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JOB QUALITY AND HUMAN RESOURCE MANAGEMENT: RESPECTIVE ROLES OF EMPLOYER STRATEGY AND INSTITUTIONS

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Introduction

Much research focuses on the importance that national level institutions play in determining job quality, and notably for low wages workers and low qualified workers in new service activities (Batt, Nohara, & Kwon, 2010; Gautié & Schmitt, 2010). The research results that they provide show that national institutions organising the labour market play a decisive role in shaping employment integration for low wage workers. However, Batt and Nohara (Batt & Nohara, 2009) also demonstrate that, even though the national context partly explains job quality and wages, these also vary from one firm to another within a given institutional context. The question, then, is the following: what is the respective influence of managerial strategies within the company and of the institutions ‘outside' the company, on job quality?

This paper examines human resource practices within firms and their interactions with the institutional context, in new services – ‘housework services’ – and how firm strategies and institutions respectively contribute to job quality of low qualified workers.

With this objective in mind, we draw on a conceptual framework articulating neo-institutionalist contributions (DiMaggio & Powell, 1983, 1997; Hall & Soskice, 2001) and social regulation theory (De Terssac, 2003; Reynaud, 1988, 1989, 1997). Neo-institutionalist contributions share the idea that the institutional context is key in determining in-company decisions and practices. In such a perspective, organizations tend to develop homogenous strategies and behaviours when they belong to similar institutional environment.

Yet, if employer strategies are not totally free to act, they are not completely bound by the institutional context (Klarsfeld, Ng, & Tatli, 2012). There are, then, trends towards homogeneity but also a degree of diversity within a common institutional context. The notion of ‘institutional work’ (Lawrence, Suddaby, & Leca, 2009, p. 215) is useful to go further in understanding the variety of organizational forms (Ben Slimane & Leca, 2010).

In order to better apprehend how institutions, on the one hand, and managerial strategies, on the other, shape job quality within the company, we analyse how ‘the rules of the game’ (Reynaud 1989) that are at play within the company are determined. Reynaud’s social regulation theory (De Terssac, 2003; Reynaud, 1988, 1989) allows us to understand the phenomenon deeper by focusing on social actors’ leeway, their interplay and interactions in the organization, also taking the influence of external rules into account.

The paper is divided into five major sections. The first section sets out the conceptual framework, building up from neo-institutionalist contributions and social regulation theory. It throws light on the interconnections between the institutional context and the organization, examining respectively the degree of institutional homogeneity and the degree of divergence in human resource management practices. The second section outlines the key concepts for understanding job quality and human resource management strategies. Section three describes the empirical field. Both the context of the “service voucher scheme” in Belgium and the methodology used to analayse the fieldwork data will be presented. The last section summarizes and discusses the major research findings.
Institutional context, isomorphism and diversity of firm practices

To what extent are human resource strategies and their impact on job quality similar between firms that act within the same institutional context? To what extent, by contrast, are they distinct? To tackle these questions, this section draws upon two main theoretical contributions: neo-institutionalism on the one hand and the social regulation theory, on the other hand.

The Role of institutions: Towards homogeneity?

Neo-institutionalist contributions share the common assumption that the institutional context is key in determining management strategies within organizations. In this view, organizations are ‘embedded’ in a wider environment that includes social practices, norms, rules and values, commonly referred to as ‘institutions’ (North, 2007, c1990) or ‘organizational field’ (DiMaggio & Powell, 1983, 1997). The approach emphasizes a tendency for organizations to develop similar strategies when they belong to the same institutional context.

Similarly, yet from a different angle, DiMaggio and Powell (1983) observe that in a specific organizational field, “there is an inexorable push towards homogenization” due to isomorphic pressures (DiMaggio and Powell, 1983:148). In this perspective, Paauwe and Boselie (2003) stress the relevance of sociological neo-institutionalism to explain how the institutional setting shape human resource policies. They examine thoroughly the different institutional mechanisms – mimetic, coercive and normative (DiMaggio & Powell, 1983) – that are likely to affect the employment relationship and associated human resource policies and practices (Paauwe & Boselie, 2003). In their view, mimetic mechanisms refer to the “imitation of strategies and practices of competitors as a result of uncertainty, or fashionable fads in the field of management”, coercive mechanisms concern “the influence of the trade unions, the labour legislation, and the government”, normative mechanisms characterize the effect played by the professionalization of some groups of workers (formal education, professional networks) (Paauwe & Boselie, 2003 60). These isomorphic pressures favour homogeneity of HR strategies and policies across organizations belonging to a specific institutional environment (Paauwe & Boselie, 2003). Accordingly, the leeway of organization-level management in developing and implementing HR systems and strategies is limited by institutional pressures and constrains (Boon, Paauwe, Boselie, & Den Hartog, 2009 495).

Neo-institutionalist in political economy, influenced by Hall and Soskice (2001), examine how national institutional contexts and companies interact and how this interaction has impacts on managerial choice. For the ‘Varieties of Capitalism’ approach, organizations tend to develop similar strategies and adopt the same behaviour when they belong to the same institutional context. Hall and Soskice outline five spheres that condition strategic interactions: industrial relations, vocational training and education, employees, corporate governance and inter-firms relations. Organizations must develop relationships with these different spheres in order to solve coordination problems, often considered to be critical for the development of their key competencies, and to act efficiently (Hall & Soskice, 2001). Managerial choices, including human resource management policies, result from coordination mechanisms between the organization and its context. Although the “Varieties of Capitalism” approach has been used to apprehend national influences, it provides a useful conceptual framework to understand interactions between managerial strategies developed by the firms and their institutional environment.
Neo-institutionalist contributions emphasize how interactions between institutions and firm are decisive in determining what happens within the firm. Yet, organizations are not entirely constrained by the institutional environment in which they operate. As some argue, employer strategies are not completely bound by the institutional context, neither are they totally free to act (Klarsfeld et al., 2012). Jackson (2010) adds that “institutions shape interaction, but actors retain scope for choice within constraints or even alter those constraints by strategic or interpretative acts” (Jackson, 2010, p.).

