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THE PROFESSIONALISATION OF FEMALE-DOMINATED OCCUPATIONS IN THE SERVICE SECTOR

FLEXIBILITY AND PROFESSIONALISATION OF WORK IN THE SERVICE SECTOR: DISTINCT STRATEGIES AND MODELS

International conference organised jointly by the French Ministry for Employment and Solidarity and the OECD, at the Château de la Muette, Paris, 11 and 12 December 1997.

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TABLE OF CONTENTS

SUMMARY

This document seeks to identify models of organisation and professionalisation of work in service activities. In the first place, the two models of work flexibility and organisation are opposed. One, which integrates work time management and control Taylorist methods, centres around the objective of reduced labour costs in the short term. The other emphasises personnel commitment and loyalty.

Rationalisation and professionalisation of work in large service organisations is then examined. Two logics are distinguished: the logic of industrialisation and the logic of professional rationalisation.

When linking the two approaches, four models of human resource management in large service organisations are obtained. The *flexibility professional model* appears superior when the objective is to achieve both organisational quality and employment quality. The case of small service organisations is also examined, as are trajectories for the diverse existing models to converge to the model of flexible and professional organisation.

As women are over-represented in service organisations, particularly small scale ones, the document brings a perspective on the conditions for the professionalisation of female-dominated occupations in the service sector, which is the theme of the conference.

FLEXIBILITY AND PROFESSIONALISATION OF WORK IN THE SERVICE SECTOR: DISTINCT STRATEGIES AND MODELS[1]

Introduction

1. Although the central theme of this conference is the professionalisation of female-dominated occupations in the service sector, I shall not consider the specific features or difficulties of women's access to occupations and professional careers, because these aspects fall outside my own sphere of competence. My paper will focus on two major issues and the links between them. The first is the *flexibility of work* in the service sector, which has an incidence on professionalisation. The second is this: what are we to understand by the term *professionalisation of work*? How is professionalisation related to the rationalisation of work, and what may be the meaning of a *professional rationalisation* of work in the service sector?

2. Consideration needs to be given to both these questions if we are to devise not only efficient organisational models but also value-enhancing models of professional status. For that reason I shall examine the variety of possible solutions on the basis of several different *models of work organisation and professional careers*.

3. In conclusion I shall consider some of the possible implications of this analysis, taking a stance in favour of a *flexible and professional model* of human resource management in the service sector.

1. The current transformation of employment systems in the service sector and the growing demand for flexibility

1.1. What is a service activity? What typology can be used to shed light on the complex structures of the service sector?

4. Without further explanation[2], I shall use the following definition together with a graphical representation in triangle form (Figure 1): a service activity is an operation whose purpose is to operate a change of a reality C, possessed or used by a consumer (or customer or user) B, carried out by a provider A at B's request, and often in connection with B, without resulting in the production of a good that can

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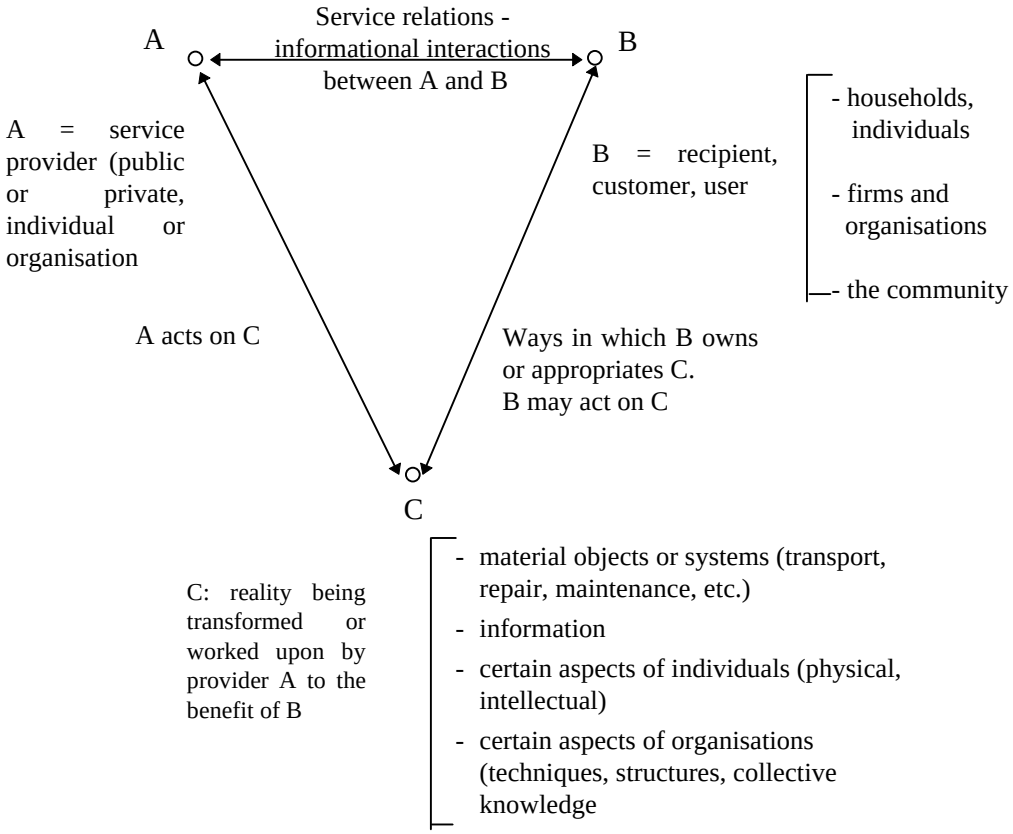
[1] This paper has been drafted with the help of Nicole Gadrey, sociologist. I should also like to thank François Stankiewicz and Maryse Huet for their comments and suggestions.

[2] For more detail see Gadrey (1996) and a remarkable recent paper by Peter Hill (1997), distinguishing between tangible goods, intangible goods (such as original artistic creation or research) and services (a change, typically material, implying some form of relationship between the agent requesting the change and the agent serving him). A service, unlike a tangible or intangible good, is therefore not an entity that can exist or circulate independently of its producers and consumers or that can be stored, resold, bear property rights, etc.

circulate economically independently of the reality C (otherwise we would be back with agricultural, industrial or craft production).

Figure 1



5. This definition highlights the great variety of service transactions and situations, especially depending on the type of reality C which is subject to transformation.

6. On the three sides of the "service triangle", the figure shows reciprocal links between the apexes, especially the *social relationships* which are established between providers and users in connection with the intended transformation. As a result of these relationships actions may be adjusted, people may get to know one another and, sometimes, establish relationships of mutual trust.

7. In a great many cases, the most effective typology for analysing services corresponds to that of the "realities" (C in the triangle). From this, four types can be distinguished:

- services applying principally to *objects* or *technical systems* (eg, goods transport, repairs and maintenance, etc.);

- services applying principally to *coded information* such as bank accounts, administrative records (which are media for coded information), etc.;

- services intended to improve the physical, intellectual or moral state of *individuals* or having as their main function the transport of *persons* (a rather special category within this set);

- services to *enterprises* and *organisations* intended to improve the operation of the enterprise as a whole (over and above technical systems).

