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## Managing and Working in Britain and France: An Introduction

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### Introduction

What images come to mind when comparing Britain and France? A visitor to each country might think of the culinary delights and wine available in French bistros, comparing them with the fish, chips, and beer available in the British pub. A sportsman might compare the Lycra-clad cyclists of France with Britain's white-padded cricketers. Employers and employees, however, are likely to alight upon different aspects of the two national systems. These might include France's higher levels of employ-

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ment protection and more compressed working week, or Britain's lower levels of unemployment and comparative industrial peace.

All of these images capture a part of each country which is recognisable to us but, like so many snapshots of national life that are intended to capture the 'essence' of the particular country in question, they may inadvertently obfuscate, causing us to ignore the similarities between countries and the many nuances within them. After all, a Briton has recently won 'Le Tour', and France has a well-established national cricket team.<sup>1</sup> Similarly, comparisons based around the economy and employment relations must accept that extensive bargaining coverage in France coexists with union membership density that is among the lowest in Europe and that, despite France having a lower skills base, its productivity is around 30% higher than in the lightly regulated British economy.

So where are the points of commonality and difference in employment relations between the two countries, and what are their determinants? In making comparisons, macroeconomic data take us only so far. What is typically lacking is a comparison of the way in which the employment relationship is structured and managed within the workplace. This omission limits our ability to understand differences in economic and social outcomes in the two countries—for instance, their respective experiences of the recent economic crisis—because it abstracts away from the structures and processes of employment relations at the point of production.

This book sets out to compare employment relations and organisation of work from the perspective of the workplace. The novelty of our contribution rests on our use of linked employer–employee data which give us a unique and detailed insight into the operation of workplaces and the experiences of their employees. Our data are taken from the British *Workplace Employment Relations Surveys* (WERS 2004 and 2011) and the French *Enquête Relations Professionnelles et Négociations d'Entreprises* (REPONSE 2005 and 2011). These comprise national surveys of establishments and their employees, carried out at very similar times on the basis of very similar methodologies. They provide us with rich information on the two countries' workplaces—their structural characteristics,

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<sup>1</sup> See <http://francecricket.com/>

ownership patterns, and management practices—alongside detailed information on the experiences and attitudes of their employees. The surveys have not been explicitly harmonised, but they have been developed loosely in parallel and contain many comparable data items. They have the advantage of providing larger samples for Britain and France than some of the most prominent harmonised cross-national surveys (such as the *European Working Conditions Survey*, the *European Social Survey*, and the *European Company Survey*), with the added advantage that the data from employees and their workplace managers can be linked.

Two broad hypotheses are scrutinised throughout the book. The first is that an understanding of what happens to economies and to workforces is incomplete without knowing what happens within and across workplaces. The underlying contention is that much of the variance in how employees experience work, how they are treated, and how their jobs are configured and rewarded depends on *where* they are employed, not just *who* they are and the occupations they have chosen. An appreciation of the role of the workplace in people's working lives can greatly enhance our understanding of how firms and labour markets operate, in a way that is simply not possible if one relies solely on household surveys or aggregate data. Past studies have found this to be the case. What is often attributed to the demographic or human capital traits of individuals turns out to be driven, at least in part, by the places in which employees work. For example, Bryson and Freeman (2013) have shown that, in Britain, most of the variance in the problems that employees report at work is related to the workplace that employs them, rather than *who* they are or the job they are doing. Barth et al. (2014) and Song et al. (2015) show that most of the growth in wage variance in the USA since the 1970s is accounted for by where you work, not who you are. Whether these kinds of 'workplace effects' operate in the same way, and to the same degree, in Britain and France is an open question.

The second broad hypothesis is that 'local' conditions, including national institutions, play a key role in shaping how employees work and think, and how employers recruit, dismiss, and manage employment relations, but in a more nuanced way that is ordinarily portrayed in the literature. It seems likely, for instance, that strong adherence to EU social legislation in France and its own national legal context, in particular the 35-hour working week, will have a substantial effect on comparative work-

ing conditions in the two countries. Legally enforceable financial penalties for failure to train employees in France are likely to shape the pattern of training in France vis-à-vis Britain. The relatively low cost of union organisation in France—something which emanates directly from state legislation—is likely to mean that workplace-level union representation is far more widespread in France than it is in Britain. But expectations are not always fulfilled and practice is never homogenous. Accordingly, whilst one primary aim of the book is to investigate the extent to which workplace employment relations correspond with Britain’s ‘liberal pluralist’ approach and France’s more state-centred and polarised regime (see Visser 2009), another is to examine the heterogeneity within each country in order to establish areas of similarity, as well as the main points of difference.<sup>2</sup>