Some have brought in an first explanation to the variety of organizational forms and practices within the same institutional setting (Ben Slimane & Leca, 2010) by discussing the notion of 'institutional work'. The notion of 'institutional work' refer to the “purposive action of individuals and organizations aimed at creating, maintaining and disrupting institutions” (Lawrence et al., 2009, p.215). Lawrence, Suddaby and Leca (2009) mention that “along with understanding the processes through which institutions affect organizational action, research has become increasingly concerned with the effects of individual and organizational action on institutions” (Lawrence et al., 2009, p.216). In this view, organization-level actors interpret and translate the norms and rules coming from the macro level according to their internal routines and local context (Lippi 2000, cited in Ben Slimane and Leca, 2010).

In line with those considerations, there is clearly a need to provide a deeper understanding of the diversity of strategies and practices between organizations that share a similar environment, and to consider further the strategies developed by the different actors within the organization.

**Diversity across organizations: a ‘Reynaldian’ approach**

Reynaud's social regulation theory provides an interesting insight to explain variation in human resource strategies and job quality across organizations within a similar institutional environment. Social regulation theory (De Terssac, 2003; Reynaud, 1988, 1989) focuses on social actors’ leeway, their interplay and interactions in the organization. In line with the strategic analysis developed by Crozier and Friedberg (1977), Reynaud develops a theory of social regulation defined as « actors’ ability to create rules and to consent to them » (De Terssac, 2003: 20, our translation). In this perspective, Reynaud investigates the mechanisms that contribute to the creation and diffusion of the rules in the organization (Amblard, Bernoux, Herreros, & Livian, 1996; De Terssac, 2003).

The core concepts in social regulation theory are ‘rules’ and ‘regulation’. Rules refer to negotiated constraints defined by social actors (De Terssac, 2003; Reynaud, 1989) and are seen as guiding principles, a guideline for action (Reynaud, 1997 XVI). Reynaud (1999) as well as Havard and Krohmer (2008) emphasize the constraining nature of rules and argue that ‘the rules of the game’ do not result from individual preferences nor interests (Havard & Krohmer, 2008; Reynaud, 1991), but rather from interactions between social actors. Rules at play are not stable, nor fully constraining, for the members of the organization. Considering the relatively unstable nature of rules (Reynaud, 1988), it is essential to look at the process of regulation to understand how rules are created, transformed and modified as the result of actors’ leeway and interactions.
Reynaud identifies two sources of regulation: control regulation and autonomous regulation. Control regulation relates to any production of rules that is designed by a specific group to constrain others. Autonomous regulation refers to the creation of rules by a group for itself. As an example, when management defines schedules that employees have to respect, this takes part in control regulation. When employees define, for themselves, what names they use to designate the bosses, this is autonomous regulation. In practice, the two types of regulation interact: effective working time on the shop floor, for instance, results from implicit negotiations between time constraints defined by management and what employees themselves consider as acceptable working time.

In this perspective, human resource management practices are not only embedded within a specific institutional frame made up of wider norms and rules, but are also subject to interplay between social actors. At micro level, different sources of regulation coexist within the organization and challenge one another, resulting from negotiations between actors carrying rules of control and actors producing autonomous rules (Cadin, Guérin, & Pigeyre, 2002). At the macro level, the management does not inherit passively authoritarian rules (Segrestin, 2004) stemming from some system or institution, it reshap es and adapts those rules to his organization.

Social regulation theory stresses the importance to consider actors’ interactions and negotiations in order to understand how ‘the rules of the game’ (Reynaud, 1989) that are at play in the organization are determined.

In sum, the institutional context sets a number of rules and norms on human resource management (non-discrimination, wages levels, compulsory days of training, etc.) but these may be interpreted, or even discarded, by management. Within the company, those external rules will interact with the norms set up by management and employees. As an example, non-discrimination norms may stem from the institutional context, and particularly from the law, but social norms that will be at play within the company may differ fairly largely, as soon as internal players apply their local norms in terms of discrimination, deciding – implicitly or explicitly – to reject any member from a given community, for instance.

Accordingly, isomorphic pressures face actors’ autonomy and their role in defining the rules and norms that they apply within their own organisation: human resource policies and job quality will therefore include some degree of isomorphic pressure, but also be specific to a given company because local actors will interpret external norms and create their own set of local rules. The question remains, then: what is the degree of isomorphic homogeneity of HR policies and job quality between firms belonging to the same institutional context? What is, corollary, the degree of diversity between those firms?

**Human resource management strategies and job quality outcomes**

In order to grasp the diversity of employers’ strategies and their impact in terms of job quality, we refer to research coordinated by Gautié and Schmitt (2010) on low-wage work. With a view to operationalize the notion of job quality, we use their work to contrast ‘high road’ and ‘low road’ in human resource strategies. Gautié and Schmitt do not make a clear distinction between human resource strategies on the one hand and job quality on the other hand. Indeed, ‘high road’
strategies are associated with higher wages, functional flexibility featuring high training, attention brought to working conditions and health and safety, whereas 'low road' strategies are more related to non-standard forms of employment, increased pace of work, lower wages, etc. (Gautié & Schmitt, 2010).

