Mind the (Twin) Gap: Job Quality in Greece in Comparative Perspective

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Abstract

This chapter documents and describes the comparative standing of the jobs of the Greek labour market in the job quality distribution of the EU jobs. In nearly all of the relevant quality aspects, with the exception of the social environment of work, Greece is the only country among the EU-28 member states that is consistently placed at the bottom of the ranking for about the last 20 years. The present crisis made this picture even worse and led to a substantial widening of the 'twin gap' in both quantity and, to a lesser extent, quality, *vis-à-vis* the rest of the EU. This is a puzzling finding, given that job quality in Greece does not match its relative level of economic development, measured by GDP *per capita*. Several explanations for this finding are proposed and tested, while the theoretical, empirical, and policy implications of it are discussed in detail.

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1. Introduction

The nature and level of job quality in the Greek labour market has for several years been an underexplored issue in academic and policy debates. Before the deep and persistent crisis of the Greek economy in the post-2009 period, the discourse on job quality among political and policy circles (e.g. trade unions, employers, the government, and political parties) was, more often than not, based on anecdotal evidence. The debate also focused on crude indicators of quality, drawing on macro-level data related to the average level of wages, the minimum wage increases, or the average number of working hours. Perhaps this omission can be attributed to a cyclical effect: in a fast-growing economy, with rising wage levels and – to a lesser extent – rising employment levels, the qualitative aspects of everyday working life can be obscured by increasing relative affluence, rising household incomes, and increased spending and consumption (Green, 2006; Clark, 2005).

A detailed account and discussion of job quality is also largely missing from contemporary academic and policy debates concerning the dire state of the Greek labour market (see e.g. Dedoussopoulos et al., 2013; ILO, 2014; Kornelakis et al., 2017). The question of the quality of jobs is often reduced to an issue of secondary importance. In the context of a severe and persistent recession and a sharp increase in unemployment and under-employment, the focus of the successive Greek governments and its international creditors (the 'Troika', or the 'Institutions') since 2010 has been on creating more jobs and putting more people back to work. In this respect, the proclaimed aim of the extensive labour market deregulation that Greece experienced was to render the labour market more flexible, lower labour costs and, as a result, boost competitiveness and reduce unemployment (i.e. the 'internal devaluation' policy strategy; see Theodoropoulou, 2016; Kornelakis et al., 2017). The centrality, thus, of the issue of 'quantity' in the jobs' front can hardly go unnoticed.

This chapter aims to address this gap in our knowledge and provide a detailed account of the overall quality of jobs in the Greek labour market during the last two decades, adopting a comparative European perspective. For this – mainly descriptive – exercise, the analysis will exploit microdata from the successive European Working Conditions Surveys (1995, 2000/01, 2005, 2010, and 2015). Job quality is defined here adopting an objective, 'worker-centred' approach (Green, 2006; Eurofound, 2012; Green et al., 2013; Eurofound, 2017). In this conceptualisation, the quality of a job is measured through the presence of job aspects and characteristics that lead to a fulfilling and meaningful work experience that satisfies human needs and enhances employee well-being (Green, 2006; Felstead et al., 2015; Spencer, 2015). Such aspects include, but are in no way limited to, the following: skill use and development, job autonomy/task discretion, the physical working environment, work intensity, working time quality, job prospects, and the social environment at work. In short, in this chapter we move beyond wages and other material benefits (which are the focus of other chapters in this volume) and concentrate on job attributes that are related to the intrinsic quality, the physical and social environment, working time quality, and the prospects of the job that the individual employees hold (Felstead et al., 2015; Eurofound, 2012).

The following research questions are the main focus of the present chapter: How does Greece compare relative to other EU countries in terms of the quality of its jobs? How has the average quality of jobs in Greece evolved in the last two decades and, particularly, during the current economic crisis? What are the possible explanations for the patterns revealed by the examination of the above two questions? The first two questions seek to document, with a focus on Greece, the cross-country patterns and over-time trends in job quality, while the third question aims to explain these patterns and trends.