## Our Contribution

The book is intended to complement two main strands of the existing literature. The first provides broad comparisons of employment relations in the two countries through a reliance on aggregate data or syntheses of existing research (see, e.g. Milner 2015), or provides country-specific syntheses that are undertaken within a comparative framework (e.g. Bamber et al. 2010; Barry and Wilkinson 2011; Frege and Kelly 2013). These existing contributions typically focus on the institutions, actors, and aggregate outcomes of employment relations, whereas our contribution will focus on microdata, revealing the foundations on which such higher-level comparisons are based. The second strand comprises studies of employment, management, and employment relations that are based on survey data for multiple countries (e.g. Eurofound 2012; Gallie 2007; Bloom and Van Reenen 2010; Bryson et al. 2012). Here the focus is typically on the enumeration of practice across a large number of countries and the identification of broad similarities or differences between nations or country groups. Our contribution adds to these by providing greater detail on the specific circumstances in Britain and France, and a

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<sup>2</sup> In the language of Edwards (2008), we seek to establish the extent to which ‘workplace regimes’ correspond with the broader systems of governance in the two countries.

greater degree of local contextualisation than is typically possible when considering large numbers of countries at the same time.

We are not the first to undertake a comparative analysis using the WERS and REPONSE data (see, e.g. Bryson et al. 2011; Conway et al. 2008; Coutrot 1998; Lorenz et al. 2004; Marsden and Belfield 2010; Marsden 2013). However, this book represents the first comprehensive comparative analysis using the two surveys. Through our investigation, we will speak to some of the major questions about employment relations in the two countries, as well as to important questions about the performance of their economies and labour markets in general. For instance, we anticipate that French readers will be interested to understand more about the true nature of the liberal market economy in Britain—is it really much less regulated than in France and what are the apparent implications for employers and employees? Among British readers, there may be strong support for a deregulated economy, but puzzlement at how the French system generates higher productivity and wage growth, and whether greater regulation in Britain might in fact provide a ‘beneficial constraint’ (Streeck 1997) which would help to address Britain’s low skill equilibrium. Among readers outside France and Britain, we anticipate interest in the differences between two countries that share the same supranational regulatory regime (the EU). There is also likely to be broad interest in the extent of convergence or divergence between the two countries over the past decade of economic upheaval: in the early 2010s, were France and Britain still so very different?

Our goal, in seeking to address these issues and others like them, is not to come up with a menu of easily transferable practices. Questions of transferability are inevitably fraught with danger and uncertainty. Instead, our goal is to better understand the operation of employment relations within the context of its local setting. Through this, we might better understand whether features of the British or French experience which are thought to be distinctive (or to have specific, local causes) are in fact common to both countries; in turn, we might better understand whether practices and relationships that are thought to be universal are in fact specific to—and intrinsically dependent upon—the local setting. By developing our understanding of the two economies in these ways, we aim to deepen our knowledge of the range of policy choices in each country.

## Comparing Workplace Employment Relations

Any comparative analysis requires a framework within which to understand the possible drivers of similarity and difference so that it might reach beyond a parallel description of workplaces' features and employer practices within their national contexts (for a criticism of some research in this area see Bamber et al. 2010).

For the most part, economists begin with the assumption that the shape of firms and what they do is mainly determined by the operation of a competitive market economy under which firms find efficient solutions to the production and sale of goods and services to maximise profits. Where markets are efficient, inefficient firms are penalised in the marketplace, leading to a loss of market share and replacement by more efficient operators. This process of optimisation under market competition will result in convergence towards practices and behaviours which are consistent with profit maximisation. The broad implication of this framework is that firms and their employment relations should not differ in their fundamentals across countries and, to the extent that globalisation and technological innovation foster increased market competition, there will be an imperative towards convergence in terms of the boundaries of the firm and their behaviours.

Institutional economists, sociologists, and other social scientists, on the other hand, tend to emphasise heterogeneity in employer and worker practices, behaviours, and attitudes. This heterogeneity stems from the specificity of institutional settings which have their roots in historical and cultural differences both across and within countries. Although this perspective does not deny the importance of market forces such as globalisation and their potential for convergence, it tends to emphasise the role played by history and path dependence, resulting in what has been termed 'varieties of capitalism' (Hall and Soskice 2001).

To take a specific example from the literature on work organisation, one can contrast the so-called dominant model theory outlined by Dyer and Kochan (1994), in which the adoption of 'high road' practices (such as autonomous teams, multi-skilling, continuous training, and employee incentives) defines a 'best practice' approach which is optimal in any context, with the 'multiple model theory' (Applebaum and Batt 1994),

which insists on the importance of both environmental context and strategic choices, and the complementarities between them.

