

FLEXIBILITY AS A RESULT OF THE GLOBALIZATION PROCESS: ITS KNOWLEDGE AND ACCEPTANCE BY THE ACTORS OF THE LABOR ENVIRONMENT

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ABSTRACT

The great changes that the current work environment have been exposed to, have forced the state, companies and workers to redefine what was known by industrial relations, giving rise to the emergence of labor flexibility.

Forming part of this new conception of “how to do things”, how to achieve permanence in a job, how to adapt to the new challenges that the labor market imposes, has implications that deeply modify the behaviour and way of thinking of the worker. The employment for life is a mark of the past, the contract between employer and employee is undergoing a profound revolution. The race for a promotion in the ranks of a company is being replaced by the design and execution of the individual career, the commitment is no longer with the company, but with society. Technological transformations, adaptations of processes and organizational restructuring occur at such a speed that learning has become a permanent, continuous and flexible need, adaptable to the vocation and the development of one's career. However, the real challenge facing the workforce is the lack of knowledge of these transformations and how to deal with them. This article aims to show the degree of knowledge the labor flexibility of the members of different economic sectors that interact in the occupational environment of Xalapa City, Veracruz, Mexico.

Keywords: Globalization, current occupational environment, labor flexibility, sectors.

INTRODUCTION:

In the past 16 years, Mexico has been involved in a globalization “process”, which it has not been ready for. Mexico's trade opening resulted in a 180-degree turn from a closed economy to a fully open one, to which not only the productive structure has had to adapt, but society as a whole. An example of this has been the reforms of 2015 to the federal labor law (*Ley Federal del Trabajo*, 2015).

These new conditions such as the emergence of outsourcing and its rising, is an unmistakable sample of changes that have forced employers to devise a new vision for their business. (SECRETARIA DE ECONOMÍA, 2014). But as well to design better strategies to cope up with global competition, produce high quality products, efficient distribution, competitive pricing and appropriate negotiations to meet the demands of the international markets.

From the late twentieth century to the present, Mexico has made an effort for a profound transformation in economic policy and international links. For companies, for its part to face the competition, have refined their processes and their results. One of the most notorious is the emergence of "white unions", those that emerge as a business strategy to deal with legal provisions and create in workers the idea of being represented (Castillo, 2004). Globalization, as a result of its economic integration policies, technological transformations, adjustments to processes and organizational restructuring are implemented at a speed such that the learning has become a permanent necessity, requiring it to be both continuous and flexible (Silla, 2007).

Employers, employees and the population, in general, have been immersed in this maelstrom of transformations, which from their particular point of view, must be known to them, in order to be prepared to deal with them since success depends on their understanding and preparation to face it.

Labor flexibility, is just one part of the wide range of these transformations that affects all social sectors. In Mexico thousands of people work flexibly without knowing that this is their condition, much less, knowing ways to cope with the demands of it (Fressman, 2005). The objective of this research aims to determine the degree of understanding of the participants with regard to the concept of labor flexibility and how to deal with it.

LITERATURE REVIEW:

GLOBALIZATION:

Being part of this new conception of ‘how to do things’, how to achieve permanence in a job, how to adapt to the new challenges that the labor market imposes, there are certain implications that deeply modify the behaviour and way of thinking among today’s workers.

It is a fact that employment ‘for life’ is a mark of the past. The contract between the employer and the employee is undergoing a profound revolution. Also known as internal flexibility, which refers to changes in national regulations, allowing employers to enter into individual contracts, where different wages are handled, diversity of functions, ad-hoc schedules to the company, etc. (Perelló, 2006); (Echeverría & López, 2004).

The race for promotion to higher ranks in a company is being replaced by the design and execution of the individual’s career. The commitment is no longer with the company, but with society. Also known as internal flexibility, which refers to changes in national regulations, which allow employers to enter into individual contracts, where different wages are handled, diversity of functions, ad hoc schedules to the company, etc.

Currently, to determine the remuneration as payment for the services received, it is fundamental for the computerization of the companies, which also allows the individualized evaluation of the provider of labor services, such as the level of preparation, experience, and performance. The wage as a ‘market price’ unifying the workers who perform the same task, will lose its validity especially in the areas of services and administrative functions (Lorenzo, 2007)

The Japanese understand that innovation will boost the economy of the future. This creates an atmosphere where students are of any level are supported to unchain their imagination, play and cultivate their individuality. Workers attend training programs where they learn, not to think like everyone else, but to express their inner emotions and encourage themselves to be different. (Robbins, 2009)

THE SEAL OF GLOBALIZATION:

The globalization of the economy implies a greater need for geographical mobility of the workers with executive and managerial positions. English remains the universal language, but there is already a growing respect for the languages and cultures of the host country. Family ties will be more centered on a common field than on a particular geographic location.

