

NONSTANDARD FORMS OF EMPLOYMENT: IMPLICATIONS FOR CAREER PRACTITIONERS

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ABSTRACT

One of the key features of contemporary labour markets is the growing prevalence of non-standard forms of employment (NSFE) across countries, geographies, economies and occupations. NSFE have been defined as all forms of employment that do not qualify as being standard employment, where workers have limited attachment to organisations – temporally, physically and administratively. On the one hand, the flexibility, novelty and autonomy associated with these jobs make them desirable but on the other hand, associated insecurities, un-certainties and vagaries make them avoidable. This paper attempts to sum up the concept, types, prevalence and magnitude, key triggers and impacts of NSFE with a focus on the Indian labour market. It then goes on to flag implications for career practitioners.

Keywords: *advocacy counselling, career guidance, contract workers, nonstandard employment, temporary workers*

The Context

Labour markets have always been changing. In recent times, the pace, magnitude, complexities and dimensions of these changes have accelerated and intensified (e.g., Coutinho, Dam & Blustein 2008; Kumar & Arulmani, 2014). A recent change in the labour market is the growing prevalence of nonstandard forms of employment (NSFE) across countries, geographies, economies and occupations (ILO, 2016). While career researchers have attempted to understand nonstandard career trajectories (e.g., Fournier, Lachance & Bujold, 2009), historically career practitioners have placed a higher value on formal jobs (e.g., Kumar, 2016; Plant, 1999; Watts, 1981). Against this background, a vigorous movement can be discerned in the labour policy landscape in India. The government has framed four labour codes on wages, industrial relations, social security and on occupational safety, health and working conditions (Government of India, 2017). Once passed by parliament, these codes would become Acts which would rationalise 38 existing labour Acts and would be binding for all the employers. While these developments have obvious consequences for workers, both in the organised as well as the unorganised sector, it is expected that these policy pronouncements are likely to enhance the quality of nonstandard jobs because they also

seem to be aligned with the policy recommendations made in the landmark ILO report on NSFE (ILO, 2016). Career practitioners need to understand this trend, help their clients minimize decent work deficits associated with some forms of nonstandard employments, and assist suitable individuals in identifying and leveraging appropriate opportunities. The present paper attempts to outline the concept, types, prevalence, triggers and impacts of NSFE with a focus on the Indian labour market. It, then goes on to sum up implications for career practitioners and suggests pointers for assisting young people in the process of shaping their future.

Nonstandard Forms of Employment Concept and Types

There is no official definition of Nonstandard Forms of Employment (NSFE) (ILO, 2016) and the use and scope of the term vary between countries, regions and academic disciplines. They have been variously referred to as alternative work arrangements, market-mediated arrangements, non-traditional employment relations, flexible staffing arrangements, flexible working practices, atypical employment, vagrant or peripheral employment, vulnerable work, precarious employment, disposable work, new forms of employment, and contingent work (Kaleberg, 2000). One of the earliest and perhaps the most

influential conceptualisations by Pfeffer and Baron (1988) characterises nonstandard workers with their limited attachment to organisations – temporally, physically and administratively. For example, temporary and part-time workers have limited temporal attachment to organisations, tele-workers and home-based workers have limited physical attachment and, at the same time, agency workers have limited administrative attachment to organisations.

Broadly speaking NSFEE can be defined as all forms of employment that do not qualify as being standard employment. Standard employment has been understood in terms of an open ended employment contract, restricted to one employer, and regulated by defined conditions of work such as working time and length of the working week (Schmid, 2010). Edgell (2012) identifies four dimensions along which standard and nonstandard forms of work differ. These dimensions include: contractual, spatial, temporal, and gender system. In standard work, contracts are highly regulated and collectively negotiated but in nonstandard work contracts may not be regulated at all and are individually negotiated. While standard jobs are practiced in specific locations, separate from home, nonstandard work locations are variable and may include, besides other locations, home as a site. Temporally, standard jobs are generally full time and permanent but nonstandard jobs are impermanent and have variable timings.

Landau, Mahy and Mitchell (2015) categorised NSFEE as forms of employment that deviate from the standard employment model in terms of their non-permanent nature (e.g., casual, fixed-term, project-based and task-based employment), location of work (e.g., home-work, out-work), working time (e.g., part-time employment), and employment relationship (e.g., in-dependent contractors, semi-independent contractors or unclear or disguised relationship). Now there is international consensus about four types of nonstandard employment, namely, temporary employment, part-time and on-call work, multiparty employment relationships, dis-guised employment/dependent self-employment (ILO, 2016). Temporary employment consists of fixed-term contracts including project or task-

based contracts, seasonal work, casual work, including daily work. Jobs in which normal working hours are fewer than their full-time equivalent fall under part-time and on-call work which also include marginal part-time employment or zero-hours contracts. Multi-party employment relationships, also known as dis-patch, brokerage and labour hire include temporary agency work and subcontracted labour. Finally, under the fourth category fall jobs classified as NSFEE are also equated with precarious jobs but it is important to note that while precariousness denotes attributes of a job, nonstandard is a contractual form which may or may not have characteristics of a precarious job (ILO, 2016). In the same manner, NSFEE are also used synonymously with informal work arrangements but here again, despite overlaps both are distinct terms.