Overall, these questions will help us test one main hypothesis. This hypothesis concerns the apparent existence of a 'twin disadvantage' or 'twin gap' in the labour market experience of the working population in Greece relative to the working population of other European Union (EU) countries (Kornelakis et al., 2017: 21-28): on the one hand, the well-known gap is the relatively worse performance of the Greek labour market in terms of 'quantity', manifested through a relatively higher and persistent unemployment rate. On the other hand, the relatively unknown gap is the job 'quality' gap. The expectation is that, during the crisis period, this 'twin gap' has grown, reflecting the combined effects of the economic slump, the

implemented policy measures, and the strengthening of the managerial prerogative due to labour market deregulation.

The structure of this chapter is as follows. The second section outlines the conceptual framework we follow in our thinking about job quality, describes the data we use, and presents the job quality indicators we construct using these data. The third section, after briefly documenting the 'quantity' gap, tries to answer two of the questions we posed above: how Greece compares in terms of its job quality relative to other European countries and how this comparison and relative standing has changed in recent years. Then, the fourth section proposes and discusses possible explanations for our results. The final section discusses the implications of our findings and concludes.

2. Concepts, data and the measurement of Job Quality

2.1 The concept of job quality

One of the longstanding arguments in relation to job quality among academics from various disciplines, is that the quality of a job held by an individual employee cannot be judged only by reference to the wage and fringe benefits associated with this job (Rosenthal, 1989; Green, 2006). Not surprisingly, policy makers and international organizations have also adopted a broader agenda on job quality. For example, the International Labour Organization (ILO) launched its Decent Work agenda in 1999 and the resulting indicators used to measure Decent Work across countries cover a broad array of items, some of them related to various intrinsic job aspects that are considered indicative of a job of high quality (see ILO, 2013). Relatedly, the stated aim of the EU's Lisbon Strategy, launched in 2000, was to promote the capacity of Europe to produce 'more and better jobs' (see Burchell et al., 2014; Eurofound, 2012; Kornelakis and Veliziotis, 2018). To this aim, the European Commission has adopted a concept of 'Quality in Work', which includes elements pertaining to the broader labour market context, as well as job characteristics related to intrinsic job quality, skills, and career development (see Green, 2006: 19-22). More recently, the European Pillar of Social Rights, announced by the European Commission in November 2017, builds upon three categories of principles, one of which is named 'Fair working conditions' and enshrines principles related to secure employment, wages, information, social dialogue, work-life balance, and safe

working environments. The Organisation for Economic Cooperation and Development (OECD) also recognised that job quality is an important driver of increased labour force participation, productivity and economic performance, and developed a framework to measure and assess the quality of jobs in its member countries (see Cazes et al., 2015).

Departing from these (quite broad in their scope) policy frameworks and building from the relevant academic contributions (Green, 2006; Eurofound, 2012; Felstead et al., 2015), in this chapter we adopt a 'worker-centred' view on the quality of a job and we define job quality as an all-encompassing concept that includes aspects and characteristics of a job that satisfy certain human needs and lead to a meaningful and fulfilling working experience for the individual employee. We focus specifically on the non-wage working experience of individual employees. Although wages are surely an important dimension of job quality, mainly because it enables the fulfilment of basic, material needs, many recent investigations of the Greek labour market have focused on the analysis of wage developments and inequalities (see the relevant chapters in this volume; see also Christopoulou and Monastiriotis, 2014; Daouli et al., 2016; Kornelakis et al., 2017). On the other hand, non-wage aspects have been relatively ignored (for exceptions to this, see ILO, 2014; and Kornelakis et al., 2017). The non-wage dimensions of job quality we focus on (skill use and development, autonomy, the physical environment, work intensity, working time quality, job prospects, and social environment) are widely considered as indicative of a fulfilling work experience that is directly related to workers' well-being.

Thus, our measurement of job quality is based on a set of objective indicators (reported by workers themselves), not subjective evaluations of overall feelings or satisfaction with a job. The latter indicators (e.g. job satisfaction) have been shown to be reflecting not only the objective reality of a job, but also workers' (and societal) norms and expectations (Muñoz de Bustillo Llorente and Fernández-Macías, 2005; Brown et al., 2012). For example, some earlier studies have found that women report higher job satisfaction than observationally similar men, although the former admittedly hold worse jobs than the latter. An explanation for this is that women also have lower expectations from their jobs than men (Clark, 1997), making them appreciate more the same objective characteristics of a job. However, another long-standing finding is that objective aspects are strongly related to subjective evaluations

(Green, 2006; Eurofound, 2012) and this fact adds credibility and validity to the used objective indicators of job quality.