Guest’s work on HRM performance is useful here to make a clear distinction between “HR practices” on the one hand and “outcomes” on the other hand (Guest, 1997). If we focus on HRM strategies, regardless of their outcomes in terms of job quality, high road HRM strategies can be characterized as high training policies, a wage policy setting wages above the market, well-developed communication policy, a long-term career policy. We assume that those strategies will be more likely to favour job quality. On the contrary, low road HRM strategies refer to rare training, a wage policy limited to the allocation of a minimum wage, limited communication policy, labour force managed on an ad hoc basis and in the short-term. Exploring the notion of “job quality” emphasized the difficulty to apprehend such a multidimensional concept (Davoine, Erhel, & Guergoat-Larivière, 2008; Muñoz de Bustillo, Fernández-Macías, Ignacio Antón, & Esteve, 2009). Although themes surrounding this notion received a growing interest in the last decades, so far there no consensus on a definition of this notion in Europe (Davoine et al., 2008).

The notion of job quality covers a large number of factors. Gallie (2007) identifies five major factors: the use of competences, the level of autonomy, the opportunity of development, work-family balance, employment security (Gallie, 2007). Muñoz de Bustillo, Fernández-Macías et al (2009) also underline different variables structuring job quality: autonomy at work, physical working conditions, speed and intensity of work, social environment, participation, skills development, security, hours of work, working time arrangements, wage and social benefits.

In this paper, we focus on ten dimensions to apprehend the notion of job quality: autonomy, physical working conditions, wage, employment security, skills development, social environment, hours of work and flexibility, work-family balance, career opportunities, and voice (Muñoz de Bustillo et al., 2009; Paugam, 2000; Paugam & Zhou, 2007)

Figure 1: HR strategies and job quality
Empirical field: The case of the Belgian ‘service voucher’ scheme

Context

The ‘service voucher’ system is an interesting empirical field to analyse the diversity of HRM policies and job quality because it represents the growing importance of new ‘front-line service work’ as conceptualised by Bélanger and Edwards (2013) but also because it include a large proportion of low-wage workers with little qualification.

Following public authorities impetus, the ‘service voucher’ scheme was introduced in Belgium in 2001 (Henry et al., 2009), then funded by the federal State and the Regions. The ‘service voucher’ is defined in the applicable legislation law (article 2 of the law 20th of July 2001) in favour of ‘proximity services’ and employment. It refers to a payment coupon issued by the issuing company (Sodexho), which allows the users, « with the help of the financial aid from the state, in the form of subsidy, to pay for housework services » (Nyssens, Defourny, Henry, Bertholet, & Nassaut, 2009 2). Users who want to use housework services purchase vouchers at the price of 8.50 € each. Each voucher costs in fact 22, 04 € (SPF Emploi). The Federal government contributes and pays for the difference in order to cover charges such as wage, supervision, training of workers (Defourny, Henry, Nassaut, & Nyssens, 2010). The system is therefore a specific employment relation in a triangle: one providing company who is the employer, one worker, and one user for whom the workers will provide housework services. It is largely supported by public funding, for the sake of the fight against undeclared work and employment rates among low-qualified workers.

One particularity of this field stands in the diversity of providers competing on the quasi-market: for-profit organizations (temporary agencies, independents, SME, etc.), not-for-profit providers such as work integration enterprises, local employment Agencies and homecare services agencies (Defourny et al., 2010; Henry, Nassaut, Defourny, & Nyssens, 2009), and public organizations such as social welfare bodies compete on the market.

The field of housework services organized under the ‘service voucher system’ raises issues for job quality. Nonstandard and precarious work contracts, high flexibility of working time (work during weekends or holidays) are of great concern in this field (Henry et al., 2009). In principle, the employer commits itself to respect wage and working conditions as defined in the law. For example, the company must offer a permanent contract to workers after a six-month period. This is in reality often subject to discussions (Henry et al., 2009). Henry et al. show that the system brings deregulation of labour law, for instance with the possibility to receive an unlimited number of successive fixed-term contracts during a six-month period (Defourny et al., 2010; Henry et al., 2009).

The service voucher system in Belgium gathers approximately 835,000 users, more than 2,700 enterprises and 149,827 workers (IdeaConsult, 2012).

In terms of institutional context, the employers in the field operate with the same activity in their specific market and in the same legal environment that closely organises the ‘service voucher’ system. As for industrial relations, sector-level joint committees negotiate collective agreements that compulsorily apply to all companies and all workers in the sector. Two joint committees are active here: ‘committee number 318’ for home-help services and for elderly
persons’ carers, is responsible for the field of housework services; ‘committee number 322’ is in charge of temporary work and proximity services.

**Expected Findings**

What is the respective influence of the institutional environment and managerial strategies on job quality?

Firstly, from the neo-institutionalist approach, we can assume that the ‘service voucher’ companies that operate under a common regulatory background, defined here by the business sector, will develop homogenous human resource management strategies and will have comparable outcomes in terms of job quality. Therefore, the first hypothesis suggests firm strategies are similar when they belong to the same sector and, on top of that, to the same joint committee.

However, if one refers to social regulation theory, institutional isomorphism only has limited impact, and one can expect that different firms develop different human resource policies, with different levels of job quality, because firm-level actors interpret, modify or simply ignore institutional pressures. In this case, the hypothesis above should be rejected.