Of course, these two theoretical positions are not as polarised as we have portrayed them here. Neoclassical economists must contend with overwhelming evidence that firms do, indeed, differ from one another in fundamental ways, which is why we see so much variance in firm governance, workers' terms and conditions, and the adoption of what are considered to be 'high-performance work practices'. Much of this difference can be accommodated within an economic theoretical framework by appealing to the 'black box' of the production function: firms have access to different factor endowments (land, technology, skills) and make strategic choices about how they should be combined. There are, after all, a number of ways to maximise profits even among firms selling broadly similar goods or services. Most economists and sociologists recognise that firms have a good deal of room for manoeuvre when choosing how to go about their businesses, although the underlying assumption is that the most technically efficient will eventually prevail. Economists also recognise that markets are far from perfect. Market imperfections offer firms opportunities to persist in activities and behaviours which greater competition might have otherwise eradicated, while the costs of transactions (such as those inherent in the recruitment and selection of employees) and imperfect information may limit employers' abilities to pursue what appear to be, at least on paper, first-best solutions to running their businesses and employment relations. And of course, the operations of the market are limited by the role of the state which often proscribes or prescribes courses of action, such as the payment of minimum wages or the limitation of working hours, in part in response to citizens' preferences. Perhaps most fundamentally of all, it is generally accepted now—even among the majority of economists—that economic actors do not always behave in quite the rational maximising way that is traditionally assumed. Instead, employers and workers are often motivated by perceptions of fairness, prejudice, and the pursuit of happiness, even if this comes at a cost.

Under the institutional approach, the focus is somewhat different. Most notably, institutions are viewed as an integral and legitimate part of the economic system, not primarily as a distortion or an impediment

(Rubery and Grimshaw 2003, p. 37). Indeed, it is argued that institutions may act as positive coordinating tools to facilitate the operation—and the development—of effective markets (op. cit). They play a critical role in structuring the supply of labour, through their effects on the family, education, and healthcare; they also play an important role in structuring demand through their influence on economic development, industrial policy, and capital flows. In the words of Storper and Salais (1997), institutions, cultures, and social practices shape the ‘frameworks of economic actions’. The main feature of the institutional approach, then, is that it allows variety—and indeed it accepts this as inevitable, even among societies experiencing similar pressures. Organisations are then seen as embedded in their local environment, and convergence to a set of ‘best practices’ is not seen as a precondition for efficiency or success.

We try to see the workplace through these various lenses. The specific elements of the context will be traced in the later chapters but, now, we turn to provide a brief sketch of the two economies. This serves to draw out some of the key features that have broad relevance for the conduct of employment relations.

## A Brief Portrait of Two Economies

France and Britain are both advanced Western industrialised countries that are among the very largest economies in the EU (indeed the world), with levels of output and populations that are very similar in size. National output in France, as measured by GDP, is around 10% higher than in the UK (2,100 billion euros in 2011, compared with 1,866 billion euros in the UK) whilst the total population of France is around 3% higher (65 million, compared with 63 million) (Table 1.1).<sup>3</sup> GDP growth in both countries has been sluggish in recent years, but particularly in the UK, which is only now emerging from the longest recession in living memory. Wage growth has also been comparatively slow in Britain, with

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<sup>3</sup>When discussing official statistics, we typically must focus on the UK rather than Britain (thereby including Northern Ireland). We intentionally give statistics for 2011, where feasible, in order to align the portrait of the two economies with the dates of the latest WERS and REPONSE surveys.

**Table 1.1** Economic performance in France and the UK, 2011

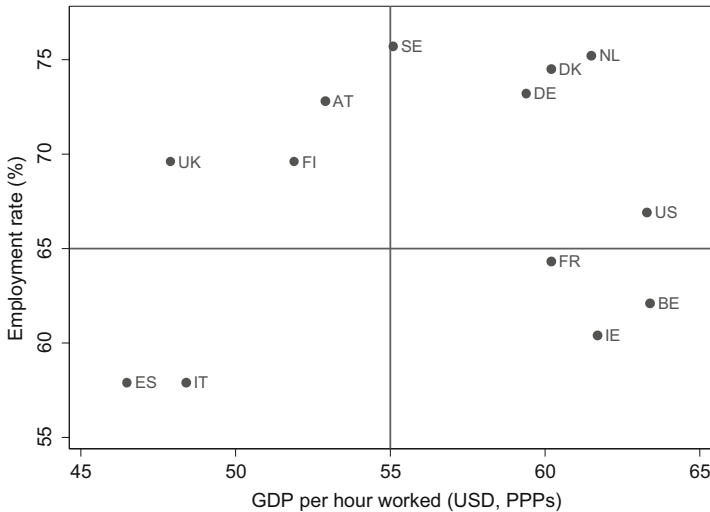
	France	UK
GDP (billion euros)	2059	1866
GDP on a purchasing power parity basis (UK = 100)	105	100
Population (millions)	65.0	63.0
Economically active population (millions)	28.4	31.8
Employment rate among 15–64-year-olds (%)	63.9	69.3
ILO unemployment rate (%)	9.2	8.1

Source: Eurostat (2015a)

wages stagnating since the mid-2000s, in contrast to continued growth through the recession in France (Askenazy et al. 2013).

