

Reviewing working time legislation in Finland: analysis from IT-intensive sectors

“The impact of digitalization on 21st century families” – Conference by COFACE/AGF
Berlin 8th November 2016

Jukka Ahtela, Advisor for Ministry of Economic Affairs and Employment, Finland

Main trends affecting working life

- ▶ Technology; digitalisation, robotisation
- ▶ Changes in work: skills, qualifications, polarisation of jobs
- ▶ Towards service society 24/7; digital platforms
- ▶ Independence from the fixed work place and time
- ▶ New jobs in small companies, small work places
- ▶ Management practices need to adapt to new world of work
- ▶ More influence and participation of employees needed: a new balance of trust

Features of working life in IT-intensive sector

- ▶ Skills, knowledge, expertise, customer approach, entrepreneurial spirit, lean and innovative organisations. Appreciation of high quality work places; "flow, good vibes"!
- ▶ Key role of management: remove obstacles for success
- ▶ Culture of appreciating a quality team spirit while nurturing personal independence
- ▶ Balance between work and private life appreciated
- ▶ Observation: these features stem especially from soft-ware industry but are found all over in sectors where IT plays a key role

What the employers want: key findings

- More scope for local solutions in working time
- Simplify "book keeping" and recording rules of working time
- Well-being, balance of working life and private life is important
- Remove obstacles from weekend-work: restrictions, excessive costs
- Working-time banks, annualisation of working time (average working time), simplification or working time regulation

What the employees want: key findings

- ▶ Ensuring rest periods and time for mental and physical recovery remain the focus of working time protection
- ▶ Need for rules of the game for the distance work; distance work is popular, though
- ▶ Fragmentation of working time throughout a long day; “grey work” as a problem (unrecorded overtime)
- ▶ Problems linked to traveling (e.g. work done during a trip is not paid as a normal work)
- ▶ “Contactability” on leisure time: should there be time zone protected from phone calls and emails?

Guidelines for new approach in regulating working time

- ▶ Technology liberates from “the shackles of time and place” – new ways of working vs. new ways of organising work.
- ▶ Skills potential: working time regulation should give more autonomy to an individual in order to fully release the productivity potential.
- ▶ New ways of working together: nobody knows everything; a genuine, even virtual team work – distance work is the new normal!
- ▶ Measuring the work: hours are not an adequate instrument. The employee sets his/hers own working schedule. Results count. Ultimately the time frame is set by the customer.

Distance work, mobile work

- ▶ Distance work is breaking through at a speed. Seems to be the main rule in IT-sector.
- ▶ Based on the needs and possibilities of the job: what can be carried out outside the fixed work place is allowed to be done so.
- ▶ Originally for development, research, individual experts; now more and more customer service, monitoring, surveillance etc.
- ▶ Distance work is not recognized by the working time law (except home work, sales representatives and forest workers)

Pros and cons of distance work

Pros:

- Reduces commuting
- Facilitates synchronising working life and family life
- Increases productivity
- Improves the employability of people with disabilities
- Facilitates innovative work space planning and architecture

Cons:

- Lack of social contacts; challenges of measuring work load and results

Conclusions and suggestions for reforming working time regulation in Finland

- Towards a comprehensive, flexible and future-oriented working time regulation – no need for sectoral solutions
- IT sector and its best practices as a benchmark for other sectors; harbinger of the future world of work
- Needs of the IT sector to be taken into account when modernising the working time legislation

Needs of the IT sector to be taken into account when modernising the working time legislation 1

- ▶ Widen the scope for local solutions as regards working time
 - Annualisation of working time and working time banks
 - Simplify the use of flexitime
 - Facilitate the use of weekend work, including Sunday work
 - Modernize the rules and restrictions of overtime: max. 48 hours/week on an annual basis, overtime included
 - Clarify rules for local agreements; reinforce consultation and participation of employees

Needs of the IT sector to be taken into account when modernising the working time legislation 2

- Recognize distance work in legislation
 - Specify criteria for distance work falling into scope of working time law
 - More scope for local agreements
 - Specify meaning and impact of “contactability” of the employee
 - Right to initiative for employees?
- Emphasize the significance of rest periods and recovery in the working time legislation
- Modernize the working time rules in collective agreements accordingly