Secondly, if diversity of managerial practices is confirmed, we can assume that job quality outcomes tend to differ in relation to the strategies implemented internally. The second hypothesis then states that differentiated human resource strategies generate contrasted outcomes in terms of job quality.

**Methodology**

*Data collection.* Data have been collected during a nine-month period from February 2012 to October 2012 in the field of housework services in Belgium. Written questionnaires composed of items proposing Likert-scale format responses or binary ‘yes’ and ‘no’ questions have been created and addressed to workers. The questionnaire was notably inspired by the prior European Working Condition Survey (EWCS). A recent study on job quality requested by the European Parliament’s Committee on Employment and Social Affairs (Muñoz de Bustillo et al., 2009) has reviewed all existing indicators and has characterized the EWCS as the richest and most interesting source to make use of. We focused on four different HR practices: training and development, evaluation, health and safety, and participation. The survey instrument was first pre-tested in order to assess the validity and the feasibility of the questions by the workers.

The research team chose to use a non-probability sampling design. The field of housework services is not easy to reach because it is geographically dispersed; it changes over time; and it is composed of a large number of small and medium size companies. The sample is thus set on a voluntary basis. The survey targeted three types of providers: work integration social enterprises, homecare services agencies, and for-profit organizations.

The objective was to obtain a relatively equal number of organizations willing to take part in the survey for each category of providers. The research team intended to work with 15-20 companies for each of the three types of organizations considered and with all of their respective workers. In practice, the questionnaire was administered to 600 workers and 47...
employer representatives split between 47 selected organizations in the Walloon Region and Brussels Region (see table below). The survey addressed mostly low skilled workers.

Table 1 - Survey: Sample of organizations and workers

<table>
<thead>
<tr>
<th></th>
<th>For Profit Organizations</th>
<th>Work Integration Social Enterprises</th>
<th>Homecare services agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizations</td>
<td>17</td>
<td>18</td>
<td>11</td>
</tr>
<tr>
<td>Employer representatives interviewed</td>
<td>17</td>
<td>18</td>
<td>11</td>
</tr>
<tr>
<td>Workers interviewed</td>
<td>132</td>
<td>341</td>
<td>127</td>
</tr>
</tbody>
</table>

**Data analysis.** Data analysis followed a three steps procedure.

We first conducted multivariate analyses separately for the different HR areas and job quality dimensions (For variables, see appendix 1 and 2). Multivariate analysis allows isolating latent factors underlying a set of variables. Different extraction techniques have been applied according to the types of variables underlying each dimension. Principal component analysis (PCA) was used for dimensions gathering quantitative variables (Escofier and Pagès, 2008); multiple correspondence analysis (MCA) was applied to dimensions compiling qualitative variables; and multiple factor analysis (MFA) was used for dimensions measured by both quantitative and qualitative variables (Escofier & Pagès, 1994; Pagès, 2002). Determining the appropriate number of factors or principal components remains a ‘rather arbitrary’ task (OECD, 2008, p. 69). The Kaiser criterion was used for factors extraction and aims at retaining only factors with eigenvalues greater than 1. The cumulative percentage of variation explained (cumulative factors explaining at least 50% of the total variance) and the interpretability of factors were also taken into consideration. The decision regarding the factors to retain being settled, it was necessary to construct global indicators: an HR global indicator and a job quality indicator. The same procedure was used for both indicators. According to results from step 1, each dimension was characterized by one or two factors. We computed each dimension by summing the different factors weighted according to their contribution to the percentage of variance explained (proportion of variance explained by the factor itself divided by cumulative percentage of variance explained by the set of retained factors) (See method used by Maisonnasse, Melnik, Petrella, & Richez-Battesti, Decembre 2010). Then, we calculated the mean of the different dimensions in order to obtain the global indicator.

The next step consisted in performing analysis of variances (ANOVA) to test hypothesis 1, namely the impact of the institutional context – characterized by the joint committee – on human resource management practices. This statistical method was conducted on the HR global indicator and the separate HR factors identified beforehand.

Finally, with a view to determine the relationship between specific HR practices and aspects of job quality (hypothesis 2), we used multiple regressions. The HR dimensions were first entered into a regression analysis, using job quality global indicator as the dependent variable. The same analysis was conducted with the HR global indicator as independent variable. We introduced several control variables (age, gender and educational level) to make sure that the results do not reflect specific characteristics of individuals.
Research findings

This section presents the preliminary findings emerging from the multivariate analyses conducted separately on the different HR areas and job quality dimensions.

**HR strategy factors**

The first human resource policy area investigated is *health and safety*. The PCA highlighted one major factor, explaining 65% of the total variance. This factor is positively correlated to the diffusion of information on risks and the supply of equipment protection, and refers to the presence of a health and safety policy in the organization.

Multiple correspondence analyses operated on the second human resources area, *performance appraisal*, highlight one leading factor that explains 62% of the total variance. The questions related to the different objectives of performance appraisal (discussions on the existing situation and needs in terms of training, career paths ...) appear to be highly correlated on this factor.

We also focused on variables providing information on the third area, *training and development*. These variables were broken down into several factors. One main factor stands out (30% of the total variance explained) and refers more to training in general, with a focus on the quantity of training and development activities. A second factor has been selected and explains 29% of the variance. Variables such as “other types of training activities, not linked to the job of housekeeper” and “taking place outside working hours” show a highest contribution to the second factor and a correlation much higher.