Prevalence

Different countries define key terms related to NSFEE differently which impedes the collection of comparable statistics leading to difficulties in obtaining a true global picture of the prevalence and magnitude of nonstandard work arrangements (George & Chattopadhyay, 2017). Nevertheless, a recent report from the ILO, which studied the situation in more than 150 countries, notes that the average use of temporary employees in registered private sector firms is 11%, with about one-third of countries around this mean (ILO, 2016). While the use of NSFEE is on the rise across economies, important divergences have been found in their use among firms, even within the same country and industry (ILO, 2016). As indicated by this report, more than half of enterprises do not use temporary labour whereas more than half of the workforce is temporary in 7% of enterprises. Women, who are less than 40% of total wage employment, represent 57% of part-time employees. In many countries including India, women outnumber men by more than 25% in part-time labour market. As a result of growing casualisation of the labour market, nearly two-thirds of wage employment is casual in developing countries like Bangladesh and India while in an industrial country like Australia, every one out of four employees is found to be casual. In recent decades, Asian countries have witnessed

the growth of various forms of dispatched, agency, subcontracted or outsourced work.

Now let us look at the Indian situation. Due to limitations of available statistics, the literature on NSFE in India generally focuses on three segments, namely, casual workers, contract labour, and putting-out workers or home workers (Landau, Mahy & Mitchell, 2015; Srivastava, 2016). However, there are other forms such as part-time work and scheme work. In India, casual workers constitute 32.79 % of workers (Papola, 2013). Over a third of them (36%), have an income below the poverty line in India, compared with 24% of self-employed and 9% of regular workers (Institute for Human Development, 2014). Additionally, disadvantaged groups, including Scheduled Castes (SCs), Scheduled Tribes (STs) and Other Backward Classes (OBCs), are more likely to be engaged in casual work (IHD, 2014). On the other hand, the trend of engaging contract workers has been on the rise in both public and private sectors (e.g., Sankaran, 2010; IndustriAll, 2012). According to one estimate, the proportion of contract labour in the formal factories increased from approximately 12% in 1985 to 23% in 2002 (Ahsan, Pages & Roy, 2008) which roughly corresponds with a decline in direct employment (Sunder, 2012). However, there continue to be considerable variations in contract work across different industry sectors, establishments of various sizes and various state economies (Landau, Mahy & Mitchell, 2015). For example in India, from almost negligible levels in the early 1970's, contract labour reached 34.7% in 2011–12 in the manufacturing sector (ILO, 2016).

So far as home based workers are concerned, it has been estimated that they constitute 15.2% of the total non-agricultural workforce (Raveendran, Sudarshan & Vanek, 2013). The same study further points out that 31.7% of all females employed in non-agricultural work are engaged in home-based work whereas it is 11% in the case of men.

Indian workers are also becoming a part of the gig economy. A recent report informs us that out of 20 million daily users of websites related to freelancing, 3.5 million come from India (TeamLease, 2017). People pursuing NSFE in India are also engaged in other work

arrangements, but the lack of supporting data restricts this discussion.

Triggers

Standard work arrangements were the norm in the world for much of the twentieth century and were the basis of the framework within which labour laws, collective bargaining, and social security systems developed (Kalleberg, 2000). A review of the literature by Kalleberg (2000) informs us that the work arrangements that did not fit the model of full-time work are not new. However, nations, organisations and workers started searching for greater flexibility due to changes beginning in the mid-1970s, which ultimately resulted in the upsurge of non-standard work arrangements. It was enabled by four parallel and interrelated processes: increased competition and uncertainty among enterprises pushed by global economic changes, improvements in communication and information technologies, rigid labour laws in favour of permanent workers that encouraged employers to avoid associated mandates and demographic changes in the composition of the labour force. Interestingly, studies of the Indian labour market have noted similar processes at work (Landau, Mahy & Mitchell, 2015; Srivastava, 2016). Srivastava (2016) notes that informalisation and casualisation of the Indian labour force is exacerbated by a number of processes at the intersection of global and national dynamics. The economy is undergoing a structural shift from agrarian-rural to becoming an urban and non-agrarian one, creating a demand for paid work. On the other hand, the pattern of global production and competition, which is encouraging outsourcing and vertical and horizontal production networks, is simultaneously influencing these labour characteristics. The outcome of these interactions coupled with the rigid legal labour regime, demand greater flexibility. These processes initiated the trend towards greater home-based work, informalisation, casualisation, contractualisation and sub-contractualisation.