Although the UK's population is smaller, a greater emphasis on labour market participation means that it has a larger economically active population and a higher employment rate than is the case in France. Some 64% of 15–64-year-olds in France are in employment, compared with 69% in the UK (Table 1.1). The UK's recent emphasis on the expansion of higher education has also contributed to an advantage in terms of the academic qualifications of the workforce, with 41% of 25–64-year-olds in the UK having completed tertiary education compared with 31% in France (OECD 2014). French employees are, nonetheless, more productive on average than those in the UK, largely because French firms invest more in physical capital (Broadberry and O'Mahony 2007). The two countries thus occupy rather different positions in terms of the employment–productivity nexus (Fig. 1.1).

Looking at the character of the two economies, the UK and France are both relatively open, and firms in both countries have therefore faced the same challenges of product market globalisation. However, trade represents a higher share of GDP in the UK (63% in 2011) than in France (53%) (OECD 2011). Both are net importers of goods but net exporters of services (in contrast, say, to Germany, where the situation is reversed), with exports of services making a particularly important contribution to the UK economy. Both countries also have substantial inflows of foreign direct investment. The UK has a longer history in this regard, and currently has a larger share of value added accounted for by foreign-controlled enterprises (29% in 2011, compared with around 16% in France) (Eurostat 2015b), but France has seen a particularly strong influx



**Fig. 1.1** GDP per hour worked and employment rate in selected EU countries plus the USA, 2011. Notes: Civilian employment as percentage of population aged 15–64 (OECD 2015a), GDP per hour worked in US dollars at current prices and current UK PPPs (OECD 2015b)

in recent decades. The flows also have a somewhat different character in each country, with investment into France more likely to originate from the EU than in the UK, where investment from North America has a stronger presence.

The differing nature of capital is also seen elsewhere in patterns of ownership and governance, with the UK characterised by its large stock market and an emphasis on ‘arm’s-length’ capital, whereas France is characterised by more of an ‘insider model’, with large blockholdings commonly residing in the hands of particular companies or families, and with ownership being connected through large conglomerates or business groups. One common argument is that corporate decision-makers in the UK are then, as a consequence, particularly driven by a preoccupation with short-term share price performance in order to avoid the threat of takeover (see, e.g. Hughes 2013).

Data on the composition of industry in the two countries show a common pattern of decline in manufacturing employment, with a corresponding shift to services. However, the share of employment in the

manufacturing sector is still higher in France (standing at around 14%, compared with 11% in Britain) (Eurostat 2015c). In respect of public sector employment, state ownership of trading corporations has, historically, been more pervasive in France, although progressive divestment of its ownership stakes over recent decades has brought the two countries into greater parity in this regard, and the share of public sector employment in total employment is currently slightly higher in Britain (24%, compared with 20%) (OECD 2015c). In both countries, the broader impact of the state is also felt through its role in contracting with private sector providers (e.g. in health, education, and social care), although the impact on employment conditions through that route is more difficult to trace.

Of course, the state has a broader influence on employment through the regulation of economic activity, and here the two countries strike a rather different tone. Britain is often seen as an exemplar of a liberal market economy in which the state takes a ‘laissez-faire’ approach focused around the promotion of market activity. In contrast, France is often considered an exemplar of state capitalism (Schmidt 2003) in which the state plays a more active role. In terms of product market regulation, the UK has one of the least restrictive approaches in Europe, with only the Netherlands given a lower score on the Organisation for Economic Co-operation and Development (OECD) index (Koske et al. 2015); France, on the other hand, has the third highest score among the EU-15, with only Sweden and Greece taking a more restrictive approach (ibid.).<sup>4</sup> Similarly, in the employment arena, the state plays a central role as arbiter of employment relations in France, providing a prominent legal and institutional framework through which large parts of employment relations are conducted. Working conditions are more highly regulated than in Britain—most obviously in the area of working time. Furthermore, discussions between the social partners (‘social dialogue’) is expected, and is facilitated by the State through legislation supporting employee representation at various levels, and through indirect funding for unions. The State is not, however, an active participant, as would be the case in

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<sup>4</sup>The two countries are furthest apart on the OECD’s subindicator of ‘state control’, covering state ownership and state involvement in private sector business (e.g. through price controls and market regulation). They are closer on ‘barriers to entrepreneurship’ and ‘barriers to trade and investment’.