The last HR area studied in this research is *participation*. Multiple factor analysis was applied to this set of variables and highlights two main factors. The first factor (29% of the variance) refers to formal participation as it is correlated positively with “the possibility for all members of the organization to discuss new decisions”, “the possibility to express his opinion in the meetings set up by the management”, and “during meetings set up by unions representatives”. The second dimension relates to the more informal nature of participation, with indicators such as “the opportunity to express his opinion informally” with which it is positively related.

The factors retained for each dimension, the weighted coefficient was constructed based on the percentage of variance explained by the factor for the dimension. Then, each factor was weighted according to its contribution to the variance explained. Four HR dimensions, performance appraisal, participation, training and development, and health and safety, have consequently been created.

<table>
<thead>
<tr>
<th>HR Dimensions</th>
<th>Factors retained</th>
<th>Eigen value and % Variance explained</th>
<th>Weighted coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and Safety</td>
<td>Factor 1: Health and Safety policy</td>
<td>Eigen value: 1.30</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>% Variance explained: 65</td>
<td></td>
</tr>
<tr>
<td>Performance appraisal</td>
<td>Factor 1: Performance Appraisal policy</td>
<td>Eigenvalue: .62</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>% Variance explained: 62</td>
<td></td>
</tr>
<tr>
<td>Training and development</td>
<td>Factor 1: Training in general and the quantity of training activities</td>
<td>Eigen value: 1.05</td>
<td>0.51</td>
</tr>
<tr>
<td></td>
<td></td>
<td>% Variance explained: 30.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Factor 2: Training activities</td>
<td>Eigen value: 1.00</td>
<td>0.49</td>
</tr>
</tbody>
</table>
Job quality factors and global indicator

Multivariate analyses were used to highlight the variables emerging from each dimension identified in the literature and to create an aggregate indicator. Table 3 presents the factors retained for each dimensions, their respective eigenvalues and percentage of variance explained.

The first dimension identified in the literature relates to employment security, which can be divided into two main factors: one factor refers to work contract; the level of perceived employment security is the second one. The second dimension of job quality refers to flexibility and working hours, and is split into two major factors: flexibility (flexible working hours, change of schedule) on the one hand and atypical working hours (evenings and weekends) on the other hand. The third dimension relates to wages and is also fragmented by two factors: the first axis refers to monetary compensation and the second axis is associated with fringe benefits, transport fees and gross salary. Principal components analysis for variables related to physical working conditions highlights two factors: the first factor is related to “working positions and movements, and safety hazard” and the second factor covers “working conditions” (noise, temperature, chemical product). As far as voice/participation is concerned, two independent concepts emerge: the first one can be interpreted as the possibility to exchange views; the second refers to the possibility to express one’s voice freely and through union representatives, with no possibility to exchange views with colleagues and supervisors. Principal components analyses highlighted one principal factor for the following dimensions: autonomy, work-family balance, career opportunities, skills development, and social environment.

The same procedure used with the HR factors has been followed to re-construct job quality dimensions with the view to create a global indicator for job quality. Accordingly, ten dimensions related to job quality were created and a global indicator for job quality was then calculated as the mean of those dimensions.

Table 3: Multivariate analyses: factors summary for job quality dimensions

<table>
<thead>
<tr>
<th>Job quality dimensions</th>
<th>Factors retained</th>
<th>Eigen value and % Variance explained</th>
<th>Weighted coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage</td>
<td><strong>Factor 1</strong>: Wage and monetary compensation</td>
<td>Eigen value: 1.32</td>
<td>0.56</td>
</tr>
<tr>
<td></td>
<td></td>
<td>% Variance explained: 33</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Factor 2</strong>: Fringe benefits and transport fees</td>
<td>Eigen value: 1.04</td>
<td>0.44</td>
</tr>
<tr>
<td></td>
<td></td>
<td>% Variance explained: 26</td>
<td></td>
</tr>
<tr>
<td>Employment security</td>
<td><strong>Factor 1</strong>: Years of experience and type of contract</td>
<td>Eigen value: 1.18</td>
<td>0.52</td>
</tr>
<tr>
<td></td>
<td></td>
<td>% Variance explained: 25</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Factor 2</strong>: Employment security perceived</td>
<td>Eigen value: 1.08</td>
<td>0.48</td>
</tr>
<tr>
<td></td>
<td></td>
<td>% Variance explained: 22.5</td>
<td></td>
</tr>
<tr>
<td>Flexibility and working</td>
<td><strong>Factor 1</strong>: Fixed schedule and flexibility in working hours</td>
<td>Eigenvalue: 1.32</td>
<td>0.57</td>
</tr>
<tr>
<td></td>
<td></td>
<td>% Variance explained: 27</td>
<td></td>
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</table>
Questioning institutional homogeneity

Do joint committees favor similar human resource strategies in the different firms operating in the sector? This next section aims at evaluating the degree of institutional homogeneity in the development of HR practices in organizations belonging to the same joint committee.

To test the relationship between joint committee and the HR factors, one-way ANOVA was performed. This test was conducted on the basis of the factorial analyses performed previously. Levene’s test was run in order to control the homogeneity of variance, and indicates that the homogeneity assumption was not violated (>0.05).