8. Two comments should be made about a typology of this sort.

1. First, functions falling within the definition of more than one type are to be found in most actual service activities: objects, persons and information may be "processed" simultaneously or successively, though one type often predominates.

2. Second, this typology will be more or less relevant depending on the questions or issues raised, and in some cases it may be necessary to construct other typologies. A typology is meaningful only if it serves to clarify a question or set of issues. It is not a universal tool.

9. The typology proposed here has the advantage of making relatively clear distinctions in terms of the technologies and scientific knowledge used or skills to be applied. It is therefore not without interest in an approach to professionalisation, though it is obviously rather coarse. It is relatively close to a typology obtained in France by Olivier Bertrand (1988) using statistical data analysis techniques.

1.2. The diversity of employment systems in the service sector

10. According to at least five criteria, the steadily expanding service sector clearly contains very dissimilar employment systems, much more so than in the already diverse manufacturing sector. These five criteria are as follows.

- *Technical diversity of production processes*. This is relatively easy to demonstrate, using either the typology described above or the "capital intensity" of the processes. At one end of the service spectrum are branches such as transport and telecommunications where capital inputs per capita are as high as in the most capital-intensive branches of manufacturing; at the other end are labour-intensive activities which may be highly skilled (eg, consulting) or relatively unskilled (eg, restaurants, security).

- *Job concentration* (number of employees per company and, more particularly, per site). This may be very high in some sectors (public services, large central administrations) and very low in others, such as commercial and non-commercial proximity services. In the latter case, there is a multitude of local labour markets.

- *Organisational structures*. These include all possible types, as proposed for example by Mintzberg in his classification: simple or individual structures, mechanistic bureaucracies, clone bureaucracies, professional bureaucracies, purposive structures (adhocracies), matrix organisations.

- *Institutional features.* These are very varied in services. Whether capitalist or family firms, self-employed people, associations, centralised public sector bodies, local authorities, etc., each institutional setting approach exerts a strong influence on employment systems and status, and on their diversity or even compartmentalisation.

- *The extent of professionalisation*. Defining professionalisation as the existence of recognised occupations and professions with a corporate identity, here again the spectrum in the service sector is vast. At one end, there is no professionalisation at all (certain service jobs in the home border on informal work); at the other end are the most highly institutionalised and, in some cases, hermetic professions. Partly linked to this characteristic and the preceding one, industrial relations, trade unions and collective bargaining procedures in the service sector may likewise be non-existent or highly institutionalised.

11. If situations are so different, and often non-comparable, should we stop our investigation at this point and merely juxtapose case-by-case analysis? I do not think so, even though there is a real need for in-depth sectoral studies (that is the particular advantage of Prospective Study Contracts in France, for example). In fact, there are three strands running through this diversity and they are to be found in the vast majority of cases.

- First, the growth and sometimes numerical domination of female employment is typical of most service sector labour markets. This helps to give them specific characteristics rarely encountered in the manufacturing sector. The supply of female labour is one of the salient features of the current growth of services. In return, it also contributes to growing demand for certain household or community services. The conditions of labour supply and demand in these female-dominated service occupations are specific to them.

- The second feature is increasingly widespread: partly for the reasons mentioned in the previous paragraph, it is in the service sector that the trend towards part-time working and "flexible" forms of employment has been most pronounced in recent years.

- Third, a high proportion of jobs involve direct contact with customers or users, or include at least some functions that involve the management of service relationships.

12. With these three features, we are getting closer to the central theme of this conference. But before going on to consider it in fairly general terms, I should like to take a specific case: the employment system in the banking sector and current changes to it in the developed countries. Although models may differ from country to country, they are undeniably converging. The main interest of this particular case is that it displays trends that are also to be found in several other long-established service activities, already marked by the presence of large organisations, where profound changes in employment systems have taken place over the last twenty five years.

1.3. Changing patterns of employment in the banking sector over the last twenty five years

13. Within the service sectori, it is without doubt in the banking industry that the structure of employment and qualifications has been studied most carefully. The banking sector, for those researching tertiary employment, is rather like the automobile industry for those researching manufacturing employment: a sort of paradigm, based on the fact that work in banks shares a number of common features with many other service activities (administration, insurance). On the one hand, it involves information treatment (collection, processing and transmission), using the indispensable tool of information technology; on the other, it involves commercial and relational functions.

14. Table 1 summarises the changes that have taken place in the employment system in the banking sector since the 1970s.

TABLE 1

MAIN CHANGES IN THE EMPLOYMENT SYSTEM IN THE BANKING SECTOR

CHANGES IN ECONOMIC AND TECHNOLOGICAL CONDITIONS	IMPLICATIONS ON THE NATURE OF TASKS AND QUALIFICATIONS	CHARACTERISTICS OF HUMAN RESOURCE MANAGEMENT METHODS
Economic conditions		
Bank accounts held by most households. Transition to a strategy of product diversification and complexification according to customer segment.	Branch staff are required to be more versatile. Reversal of the Taylorian trend towards the separation of tasks.	
	High level of specialisation among a minority of professional staff (marketing, finance, economic analysis, IT)	Recruitment at high levels of initial training (2 to 4 years further education for counter staff, 5 years for specialists).
Growing competition, deregulation, disintermediation, gradual internationalisation	Transition towards a more sales-oriented approach (sales/advice predominates over transactions processing) in order to win or develop private or corporate business. Capacity to adapt to frequent change.	Growing role of the external labour market (recruitment at different levels) and corresponding reduction in internal career prospects. Critical problem of managing long-serving employees.
Technological conditions		
Switch from the centralised mainframe systems of the 1970s to decentralised systems with data entry at the counter or branch (terminals and PCs).	Simultaneous reduction in routine central data entry and the repetitive quasi-manual work of keeping branch accounts.	In-service training directed less towards in-house careers than towards adapting to change (technological and financial) and versatility (qualitative flexibility).
ATMs, partially automated withdrawals and deposits, credit cards.	Increase in employee responsibility, in the required level of understanding of technology and financial processes and in the advisory and relational aspects of work.	Use of part-time working (variable from one country to another: extensive in the US, fairly limited in France) to cope with irregular work loads in branches (quantitative flexibility).