a coordinated market economy. The British system of employment relations can be characterised as 'voluntarist' in nature, with employers and employees left in large part to strike their own bargains as notional equal partners in the employment relationship. However, the 'laissez-faire' approach has weakened to some extent, with a notable increase in the provision of individual rights and an increased emphasis on minimum standards (Dickens and Hall 2009). This has partly come as the result of the weakness of unions in large parts of the economy, particularly the private sector, but also partially represents the consequences of Britain's seemingly reluctant membership of the EU. There is, however, little appetite among policymakers in Britain for regulation beyond the provision of minimum standards, and the 'right to manage' model remains dominant in employment relations.

Turning to the operation of the labour market, France and Britain are characterised by quite different employment regimes. Whilst the 'destandardisation' or 'flexibilisation' of employment has been seen in both countries to some degree, the pattern is quite different. Britain, for instance, has a much higher rate of part-time work, which is particularly prevalent among women. In France, in contrast, the main form of non-standard work involves temporary contracts. These differences partly reflect variations in employment protection, with France having substantially tighter restrictions on the termination of permanent contracts than is the case in Britain, prompting employers to use temporary contracts as a source of numerical flexibility. Among permanent workers, the approaches are also somewhat distinct, however, with career progression in France typically arising within internal labour markets, whereas the British labour market has traditionally been oriented more around occupational labour markets and employee mobility (see Eyraud et al. 1990).

Yet neither labour market is simply the interchange between individual employers and employees, under the mediation of the state. There is also coordination among the parties, albeit to differing degrees and taking different forms. Union influence is fundamentally different across the two nations, with collective bargaining applying to almost all workers in the French private sector but to less than one-fifth of their counterparts in Britain. The character of collective bargaining is also quite different: in the French case, minimum standards are set in national and sectoral agree-

ments, but union representation is a common feature in many private sector workplaces where one function is to bargain over improvements to the prevailing rates. In the British case, multi-employer bargaining is absent in all but a very small number of industrial enclaves, and unions are much less likely to have bargaining rights at the workplace level. Unions themselves are, of course, also very different in the two countries. In Britain, although the politics of specific unions are discernible, there is little to choose between them in terms of their political orientations, in stark contrast to France where unions have strong (and profoundly different) political traditions. Unions also have a greater institutional position in French society, embodied by their involvement in the administration of training and unemployment funds, and also in the strong support given to the establishment of union representation within firms. Despite these differences, however, there are also very obvious similarities between the plight of unions in France and Britain. Both have experienced declining union membership in recent times, and both face questions (albeit different in nature) about their legitimacy in representing labour.

The role of employer organisations is another area where there are clear differences between France and Britain. Employers in France are highly organised, with associations such as *Mouvement des Entreprises de France* (MEDEF) having a strong voice in the political arena and an active role in collective bargaining. In contrast, in Britain, the peak employers' association, the *Confederation of British Industry* (CBI), is a weaker and looser federation with no role in bargaining, although it can occasionally play an important role in public policymaking (e.g. regarding the implementation of EU legislation). Structures do exist for social dialogue in Britain, and where they do, they are successful (health and safety and the minimum wage being two such examples); but they are relatively uncommon.

There are, then, both considerable similarities and notable differences between the context for employment relations in the two countries. However, the foregoing discussion paints only a broad picture—and one which is constructed at a relatively high level. The detail of workplace employment relations remains to be explored, and herein lies the value of linked employer–employee data obtained from within the workplace.

## Using Workplace Surveys for Comparative Research

For decades, quantitative cross-national studies have suffered both from a lack of comparability and from difficulties in contextualising national situations. The development of harmonised international surveys has contributed towards genuinely comparable cross-national microdata on workers and firms, for instance, on the labour force (*European Union Labour Force Survey* [EU-LFS]), working conditions (*European Working Conditions Survey* [EWCS], *European Social Survey* [ESS]), work organisation (*European Company Survey* [ECS]), or innovation (*European Innovation Survey* [EIS]). However, with many countries included in these surveys, the natural inclination is to report across the piece. This provides great breadth to the analysis, but often limits the extent to which one is able to provide an in-depth analysis of why one country may look similar to, or different from, another. Contextualisation is inevitably difficult.

In contrast, case studies offer great advantages for contextualised comparisons. The matched-plant comparisons undertaken in Britain and Europe in the late 1980s and early 1990s (Mason and Van Ark 1994; Prais et al. 1989; Steedman and Wagner 1989) provide one exemplary model from the past. More recently, a qualitative study programme (Gautié and Schmitt 2010) analysed how jobs in a subset of identical low-paid occupations were organised in five European countries, among them Britain and France. Whilst illuminating, such programmes are demanding in terms of data collection and research coordination. Nor is it easy to extrapolate the findings to the broader economy.