The joint committees were found to be statistically significant on the global indicator of HR practices (F (1,417) = 15.7, p=.000). If we look at the different HR factors separately, the results revealed differences among HR factors. Indeed, joint committees have only a significant effect on some HR factors, such as the factor related to training in general with a focus on the quantity of training activities (F (1,417) = 4.13, p=.043), the performance appraisal factor (F (1,598) = 11.5, p=.001) and the second factor of participation, related to informal participation (F (1,598) = 5.83, p=.016). Differences can be noticed between joint committee 322.01 (for temporary work and proximity services) and joint committee 318.01 (for home-help services and for elderly persons’ carers) on those three HR factors. Joint committee 322.01 reported significantly more training activities (M = 0.082, SD = 1.30) than joint committee 318.01 (M = -0.195, SD = .97). Firms in joint committee 322.01 display higher development in performance appraisal policy (M = 0.125, SD = 1.75) than JC 318.01 (M = -0.47, SD = 1.72). And joint committee 322.01 presents higher mean

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<table>
<thead>
<tr>
<th>Factor</th>
<th>Description</th>
<th>Eigenvalue</th>
<th>% Variance explained</th>
</tr>
</thead>
<tbody>
<tr>
<td>hours</td>
<td>Factor 2: Atypical working hours (evening and weekends)</td>
<td>1.00</td>
<td>21</td>
</tr>
<tr>
<td>Working conditions</td>
<td>Factor 1: Posture and safety hazard</td>
<td>2.49</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td>Factor 2: Working conditions – temperature, noise, products</td>
<td>1.17</td>
<td>19.5</td>
</tr>
<tr>
<td>Voice/Participation</td>
<td>Factor 1: Possibility to exchange views with other members in the organization</td>
<td>1.804</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td>Factor 2: Express your view freely and through union representative</td>
<td>1.063</td>
<td>27</td>
</tr>
<tr>
<td>Social environment</td>
<td>Factor 1: support from supervisors and colleagues</td>
<td>1.35</td>
<td>67.5</td>
</tr>
<tr>
<td>Work Family Balance</td>
<td>Factor 1: Work family balance</td>
<td>3.248</td>
<td>65</td>
</tr>
<tr>
<td>Skills development</td>
<td>Factor 1: Skills development</td>
<td>1.44</td>
<td>48</td>
</tr>
<tr>
<td>Career opportunity</td>
<td>Factor 1: Career opportunity</td>
<td>2.39</td>
<td>60</td>
</tr>
<tr>
<td>Autonomy</td>
<td>Factor 1: Autonomy</td>
<td>3.03</td>
<td>60.5</td>
</tr>
</tbody>
</table>
as far as informal participation is concerned (M=0.05, SD=.99) than JC 318.01 (M=-0.19, SD=1.05).

On the contrary, factors such as health and safety (F (1,598) =0.488, p=.485), formal participation (F (1,598) =2.908, p=.089), and training outside working hours and not linked to the job (F (1,417) =0.066, p=.797), do not show convincing results, with no constraining effect coming from the context.

**HR strategies and contrasted job quality outcomes**

The second hypothesis considers the effect of HR practices on job quality outcomes. First, we entered the four HR dimensions into a regression analysis, using the job quality global indicator as the dependent variable. The multiple regression model with all four predictors produced $R^2=.123$, $F (4,414) =14.457, p<.0001$. Results indicated that there is a linear relationship between the HR dimensions and the global job quality indicator. More specifically, three predictors have a positive influence on the global job quality indicator: participation policy ($\beta=.195, t (414) = 4.165, p < .0001$), health and safety policy ($\beta=.144, t (414) = 3.098, p<.005$), and performance appraisal ($\beta=.203, t (414) = 4.351, p<.001$). Those results show the relative importance of each independent variable, with performance appraisal policy and participation policy ahead. Training policy, on the contrary does not show significant results. The more organizations invest in participation, health and safety and performance appraisal, the more the level of job quality increases.

Second, control variables were added to the four HR dimensions into the regression in order to examine the possible variation brought by individual characteristics. The results show no significant variation ($R^2=.133$, $F (7,395) =8.692, p<0.001$) when compared to the previous findings, and no significant results for control variables age, gender and educational level.

**Discussion**

If the two hypothesis proposed were confirmed, it would mean that the institutional context has a strong impact on human resource policies within firms, which would in turn lead to a degree of homogeneity between companies operating in the same institutional setting due to isomorphic pressures, and finally to similar outcomes in terms of job quality.

With a view to test the first hypothesis, data analysis examined the influence of the institutional context on HRM practices. Both the sector of activity and the joint committee under which firms operate characterize the institutional context of the companies where empirical data were collected. Although theoretical contributions inspired by neo-institutionalism assume that there is a tendency for organizations operating within a common institutional context to develop similar practices, our research findings do not fully confirm the assumption. In a highly coordinated market economy like Belgium, where law strictly regulates activities of ‘service voucher’ companies while collective bargaining stemming from joint committees precisely circumscribes employment relations, we expected that firm-level HR policies within the shared institutional setting would be homogenous. This is not the case.
Being covered by a given joint committee has some influence on HR policies designed within the firm, but not as much as expected, and not for all policies. If the context of sector-level industrial relations has significant impact on general training and development policy, performance appraisal and other types of participation, by contrast it does not seem to affect policies in the fields of health and safety, formal participation and training activities outside working hours and not linked to the job. What is particularly striking here is that the joint committee exerts a rather mitigated influence on HR practices.

This means that isomorphic pressures, either coercive or mimetic, have limited impact. Managerial leeway remains in defining HR policies. As a consequence, even within the same legal and normative context, and under common provisions of collective agreements, firms generate diverse HR practices.

The second hypothesis assumed that differentiated human resource strategies would generate contrasted outcomes in terms of job quality. Not surprisingly, empirical data confirm that diverse routes in human resource strategies lead to contrasted outcomes in terms of job quality. Organizations implementing ‘high road strategies’ involving the development of long-term HR practices favour higher job quality. Evidence from the field of housework services in Belgium corroborates previous findings identified in the literature.