2.2 Data source and sample selection

We use the microdata from the successive waves of the European Working Conditions Survey (EWCS), administered by the European Foundation for the Improvement of Living and Working Conditions (Eurofound). The EWCS is a nationally representative survey of all residents in the participating countries aged 15 or older that were in employment at the time of the (face-to-face) interviews. The representativeness of each country's sample is additionally ensured if the relevant weights that are included in the publicly available data files are applied to the analyses (all results that are reported below are based on weighted data). The EWCS was first conducted in 1990/91 and since then it has been organized every five years: 1995, 2000/01, 2005, 2010, and 2015. It has been extensively used in recent studies of job quality (e.g. Eurofound, 2012; Green et al., 2013; Holman, 2013; Eurofound, 2017) and is the most authoritative source of information for European comparative analyses of working conditions. In this chapter we make use of the EWCS Integrated Data File 1991-2015 and focus on the five waves since 1995, since the great majority of the variables we use in the following analysis are only available in a consistent way since that year.

The 1995 wave of the EWCS samples data from the EU-15 countries. From 2000/2001, data from the rest of the EU-27 countries are added in the survey, while Croatia participates for the first time in 2005. From that year on, data from EU candidate or associated countries are also added successively. Therefore, in 2015 the survey covers all EU-28 countries, plus FYROM, Turkey, Norway, Albania, Montenegro, Switzerland, and Serbia (Kosovo also participated in the survey in 2010 only). In the analysis that follows we utilise data from Greece and the rest of the EU-28 countries and focus only on employees, excluding the self-employed persons. In total, there are around 122,000 employee observations in 1995-2010, ranging from 392 sampled employees in Cyprus in 2000/2001 to 3,343 in Belgium in 2010.

2.3 The job quality indicators

Following closely the work by Eurofound (2012; 2017), we construct seven indices of job quality dimensions. These are detailed in Table 5.1, along with the survey items used to construct them.

[Table 5.1 here]

Each quality dimension's value is calculated by taking, for each individual worker, the mean of the respective items, which have first been normalized to the 0 - 1 scale (with 0 indicating the lowest and 1 the highest quality for each specific item; items indicating 'negative' attributes are reversed). Hence, our resulting quality indicators also range in value between 0 and 1. As already mentioned in the previous sections, the job quality dimensions include: skill use and development, discretion/autonomy, the physical work environment, work intensity, working time quality, the prospects of the job, and the social environment at work. The first five of these are available throughout the period of our investigation, i.e. from 1995 to 2015. In contrast, prospects and the social environment dimensions are calculated only for the 2005-2015 period, due to the availability of the relevant survey items. As Table 5.1 indicates, we also calculate an overall index of job quality, which is simply the individual mean of all items used to construct all different job quality dimensions' indices (apart from those in the limited in availability prospects and social environment). In parts of the analysis that follows, we will make use of this overall index to paint a comparative picture of overall job quality in Greece and the rest of Europe.

3. The "twin gap" in Greece before and during the crisis

As mentioned above, the well-known gap between Greece and the rest of the EU concerns the worse performance of the Greek labour market in terms of its 'quantity' side. This is depicted in Figure 5.1. Apart from 1995, Greece has been a relatively high-unemployment country in the EU. It should also be noted that the relative position of Greece in terms of unemployment *vis-à-vis* the rest of the EU deteriorated up to the beginning of the global financial crisis in 2008. This gradual decline gave way to a dramatic deterioration in unemployment following the eruption of the economic crisis and the implementation of the measures included in the

Memoranda of Understanding (MoUs) signed by the successive Greek governments and the Troika of its creditors. Thus, by 2015 unemployment in Greece has reached unprecedented levels of around 25 per cent.

[Figure 5.1 here]

But how has Greece fared comparatively on the 'quality' front? In other words, can we identify a 'twin gap' with the rest of Europe? To answer this question, we start our analysis of the EWCS data with the plotting of the relative ranking of Greece on the various job quality dimensions we defined in the previous section. To keep our presentation simple, we select eleven EU countries for this comparison (these countries were also used in Figure 5.1 above): Bulgaria, Denmark, France, Germany, Hungary, Ireland, Poland, Portugal, Spain, Sweden and the UK. This selection covers a representative set of EU countries, spanning the whole diversity of development, wealth, and labour market regulation that is observed in the EU.[1] Figures 5.2-5.9 present the average country scores (also ranging between 0-1, and calculated as the country-year means) on the various job quality dimensions for all the EWCS years we investigate.

