

Employees and Companies: Towards a Transactional Relationship

By Antoine Solom

For many years now, the relationship between the employee and the company has been touted as one of the key pillars of a sustainable economy. Is this not somewhat paradoxical, now that the traditional model of the employee pursuing a life-long career within the company is a thing of the past? In an increasingly uncertain economic



environment, this tacit contract has indeed taken a beating. At the same time, the new employee generation is also found to be more individualistic and less predictable. Some feel they are less involved than their predecessors, almost distant toward the company and its management, as they place greater importance on their personal lives than on their professional careers – let us note that the HR discourse readily substitutes “professional career” for “professional evolution,” a term which implies a career path that is less bottom-up and more horizontal.

This shift is not simply semantic, because the extension of professional life, the erosion of classic hierarchical structures, and the generalization of matrix organizations accelerate these trends.

It seems that the more the employer – employee relationship is strained, the more the company must assert the importance of its human capital.

The increasing number of employee opinion research studies conducted by companies

is a good example of this. The questions asked are also a good example; hence the recurring questions on the importance of the sacrifices that employees are ready to make in their personal lives in order to advance their professional lives clearly reflect a state of mind characteristic of the 80s and 90s. Today, we try to measure the degree of employee commitment rather than satisfaction, motivation, or involvement. We will not dwell on the haziness that surrounds the use of many of these notions

and the deviations we end up with more and more often: can employee commitment be summed up as a performance indicator in the same way as stock-market performance?

If the authority–security equation that has long governed the company–employee relationship has done its time, what has replaced it? A recent study conducted in Europe by Ipsos for Accor Services on employees’ attitudes toward work and toward their employer provides a few answers.¹

¹This study was conducted between September 6 and October 11, 2005, on a sample representative of European employees aged 18 and over (excluding tradespeople, shopkeepers, professionals, and farmers/operators.) In total, 10,288 individuals were surveyed.

Three employee profiles emerge

The **Northern European profile** (Sweden, Germany, and Belgium) exhibits both a sharp division between personal life and professional life, a strong loyalty to the company, and a particularly high reported level of involvement, especially in Germany.

A few figures: barely 18% of German employees “often think that they would like to do other work,” and 71% stated that they had never “thought of leaving their company.” These are the same employees who stress that “security” best describes work in their opinion and who consider themselves, as do Belgians, not only the most involved in their work, but also the most satisfied with their salaries, the content of their work, and their relations with their superiors. Involvement versus security seems to be the Northern European equation.

On the other hand, the **English profile** stands out as a counter-model to this equation. When asked what work means to them, almost 40% of English employees stated that it means routine. How involved are they in their work? Answers are quite divided, with 30% feeling that they are sufficiently involved and 12% feeling that they are slightly involved or not at all! However, one out of every two English employees stated that he or she is “more involved than before” – a European record.

What is taking shape in England is a system in which the value of work is low and represents an individual investment that must be maximized. The majority of English employees surveyed (55%) – versus barely one third in Germany and Sweden – stated that they contemplate leaving their employers, carefully examine offers that come up, or have already planned their departure. Is this a logical consequence of an extremely dynamic economic environment and a flexible and fluid labour market? In any event, we are far from the German or Swedish loyalty.

Another example of this phenomenon is the fact that English employees are among those most satisfied with their working environment, their relations with their superiors, and their training opportunities. However, English employees also have the greatest expectations in these areas,

not to mention that 83% – almost 20 points higher than our panel average – feel that salary has an “essential or very important” impact on their involvement with work. Thus, the average English employee is “satisfied” and “fulfilled at work,” but he is also watchful and ready to seize any existing market opportunities.

The **French profile** is different. The first distinctive trait is the intermingling between personal and professional life. Sixty percent of French employees say that their work demands more and more of them outside of working hours, which is 12 points higher than the European panel average. French employees also state that they are more likely to “solve personal problems during their working hours.”

Is this the inevitable consequence of applying a 35-hour workweek, considering that French employees are some of the most productive in Europe? Undoubtedly yes, but let’s remember that 60% of Spanish and Italian employees also say that their work demands more and more of them outside of working hours. Are we therefore dealing with a Latin prism? The deep intermingling between personal and professional life remains, in any event, a key to understanding the French model.

Another dimension to stress is that French employees place the greatest importance on “pleasure” when it comes to work, as opposed to German employees (“security”) or English employees (“routine”). The emotional weight associated with work is another key to understanding French employees. Close to 42% of our sample feel they “often fulfill themselves at work,” as compared to the 30% average obtained in this survey. This would seem to describe a relationship that we could qualify as hedonistic, by stretching it a bit, because it merges the personal life with the professional life on the job. Does this also provide one of the explanations for the paradoxically high level of “professional frustration” regarding remuneration and career-building opportunities? Like their English counterparts, French employees demonstrate a real appetite for professional mobility or evolution, as opposed to the Germans, for example. However, only English employees can benefit from a truly dynamic labour market. In a constrained environment,

French employees feel much greater frustration, since their relationship with work is far more emotional than their neighbours’ and the personal/professional life boundary – obviously a source of balance for the Northern Europeans – blurred.

It’s clear that socio-economic cultural environments continue to shape Europeans’ attitudes toward their work and their employers in a permanent way.

To what degree will German, Belgian, or Swedish employers be able to maintain a contractual-consensual model greatly valued by their employees that guarantees their loyalty and maintains a very reassuring vision of work? In a precarious economic context, their ability to dialogue with their employees and to negotiate with their representatives is an unquestionable asset.

The English model also stems from contractual logic but no consensual regulation whatsoever. The relationship is necessarily of limited duration because the attraction to the environment and the quest to maximize one’s personal interests are strong. In these conditions, companies are forced to pay special attention to their employees and have an obligation to maximize their offers to attract or retain their human resources – never has the term “resource” seemed to make as much sense as it does vis-à-vis English employees.

We are left with the French model, in which the company and the work clearly represent a main source of personal fulfillment, but also of frustration because of a lack of credible alternatives outside of work. To what degree will French firms be able to take advantage of this paradoxically captive resource?

This will no doubt come about by developing the ability to take into account employees’ individual, personal, and professional aspirations, in all their variety, contrary to the very linear changes that employers have been proposing for years. It is a daunting task, particularly since expectations surrounding employers who are more proactive with their employees are so great. Far from the classic authority–security pattern, a new and more transactional relationship seems to dictate the employer–employee relationship.

Antoine Solom is Head of the Employee Relationship Management (ERM) practice at Ipsos France. Ipsos’ ERM practice provides employee surveys and a large range of research approaches dedicated to the implementation of change and reengineering processes. Ipsos’ human resources research extends from data capture to post-survey follow-up, with emphasis on management support in the action plan process, and includes a global benchmarking reference, RED (Representative Employee Data). An expert in human resources research, Antoine worked at TNS and ISR International during 10 years before joining Ipsos in 1999. He can be reached at antoine.solom@ipsos.com.