Along with these factors, the conformation of work teams without a geographical settlement will grow, but with a greater international interrelation. This interrelation is impulsed by growing regionalization of the planet

through the consolidation of regional groups such as the European Common Market, Mercosur, NAFTA, etc. This generates changes of great magnitudes, which imply that each of us to some extent will be affected by it, and therefore it is necessary to adapt a new 'global vision' and be prepared to face them, to have the ability to adapt to them and to establish the norm of the study of life with the only alternative of permanence and to secure a labor future, in a world where the change is constant (UN, 2000).

CURRENT LABOR ENVIRONMENT:

In recent years, as it has been observed, drastic changes in political, social and cultural arenas have even influenced the work environment. The great technological advances have increased communication and made obsolete the knowledge at a speed that is difficult to reach. This has caused companies to face increasingly informed users and with more recruiting options, making it a very demanding market. The labor reform that occurred in Mexico a parir del el año 2000, allowed the proliferation of hiring to carry out temporary work, with flexible hours. These contracts are even allocated by hourly payments; and has been given a greater push to hiring outsourcing. The job figures is also under trial periods modality which is beneficial to the employer since it excludes the employer from paying additional distribution towards profits. These reforms also recognize the teleworking contract among others who work at distant places across the world using Information and Communication Technologies as a tool or from home, modifying with this also the union management (Barbosa, 2012).

According to (Carnoy, 2001), technological, social and demographic changes are forcing workers to develop new job profiles that allows them adapt through a series of indispensable skills so that they can land in the job which they aspire.

On the other hand, (Olmo, 2016) said that in order to adapt according to the technological and demographic changes that takes place at job, it is necessary to determine the professional profile of the future which must include people who know how to reinvent themselves and adapt to technological evolution as large companies need to create their own digital processes so that they can compete in such a situation. This has led the organizations to include people management policies focused on Digital Talent.

Finally, it is important to mention that the studies carried out by 'The Future of Jobs of the World Economic Forum' (2016) (The Future Jobs: Employment, 2016)concluded that these workplace transformations represent the fourth industrial revolution, which brings with it an opportunity for more qualified employees with technological training, leaving behind more mechanical tasks. Then, it becomes essential that organizations retain highly qualified personnel to adapt to this technological revolution, otherwise they will tend to disappear.

LABOR FLEXIBILITY:

As discussed above, the drastic changes that the work environment faced has even created the need in the political sector to support labor markets with strategies and legal changes. Among the most notorious are facilities to promote labor mobility between regions, different industrial or organizational sectors, thus covering company's needs.

It is important to allow the ability of employers to make changes, for example, hiring for a work area and not for a specific position. In the same way, the business sector can manage its number of employees according to their production needs, i.e., hiring or firing the labor according to their situation and demand and even modifying the employees' salaries.

Currently, it is also possible to assign flexible schedules that allow the efficient use of labor, when needed, in the processes that the organization requires.

The decline of union power have increased due to tactics for greater flexibility, along with support for individually-determined pay, and the dismissal of few-year-old employees in an organization. The government's commitment to create markets without ties has increased, creating a climate that encourages flexible agreements.

These changes in legislation and the work environment allowed the emergence of labor flexibility and despite it being a reality, it's actors who face it in their daily work have little to no knowledge about what it is. This can be corroborated when trying to obtain a definition and classification of what is understood by the term. Reilley defined 'labor flexibility' as the ability of markets (and agents acting within them) that respond to changing economic conditions. In terms of micro and macro environment, this reality turned to an economic policy of the government that creates the necessary conditions to apply labor flexibility, to support the interests of both

entrepreneurs and employees. (1998)

In the same way, (Reilly, 1998) classified flexibility into several categories according to its application such as Numerical flexibility, Functional flexibility, location flexibility, temporary flexibility and financial flexibility. Numerical flexibility allows the existence of variation in the number of employees according to the needs of business. This is achieved through the realization of fixed-term or temporary contracts, occasional or seasonal employment.

Functional flexibility is achieved through internal distribution of labor in such a way that the processes of the organization are covered effectively. Temporary flexibility, which refers to the management of schedules according to organizational and individual employees' needs for example, flextime, term-time contracts, compressed workweek, annual contract schedules and zero-hour contracts.