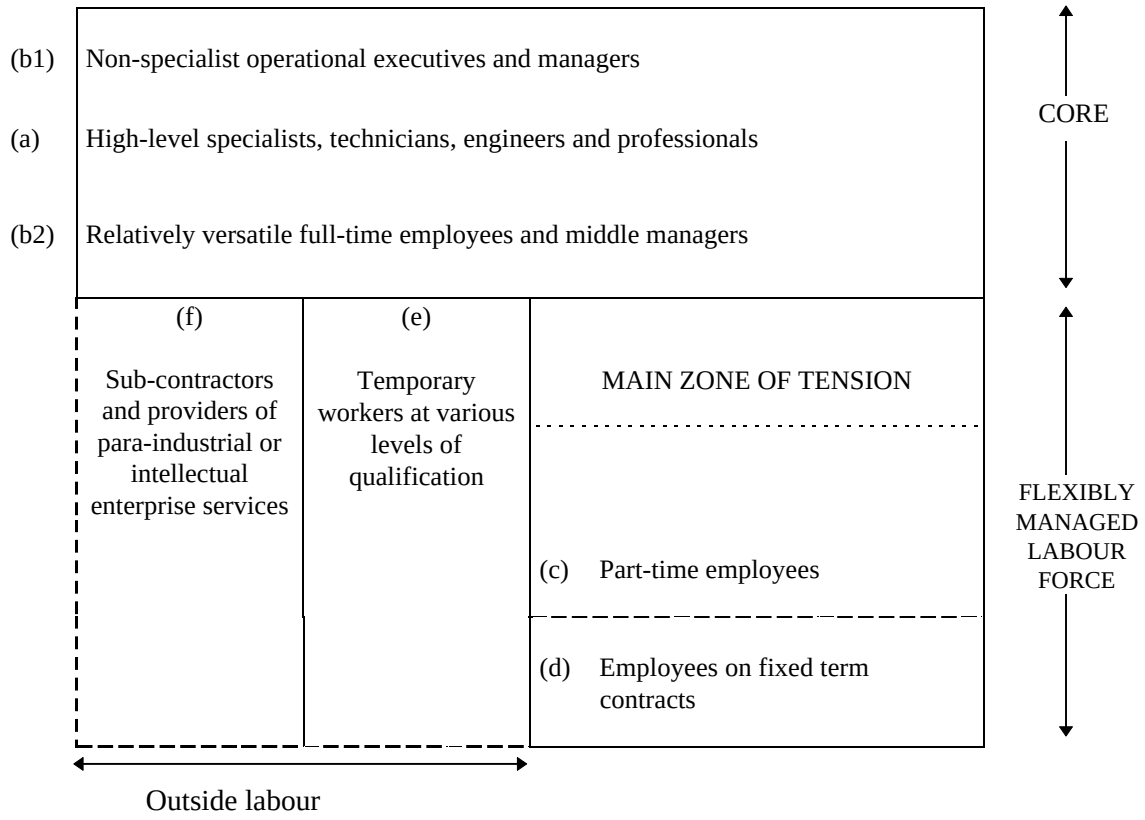
15. Many of the features of this employment system and the changes that have occurred can be found in other service activities whose operations, whether informational (insurance) or still partially of a "manufacturing" nature (mass retail, mail order), are increasingly determined by decentralised and flexible automation. We can speak of a "model", which we will now look at in detail.

1.4. Segmented flexibility: a model that has become increasingly widespread in certain commercial services since the 1980s

16. Studies of employment systems in the service sector carried out in the 1980s revealed common trends, converging on a model that we will call the segmented flexibility model, *which applies primarily to long-standing, structured service sectors* faced with the challenge of making their work organisation more flexible.

17. This model (Figure 2) shows a segmentation of jobs in terms of status, based on a distinction between the firm's "core" employees and the *flexible labour force*, the latter being workers (in-house or outside employees) categorised as being in "specific forms of employment" or "atypical jobs".

Figure 2



18. The labour force categories shown in Figure 2 are as follows.

a) High level specialists, technicians, engineers and professionals (staff executives) recruited in growing numbers in the 1980s either to occupy functions linked to the firm's lines of business (research and development, for example) or specialist functions of a more horizontal nature (IT, finance, human resource management, communication, etc.). These groups occupy the firm's functionally specialised "thought spaces", increasingly numerous and increasingly vital. Over and above their initial skills, they are often expected to interface with high-level outside service providers (category f) and line managers. But they remain specialists first and foremost, having professional or para-professional status.

b) Non-specialist employees, at both level b1 (senior line executives and project managers) and level b2, consisting of relatively versatile staff with wider-ranging tasks in comparison with their opposite numbers in service enterprises of the previous generation (the 1960s). The employees in these two components of the core (a and b) are in a relatively favourable position (though in-house career prospects have tended to diminish, causing dissatisfaction and tension), due mainly to the fact that they ensure the continuity of the knowledge and know-how that constitute the firm's lines of business or intellectual functions.

c) Part-time employees, with no real in-house career prospects, though their qualifications (nature of tasks, educational level) are not necessarily low. They often constitute the principal zone of flexible in-house labour management (numbers, hours, wages). In the service sector, it is generally these employees who are in direct contact with customers (counter staff, check-out staff, sales assistants, peripheral units). One of the major contradictions in the management of this section of the workforce is probably the opposition between the service quality required from "front line" staff and methods of flexible management with restricted wage costs.

   This category is sensitive to economic conditions and labour market pressures. In France since the early 1980s, in certain branches of the service sector (especially mass retailing), part-time working (and the inevitable overtime) has become the central variable not only of the organisation of "quantitative" flexibility but also of the segmentation of employees into primary core labour (more "professionalised") and secondary in-house labour (much less professionalised).

d) Jobs based on fixed-term employment contracts (including students and schoolchildren, in varying proportions according to the country and the cost of education), only some of which will lead to "stable" employment. They are particularly widespread in service businesses such as tourism and mass retailing, where seasonal variations in activity may be considerable.

e) Temporary workers, employed for specific assignments or periods.

f) Staff from other enterprises working for the customer enterprise on an occasional or durable basis, carrying out tasks that may be highly skilled (IT staff, specialist technicians) or unskilled (security, shelf-filling, etc.).

19. Other categories, such as the employees of sub-contractors, clients or partners, do not appear in the flexible organisation diagram, which is limited to staff working within the physical boundaries of the organisation. In some cases, these organisations are integrated to such an extent that their flexibility

features may be said to be codetermined, especially when a firm acts as integrator for the joint production of services.

1.5. Two very different variants of the segmented flexibility model

20. The model described above became a current reference at the end of the 1980s, among researches and practitioners looking for a new single best way, a benchmark for optimising service organisations, especially in the commercial sector. Since the beginning of the 1990s, however, it has become apparent that things are not so simple. Service organisations, both in the commercial private sector and, increasingly, in the public sector, have undeniably come to recognise the need for flexibility, meaning the capacity to adapt and react to demand, in terms of both quantity and quality. However, the path towards flexibility does not necessarily involve adoption of a dualistic segmented flexibility model, with as small a core as possible and a vast pool of flexibly managed workers who directly suffer the repercussions of the vagaries and variations of production. In reality, the model described above can be divided into two models according to human resource management strategies, both of which seek to ensure flexible organisation though by different means (Table 2).

21. The first model is a *neo-Taylorian quantitative flexibility model*, in which the constraints and vagaries of production are passed on to employees by way of individualisation and the requirement of maximum time availability. The central aim is to reduce labour costs; staff loyalty is of little concern except for a minority (the core). The corresponding management tools are based on Taylorian specialisation and control of tasks and the various forms of quantitative flexibility, both internal and external. The corresponding mode of thought is analytical.

22. The second model is an *organisational adaptability model*, in which constraints are managed in a more consultative manner. The priorities of human resource management are maximum workforce involvement and staff loyalty. The majority of the workforce belongs to the core. The model calls above all for internal flexibility, both quantitative and functional, paying less heed to Taylorian principles and reducing the degree of segmentation. The corresponding mode of thought is synthetic, or systemic.

