Tracks of labour market attachment in early middle age: A trajectory analysis over 12 years

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ABSTRACT

The predominant aim of this study was to contribute to the methodology in research on work trajectories as essential element of the life course in adulthood. Data on the labour market attachment of a population cohort ($n = 1005$) from age 30 to age 42 were collected with a questionnaire. We applied trajectory analysis in order to define different attachment tracks. According to the information criteria, six tracks were discerned: in addition to those who are in permanent employment (high-level attachment), in temporary employment (medium-level attachment) and out of work (poor-level attachment) throughout early middle age, we were able to define subgroups that move from temporary to permanent employment (strengthening attachment) or vice versa (weakening attachment), and also some who enter working life and attain permanent employment at a relatively high age (delayed attachment). On average, attachment was high and strengthened with time, indicating that no major de-standardization of employment occurred during the follow-up years (1995–2007) in the studied labour market and age cohort. Given longitudinal data with at least ordinal scale variables, the applied trajectory analysis may be recommended as a "method of choice" in clustering the diverse and non-standard work-life courses into a meaningful set of tracks.

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1. Introduction

During the last 20 years one of the key topics in work-life research has been the changing nature of employment relationships, i.e. the rise of atypical forms of work. The development has been accompanied by the introduction of new concepts, such as "flexibility", "core-periphery hypothesis", and "buffer work force" (Cappelli & Neumark, 2004) that reflect the changed labour market functions and structures. The new non-standardization of work has been interpreted as an epochal turn from well-organized capitalism to the conditions labelled as risk society, the new economy, and globalization, especially in theory-driven discussions (e.g. Bauman, 1998; Beck, 2000; Sennett, 2006). Although there are scarcely any reasons to deny the changes in the labour market, the more empirically orientated research tends to stress the continuities: the proportion of work force with permanent employment contracts has in fact remained relatively stable throughout the economic turbulence of the recent decades. Nevertheless, the increased research and debate about non-permanent employment contracts indicate a

novel awareness of the variation in the ways that individuals are attached to work and to the labour market (e.g. Doogan, 2009; Furåker, 2005; Kalleberg, 2006, 2009).

The starting point of the present study is methodological. We intend to capture the quality and the quantity of the new employment relations with the concept of "labour market attachment" (LMA). According to Furåker and Berglund (2008) "this concept refers to whether or not people have continuous employment (for example all year or only part of it) and whether or not they have periods of unemployment". A more articulated definition is that of the Labour Market Guide of the UK Office for National Statistics,[1] which states as follows: "The concept of labour market attachment helps to develop a fuller understanding of the labour market than one would get by simply looking at figures of employment, unemployment, and inactivity. Attachment as a concept examines the individual's proximity to the labour force, and can be considered as a spectrum from fully attached workers (the employed) at the one extreme to those who do not want a job at the other extreme. The latter group, which includes economically inactive retired people, might be considered to be completely detached from the labour market." A study of transitions between economic inactivity, unemployment and employment defines "propensity of the inactive to be engaged in job search at the time of interview or to state that they 'would like' regular paid work" as indicators of LMA (Little, 2007, p. 20).

Although the last and also the end of the previous citation suggest subjective intentions, the main objective of LMA seems to be measurement of different formal relationships with work, irrespective of job commitment (Meyer, Paunonen, Gellatly, & Goffin, 1989), psychological contract (Rousseau, 1995), job insecurity (Greenhalgh & Rosenblatt, 1984) or related perceptions that individuals associate with their work-life situation.

LMA may serve as a tool to respond to the evident need to conceptualize employment statuses of the post-industrial labour market as a continuum (Dooley, 2003; Grzywacz & Dooley, 2003; Jones & Riddell, 2006). It implies a measure that indicates in delicate way the degree to which individuals are contracted to the work. At headline level (Laux, 1997) there are four major classes of LMA: non-employment, unemployment, temporary employment and permanent employment. Within non-employment it is possible to discern for instance studying, various forms of parental leave, the health-related temporary and permanent exemptions, discouragement and age-based retirement; unemployment can be divided into open unemployment and participation in employment policy measures; temporary employment aims to encompass the more and less atypical ways of being gainfully employed; and permanent employment refers to an open-ended job either as a contracted employee or as a self-employed entrepreneur. Conceptualized in this way, LMA also refers purely to formal, or objective, employment status.

2. Measurement of labour market attachment

Empirical analysis of LMA faces two methodological questions: how to measure the strength of current LMA, and how to analyse the changes in LMA, or the LMA tracks? Regarding the strength, the information about whether an individual is employed, unemployed or non-employed at a given point of time can be obtained from registers as well as through surveys. More detailed measurement of the LMA, however, is complex. As the nature of the employment and type of the contract are registered irregularly, the method of choice in measuring them is a survey with a list of different employment statuses, but even then it is possible to cover only the major contract types, and there is also a risk that the reply does not correspond to "objective" status and the LMA attributed to it. Although unemployment rate belongs to the most crucial social indicators, the measurement of unemployment itself is an object of scholar discussion (e.g. Pedersen & Schmidt, 2010). In a Scandinavian context, unemployment can be measured from registers, as far as an individual is receiving income compensation or participating in an employment policy measure, but there are also job seekers who are not entitled to compensation and discouraged citizens. The connection between benefit eligibility and unemployment can be bypassed with surveys which, therefore, can be considered as the most suitable way to assess LMA.

The courses of working life consist of series of point LMAs. Measurement of LMA in a longitudinal setting also needs to capture the passages in and the transitions between different LMA episodes. In this respect, the "memory" of registers is exact but, as pointed out above, they have limitations as regards the measurement of LMA. A survey, on the other hand, is complicated by potential recall bias: the respondents may not remember, or even know, exactly the type, the formal contract and the time of past LMA episodes when asked retrospectively. The recall bias can be reduced with prospective longitudinal study designs that train and prepare the participants to report their LMA history.

Survey data on LMA history have been collected and analysed in several projects. The study (Aassve, Billari, & Piccarretta, 2007) based on yearly interviews by the British Household Panel Survey (Taylor, Brice, Buck, & Prentice-Lane, 2005) followed up a cohort of women from age 13 to age 30, dichotomizing the monthly LMA as employment (part- or full-time employment or paid self-employment) vs. not. A dichotomous LMA variable (employed vs. not at 2-month intervals) was also measured in the study of women's LMA around childbirth (Hynes & Clarkberg, 2005); the data for this study were obtained from the US National Longitudinal Survey of Youth 1979 (NLSY79), which followed a nationally representative sample of American men and women between 14 and 22 years of age in 1979. In a Swiss study (Widmer & Ritschard, 2009) the interviewees' occupational status for each year from age 20 to age 45 was mapped with a retrospective biographical questionnaire offering seven options: full-time education, full-time paid work, part-time paid work, full-time at home, negative work break (unemployment, illness, or durable disability) and positive work break (trips abroad).

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[1] http://www.statistics.gov.uk/downloads/theme_labour/guide_to_LMS_FR1.pdf.