In sum, institutional norms and rules that regulate employment relations in the ‘service voucher’ sector do not have homogenous and linear impact within firms. At company level, policies and practices implemented by management can differ from external provisions, and they are decisive in determining, in fine, job quality for workers.

Accordingly, neo-institutionalist approaches should not lead us to overestimate the coherence between company-level practices and their specific institutional context. Institutions matter, indeed, but management strategies also do.

As expected from our reflection based on social regulation theory, company-level players have a degree of autonomy that they use to interpret, modify, ignore or reject the norms and rules specified by the institutional environment. Diversity of managerial strategies in organizations belonging to the same institutional context reflects a degree of discrepancy between the formal policy and its transposition into practice. Social regulation theory helps us understand the way norms at play in the organization are created, modified by actors’ interplay and leeway. Reynaud’s notion of control regulation can be seen as the rules discussed within the joint committee and that should be applied in organizations operating under its scope. Autonomous regulation refers in this context to the rules and norms created by different members of the organization through their interactions and interplay. They interact, exchange, and therefore constantly play on norms and rules that are in principle applicable to them. In other words, managerial practices are designed in line with the norms and rules coming from the context, but management and the employees in the organization also have room for manoeuvre and they interpret and adapt those rules to their own perception of the reality in the firm.

In turn, this means that we should not overestimate the degree of internal coherence between different HR policies and practices implemented within the firm. One difficulty in neo-institutionalist approaches is certainly the underpinning degree of coherence: in the ‘Varieties of Capitalism’ approach, specifically, firms’ strategic behaviour, conducted by rational choice, is supposed to be highly consistent with the institutional environment, which also suggests that
different managerial policies within the firm are coherent. Our research results indicate that different HR policies do not fit into a nice harmonious whole but may be disparate.

This raises a new question: how can one explain diversity in firm-level policies, if one does not want to discard simply and totally neo-institutional inputs? Four lines of interpretation can help us conceptualise further the relationships between institutional settings, HR policies and job quality.

The first one refers to the notion of institutional context as such. Examined at micro-level, that is, at the level of the company, there is no one single and coherent institutional environment at play. Instead, several institutional contexts intervene: legal provisions in economic and financial fields, commercial regulation, legal and conventional regulation of employment relations, industrial relations system at national and sectoral level, etc. They do not necessarily form a coherent set of norms that shape a clear pattern for firm strategy. In the case of ‘service vouchers’, for instance, external norms stem from law on the activity itself, from the Belgian legal and conventional context, from joint committees, etc. While labour law tries to favour long-term employment, economic and commercial rules allow for extensive use of short-term contracts. Incoherence or disparate institutional influences should therefore be taken into consideration.

The notion of ‘institutional work’ proposed by Lawrence et al. (2009) offers a second tool to try to conceptualise better the links between institutional settings, HR policies and job quality. If institutions act on firm-level actors, these actors also act on institutions. They do not simply conform to institutional norms; they actively try to define their own rules and norms, and to have an influence on their institutional context. Implementing their own HR policies and practices can be a means, even implicitly, to challenge external norms.

This idea, in turn, leads to social regulation theory again. External norms stemming from the institutional setting constitute what Reynaud calls ‘control regulation’, by which groups of actors define rules and norms that apply to others. Local actors always have a degree of autonomy that they use to define their own norms. In practice, what happens is a compromise between control regulation and autonomous regulation. Accordingly, in this case management can use its own autonomy to develop its own way of managing human resources and promoting employment quality, or not. Understanding the interplay between institutional norms and local actors’ autonomy is key in conceptualising further the relations between institutional settings and company practices. Finally, this means that we need to understand more finely regulation processes that take place at the ‘boundaries’ of the firm, between the norms and rules defined by the institutional context and the norms implemented within the company. Reflecting in terms of processes would also mean being able to take inconsistencies, experiments and contradictions into consideration.

**Conclusion**

Over the last two decades, neo-institutionalist approaches have acquired strong influence in the analysis of company strategies and job quality. Both in their economic and in their sociological versions, they stress the coherence between a given institutional context and company-level strategies and their impact on job quality.
This paper intended to challenge such a claim for coherence, by asking a fairly provocative – and ambitious – question: what is the respective influence of managerial strategies within the company and of the institutions ‘outside’ the company, on job quality?

Trying to answer the question, we did not want to discard neo-institutionalist inputs, which usefully highlight the interdependency between companies and their institutional setting. On the other hand, we found useful to open up the perspective with insights from social regulation theory, which shows that norms and rules that actors generally follow, according to definition of institutions proposed by North (2007), do not simply apply to passive actors. Local actors have a capacity of autonomy that they use to interpret, change, adapt, refuse, ignore rules or, simply, to develop their own.

In this perspective, the paper examined human resource practices within firms and their interactions with the institutional context in new services – ‘housework services’ – and how firm strategies and institutions respectively contribute to job quality for low qualified workers.

Empirical data collected in front line service work, in the specific ‘service voucher’ sector in Belgium, indicate that institutional influences remains partial. In a highly coordinated market economy like Belgium, where law strictly regulates activities of ‘service voucher’ employers while collective bargaining stemming from joint committees precisely circumscribe employment relations, we expected that firm-level HR policies within the shared institutional setting would be homogenous. This is not the case.