23. The question may be raised whether the second model, which seems much more demanding and much harder to implement than the first, is not idealistic, or inappropriate for low-skilled service activities, and whether it should not be reserved for functions at a certain level of responsibility. This is not the case. We have seen situations that closely resemble this model, including in food retailing and in retail firms engaged in price competition (see Box 1). The difficulty of putting it into practice is due to the fact that it requires investment (its effects are not immediate), with the risk inherent in any investment. Such a model, whose implementation calls for specific human resource management tools, is not compatible with a short-term approach to management. In the mass retail sector, Baret (1997) identifies the following features, relating to non-managerial staff: versatility, the introduction of groups that determine their own hours and tasks, variety of employee profiles so as to achieve a better match between the supply of and demand for time availability, the organisation of new types of internal labour markets based on multi-skilling, and the development of coherent links between these four features over time.

Table 2:

Two models of flexibility

	The neo-Taylorian quantitative flexibility model	**The organisational adaptability model**
Objectives of human resource management	Flexible use of the labour market. Hazards borne by individuals. Accent on quantitative time flexibility and the *short-term reduction of labour costs*	Collective adaptability of the organisation. Compromise between quantitative flexibility and functional adaptability. Accent on *labour force involvement*.
Links between firm and employee	Weak except for a minority: the core (duality of status)	Strong loyalty. The majority of employees are in the core.
Skills	Neo-Taylorian specialisation of employees in the flexible zone (the majority)	Greater versatility and professional autonomy
Working time	Core: long duration; others: short-term contracts (duality of time)	Less difference between categories
Performance	Very high level of short-term quantitative flexibility, relatively little long-term adaptability	Reasonable short-term flexibility via versatility, high level of long-term adaptability
Strategies concerning new information technologies as flexibility and adaptability tools	Technologies imposed, emphasis on technical systems. Experts rule. Staff adapt to new IT, placed at the service of individual quantitative flexibility	Technology appropriated in stages. Users rule. New information technologies are a collective project, serving to plan organisational flexibility

Box 1 - Two different approaches to flexibility in two similar enterprises

It could be supposed that the two flexibility models described in Table 2 exist in real life, but that the use of one or other would be determined by the nature of markets, products and production processes concerned. On this assumption, they would not be found in two enterprises in the same sector, producing the same goods and services on similar markets. The following example, taken from studies of the French mass retail sector[3], formally contradicts this idea.

A and B are two hypermarkets of the same size (2,500 m²), both located in working-class suburbs of major French cities. They are part of the same group, which leaves store managers free to manage their staff as they think best, provided that they comply more or less strictly with certain recommended management ratios, such as staff costs to turnover. The main sales argument of the stores is price competition.

Flexibility constraints (opening times, irregular customer flows depending on the time and day) are the same in both A and B, and they both sell the same products, with roughly the same proportions of assisted service and self-service and the same proportion of food products to non-food products.

In store A, flexibility is achieved by means of very short-term Taylorian human resource management. The majority of employees are part-time, often on short weekly contracts, with a high but variable amount of overtime. Schedules for check-out staff are unpredictable (some may be contacted by telephone at home at peak times). Hours may be worked but not paid, there is no set day off, no training or consultation, no rising wage scale or bonus system. The store manager justifies this approach as being standard practice for the efficient management of flexibility. His ideal is to have all his staff on a 20-hour week: "When they are on a 20-hour week, they do 20 hours' work. If you put them on a 39-hour week, you don't get 39 hours' work. There are breaks, clocking-in, clocking-off, always some time wasted..."

The same level of flexibility (ie, the capacity to respond to the unpredictable) is also achieved in store B but in ways which are diametrically opposed, point by point, to those described above. The store manager justifies his approach in the following terms: "I want stable and committed staff. That means full-time work except when a full-time employee genuinely prefers to work part-time." Only 11% of staff work part-time, exclusively at their request and on contracts that provide for 30 hours a week. The most recent recruits have been taken on full-time and there is very little overtime working. Only 3 of the 19 check-out staff work part-time. Very few employees are on fixed-term contracts and the store never uses temporary staff. In order to promote staff loyalty, the management has introduced a wage, promotion and bonus system on terms more favourable than those provided by the national collective agreement. In addition, the profit-sharing scheme currently represents 2 months' salary per employee. Hours are negotiated so as to take account of family commitments. On the few occasions when staff have to work overtime, they get time off in lieu during the following weeks: management is not in favour of paying overtime, so as to prevent supervisors from getting accustomed to exceeding time budgets. Versatility or mobility between lines, and between check-out and lines, is essential so that external flexibility constraints can be managed differently. Interviews with employees showed a high level of job satisfaction, borne out by an astonishingly low annual staff turnover rate (2%). The store uses the full amount of the statutory in-service training fund. The manager calls regular meetings of a joint consultative committee. There has been no industrial action at the store since it was opened in 1983 and the majority of employees recruited at that time are still on the payroll.

[3] In the context of research carried out for DARES (Baret et al., 1997). Study A was carried out by Christophe Baret, Study B by Camal Gallouj and Marjorie Troussard.

International experts on labour market flexibility will of course say "All very interesting, but at what cost? This type of staff managemen, t doubtless suits the staff, but if it makes the store less competitive, isn't it harmful in the long term?" A valid question. For several years now the ratio of staff costs to turnover at store B, as at the two others in the same region which have also introduced non-Taylorian management principles, has been lower than the average for the hypermarket chain to which it belongs. In contrast, the ratio of staff costs to turnover at store A, which has opted for Taylorian short-term hyperflexibility, is higher than the average and its share of the local market is slowly decreasing, whereas the market share of store B is rising.

How are we to explain this rather striking situation, in which the *management of flexibility by means of staff involvement and loyalty*, at apparently substantial cost, ultimately produces better economic and financial results than a *strict Taylorian approach*? In fact, it is fairly straightforward. A combination of three factors ensures that *investment in staff loyalty* pays off, meaning that it produces profits that exceed costs. The first is the direct effect of staff involvement on productivity. Turnover per hour worked is about 20% higher at the store with the "right" approach to flexibility than at the other store. The second is an intelligent organisation of versatility, which is a subtle way of reducing unproductive downtime without making work schedules impossible. Thirdly, and perhaps most importantly, store B avoids the vicious circle of Taylorian flexibility: as the method is applied more and more strictly, so staff turnover and absenteeism rise and an even higher level of short-term flexibility is required to replace absentees, pay overtime, recruit and select new employees and thwart any collective or cooperative initiatives among staff.

For thirty years now, labour economists have been explaining how and why it might be in a firm's interest, strictly in terms of its economic results, to have a loyal and committed workforce with career prospects. They called it "internal" labour markets. But the ideologists of short-term Taylorian flexibility have passed by, calling for the destruction of what they regarded as bastions of organisational rigidity. They were not always wrong, but they did not imagine that flexibility could be achieved by inventing *modern forms of internal markets*, meaning systems that encourage involvement and job satisfaction and promote skills and cooperative behaviour.