Starting from *skill use and development*, Figure 5.2 presents the comparative European picture. Greece is consistently ranked in one of the last positions, along with Bulgaria. Note also that countries relatively poorer than Greece, as measured by their GDP *per capita* (Hungary, Poland, and Portugal), perform much better on this indicator. Another important finding is that when the differences in average scores are checked in terms of their statistical significance in all years, they reveal an interesting pattern: in the years that Greece occupies the last position in the ranking (1995 and 2015), all other countries record a significantly higher score. On the other hand, Greece's score is not statistically different from that of Portugal in 2000-01, from those of Bulgaria and Spain in 2005, and from that of Bulgaria in 2010. In other words, Greece is the *only* among the twelve countries that are compared here that consistently occupies the last position in the skill use and development ranking in all years. Moreover, a large decline in Greece's score can be observed during the crisis. Between

[1] It should be noted that the findings that we report below concerning the relative standing of Greece in terms of its jobs' quality does not depend on this specific choice of countries and it holds irrespective of the rest of the EU countries used for the comparison. We comment on the overall standing of Greece in the whole EU-28 throughout this section.

2010 and 2015, the skill use and development score in Greece was reduced by about 0.06 points (in a 0-1 range; $p < 0.01$), possibly reflecting to a certain extent the economic crisis and the cutback on expenses related to training and overall skill development. Further calculations revealed that in 2015, no country in the whole EU-28 exhibited worse job quality in terms of skill use and development than Greece.

[Figure 5.2 here]

A very similar picture emerges from the analysis of *job autonomy*. Figure 5.3 presents the relevant country averages over these 20 years. Greece occupies the bottom position in all years, sometimes (in 2005 and 2010) sharing it with countries such as Bulgaria, Portugal or Spain. Again, poorer and less regulated (at least up to 2010) countries such as Portugal and the Eastern European ones reveal a pattern of work organisation that affords more autonomy and task discretion to individual employees. Job autonomy also declined markedly during the crisis (around 0.07 points, $p < 0.01$) and by 2015 Greece had the worst job autonomy score in the whole EU-28.

[Figure 5.3 here]

A somewhat better picture for Greece emerges if we look at the *physical environment* component of job quality. Figure 5.4 presents the relevant estimates. The physical environment index seems to have slightly improved over the years in Greece. While in 2005 Greece occupied the last position among the countries presented in the Figure, its relative ranking improved in 2010 and 2015. However, Greece is still among the countries with the worst quality in this aspect, again below poorer and less regulated member states. No significant change in the average value of the physical environment index occurred in Greece during the crisis years.

[Figure 5.4 here]

A process of *work intensification* (Green, 2004) in Greece is revealed by the average scores on the work intensity index depicted in Figure 5.5. While in 1995 and 2000/01, countries like Sweden and the UK scored worse than Greece on this aspect, by 2005 Greece was the

country occupying the bottom position, with all other countries scoring a significantly higher score in all subsequent years. Indeed, the work intensity index declined in Greece in both 2000/01 and 2005, and significantly so. In contrast, the severe crisis taking place between 2010 and 2015 in the country, did not cause any significant change in its average value. If we compare Greece with all EU-28 countries in 2015, only Cyprus and (to a lesser extent) Romania fared worse than Greece on work intensity in that year.

[Figure 5.5 here]

Greece also shows a particularly poor performance on *working time quality*. In all EWCS years, Greece occupies the last position on this aspect relative to all other comparator countries (see Figure 5.6). The only exception to this pattern is 2010, when working time quality in the UK and Bulgaria is equally poor (the differences between the three countries' scores are not statistically significant). Again, no change is observed during the crisis years for Greece. Finally, compared to the whole EU-28, only Croatia and Malta scored an equally poor performance on working time quality in 2015.