Being covered by a give joint committee has some influence on HR policies designed within the firm, but not as much as expected, and not for all policies. What is particularly striking is that joint committee exerts a rather mitigated influence on HR practices. In other words, even within the same institutional settings, firms generate a variety of HR policies, which in turn have differentiated outcomes in terms of job quality.

Institutional norms and rules that regulate employment relations in the ‘service voucher’ sector do not have homogenous and linear impact within firms. At company level, policies and practices implemented by management can differ from external provisions, and they are decisive in determining, in fine, workers job quality.

Accordingly, neo-institutionalist approaches should not lead us to overestimate the coherence between company-level practices and their specific institutional context. Institutions matter, indeed, but management strategies also do.

References


Direction de l’intégration des demandeurs d’emploi.


## Appendix 1: HR dimensions and variables

<table>
<thead>
<tr>
<th>HR dimensions</th>
<th>Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training and development policy</td>
<td>Quantity of training activities</td>
</tr>
<tr>
<td></td>
<td>Hours of training</td>
</tr>
<tr>
<td></td>
<td>Number of training activities</td>
</tr>
<tr>
<td></td>
<td>Training not linked to job ( )</td>
</tr>
<tr>
<td></td>
<td>Training outside working hours (Y/N)</td>
</tr>
<tr>
<td>Participation policy</td>
<td>New decisions discussed by all members (Likert)</td>
</tr>
<tr>
<td></td>
<td>Express yourself through meetings set up by top management (Y/N)</td>
</tr>
<tr>
<td></td>
<td>Express yourself through meetings set up by unions representatives (Y/N)</td>
</tr>
<tr>
<td></td>
<td>Express yourself informally (Y/N)</td>
</tr>
<tr>
<td>Health and Safety policy</td>
<td>The company provides information on risks and prevention (Likert)</td>
</tr>
<tr>
<td></td>
<td>The company provides work equipment (Likert)</td>
</tr>
<tr>
<td>Performance appraisal policy</td>
<td>Performance appraisal allows to get recognition for employees' work (Y/N)</td>
</tr>
<tr>
<td></td>
<td>Performance appraisal implemented in order to discuss career opportunities (Y/N)</td>
</tr>
<tr>
<td></td>
<td>Performance appraisal implemented in order to discuss training needs (Y/N)</td>
</tr>
<tr>
<td></td>
<td>Performance appraisal allows to discuss pay rise (Y/N)</td>
</tr>
<tr>
<td></td>
<td>Performance appraisal permits to expose my point of view on the working situation (Y/N)</td>
</tr>
<tr>
<td>Dimensions</td>
<td>Variables</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Wage</td>
<td>Hourly wage&lt;br&gt;Monetary compensation (Yes/No)&lt;br&gt;Fringe Benefits (Y/N)&lt;br&gt;Reimbursement of transport fees (Y/N)</td>
</tr>
<tr>
<td>Employment security</td>
<td>Years of experience in the organization&lt;br&gt;Type of contrat (Contrat CDI, CDD)&lt;br&gt;Employment security perceived (De Witte, 2000 ; α = .70)</td>
</tr>
<tr>
<td>Flexibility and hours of work</td>
<td>Flexibility&lt;br&gt;Horaires de travail par semaine fixes (Y/N)&lt;br&gt;Heures de travail par semaine fixes (Y/N)&lt;br&gt;Pas de changement dans le planning de travail (Y/N)&lt;br&gt;L’entreprise n’exige pas que je sois flexible (Y/N)&lt;br&gt;Les usagers n’exigent pas que je sois flexible (Y/N)&lt;br&gt;Atypical working hours&lt;br&gt;I do not work in the evening (&gt;6pm) (Likert)&lt;br&gt;I do not work on weekends (Likert)&lt;br&gt;Hours of work&lt;br&gt;I work the same number of hours each week (Y/N)&lt;br&gt;I have a fixed schedule (Y/N)</td>
</tr>
<tr>
<td>Work Family Balance</td>
<td>Work family balance scale (Netemeyer et al. 1996 ; α = .87)</td>
</tr>
<tr>
<td>Career opportunity</td>
<td>Career opportunity perceived (Lievens, Van Hoye &amp; Schreurs, 2005 ; α = .77)</td>
</tr>
<tr>
<td>Voice/participation</td>
<td>Possibility to express his point of view freely (Likert)&lt;br&gt;Unions representation (Likert)&lt;br&gt;Possibility to exchange with colleagues (Likert)&lt;br&gt;Possibilité à discuter avec les superviseurs (Likert)</td>
</tr>
<tr>
<td>Skills development</td>
<td>Improvement in employability (Likert)&lt;br&gt;Training activities during the last 12 months (Likert)&lt;br&gt;On the job learning&lt;br&gt;In my job, I develop new competences (Likert)&lt;br&gt;I take part in activities which allow me to learn new skills (Likert)&lt;br&gt;In my job, I learn new things (Likert)</td>
</tr>
<tr>
<td>Social environment</td>
<td>Support perceived from colleagues (Morgeson &amp; Humphrey, 2006 ; α = .65)</td>
</tr>
<tr>
<td>Physical working conditions</td>
<td>Not too noisy (Likert)&lt;br&gt;Not too wet or warm (Likert)&lt;br&gt;No safety hazard (Likert)&lt;br&gt;No painful or exhausting postures (Likert)&lt;br&gt;No lift or move of heavy objects or people (Likert)</td>
</tr>
<tr>
<td>Autonomy</td>
<td>Level of autonomy perceived (Parker, 2003 ; α = .82)</td>
</tr>
</tbody>
</table>