2. Rationalisation and professionalisation of work in the service sector

24. Throughout almost the whole of Section 1, the focus has been on flexibility. In most research on the subject, the emphasis is on quantitative flexibility (the adjustment of worktime and staffing levels), on the basis of a more or less far-reaching segmentation of work and employment.

25. Two further elements are needed to complete this approach, even extended according to our two models. First, we need to consider the notion of *professionalisation* (see Box 2 for a definition), which is likely to become increasingly important in coming years, especially in the service sector. Second, of the two dimensions of work in question, namely flexibility and professionalisation, flexibility has traditionally been studied by economists and professionalisation by sociologists. But they should really be taken together, not separately. I propose therefore to consider what I call the *professional rationalisation of work*.

Box 2. The terms "professional" and "professionalisation"

In French the terms "professional" or "professionalisation" tend to be used in a broad sense, meaning the existence (or social construction) of activities (occupations) that are identified, named, accorded social recognition and validated (in France this generally involves national, state-regulated diplomas, but this is not a requirement). In the English-speaking world, the professions display the characteristics described above but the term is often reserved for occupations which require certified university-level training and whose conditions of entry and accepted practices are strictly regulated by the profession itself. In French terminology, these are referred to as "orders" (of doctors, lawyers, architects, etc.). Things are not so clear-cut, however, since the scope of English-language research on professions also includes engineers and primary and secondary level teachers.

Better international understanding could be enhanced by referring to "open professions" and "closed higher professions". Freidson (1986) refers to "strong professions" and "weak professions" (eg, primary school teachers), and to para-professionals; in all events for Freidson, "professions" are distinguished from "crafts" by the existence of formalised knowledge having a theoretical basis. There is thus no satisfactory English translation for the French terms, because the institutional and regulatory contexts are substantially different. Circumlocutions have to be found, such as "institutionally recognised occupations". In this case, the French term "*professionalisation*" would be rendered in English by "institutional recognition of an occupation (profession, craft or other)." The main effect of this "institutional recognition" would be the existence of horizontal rules or agreements, applying to a given region, country or international zone, governing certain aspects of the wage relationships of the persons thus recognised and named, without implying (other than in exceptional cases) that the profession itself controls conditions of access, practices, ethics, etc.

26. I shall take as my starting point services that are already highly professionalised, and more specifically private or public service organisations in which most jobs are for salaried professionals. By this I mean jobs at a certain intellectual level that require specialist knowledge, offer a significant margin of discretion to make decisions and are often associated with recognised professional institutions. This definition includes, for example, hospitals, educational institutions, social services and business consultancies as well as a substantial proportion of the staff (as opposed to line) departments of large firms and administrative organisations. These professional services share a number of common features, the most important of which is perhaps that, for the professionals employed by such organisations, a substantial proportion of their activity involves *direct interaction and direct relations with customers or users* (eg, pupils or students, patients, managers and executives of client firms, individuals seeking advice or knowledge suitable for solving complex problems).

27. From this, I shall try to adapt my analysis to certain other services, less "professional" as things stand at present but sharing common features with professional services, beginning with the relational aspects of work.

28. The problem that we shall consider is as follows: all professional services organisations today are more or less obliged to rationalise their work, either because of growing competition (which sometimes poses a threat to previous situations of greater ease) or because of public sector budget limits (which are in no way less restrictive). This raises the question, often with reference to industrial approaches, of what methods and models of rationalisation. Industrialisation is cited as a model for the modernisation of services, meaning either the standardisation and reproducibility of services or the use of self-service technologies or a combination of both.

2.1. Rationalisation of professional work has always existed

29. The rationalisation of work, not of an industrial type, is and always has been a feature of professional services, without which they could not have developed in the past and could not continue to develop in the future. This assertion is based on various research work that has looked at the content of professional work on the ground, using methods drawn from the sociology of work, the economics of work, the cognitive sciences and the management of organisations. These works highlight two forms of rationalisation of work, the second being based on the first, which is decisive.

30. The first form corresponds to what may be termed a *cognitive-type rationalisation*. It may be analysed according to three interlinked criteria:

1) *typification of cases or problems* posed by customers or users of the services, or rationalisation of the diagnosis and of its categories;

2) the relative *formalisation* of processes, which in this case are intellectual problem-solving *methods* (the methods of consultants, doctors, teachers, etc.)

3) the use of a repertoire of *routines*, which individuals may have acquired personally but which often also exist in the form of collective skills or "organisational routines".

31. The process of *cognitive rationalisation*, together with this threefold set of criteria (typification, methods, routines), has a determining influence on the existence and development of professional services because it makes three things possible.

- First and foremost, it allows for an economy of means in the management of professionals' resources, a sort of quality/price ratio which determines the competitive advantage of organised professional practice in relation to what might be termed "lay" practice.

- Second, it makes it possible to capitalise on past experience. Methods and routines are part of the memory of the organisation and of individuals, part of their intangible capital but also of the training they receive.

- Thirdly, it enables providers to place themselves in a more favourable or more equal position in terms of the balance of power and control of the service relationship.

32. The second form of rationalisation of professional work, which draws extensively on the first, is the *institutional formalisation of practices*, by which I mean the framing by the profession (often in relation with the public authorities, who are the regulators of last resort) of rules relating to recognised and validated working methods and procedures (on which membership of the profession may depend). The extent of institutionalisation varies from one profession to another. I shall not go into greater detail here, but there is an extremely interesting sociological tradition on this point.

33. After these remarks, we can now turn to two major types of rationalisation of work in the service sector may be envisaged.

2.2. Two models of rationalisation of work in professional organisations

34. These two models, which are also two types of modernisation strategy, are the *industrial rationalisation* model and the *professional rationalisation* model. Their main features are summarised in Table 3.

35. From the standpoint of the *content of operators' work*, the principal features of industrial rationalisation are the standardisation and specialisation of processes and their strict definition by a methods unit. In contrast, professional rationalisation draws on the acquisition of methods and routines that are adaptable and able to cope with exceptions (and service relationships).

36. From the standpoint of *products or services*, the aim of industrial rationalisation is to provide services in the form of standardised *quasi-products* or model contracts, on the basis of a product range which offers little scope for customisation. In contrast, although professional rationalisation needs to *typify* situations, it often aspires to a *higher level of complexity* (for example by proposing integrated services or treatments of more serious cases) while preserving a *customised approach* to treatment.

37. From the standpoint of *performance assessment criteria*, industrial rationalisation will favour indicators of productivity and cost per group of standard cases. Professional rationalisation will apply more complex methods of *multi-criteria and sometimes multi-player assessment* (pluralist assessment), giving preference equally to means, results, and professional standards of quality.