[Figure 5.6 here]

We now turn to the two job quality dimensions for which we only have data since 2005, job prospects and the social environment of work. Figure 5.7 shows that *job prospects* became particularly poor for employees in Greece during the crisis. This is something that should be expected, since the drastic increase in unemployment and the extensive labour market deregulation (which also entailed a weakening in the strictness of employment protection legislation; see Kornelakis et al., 2017) led to a relative decrease in feelings of job security and a more negative assessment of career prospects among employees in Greece. Together with Spain and Portugal, which have also experienced severe crises and far-reaching labour market reforms during the same period (see Molina, 2014), Greece scores the lowest value on the prospects index in 2015 relative to all other comparator countries. In contrast, Hungary and Bulgaria were faring worse than Greece in the job prospects index in both 2005 and 2010.

[Figure 5.7 here]

The only exception to the above painted picture is the *social environment* of work indicator. Indeed, Figure 5.8 shows a steady improvement in the relative ranking of Greece in this respect throughout the years. Greece never occupies the last position in the ranking, and it is actually among the top performers in 2015, i.e. at a year when most of the other job quality aspects fared particularly poorly. This picture does not change if we compare Greece with all the countries in the EU-28. It would not be far-fetched to conclude that Greek employees hold particularly bad jobs, but at least they hold them in a socially supportive work environment.

[Figure 5.8 here]

It does not come as a surprise, thus, that overall job quality in Greece is particularly poor throughout the EWCS years. The average scores for our overall summary index of job quality is shown in Figure 5.9, and vividly depicts what we should expect from the above findings: overall job quality in Greece is poorer than in any other comparator country, while it also significantly declined during the crisis years (by about 0.016 points, $p < 0.10$). Moreover, in 2015 all other countries in EU-28 fared much better than Greece in overall job quality. This finding holds even if the (relatively favourable for Greece) social environment of work and the job prospects indices are included in the construction of the overall index.

[Figure 5.9 here]

An apparent conclusion from the above analysis is that a 'job quality gap' exists (and persists) between Greece and the rest of the EU-28 countries. Apart from the social environment of work, Greece occupies the last position in the EU in almost all other quality dimensions throughout the EWCS years that cover the most recent 20-year period. This gap also increased during the present crisis that the Greek economy and labour market face: two of the individual dimensions of quality (skill use and development and job autonomy), as well as the overall job quality index, declined in value between 2010 and 2015. A further important finding is that the 'twin gap' in quantity and quality with the rest of Europe increased dramatically during the recent years, mirroring both the large increase in unemployment and the (relatively more contained) decrease in job quality relative to the rest of the EU member states.

To a certain extent, the job quality gap presents an interesting puzzle. Whereas unemployment levels are to a large extent determined by the level of economic activity, and Greece documents cyclical improvements and deteriorations in its relative unemployment rate, poor job quality appears as a permanent and structural characteristic of the Greek labour market. Indeed, no other country in the EU-28 is so consistently present at the bottom of the job quality ranking in nearly all relevant quality dimensions. This cannot be explained by the relative level of economic development, since the jobs that the Greek labour market creates are apparently worse than those in countries with lower *per capita* GDP. This is quite convincingly shown in Figure 5.10. The left-hand panel of the Figure confirms the position of Greece as an 'outlier' in the overall job quality ranking among the EU-28 countries: in 2010, its average score on overall job quality cannot be explained by its relative level of economic development, the latter being measured by GDP *per capita*. This finding becomes even more puzzling if we contrast it with the relationship between average earnings and GDP *per capita*, which is depicted in the right-hand panel of Figure 5.10: the average level of earnings in Greece closely follows the country's relative ranking in terms of GDP per capita in the same year.[2]

[Figure 5.10 here]

Finally, we also calculated the overall job quality index for the non-EU countries that are available in the EWCS 2005-2015 waves. Figure 5.11 presents their scores along with those for Greece, Bulgaria, Romania and Croatia. Greece again occupies a low position relative to all these, relatively poorer, countries, particularly in 2015. Only Turkey performs worse than Greece in all years – note, however, that in 2015 the difference in the average values of Greece and Turkey is not statistically significant. It is obvious, thus, that some further exploration of this particularly poor job quality performance of Greece is required.

[Figure 5.11 here]

[2] Earnings data are available in the EWCS in the 2010 and 2015 waves only. Apart from our research objective to focus on non-wage aspects in this chapter, this is another reason why wages have not been investigated in more detail in this work.