In addition to these, according to the author, 'location flexibility' is given using the location of the worker in the areas where it is needed, i.e. there is no place or fixed position for the performance of their activities, including the tendency to move from a moveable work to work from home ('Teleworkers') (Cifre, Beas, & Llorens, 2000). And finally, 'financial flexibility', that allows organizations to increase and decrease wages according to their economic conditions.

(Palacio & Álvarez, 2004) defined 'labor flexibility' as the ability of companies to perform with little or almost no normative restrictions, changes in quantity, structure, functions and/or labor costs that are used in their production processes i.e., it can be inferred that with the implementation of these changes, the organization is capable to cope and adapt more easily to the conjectural or structural alterations that the economy suffers.

Relly (1998), in his article 'Balancing Flexibility - Meeting the Interests of Employer and Employee' mentioned as it is important to recognize that labor flexibility not only benefits the entrepreneur, as one might think. It is also often sought by the employee himself, according to his type of life or personal needs by covering different facets of the society in which they perform. For instance, when the worker is willing to acquire various skills to become more employable through functional flexibility; their lifestyle is better suited to a temporary job or variable hours or part-time contracts, thus achieving a balance between home and work.

If the employee is seeking to maximize his income, it is easier to do so by moving from one fixed contract to another; and ultimately can reduce travel costs through 'work from home'.

In conclusion, if the above will be applied in a conscious way and shared by all the labor market players, flexibility would represent a higher level of productivity for both the company and the employees, and therefore better income would be reflected in the development of both organizations and the collaborators.

METHODOLOGY:

Sample and Procedure:

In this study, 284 people participated from Xalapa, Veracruz, Mexico. Of these participants, 115 belong to the employed sector, 45 to the business sector, 37 to the trade unions sector, 33 to the political sector and 54 to the academic sector and everyone's participation in the study was voluntary. Random sampling was used to select the respondents, the sample size ranged from 50 to 65 per year for the employed sector and a minimum sample of 20 per year was sought from all other sectors. Further, access to the political sector was more difficult due to which the sample size range was only on average than 15.

For the biographical data of the sample, the results are presented in the following table: (see table 1).

Tabla 1: Datos Biográficos

Age	Gender	Civil state	Level of studies
52.8% were under 40 years old.	59.9% were male	58.8% were married	47.5% were university

Measurements:

In the current study, a questionnaire of only three questions was applied that aims to know the degree of management of the participants with regards to the concept of 'labor flexibility' and how to deal with it. The questions that are probed among the responses were as follows

1. Do you know the term of labor flexibility?
2. Do you consider that in your sector labor flexibility is applied? and,
3. Do you consider that for your guild labor flexibility is good or bad?

The application of the same were applied in two times: year 2013 and year 201, To groups of individuals, who

represented the same sectors. It is worth mentioning that the environment in which the surveys were applied in all the sectors were in its majority one of labor flexibility.

Making this study longitudinal, presenting the statistical results down below.

It is important to note that once the first question was addressed to the participants, regardless of their response, the respondent were given a brief summary of what labor flexibility is understood as, with the aim that the next questions were answered having a general concept of the term at hand. The application of the present instrument was carried out in two times: 2013 and 2016, applying to different samples.

ANALYSIS:

Based on the grouping according to years and sectors, the analysis was conducted and the results were as follows. With regards to first question which it intended to know the extent of how many samples are aware of the term 'labor flexibility', it can be observed from the figure 1 that 60.6% and 51.7% of the people answered in an affirmative way in the years 2013 and 2016 respectively. Contrary to the expectations, the percentages grew for people who do not know the term, decreasing in those who partially identify the labor flexibility.

In this investigation, it is relevant to know whether the respondents have seen labor flexibility in their respective sectors. The results observed

That, in 2016, the application of working conditions that reflect greater flexibility increased by 63.3% compared to 2013 during which it was only 51.5% thus by decreasing the percentage of participants who still confirm that flexibility is not applied in their environment (36.7%).

Regarding the third question, whether the respondents find labor flexibility good or bad, the responses are presented in figure 3 as a comparative bar graph in which the number of persons grew slightly for the 'good' response with 89 respondents in 2016 compared to 83 in 2013. But when going to the percentage scale, curiously, no changes are found. This can be observed in figure 4, with a line graph, in which the third question is almost invariable, unlike the second one where participants mentioned applying 'labor flexibility in 2016' which is 7% more than in 2013.