38. The *"ideal" structure of the organisation* in the industrial rationalisation model will be hierarchical and mechanistic, organised according to product or service lines and with a relatively extensive horizontal and vertical division of tasks and a senior management that is not generally drawn from within the profession. In contrast, the typical organisation of the professional rationalisation model tends to be much less hierarchical; senior management is often drawn from within the profession and work is organised by *crossing fields of knowledge with types of project.*

39. In the first case, the *agents of the rationalisation of work* are experts (in industrial engineering or methods) with skills that are not the same as those of the direct service providers. In the second case, they are mainly experienced professionals, seconded elsewhere in order to capitalise knowledge, working in of innovation and research structures, with the aim of improving the effectiveness and sophistication of methods.

Table 3:

Modernisation of professional organisations:
Two diametrically opposed forms of rationalisation

	Industrial rationalisation (industrialisation)	**Professional rationalisation**
Changes in the content of operational work	- quest for extensive standardisation of processes - high level of specialisation - application of highly detailed programmes developed by the "technostructure"	- improvement of methods, formalisation of procedures - gradual construction of individual and collective routines drawn from experience - learning how to cope with non-standard cases, often the most frequent
Changes in "products" and results and in services provided	- services provided in the form of quasi-products or model contracts - possible nomenclature of cases ("range" of products offered) - little or no customisation	- dialectic of the typification of cases and complexification (integrated services) - dialectic of the typification of cases and customisation of solutions
Performance assessment criteria	- productivity (measured quantitatively per group of standard cases) - emphasis on control of resources and tasks and on standard costs	- multi-criteria and multi-player assessment - emphasis on control of results - institutional standards of quality for the profession
Organisational structure	- organisation by product line - tasks divided between conception and execution at all levels - extensive hierarchy in which managers have non-specialist skills and do not need to be drawn from the profession	- organisation based on crossing fields of knowledge with families of typified cases or projects - conception and execution are close to each other - limited hierarchy (managers are drawn from the profession)
Agents of the rationalisation of work (technostructure)	- experts in methods not drawn from the profession of the direct service providers (*industrial engineering*)	- senior professionals or professionals "on secondment" to capitalise and systematise knowledge and procedures (*professional engineering*) - project groups to improve methods or develop innovative processes

40. Lastly, these two models differ with regard to the role of technology. In the industrial rationalisation model, technology is the essential tool for automating tasks and services in a context where capital is *substituted* for labour. In the professional rationalisation model, technology is used above all to *support* problem solving and efficiency (saving time, solving more complex problems) in a context where capital is *complementary* to labour.

41. Despite some experiments, often based on the use of new interactive information and software technologies (in teaching, for example), a real industrial rationalisation remains unlikely in most existing professional organisations[4]. However, it is a constant temptation and a more than likely outcome in the "new services", the subject to which I shall next turn.

Before doing so, and on a terminological point, it may be wondered whether the preceding analysis of industrial rationalisation is not based on a reductionist view of industrial world. The answer is simple. The theoretical model of industrial rationalisation is clearly not a valid model for the entire manufacturing sector. It might even be said without fear of contradiction that in the 1980s and 1990s growing numbers of industrial enterprises moved away, more or less quickly, from the "Ford-Taylor" model of the traditional large manufacturing firm, perhaps by adopting certain features of the professional model, albeit with considerable tensions in some sectors. The model should thus be regarded as *one ideal type* (among others), which has played a decisive role in post-war history *and continues to be a major reference for the agents of rationalisation, including (and perhaps most importantly at the present time) in the service sector*. That is why it is important.

2.3. The case of non-professional services

42. A whole set of services, including personal services and "proximity" services, can be analysed using such an approach, provided that it is suitably adapted case by case. Most services are activities that combine highly relational functions and non-relational or only slightly relational functions (such as logistic, administrative or production functions). The preceding analysis of professional rationalisation seems to be relatively well-suited to services with a substantial relational component, *even when the knowledge applied does not call for typically professional levels of training*. For this type of relational service, rationalisation of the relationship means:

- either that personal interactions are eliminated or substantially reduced (with strict time control), if an industrial rationalisation approach is taken. A standardised relationship is no longer an interaction;

- or that the methods of professional rationalisation are used, if the service provider cannot or does not wish to eliminate personal interactions. It is not true that efficiency gains cannot be obtained in interactive personal services or relational services unless they are produced according to an industrial model. They can be made more efficient, but one way or another that involves their *professionalisation*. This means two things. First, they have to draw on the *cognitive* characteristics of professional rationalisation, ie, the formalisation of *methods* suited to *typified* cases and the learning of sophisticated and flexible *routines*. Second, they have to be given *institutional* recognition, in the form of certification, social enhancement of emerging para-professional activities, greater autonomy at work, professional career paths and both public and private regulation.

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[4] See J. Gadrey, *Services: la productivité en question*, Paris, Desclée de Brouwer, 1996, Chapter 13.

43. It should be noted that professionalisation of a field of activity may lead, depending on the case, to the activity being exercised either in the context of self-employment or partnership arrangements or within organisations (other than the corresponding professional bodies). We shall return to this point.

3. Four types of human resource management in large service organisations

44. So far, this paper has considered models of work flexibility in the service sector separately from forms of work rationalisation (industrial or professional). This section seeks to link the predominantly economic approach to flexibility models with the more sociological approach to the rationalisation of work and professionalisation. The result is four models of human resource management and occupations in large service organisations[5] (Table 4) which have different implications for professionalisation and training. The four models are Taylorian/bureaucratic, neo-Taylorian flexible, corporatist and professional flexible (or cooperative).

45. The Taylorian/bureaucratic model of human resource management, which corresponds to Mintzberg's "mechanistic bureaucracies", is disappearing, but elements of it remain within public or private bureaucracies with low average qualification levels, still managed on the basis of rigid job status linked to specialised tasks (though these have tended to become broader in scope), set hours and internal markets rooted in promotion (albeit limited) on the basis of seniority.

46. The neo-Taylorian flexible model has spread increasingly rapidly, particularly in service activities with a low average qualification level (especially in former "clone bureaucracies" in areas such as mass retailing and hotel and restaurant chains). It is Taylorian inasmuch as its methods for defining and controlling highly specialised tasks have their roots in a manufacturing rationale. It differs from bureaucratic Taylorism by its use of quantitative flexibility tools (internal or external), the crumbling of internal markets and the rise of internal dualism. Vocational training is extremely limited except for managerial staff, recruited by strata on the basis of initial training rather than internal promotion.

47. The professional corporatist model, which corresponds to Mintzberg's "professional bureaucracies", such as traditional (and still widespread) forms of hospitals and universities, is organised by juxtaposing closed and quota-restricted occupations with a dominant profession. The careers of the most highly qualified professionals are sometimes more horizontal (within the profession and between organisations) than vertical (within an organisation). Skills are specific to each occupation or profession. Core knowledge is formalised.

48. Finally, the professional flexible or cooperative model is based on a professional organisation that has been "deverticalised" in terms of skills (partly specific, partly horizontal and relational), the absence of administrative quota restrictions on access and diplomas, a decompartmentalised organisation of work (matrix or project based) and the existence of internal or external careers.

[5] Small structures will be considered in Section 4.

