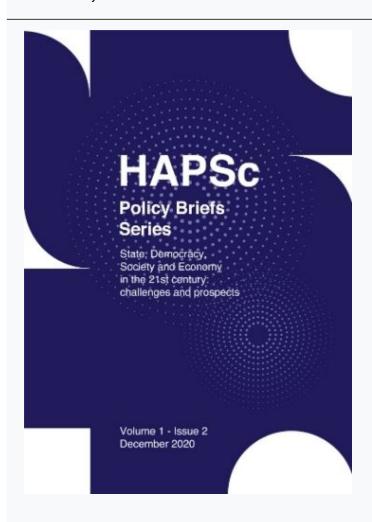




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The "Onset" of Flexible Forms of Employment in the Greek Public Sector: A Multidimensional Reform in the New Era

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# The "Onset" of Flexible Forms of Employment in the Greek Public Sector: A Multidimensional Reform in the New Era<sup>1</sup>

Georgios Nasios<sup>2</sup>

#### **Abstract**

Flexible forms of employment are used more and more in the Greek public sector in the recent years. They apply to a wide range of public sector activities with many different types. The causes for this increase are due to the rapid changes in the economic, social and technological environment, as well as to the "core" of the European employment policies, the promotion of social policy and the coverage of needs of the public sector that cannot be met by the existing civil servants. The institutionalization of flexible forms of employment in the largest employer of the country, with its special role on the overall economic and social development, has significant implications for the economy, the society, the labor market, the function of public services and the public employees, especially as far as the employment status and employment relations in the public sector are concerned. However, the analysis of their implementation so far highlights the multifaceted effects of the flexible forms of employment in the public sector and therefore a thorough further investigation is required in order to make these forms useful for the economy, the society and the employees.

**Keywords**: Flexible forms of employment; public sector; reform.

#### Introduction

The public sector is the largest employer in Greece and employs thousands of employees. The largest percentage of the employees consists of civil servants under public law. The major difference between the civil servants and the other employees is that the civil servants are governed by a special legal relationship where the main feature is the tenure, protected by constitutional and legislative provisions (Aspridis & Petrelli, 2011; Karakioulafis, 2008). In recent decades, however, an increasing number of employees are employed in the public sector with flexible employment relations, i.e., with an employment status that differs from the status of the public law that is applied to the civil servants, and there exists a relevant national and European community institutional framework that regulates several issues regarding their employment. The main flexible forms of employment applied in the public sector are the following: contracts governed by private law of indefinite duration, fixed-term contracts governed by private law, part time job, project lease contracts, outsourcing, independent service provision contracts, non-permanent (occasional) staff, appointments and salaried mandate.

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The above forms apply to a wide range of policy areas (social services, construction, defense, security, cleaning, catering) and concern several specializations (Compulsory Education, University Education, Special Scientific Staff etc.), that is they relate to low as well as high skilled tasks. A historical overview of the institutional framework and the statistics that are available demonstrates us an increase of the number of employees with flexible forms of employment in the public sector as compared to the number of civil servants and an increase of the forms of flexible employment applied in the public sector. Moreover, the period of the employment varies from one day to more than ten years, while in some cases the period cannot be predicted (Nasios, 2020).

The increase in the application of flexible forms of employment in the public sector results from the monthly census statistics of the Greek public sector. More specifically, according to the latest data of the Register of Human Resources of the Greek State of September 2020, ordinary staff totals 569,080 (excluding legal entities of private law) and not ordinary staff totals 175,771. It is noted, however, that the ordinary staff includes employees under private law contracts of indefinite duration, employees with a salaried mandate and employees appointed for a term in office who become permanent after the expiry of the term (teaching and research staff-DEP, doctors of the NHS, special guards). The staff of the aforementioned forms numbers many thousand people (Ministry of Interior, n.d.). It is understandable therefore that the civil servants make up the majority, although at the same time many different "working speeds" are created within the public sector and the percentage of the employees that are not civil servants, in relation to the civil servants, increases over time (Koinoniko Polykentro of ADEDY, 2016). In addition, a review of the legislative framework concerning flexible forms of employment in the public sector demonstrates us an increase of the rules of law that concern these forms at Community and national level (Constitution, Laws, Presidential Decrees, Ministerial Decisions) on all kinds of issues, as well as an increase of the forms that are applied.

### The reasons for the "spread" of flexible forms of employment in the Greek public sector

Flexible forms of employment in the public sector are used for many years, as relevant rules of law have been recorded even since the 1920s, such as Law 2112/1920 regarding mandatory termination of employment contract under private law in the public sector (Anonymous, 2005). However, from the 1980s there has been an increase in their implementation, while in the 2000s and especially in the 2010s there has been a surge in the number of non-permanent employees in the public sector and in the types of the flexible forms of employment applied, changing radically the status quo of public sector employment relations and de facto disputing public law relations, almost a century after the tenure of the civil servants was institutionalized.

This spectacular spread of flexible forms of employment in the public sector in recent years is largely due to the components of the wider environment in Greece during the period of the economic crisis and the memoranda. During this period, public sector employment was at the heart of macroeconomic adjustment policies, implemented in the country with a view to reaching fiscal stabilization and greater efficiency and effectiveness of public expenditure (European Commission, 2013). This has led governments to step up privatization and outsourcing and radically reform public sector employment relations towards the degradation of the employment status of the civil servants and the penetration of temporary forms of employment through the relevant favorable legislation and the mild reaction of the trade unions of civil servants (Bach & Bordogna, 2016; INE GSEE, 2015).