The following tables in the appendix present the comparative results of the data collected from respondents from different sectors who participated in the research. It can be observed that the 'knowledge of the term' has varied from 'not being known' to 'know in a partial way' which conclude that the concept of labor flexibility is often discussed though the meaning is not fully understood.

As to whether the sectors surveyed apply labor flexibility, increased from 2013 to 2016 reflected, considering an increase in the perception that this is good, not so in the academic sector (see table 2).

With regards to whether the sectors surveyed apply labor flexibility, an increase from 2013 to 2016 is reflected, considering an increase in the perception that this is good, in contrast to the academic sector where it is not viewed so positively; A situation that becomes strange, which could be due to the level at which the professors surveyed perform at (middle or higher) (see table 3).

CONCLUSIONS:

The current working environment faces drastic changes that have forced its actors to implement new strategies in labor relations that allow them to face these. (Bell, 1989) states that there are three orders that allow us to understand the nature of the changes and their complications. The techno-economic order which seeks efficiency and instrumentality in the production processes of goods and services, the cultural aspect which has to do with giving answer to those questions that humanity ask to give meaning to life and finally the political order, which seeks a balance between interests that are perceived as legitimate and with the participation of citizens.

(Parker, 1997) commented that the changes in the techno-economic order are intimately related to globalization. Undoubtedly, the other two orders are also closely linked to this process of opening borders. For example, the application of labor flexibility seeking effective management of human resources according to the needs of organizations, is the result of the challenges faced in work environment to the process of globalization. This has been achieved with the support of various sectors from the government and the unions themselves.

According to the results obtained in this investigation, it can be detected that the application of labor flexibility as such is a reality in the labor market of Xalapeñas organizations. However, it is undeniable that, despite its application knowledge, the labor flexibility is not the most desirable scenario since, in order to make use of the benefits and to meet the challenges, it is essential for all the people involved in this process change understand it thoroughly.

For those people who have already been involved in a flexible work relationship, they can identify its benefits since, from the year 2013 to 2016, the positive perception about its application is increased, including the unions that in the year of 2013 had a positive perception of flexibility of 50% and in 2016, even though the sample was smaller increased to approximately 83%.

People who work in institutions where knowledge and technology (e.g., academics) is generated, play a key role in this process of change since it is up to them to drive technological innovation (Sánchez Hernández, 2008) It is important to emphasize that the sectors such as government, unions and academics should be prepared to guide those who depend on them to obtain the best advantages in a flexible working relationship for both workers and the organization.

Finally, it is important to emphasize that this is the first-ever study conducted to get a better understanding of the current situation in the labor market, which could help to improve and adapt more quickly to the drastic changes that the labor market faces. It is suggested to increase the sample size and make comparisons between different periods in the instrument application and even improve and deepen the information obtained through the realization of new items.

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APPENDIX

FIGURES:

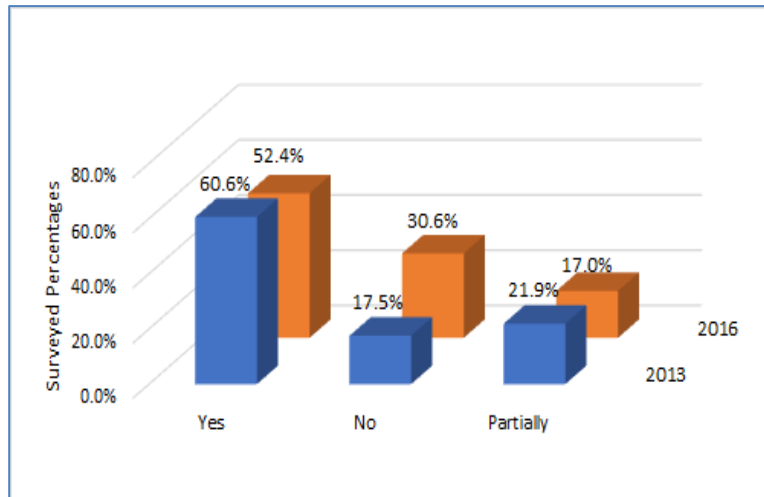


Figure 1: Comparison of bar graphs, that show percentages of respondents in the year 2013 and 2016, regarding the knowledge of labor flexibility.