Table 4:

Four types of human resource management and occupations in large service organisations

	Rigid segmentation	**Flexible segmentation**
Predominantly industrial rationale	**Taylorian/bureaucratic model** - Internal markets - On-the-job training + specific training limited to certain career tracks within the internal market Examples: post offices, banks and insurance companies in the 1960s and 70s, public administrations (Mintzberg's "mechanistic bureaucracies")	**Flexible neo-Taylorian model** - Great reduction of internal markets: internal dualism between small core and vast periphery - Little or no vocational training (except for managerial staff) Examples: mass retailers and hotel/restaurant chains in the 1980s and 90s (flexibilised "clone bureaucracies")
Predominantly professional rationale	**Corporatist professional model** - Rigid organisation by juxtaposition of closed occupations - Specific skills - Specialised, certified and quota-restricted vocational training Examples: classic professional bureaucracies (hospitals, universities, etc.)	**Flexible professional or cooperative model** - Organisational adaptability - Both specific skills (of a technical nature) and horizontal and relational skills - Vocational training readily available and wide-ranging Examples: project-by-project organisation (matrix-based or purposive)

4. The other models of services and human resource management: small structures and the self-employed

49. The preceding section looked only at service organisations having the most formalised structures and work. The majority of jobs in the service sector, whether public or private, are in such organisations,

which may be very large (large private sector firms, public services, administrations) or of medium size (SMEs, local authorities, etc.).

50. This analysis does not therefore extend to small entrepreneurial or associative structures, whose organisation is generally not highly formalised, to the self-employed or to those providing personal services to individuals in directly negotiated wage relationships. But such cases are more frequent in the service sector than elsewhere. They are also important in relation to the issue of professionalisation, especially for emerging activities or activities whose practitioners are seeking to establish more formal structures (so-called "new services").

51. From the standpoint of human resource management and professionalisation, they may be grouped into several models as shown in Table 5.

Table 5:

Small structures and the self-employed

		Small organisations	
	Individuals	**Associative (non-profit)**	**Commercial (for profit)**
Predominantly non-professional	**1** Unskilled labour force (ie, not having recognised qualifications) in directly negotiated wage relations.	**3a** Action in the social sphere, subsidised to a greater or lesser extent; "missionary" structures motivated by values or beliefs: an organisational ethic or ideology.	**3b** Sale of uncomplicated but non-standard services. Possible competition with associations on certain markets.
Predominantly professional	**2** Members of the liberal professions selling their services to customers.	**4a** Qualified "missionary" structures. Technical knowledge often associated with a public service ethic.	**4b** Small professional businesses organised on partnership lines, often employing some non-professional staff. Close to the flexible professional model.

52. The first two models, which correspond to individual employment, are:

- the *non-professional model of directly negotiated service employment* (model 1), based on direct wage relations (labour market) rather than the sale of services (service market)[6];

- *self-employed professionals* (model 2), selling their services to individuals or organisations.

[6] In France, this mainly concerns "domestic employment" (460,000 employees in 1994).

53. In theory these two models are more or less diametrically opposed in terms of both legal status and skills. However, the reality is sometimes less clear-cut. There are "pseudo self-employed" workers who, while being legally self-employed, are in fact just as dependent on their employer, if not more so, than any employee. They enjoy neither the rights attached to salaried employment nor the relatively favourable position of institutionally recognised professions. In France, such situations may be found in the transport sector, for example, and some wish to see it extended to domestic employment[7].

- *Small non-professional structures* (models 3a and 3b). There is relatively little formalisation of either skills or work organisation in these structures. The motivation of the workforce differs according to whether they are associative (3b) or commercial structures (3b). For associations, the decisive factor is commitment to the values of the "missionary" organisation[8] (most associations may be regarded as having a "mission"); for small enterprises, it is hierarchical relations (comfortable or conflictual) with the manager. These elements may be blended in some cases[9], but *the challenges of professionalisation appear similar in some respects*. In both cases, there may be some difficulty in moving towards genuine professionalisation of those involved. This may be due to factors such as a contradiction between the values of the association and the culture of specialised professions (compounded by the issue of remuneration), or an enterprise finding it difficult to manage or pay individuals enjoying a relatively protected professional or paraprofessional status. The *differences* between these two cases have less to do with technical qualifications to be developed and validated than with the frequent existence, in the *professionalisation of associations*, of solidarity values (what Parsons calls "community orientation") that are a constituent part of professional ethics and are indissociable from technical "routines". To take home help as an example, it does not seem possible to define occupations without calling on ethical values such as "generosity" or "disinterestedness" (not particularly compatible with a commercial approach) reflected in day-to-day actions in a helping relationship. But the role played by such values in the services in this category is eminently variable.

- The *small professional structure* (models 4a and 4b) is less common in the associative sphere (associations of para-professionals in the home healthcare sector, qualified "family work", associative approaches to research, training, etc.). It appears most frequently in the form of professional "firms", whose employment and skills systems resemble the flexible professional or cooperative model, so that there is no need to add this model to the range we have already defined. It is a small-scale variant of the flexible professional model.

54. Overall, therefore, we can cover the scope of human resource management and professionalisation of the service sector by adding four more models to the four highly structured models described in Section 3. These four models are: individual non-professional (1), self-employed professional (2), associative non-professional (3a) and entrepreneurial non-professional (3b).

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7 For a critique of this position, see CEREQ (L. Causse, C. Fournier, C. Labruyère, J.Y. Kerbouc'h), *Le développement des emplois familiaux*, 1997.

8 Within the meaning of Mintzberg in *Le management*, Les éditions d'organisation, 1990.

9 Some associations may have a more "entrepreneurial" approach than others, and may in fact become enterprises.

5. For a flexible professionalisation of the service sector

55. The question of the advantages and disadvantages of the models we have identified may be posed as follows.

- The flexible neo-Taylorian model, the model of the small non-professional entrepreneurial structure and, even more so, the individual non-professional model tend to turn the service society into a society of servants, because they cause a shift in the balance of power and roles that is disadvantageous to employees.

- At the other extreme, the purely professional models (corporatist model and self-employed professional model) cause a shift in the balance of the service society in favour of professionals, who tend to dominate users in the service relationship (Freidson, 1986, Chapter 8).

- The associative model eschews some of the disadvantages mentioned above but it is often relatively unprofessional, and this may adversely affect the quality of services. In addition, there is nothing ensuring that grass-roots employees are always better treated than in the entrepreneurial model with which it is sometimes in competition.