Our analysis comprises an in-depth investigation of data from two separate, but comparable, surveys: the British WERS (Department for Business Innovation and Skills 2013) and the French REPONSE (DARES 2013). Although these surveys have not been explicitly harmonised, they provide rich, comparative, and generalisable data on workplace practices and employment relations in Britain and France which can complement those obtained from other sources.<sup>5</sup>

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<sup>5</sup> See Whitfield et al. (1998) for a lengthier discussion of the relative strengths of surveys that have been harmonised by design and those that have been designed separately but which can be subject to comparative secondary analysis (as in our case).

Both surveys involve long face-to-face interviews with the managers that are responsible for employment relations in nationally representative samples of workplaces. These interviews provide data on the broader enterprise to which the workplace may belong, but the primary focus is on the practice and character of employment relations at the local site (in other words, the local office, factory, or shop). Both surveys also include self-completion surveys conducted among randomly sampled employees in those same workplaces. These self-completion questionnaires provide information on the job characteristics, experiences, and attitudes of employees in those workplaces, thus ensuring that the surveys obtain a rounded picture from both sides of the employment relationship.<sup>6</sup>

Both WERS and REPOSE have been conducted on a number of occasions, with the British survey first having taken place in 1980 and the French survey first having been conducted in 1992. However, we focus on the latest two waves in each series: the WERS surveys of 2004 and 2011 and the REPOSE surveys of 2005 and 2011. Focusing on the 2011 survey in each series, one finds many areas of common ground between the respective questionnaires, although some themes are covered in more detail in one than in the other, and relatively few questions use precisely the same wording. In summary, the 2011 Management Interviews provide around 120 comparable data items, whilst the 2011 Employee Questionnaires provide around 25 further comparable items. Importantly, the changes to the survey questionnaires between 2004/2005 and 2011 were relatively limited. We thus have a substantial range of data with which to compare workplace employment relations in the two countries, and we can do so at two points in time over the past decade.

There remain some pertinent issues where comparable data are absent— notable examples include the nature of workplace procedures for resolving employment disputes and the availability of flexible working-time arrangements—and we are necessarily silent on those issues. The samples of workplaces with accounting-type data on workplace performance are also limited in size, with data typically only measured at the firm level, and so we rely on the traditional subjective performance measures

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<sup>6</sup>WERS and REPOSE also offer surveys of employee representatives, but very limited use is made of these data in our analysis because the selection criteria and questionnaires are less comparable across the two countries.

provided by workplace respondents. However, the surveys provide comparable data on a broad range of topics that are of central interest in employment relations, including skill development, work organisation, employee representation, pay determination, job satisfaction, and workplace outcomes.<sup>7</sup>

The surveys also provide large samples for analysis. Our analysis can call upon equivalently defined samples of 3947 workplaces from REPOSE 2011 and 1602 workplaces from WERS 2011. These workplace samples do not give full coverage of the two economies, as both surveys exclude the smallest workplaces in their respective economies, and REPOSE covers only those workplaces operating in the trading sector.<sup>8</sup> However, once common exclusions are applied to both surveys, the harmonised workplace samples are representative of workplaces that, in 2011, accounted for almost three quarters of all private sector employment—and around 55% of *all* employment—in each of the two economies (see Technical Appendix Table A.5 for full details).

Turning to the samples of employees, our analysis can call upon equivalently defined samples of 11,244 employees from REPOSE 2011 and 11,581 employees from WERS 2011. The employee samples are limited by REPOSE's sampling approach, which extended eligibility for the employee questionnaire only to those employees with 15 or more months of tenure. Our harmonised employee samples thus omit employees in WERS with tenure of less than 1 year. Nevertheless, in each country, our harmonised employee samples are representative of over four-fifths of all private sector employees in workplaces with 11 or more employees (88% in France and 83% in Britain). This in turn makes them representative of around half of all employees in each economy (see Technical Appendix Table A.5).<sup>9</sup>

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<sup>7</sup>A more detailed comparison of the topic coverage of the two surveys is provided in the Technical Appendix to the book.

<sup>8</sup>The 2011 WERS excludes workplaces with fewer than 5 employees, whilst the 2011 REPOSE excludes those with fewer than 11 employees. The trading sector is here defined as the private sector plus trading national corporations.