Impacts

NSFE are considered as poor substitutes of standard jobs and as a consequence equated

with sub-standard jobs leading to various insecurities both globally (e.g., ILO, 2016) and in the Indian context (e.g., IndustriALL, 2016). These insecurities pertain to employment, earnings, working hours, occupational safety and health, social security coverage, training, and access to the fundamental principles and rights at work, including the right to representation at the workplace (ILO, 2016). In a review of the multiple effects of recurring nonstandard work, Fournier and Bujold (2005) list negative and positive consequences. On the positive side, workers have more time for the family, more fulfilling tasks, diverse work experiences and opportunities to learn new things. ILO (2016) also notes that NSFE can provide access to the labour market particularly to disadvantaged groups such as youth or migrants and may be a stepping stone toward more stable jobs. Expanding on this, Fournier and Bujold (2005) de-scribe specific, negative outcomes, such as the following:

Workers are expected to be more versatile and productive without being offered security and occupational integration. With the decrease in the possibility of developing one's potential and social recognition, workers tend to put in lesser effort. Uncertainty pertaining to the future may make work meaningless and erode occupational identity.

The workers may feel detached from the organization as a consequence of their peripheral existence. The uncertainty of daily existence makes it very difficult to engage in any future planning which, in turn, becomes a source of physical and psychological problems. It becomes difficult for the workers to harmonise their work, social, and family lives. In a recent review of literature, George and Chattopadhyay (2017) sum up the costs and benefits of nonstandard work arrangements both for the organisation and the worker. These work arrangements lower the wage bill and costs associated with providing work facilities, increases flexibility in deployment of workers, and with information technology, enables new ways of working across distances and time. At the same time, nonstandard work arrangements increase the coordination and integration costs of the organisation and generally signal lack of commitment to the workforce. These work arrangements provide workers with choices on

how, where and when to work, minimizes involvement in organizational politics, and offers greater possibilities for work-life fit. But on the other hand, these work arrangements place the onus for skill development and career management solely upon the individual, eliminates opportunities for the development of social and political capital within the organization, and decreases opportunities for identification with the organization.

Obviously, the effects of NSFE would vary according to the type of work arrangement, the individual worker profile, as well as the firm, industry and country contexts (ILO, 2016). The worker's circumstances and preferences, must also be factored in. As Fournier and Bujold (2005) found in their review, when a worker goes through a series of jobs on a chosen career path with pre-mediation and planning, then that path meets his/her needs and aspirations and provides opportunities for potential realization. On the other hand, when a worker is forced to follow a career path of involuntary alternation between jobs of varying status and unemployment, then that path can make them experience insecurities and dissatisfaction. So, ultimately, the quality of nonstandard jobs depends on voluntary engagement and the possibility of transitions to standard employment (ILO, 2016).

Implications for Career Practitioners

It is evident from the discussions in the previous section that most people have been forced to take up NFSE despite the fact that nonstandard jobs do not guarantee many of the securities a regular job offers. On the other hand, many workers choose to take up these jobs due to the advantages these forms of employment offer. Therefore, it is imperative that career practitioners work with both populations and learn to address their varying needs.

The core need of the first group of people (those who have been forced to take up NSFE) to be addressed by career practitioners, is to minimize decent job deficits inherent in the very structure of NSFE. Decent job deficits include gaps pertaining to employment, rights, social protection and social dialogue (ILO, 2001). This may be achieved by using advocacy, which has been described as a core

competency in many contemporary frameworks proposed for career counsellors (e.g., IAEVG, 2003). It is important to push for policies and programmes to make nonstandard jobs better and to support all workers regardless of their contractual status (ILO, 2016). Career practitioners who intend to ameliorate the conditions of workers engaged in NSFE need to use their skills for advocacy to push for such policies and programmes. The ILO (2016) suggests that in order to make nonstandard jobs better, it is important to plug regulatory gaps and to strengthen collective bargaining. Regulatory gaps need to be filled through advocating for policies to ensure equal treatment, establish minimum guaranteed hours, address the potential for abuse, and assign obligations and responsibilities in multi-party employment arrangements. All workers must have access to freedom of association and collective bargaining rights. Collective arrangements should be extended to cover all workers in a sector or an occupational category. Building the capacity of unions to represent workers in NSFE would also help strengthen collective bargaining. On the other hand, in order to support all workers regardless of their contractual status, social protection needs to be strengthened by ensuring universal coverage, making systems more flexible with regard to contributions required to qualify for benefits and similar measures. Another way to support workers is to institute employment and social policies that support job creation, and accommodate workers' needs for training and family responsibilities such as child care and care for elderly (ILO, 2016).