4. Explanations of the cross-national patterns and trends

The purpose of this section to try to provide some possible explanations for the puzzle identified in the previous section. Admittedly, the analysis here is exploratory and its main aim is to guide further research on the subject. Specifically, through the use of suitable explanatory variables, regression analysis can help us test some possible explanations for this puzzling job quality gap between Greece and the rest of the EU-28 member states. To this end, we aggregate and average the EWCS 1995-2015 data by country and year, and we use the overall job quality score presented above as the dependent variable in a linear multiple regression model where the unit of the observation is the country/year.[3] This leaves us with around 130 country/year observations for the EU-28 countries.[4] The next step is to try to explain the job quality gap between Greece and the rest of the EU-28 by reference to some of the observable differences between Greece and the other member states (see Table 5.2, Columns 1-7).

[Table 5.2 here]

Column 1 of Table 5.2 regresses overall job quality on the dummy variable for Greece. This shows the raw gap in overall job quality between Greece and the 'average' EU-28 country in an 'average' year. As documented above, a large, negative and statistically significant gap of about 0.09 points is estimated for the whole 1995-2015 period. Controlling for EWCS year (Column 2) leaves the gap unchanged. This is something to be expected, since we have seen that the worse overall job quality performance of the Greek labour market is a permanent and structural characteristic, not associated with a specific year in our sample (see Figure 5.9). The same is true even if we account for the different gender and age composition of employees in Greece relative to the rest of the EU (Column 3). Gender and age can be considered demographic proxies for employee labour market power and should be associated with the quality of jobs that employers design and offer (see the various chapters in Felstead et al., 2015). However, the difference between Greece and the average EU-28 country is not

[3] All models are estimated by OLS. Standard errors robust to clustering at the level of the country are used throughout. Results are robust to the use of different modelling approaches, e.g. the use of fractional probit to take account of the 0-1 range of the dependent variable.

[4] The results presented below do not change if we also include in the estimations the non-EU countries available in the EWCS in various years. We will only use these countries in parts of the analysis that follows.

that large in these respects, hence the gap remains unaffected by the introduction of these controls.

A more promising explanation (which we have already seen, however, that it cannot fully explain our puzzling raw result) concerns the level of economic development and the business cycle of the countries in our sample. To this end, Column 4 controls for GDP per capita and the unemployment rate.[5] A reduction of less than 0.02 points in the coefficient of the Greek dummy is observed. This is in line with what we mentioned above: Greece appears as an outlier in the job quality ranking of the EU-28 countries if the relationship between job quality and the level of economic development is examined. Moreover, cross-country differences in the unemployment rate do not seem to explain much of the job quality gap we have identified.[6]

Column 5 proceeds with an even more promising explanation of Greece's exceptionally bad overall quality of its jobs: the different occupational and industrial composition of the country relative to those of the average EU-28 member state. Some of the structural characteristics of the Greek economy relative to the average EU-28 country, such as the lower shares of managerial and associate professional employees and the higher shares of clerical and service and sales workers, or the higher shares of employees in hotels and restaurants, are expected to explain part of the gap between Greece and the EU-28, considering the average job quality levels for these occupations and industries presented in the disaggregated analysis of Eurofound (2012). Indeed, when the relevant occupational and industrial shares are entered in the model as controls, the coefficient of the Greece dummy is halved (Column 5). Still though, a sizable and significant gap remains unexplained.

The next step is to try to offer some institutional explanation for our puzzle. Employee collective power should in theory be associated with higher quality jobs. Empirically, this association is also well-documented. Gallie (2003) stresses the important role of Scandinavian unions and their involvement in 'quality of working life' programmes and in work organisation in contributing to the exceptional quality of work observed in those

[5] The source of all macro-level variables is the World Development Indicators of the World Bank. See http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators#

[6] Actually, the unemployment rate is a statistically insignificant determinant of overall job quality. In contrast, there is a positive and significant relationship between GDP per capita and job quality.