Certainly, it is worth noting that the legislative framework that contributed to the spread of flexible forms of employment in the public sector had already been established in recent decades, due to the adoption of EU directives and policies, of which the strengthening of flexibility in employment relations in the public sector is part. For this reason, several Community programs allocate considerable resources to enhance flexible employment in the public sector (Feronas, 2007). In so doing, it was crucial to incorporate the philosophy of the New Public Management in the public sector, where the adaptation of human resource management of the private sector is in the foreground and the flexibility in employment plays an important role (Bossaert, 2005).

Moreover, flexible forms of employment in the public sector have been favored by governments in recent years as part of their employment policy, in order to bear down on unemployment. It is widely believed that the application of these flexible forms results in access to jobs for vulnerable groups of the population, upgrading the qualification of employees, easier reintegration into the labor market and reduction of long-term unemployment. At the same time, it is considered that flexible employment programs in the public sector support social cohesion, improve the daily lives of citizens, do not devalue human resources and help to avoid migration of young people abroad, meet the immediate needs of societies and achieve social and economic benefits (OAED, 2017). However, in some cases the employment of flexible staff in the public sector is necessary, as in the case of shortages of permanent staff, the requirement to access specialized services and know-how of experts, the obligation to respond rapidly to changes in the wider context, as well as budget constraints (Rodgers & Rodgers, 1989; Spanou, 2008).

#### The effects of the adoption of flexible forms of employment in the public sector

Adopting flexible forms of employment in the public sector has significant effects for the economy, the society, the labor market and all the employees of the public sector. However, the observed

consequences have not led to solid conclusions regarding the direction and magnitude of the effects, as different views are expressed.

It is widely believed that the adoption of flexible forms of employment in the public sector contributes to achieve fiscal benefit, especially during the economic crisis, as this can be identified by examining the relevant codes in the budgets of public sector bodies and the primary data in general (KEDE, 2013). But in another view, the benefit and usefulness of flexible forms of employment for the public sector bodies, the economy and the society cannot be substantiated by examining only budgetary costs, as other critical variables must be taken into account, which in many cases cannot be measured. That is, the research should include variables such as the added value for the economy and the society, the economic growth, the increase in public investment and the government and fund revenues (Demmke & Moilanen, 2012; Spyridakis, 2003).

Similar conclusions emerge for the society and the labor market, as on the one hand it is argued that flexible forms of employment in the public sector are a restraining factor in increasing unemployment (as jobs are created) and enable employees to access vocational training and have income and insurance coverage (OAED, 2017). On the contrary, they are considered to lead to the degradation of the public sector, the deregulation of the labor market, the increase of unemployment, the degradation of public goods and social functions of the state, the redistribution of public expenditure in the private sector and the increase of legal problems with an impact on the political and social life (Keller & Seifert, 2015; Koinoniko Polykentro of ADEDY, 2013).

In addition, effects have been recorded on permanent and non-permanent employees in the public sector. It is widely argued that the adoption of flexible forms of employment in the public sector results in the deregulation of employment relations in the public sector and the gradual establishment of a common and unified employment model for the public and private sector. This model is characterized by the existence of a context of insecurity and the review of the employment status of the civil servants and the tenure, in order to converge with those applied in the private sector (Koinoniko Polykentro of ADEDY, 2013; Kouzis, 2008). As a result, there is an inability of the public sector to retain competent employees as well as a lack of institutional memory and an erosion of public sector infrastructure, while the majority of the employees experience increased stress, insecurity and decreased job satisfaction that both have a significant impact on critical variables of job behavior (Humphreys et al., 2008). Especially for the non-permanent employees, a restriction of access to rights and social protection as well as, phenomena of violations of labor and insurance legislation and inequalities in relation to permanent employees, are observed (INE GSEE/ADEDY, 2009). On the other hand, it should not be overlooked that in some cases flexible forms of employment

have positive effects on employees, such as access to vocational training and job experience in a context of respect for employment rights and favorable employment conditions (OAED, 2017).

Furthermore, flexible forms of employment are used as a tool to increase the efficiency of public services and provide better services to citizens, especially in local communities, mainly through tackling understaffing in the public sector (Ministry of Labor and Social Affairs, n,d.; OAED, 2017). In addition, in cases of cooperation of the public sector with the private sector, the management of skills and know-how of the private sector can be utilized for the benefit of the society and the economy, such as the emphasis on the quality of services provided (Eurofound, 2015). On the contrary, it is argued that the implementation of flexible forms of employment in the public sector contributes to the degradation of basic public social goods and the poorer quality of services provided to citizens, due to the limited capacity and productivity of flexible workers. Limited capacity results from the complexity of the public sector, the lack of institutional memory and job experience and the poor management of flexible employees (Humphreys et al., 2008; Koinoniko Polykentro of ADEDY, 2013). Also, the experience from the expansion of flexible forms of employment in the public sector has shown us that it is accompanied by many problems and reactions from employees (Nasios, 2020).

#### **Conclusions**

It follows from the summary of the above that the flexible forms of employment have an important and well-established role in the public sector and are an integral part of the institutional framework governing employment relations in the public sector. Regardless of the governments of recent years, the country's participation in the European and monetary union has forged and shaped a policy framework that promotes flexible forms of employment in the public sector that meet the challenges of the wider context and serve more specific policy objectives (mainly in the field of social policy). Furthermore, flexible forms of employment were an integral part of the reforms during the memoranda period. However, the observed effects of the adoption of flexible forms of employment have so far shown contradictory results. In recent years, new methods have been developed to assess the impact of flexible forms of employment, but it is too early to draw solid conclusions due to the complexity that accompanies flexible forms of employment in the public sector. For this reason, it is necessary to further and in-depth investigate the effects of flexible forms of employment in the public sector in a broader and multifaceted perspective, in order to make these forms useful and beneficial to the employees, the society and the economy.

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