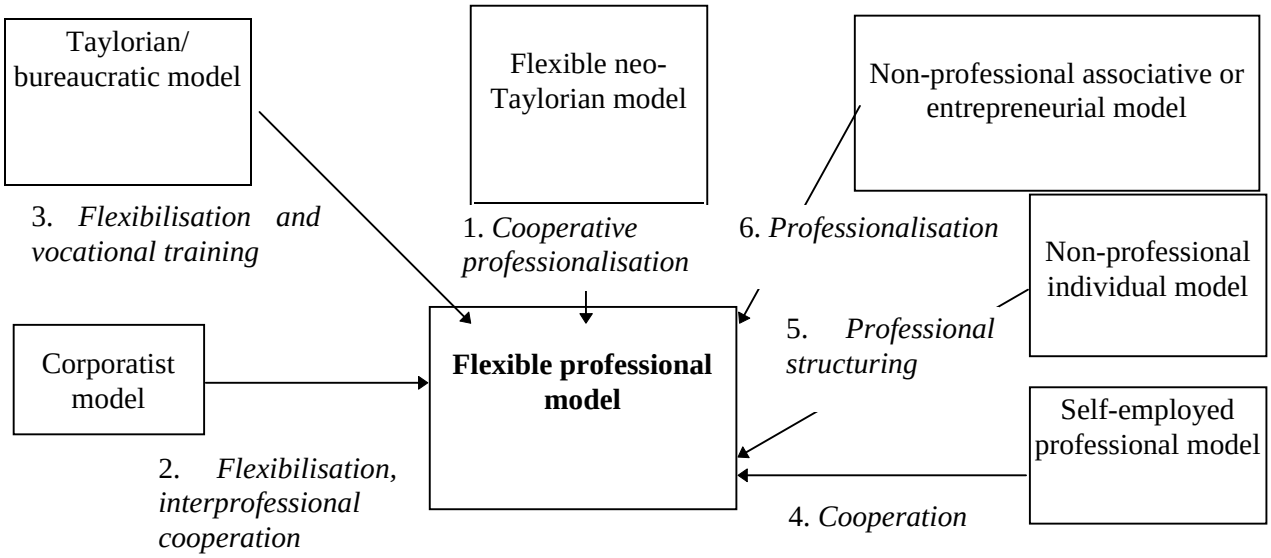
- The flexible professional or cooperative model seems to display numerous advantages if the aim is to move towards more evenly balanced service relationships between employees, employers and users. This is due partly to training and the existence of professional rules that protect employees from arbitrary treatment, but also to the existence of an organisation (which may be small and non-profit or for-profit depending on the circumstances) that can restrain "opportunistic" behaviour by self-employed professionals.

56. Flexible professionalisation should therefore be encouraged if reference is made, for example, to some notion of a European social model. It offers the advantages of organisational adaptability in the long term, individual professional guarantees for employees and, under certain conditions, organised quality guarantees for consumers. But this model has a collective and individual cost. It requires the most training, and more frequent periods of training during the course of a working life. It corresponds to the vision of a learning society. It also means trade unions and organisations to protect the interests of professions, with their advantages but also the risk of a slide into corporatism, higher wages and hence higher average service costs (though for a higher service quality). In addition, it can pose a problem to associative (or entrepreneurial) approaches if serious contradictions emerge between the broad "mission objectives" (Mintzberg, 1990) of the association (or enterprise) and those, more individualist or corporative, of salaried professionals[10]. The professionalisation of these structures will depend to a certain extent on how this problem is managed, on a compromise basis, but it will also depend on suitable recruitment methods and training.

57. Assuming that this model should be encouraged, at least in certain cases, we should also consider how the other models can be pushed in this direction (Figure 3).

[10] Cf. Nizet, Pichault, 1995, p. 108. In the case of associations, this may cause tensions between volunteers (including managers) and employees.

Figure 3



1. From the neo-Taylorian model: cooperative professionalisation (training and institutionalisation), implying the development of threefold skills (specialist + horizontal + cooperative).

2. From the corporatist model: cooperative flexibilisation of the organisation (carrot and stick approach[11]) and a more open approach to skills so that work can be carried out in the framework of interdisciplinary projects.

3. From the Taylorian/bureaucratic model: flexibilisation and professionalisation. This approach combines the difficulties of the two cases described above. Fortunately, the model is increasingly rare.

4. From the self-employed professional model: professional cooperation, the aim being to encourage professional and interdisciplinary associations and groupings.

5. From the non-professional individual model: structuring with a view to professionalisation, with the aim of bringing unskilled and isolated employees into structures (enterprises, associations, public bodies) committed to providing them with training that leads to some form of professional qualification. This case is frequent in emerging activities, such as new "proximity" services.

6. From the non-professional small structure model (associative or entrepreneurial): professionalisation, using training courses of the same type as those described in the previous case, though intended for the existing employees of the structures concerned, with variants depending on the importance of solidarity values in the ethics of the profession.

[11] Some of these incentives and threats helping to guard against corporatism may come from users and customers and from regulations favouring them and their rights.

6. The professionalisation of proximity services

58. On the basis described above, let us consider the case of new proximity services, such as home care for the elderly or childcare. Their future development may take features from five of the seven models: 1) The flexible neo-Taylorian model without training or qualifications (arguing that women can very well take care of any elderly person or young child since they take care of their own parents and children in the family environment), with price competition and a hyperflexible organisation of work based on time and service standards. 2) The non-professional individual: tax breaks for the direct recruitment by private individuals of low-wage, untrained employees clearly encourages this social discount model, whose effect is to downgrade the quality of both work and services. 3) The self-employed professional (or in this case para-professional), for occupations which would lend themselves to institutionally recognised professional practice. 4) The small non-professional structure, currently associative in almost all cases. 5) The organised flexible professional model, here applied to para-professional activities to be developed, in an associative or commercial framework.

59. Thus, the professionalisation of these services (applicable also to other activities in sectors such as tourism, the environment, social work, etc.) means either their development according to the self-employed professional model (which can be entirely justified in certain cases provided that there is a recognised reference to a professional discipline), or the option of collective professional organisation, in a public, private, associative or mixed framework. It also implies the definition of relatively restricted occupations (caring for dependent elderly people does not call for the same qualifications or training as doing housework or caring for young children), training leading to qualifications (or validated by other means than a national diploma), professional bodies that negotiate collective agreements and are capable of promoting the image of these occupations as being just as valuable as others, and reference to a set of professional ethics that may vary according to the occupation concerned and the scope of action. In order gradually to consolidate these new activities and professions, we should add one condition which concerns all proximity services, namely a local anchor or, if preferred, interprofessional cooperation in a given territory, around projects to develop high quality services. This condition makes the organised flexible professionalisation model even more attractive in relation to the self-employed professional model.

7. Conclusion

60. The models described above perhaps shed some light on the complex patterns of service employment systems, but they remain too general. They need to be refined sector by sector, and even sub-sector by sub-sector, or in other cases by horizontal skill ranges (such as secretarial occupations, accounting, human resource management, etc.). For example, it is not enough to consider employment, occupations and vocational training in the retail sector. At the very least, a distinction needs to be made between food retailing and non-food retailing, because the organisation, technical skills and service relationships are different. Several of the different human resource management models described above may be found in the same sector. In hospitals, for example, almost all these types may be found, depending on the functions, services or departments concerned. The difficulty and the interest of professionalisation is that the social and institutional resources on which it can draw may be sectoral, horizontal (training and validation bodies not attached to a particular branch) and territorial (for certain services). In all events, however, it is of interest only provided that the scope of social validation goes beyond the local level.

61. In conclusion, let us emphasise once more the benefit that can be gained, when considering the issues of work and skills in the service sector today, from not separating the two questions of

professionalisation and flexibility, both by not reproducing the pattern of closed and rigid professions and by not allowing the propagation of socially regressive forms of flexibility.

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