countries (a finding also apparent in the ranking of these countries for almost all job quality indicators presented in Figures 5.2-5.9). Ollo-López et al. (2011) and Esser and Olsen (2012) also report a positive association between union strength and the level of job autonomy observed across European countries. Considering that Greece is a relatively low unionisation country with limited workplace employee representation (Forth et al., 2017), coupled with a union movement mostly focused on wage bargaining, distribution, and government policy, one may expect that this fact may explain part of our puzzling result. However, Column 6 in Table 5.2 shows that this is not the case. Controlling for union density leaves the coefficient of interest unaffected.[7] Moreover, while the strictness of employment protection legislation (EPL) is not so straightforwardly related to the quality of jobs available in a specific country (Esser and Olsen, 2012), apart from a possible link resulting from increased employee power in countries with a stricter EPL, the OECD's EPL index does not affect the coefficient for Greece when entered into the model (Column 7).[8]

We also experimented with further variables that may be expected to be related to the exceptionally worse performance of the Greek labour market. Controlling for average educational qualifications, average workplace size, average tenure, and the share of private sector employees, does not substantially affect the coefficient of our variable of interest. These variables are also only available in the latest waves of the EWCS, limiting our estimating sample. We can, thus, conclude, with a certain degree of confidence, that our puzzling result cannot adequately be explained by the usual factors that we can observe and account for. The only result that is certain is that part of the gap reflects the different macroeconomic conditions and, mainly, the different occupational and industrial structure of the Greek labour market.

In Columns 8-12 we estimate the same regression models for each job quality dimension separately. It can be seen that three of the five gaps, namely autonomy, the physical environment, and working time quality, are robust to the inclusion of our control variables, driving in this sense the robustness of the overall job quality gap. On the other hand, skill use

[7] Union density data are sourced from the online OECD database (see http://stats.oecd.org/). Missing data in this source are filled in by the estimates reported in Visser (2015). Note that union strength, however, is not a good proxy for union strategy concerning job quality. We return to this issue below.
[8] The OECD's EPL index is only available for a subsample of the EU-28 countries and years. For this reason, there is a substantial reduction in the estimating sample (see Column 7 in Table 5.2).

and development and work intensity are similar in Greece and the average EU-28 country when all the above mentioned controls are accounted for in the model.[9] Without further investigation, it is not possible to offer some strong explanation for these differential findings for the different job quality dimensions.

To complement the above analysis, a discussion of factors that may explain our findings but are not directly observable seems appropriate here. On the one hand, one could argue that the low quality of jobs in Greece, mainly so with respect to the aspects related to skill use and development and job autonomy, reflect a particularly paternalistic and authoritarian managerial style, a significantly more Tayloristic organisation of work, and a limited use of high-involvement management in the country's workplaces (Ollo-López et al., 2011). However, this explanation does not convincingly resolve the puzzle we have identified. The job quality gap between Greece and other European countries is persistent also when one compares Greece to significantly poorer European countries, where high-involvement management practices are also limited. This is documented again, and in a multiple regression setting, in Columns 13 and 14 of Table 5.2, where our standard model is estimated on the sample of the poorer than Greece EWCS countries (Column 13 excludes the union density variable that is not available for all countries and years). The coefficient of the Greece dummy is still large, negative and statistically significant, confirming our concerns related to the validity of the above proposed explanation.

On the other hand, one could put forward the argument that employees in Greece are particularly gloomy and pessimistic when they report their working conditions in a survey setting and that this may be behind the persistent worse quality performance observed in our data. There is some indication that this might be the case if we take into account survey evidence provided by other sources, such as the Eurobarometer surveys. In fact, in the Spring 2015 standard Eurobarometer survey (wave 83), Greece appears in the bottom of the EU's ranking regarding how well or bad the citizens perceive their personal job situation.[10] This, however, provides only circumstantial evidence, as it would require further exploration examining whether this particular pessimistic attitude is a result of the unprecedented crisis or a more permanent characteristic of pessimism, also apparent in the previous decades of

[9] The raw gaps (without controls) are in all cases negative and statistically significant.
[10] See: http://ec.europa.eu/commfrontoffice/publicopinion/archives/eb/eb83/eb83_publ_en.pdf (Accessed: 23/06/2018).

relative affluence. In other words, one should be wary of *ad hoc* factors, which are reminiscent of some of the cultural explanations for the differences in HRM practices across countries (Vaiman and Brewster, 2015). If there is any pessimism as a diachronic feature of workers' attitudes in Greece, then this is also an incomplete explanation. There is no *a priori* reason to assume that the way employees in Greece report about their jobs in a survey setting should be any different from that of employees in the rest of the EU-28 or the EU candidate countries. Therefore, it seems to be begging the question: what explains the higher level of pessimism around jobs in Greece compared to other countries? In short, without further exploration and a more detailed analysis, any argument based on cultural or attitudinal characteristics will likely appear as an easy and unconvincing way out of the relevant puzzle and debate.