<sup>9</sup>The omission of low-tenure employees has slightly larger implications in Britain as job tenure is shorter, on average, than in France. One further consequence is that our employee samples under-represent employees on temporary contracts. Analysis of the Labour Force Survey for Britain indicates that, among all those employees in the WERS workplace population, the omission of

The 2004 WERS–REPONSE cross-section surveys have a narrower coverage than those from 2011, by virtue of the 2005 REPONSE survey’s exclusion of all workplaces with fewer than 21 employees. However, the comparable workplace samples still cover populations that account for just under half of all workplaces in either country (49% in Britain and 45% in France). The employee samples in 2004 cover populations that account for around two-fifths of all employees (39% in Britain and 41% in France).

Clearly, some other surveys offer broader coverage of the two economies or a larger set of harmonised data items, but the WERS and REPONSE surveys offer the unique advantage that the samples of workplaces and employees are fully linkable in each country. In other words, the data obtained from each surveyed employee can be linked to the data on their workplace that has been provided by the workplace manager. This is a powerful feature of the data for two reasons. First, it provides us with a more detailed picture of an employees’ work situation than is typically provided in surveys of individuals. Second, it allows us to look at variation between employees in the same workplace. Together, these features of the data allow us to illustrate the role of the workplace in a way that has rarely been evident in existing comparative research on the two countries.

Further details on the methodologies of the WERS and REPONSE surveys—and on the approach we have taken in compiling comparable data—are provided in the Technical Appendix. The Appendix also lists the range of supporting materials that are being made available as part of our broader project, including translated questionnaires from either survey. Our analysis of the WERS–REPONSE data is presented in the remainder of the book. Before providing an outline of the content of the book, however, we first provide a brief overview of the populations of workplaces and employees that will be the focus of our investigation.

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employees with less than 1 year of tenure from the WERS employee sample serves to exclude 60% of employees on temporary contracts (compared with 14% of employees on permanent contracts). The equivalent figures in France are 50% and 8%.

## The Survey Populations

The characteristics and activities of workplaces and employees in Britain and France will, naturally, be the focus of later chapters. However, in order to aid interpretation of the more detailed analysis which is to follow, it is first helpful to outline some of the basic demographic characteristics of workplaces and employees in our specific survey populations. We do so here using data from the WERS and REPOSE surveys, in the knowledge that the subsets of the two economies on which we are focusing will differ in some subtle ways from the picture seen in official statistics (which typically include employees in the smallest workplaces and those in the public sector).

As in the remainder of the book, the workplace data presented below are weighted to be representative of all trading sector workplaces with 11 or more employees, and the employee data are weighted to be representative of all their employees with at least 12 months of tenure. In order to confirm that our data provide a representative portrait of their respective populations, the profile of employment suggested by our samples has, in each case, been compared across a range of characteristics with data for the equivalently defined population in each country's Labour Force Survey. The comparisons are very close, confirming that our data provide a robust basis for analysis (see Technical Appendix Table A.6).<sup>10</sup>

Table 1.2 indicates the profile of the WERS–REPOSE workplace population by workplace size and industry sector. As is common in every industrial economy, small establishments account for the majority of all workplaces, but workplaces are slightly smaller on average in Britain. Almost half (46%) have 11–19 employees, compared with only 38% in France, and around four-fifths (81%) have fewer than 50 employees (77% in France). Since many of the more formal aspects of employment relations, such as engagement with unions, arise from scale economies, we can therefore expect to see a slightly higher degree of formalisation across French workplaces, all other things being equal.

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<sup>10</sup>Table A.6 also shows how our survey populations differ in either country from the full populations of all employees in all workplaces.

**Table 1.2** Profile of the WERS–REPONSE workplace population by workplace size and industry sector, 2011

	Column percents	
	Britain	France
<i>Workplace size (number of employees):</i>		
11–19	46	38
20–49	34	39
50–99	11	13
100–249	6	7
250–499	2	2
500 or more	1	1
<i>Industry sector (NACE Rev.2):</i>		
C: Manufacturing	10	16
D: Electricity, gas, steam, and air conditioning	0	1
E: Water supply, sewerage, and waste management	1	1
F: Construction	5	11
G: Wholesale and retail	21	20
H: Transportation and storage	5	8
I: Accommodation and food service	13	6
J: Information and communication	4	3
K: Finance and insurance	2	3
L: Real estate	4	1
M: Professional, scientific, and technical	12	7
N: Administrative and support services	4	5
P: Education	4	3
Q: Human health and social work	13	12
R: Arts, entertainment, and recreation	2	1
S: Other service activities	2	3
<i>Number of observations</i>	<i>1602</i>	<i>3947</i>

Base: All private sector workplaces with 11 or more employees

Turning to the industry sector, we see that the REPONSE workplace population has a greater prevalence of workplaces engaged in production industries (NACE [Nomenclature Générale des Activités Économiques dans les Communautés Européennes] Rev.2 Sections C–F together account for 29% of all workplaces in France, compared with just 16% in Britain). Correspondingly, the WERS workplace population has a greater prevalence of workplaces engaged in services, particularly accommodation and food services (13%, compared with 6% in France) and professional, scientific, and technical services (12%, compared with 7% in France).