A number of approaches, frameworks and intervention models pertaining to advocacy have been developed for counsellors over the years. A brief summary of such attempts with special reference to informal workers (e.g., street vendors) in Kumar (2016) could be a useful starting point for interested readers. It is equally pertinent that interested counsellors find appropriate channels/platforms/organisations to situate their work. For example, advocacy counsellors may want associate with organisations that have been set up for advocacy (e.g., HomeNet India, an affiliate of Network of Homebased Workers in South Asia working to improve conditions of

home-based workers). Additionally, there are success stories of organising and collective bargaining for non-regular workers in India (Sundar, 2011) which can be replicated. However, there are a number of challenges for effective interventions by career practitioners for individuals in NSFE which have been explained earlier in Kumar (2016) in the context of informal workers. These challenges include: non-acknowledgment of the career development needs of persons in this sector, not viewing the advocacy function as a part of a career practitioners' job profile, equating advocacy with activism, and a lack of proper training in competencies required to intervene successfully for the cause of the target group.

Now let us shift our attention to the second group of people, i.e., those who would or should choose NSFE because of the benefits these types of jobs promise to offer. As pointed out earlier in the introductory section of this paper, traditionally career practitioners have largely assisted their clients in securing a standard job in the formal sector. While it is true that most forms of nonstandard employment may have decent job deficits, some forms of nonstandard jobs may be suitable for clients whose life circumstances do not permit them to take up join a nonstandard job. NSFE jobs may indeed be suitable for those who: cannot afford to get into a standard job because of other life roles and want flexibility in terms of time, duration and location such as students and new mothers; do not thrive on repetitive work, desire regular change and do not want to keep themselves tied to one role for life; want to learn new skills and seek varied experiences because different roles and different organisations, even in the same domain/sector, demand diverse skills and offer diverse experiences; are struggling to find a permanent job; want to control their life and maintain work/life balance in order to fit career around life, not vice versa; are currently in the process of making up their minds regarding a particular career and want to gain first-hand experience of the world of work; want to stave off redundancy; possess skills in areas where there is a dearth of talent; and intend to go for a portfolio career (Templer & Cawsey, 1999) which means engaging with various paid activities simultaneously.

After assessing a client for his/her suitability for NSFE, it is important that career practitioners point out the advantages and disadvantages of making a choice in this sector. Key advantages of going for a nonstandard job include the following:

A temporary job may prove to be a gateway to a permanent position in the same organisation particularly in cases where the employer sees value in the employee. Even if it does not lead to a standard job in the same organisation, temporary work with reputed companies may enrich a person's CV, and improve his/her employability.

Networks created through a series of temporary/part-time positions may help a person in securing more opportunities in the future. One gets more time for oneself and the family and can maintain a better work/life balance and it becomes possible to fulfil other ambitions in life.

At the same time, before recommending nonstandard work arrangements, clients should be made aware of the associated disadvantages as well. Most nonstandard jobs offer lower remuneration, limited or no chance for promotion, limited opportunity for developing collegiality, and almost no social protection. As ever, relevant career information pertaining to institutions active in the sector would be vital to assist individuals desirous of NSFE. It is important that career practitioners inform themselves about companies who specialise in temporary staffing solutions.

Concluding Thoughts

NSFE, an umbrella term covering a range of diverse types of work arrangements under its rubric, gives us an organizing framework to understand the dynamics of contemporary labour markets. Concepts such as "boundary less career" (Arthur & Rousseau, 1996) and "protean career" (Hall, 2004) call for a diversification of counsellors' roles to include that of a guide, an astute handyman, a complexity analyst and a reflective practitioner (Dussault et al, 2009). However, both career choosers and career practitioners, still focus largely on formal, standard labour markets. It is important that career practitioners understand that as new forms of organizations develop, nonstandard work arrangements are likely to increase. On the one hand, flexibility, novelty and autonomy associated with these jobs make them desirable but on the other hand, associated insecurities and uncertainties make them avoidable. Given the present prevalence and future possibilities of NSFE, career practitioners would do well to include in their purview, those who may benefit from NSFE due to their life contexts and to those who need assistance in minimizing decent job deficits associated with some forms of nonstandard employments. In a rapidly changing world, responsiveness to labour market transformations would be the hallmark of a responsible community of professional career practitioners. After all, as the old African proverb asserts: When the music changes, so must the dance!

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