** marginalisation. It involves employees who attitudinally differ, by being uncooperative, anti-social, unconstructive or the like. Both from the side of management and from the side of the employees, these kinds of people are considered to be the most problematic and exposed type of employees in a company. By virtue of the changed work organisation, these workers become manifestly marginalised.

This attitude-based marginalisation runs across the groups that normally are considered to be marginal; that means, for example, groups like the elderly, women, or immigrants. In that way, the marginalisation pertaining to transition breaks the known patterns of the more traditional type of marginalisation.

Thirdly, the development has meant a **polarisation** between insiders and outsiders. Thus, job security during the transition process became markedly better for the permanently employed workers, at the expense of the temporarily employed. This indicates that marginalisation problems of the future will perhaps increasingly concern exclusion rather than retention.

In sum, the paper calls attention to that, in connection with the transition from a traditional to a more modern and flexible work organisation, it can be **very relevant to consider which consequences to marginalisation a transition can have to the employees, as well as what the enterprise can do to modify or moderate these consequences.**

Fejl! Ukendt argument for parameter.

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