Table 1.3 provides a similar comparison of the WERS–REPONSE employee population along a number of core demographic characteristics. The WERS population has a higher share of highly educated employees, with around three-tenths (31%) holding qualifications at ISCED-97 (International Standard Classification of Education-97) Level 5A or above (equivalent to a first degree or higher). This compares with around one-fifth (21%) in France. The WERS population also has a lower share of low-qualified employees, with only 9% qualified at Level 1 or below, compared with 14% in France. At intermediate levels, French employees tend to be more qualified, however. Turning to working hours, it is clear that these are more compressed in France. The application of working-time regulations means that fewer employees work more than 40 hours per week in France (20%, compared with 35% in Britain). On the other hand, there is a greater prevalence of part-time work in Britain. There is thus a greater diversity of working hours among employees in Britain than is the case in France. Finally, examining the profile of employees by occupation, it is apparent that Britain has a greater share of managers and professionals (28%, compared with 18%), whilst France has greater shares of associate professionals and craft workers. One must be somewhat cautious over these occupational comparisons, given the difficulties of translating the two countries' different occupational classifications into a harmonised measure (Elias and Birch 2006), but the broad patterns shown in Table 1.3 are also apparent in official statistics (see Eurostat 2015e).

The tables thus provide a brief initial insight into the populations of workplaces and employees on which our analyses are based. We now go on to provide a brief outline of how those analyses are organised within the remainder of the book.

## The Outline of the Book

As stated earlier, the central aim of the remainder of the book is to advance our understanding of employment relations in Britain and France through the analysis of the linked employer–employee data from WERS and REPONSE. We begin our analysis in earnest in Chap. 2

**Table 1.3** Profile of WERS–REPOSE employee population by educational attainment, hours worked, and occupation, 2011

	Column percents	
	Britain	France
<i>Highest qualification (ISCED-97):</i>		
Level 0/Level 1	9	14
Level 2	16	5
Level 3	34	43
Level 5B	10	16
Level 5A short/medium	22	9
Level 5A Long/Level 6	9	12
<i>Working hours:</i>		
0–29	19	11
30–35	9	34
36–40	36	36
41–49	23	12
50 or more	12	8
<i>Occupation (ISCO-88):</i>		
Managers	16	9
Professionals	12	9
Technicians and associate professionals	13	19
Clerks	15	13
Service and sales	14	12
Skilled agriculture and fishing	0	0
Craft workers	6	12
Plant and machine operatives	9	16
Elementary occupations	14	10
<i>Number of observations</i>	<i>11581</i>	<i>11244</i>

Base: All employees with one or more years of tenure, in private sector workplaces with 11 or more employees

by looking at how workplaces are structured and governed in Britain and France, seeking to understand how the characteristics of employers differ between the two countries. Chapter 3 then examines the arrangements for employee expression and voice, looking at the prevalence and effects of employee representatives and management-led tools for communication and consultation. Chapter 4 investigates the approaches that workplaces take towards recruitment, skill development, and pay in each country, with a particular focus on the implications for employee careers in the two countries. Chapter 5 explores the use of management practices

relating to work organisation, incentives, and targets, with a focus on the relationship between these practices and workplace performance in Britain and France. Chapter 6 investigates the subjective experiences of employees, investigating perceptions of job quality in the two countries. The experience of employers and employees through recession is then the focus of Chap. 7. Finally, Chap. 8 draws together some of the key findings from the preceding chapters and offers some conclusions as to what can be learned from a comparative study of employment relations in Britain and France.

Our discussion is not intended to be the last word however, and the raw materials that we have utilised are being made available for further analysis. It is hoped that readers will be stimulated to extend our analysis themselves as the basis for further research on employment relations in the two economies. Information on how to access these raw materials is provided at the end of the Technical Appendix.

## Reporting Conventions

Finally, it is appropriate to put in a short word about reporting conventions throughout the book. As noted earlier, any estimates produced from the workplace data in our WERS–REPONSE data set are weighted to be representative of all trading sector workplaces with 11 or more employees, whilst those produced from the employee data are weighted to be representative of all their employees with at least 12 months of tenure. Symbols appearing in tables are as follows:

0 means less than 0.5%, including none

() means that the estimate is based on an unweighted base of fewer than 100 observations and should be treated with caution

– means that an estimate is either unavailable or not applicable.

Percentages may not necessarily sum up to 100 due to rounding. Asterisks are used in some tables to denote statistical significance; a key is provided within the notes to each table where relevant.

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