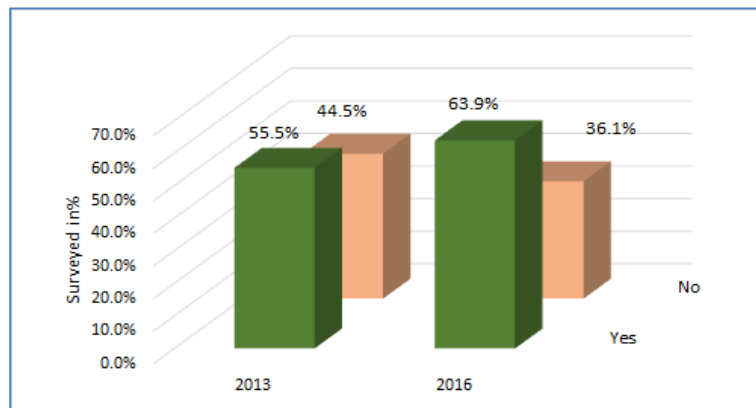


Figure 2: Bar graph showing the number of respondents in the years 2013 and 2016, result of the question: Do you consider that in your sector, labor flexibility is applied?

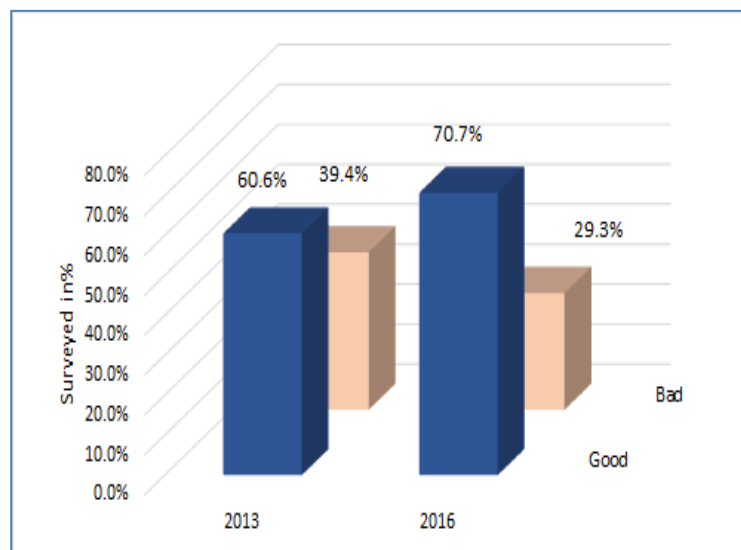


Figure 3. Comparative graph of the year 2013 versus 2016, which show the considerations of the question: Do you consider that for your guild labor flexibility is good or bad?

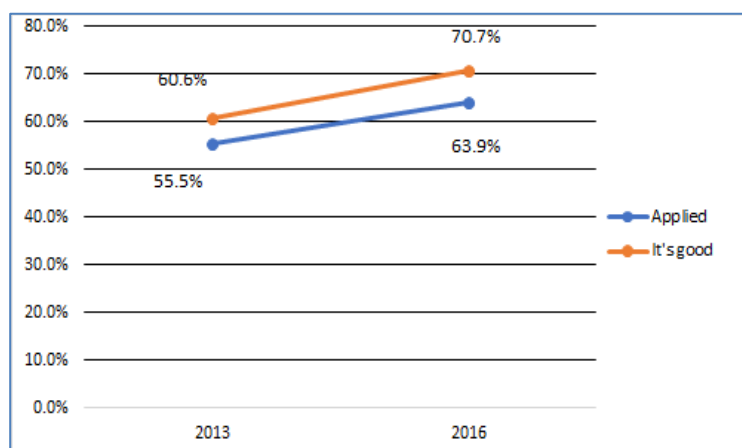


Figure 4: Comparative chart of longitudinal monitoring, in the years 2013 and 2016, which present the application of labor flexibility and the considerations of it being good or bad.

TABLES:

Table 2: Comparative results for sectors, year 2013

Year 2013							
Sector	Known			Applies		Good or bad	
	Yes	No	Partially	Yes	No	Yes	No
Employees	19	11	20	33	17	31	19
Businessmen	21	2	2	8	17	10	15
Unions	14	6	5	10	15	13	12
Politicians	9	3	0	7	5	8	4
Academics	20	2	3	18	7	21	4

Table 3: Comparative results for sectors, year 2016

Year 2016							
Sector	Known			Applies		Good or bad	
	Yes	No	Partially	Yes	No	Yes	No
Employees	35	25	5	38	27	46	19
Businessmen	12	3	5	10	10	14	6
Unions	12	0	0	10	2	10	2
Politicians	15	6	0	12	9	15	6
Academics	3	11	15	24	5	19	10