The above discussion then implies a fascinating future research agenda that could address the various questions left unanswered here. More research is needed in addressing the puzzle revealed concerning the job quality performance of Greece relative to the rest of Europe. Research on the specific attitudes and practices of managers in Greek workplaces can certainly offer insights on the organisation of work, the design of jobs, and the management of human resources that takes place in Greece and may lie behind the results presented above. Also, the role of institutions in explaining the cross-country patterns in job quality can be a promising future research direction, following the lines of inquiry presented in Dobbin and Boychuk (1999), Gallie (2003; 2007), Ollo-López et al. (2011), and Esser and Olsen (2012), but with a focus on countries that are not easily categorised in specific 'production' or 'employment' regimes (such as Greece) and on an extended array of job quality dimensions. Concerning institutions, in this chapter we have only been able to account for relative union strength (captured by union density) in our effort to try to explain the puzzling result concerning the Greek labour market. However, as we noted above, of equal importance are also the structure, strategies and overall attitudes of unions, something that cannot easily be addressed in a quantitative approach like the one presented in this chapter. A union concern with job quality is a broader issue (see Gallie, 2003) that is only partially related to union strength or the access and presence of unions in a country's workplaces. Finally, a reconsideration of labour market policies is warranted. Apart from their impact and their implications for the quantity side of the labour market, more research needs to focus on their

relevance for the quality side, the everyday working experience of people employed, and how the latter reflects the relative power of the two actors in the employment relationship.

5. Conclusions

The aim of this chapter was to document and describe the comparative standing of the jobs of the Greek labour market in the job quality distribution of the EU jobs. In the process, we uncovered a relatively interesting puzzle. In nearly all of the relevant quality aspects (with the exception of the social environment of work), Greece is the only country among the EU-28 member states that is consistently placed at the bottom of the ranking for about the last 20 years. The present crisis made this picture even worse and led to a substantial widening of the 'twin gap' (in both quantity and, to a lesser extent, quality) *vis-à-vis* the rest of the EU. The puzzle of why Greece appears as an *outlier* in job quality is further strengthened if one takes into account its relative level of economic development. Greece fares worse than several other countries, whether they are old member states, new member states or EU candidate countries.

Our findings have theoretical, empirical and policy implications. Theoretically, much remains unexplained regarding what drives the patterns of cross-country variation in job quality. As we saw above, we could not fully account for the relative position of Greece among the EU countries.[11] However, it appears that some relevant observable characteristics, particularly the industrial and occupational structure of the Greek labour market, may potentially offer an answer to our findings to some extent. This implies that much more theorising is required of the drivers of job quality and how the different actors and institutions of the labour market affect the quality content of a country's jobs (Gallie 2003; 2007). Empirically, we showed that a recession does not necessarily mean that the worst jobs in an economy are destroyed, leaving only the best jobs available among the still employed population (Gallie et al., 2014). By contrast, rising unemployment, employers' cost-cutting strategies, and the changing balance of power between employers and employees in favour of the former, can mean that the quality of jobs remaining in a crisis-stricken labour market declines. This decline may

[11] A similar concern might be apparent for the ranking of Cyprus in the overall job quality distribution. See Figure 5.10.

happen abruptly and swiftly as what we have observed to be the case in Greece between 2010 and 2015.

This latter point also reveals the problematic approach to labour market policy by the Troika and the successive Greek governments since the onset of the sovereign debt crisis and the implementation of the policies imposed by the loan agreements. Instead of boosting competitiveness and offering at least a partial answer to the problem apparent in the quantity side of the labour market, the implemented measures associated with labour market deregulation seem to have had negative implications for both the quantity and quality of jobs. Unemployment reached unprecedented levels while, as we documented in this chapter, the quality of existing jobs declined, in some respects quite dramatically. Hence, the policy agenda followed in the country did not only lead to reduction in the overall well-being of the population that lost their jobs and market incomes but also resulted in a less fulfilling and harsher reality for those still employed.

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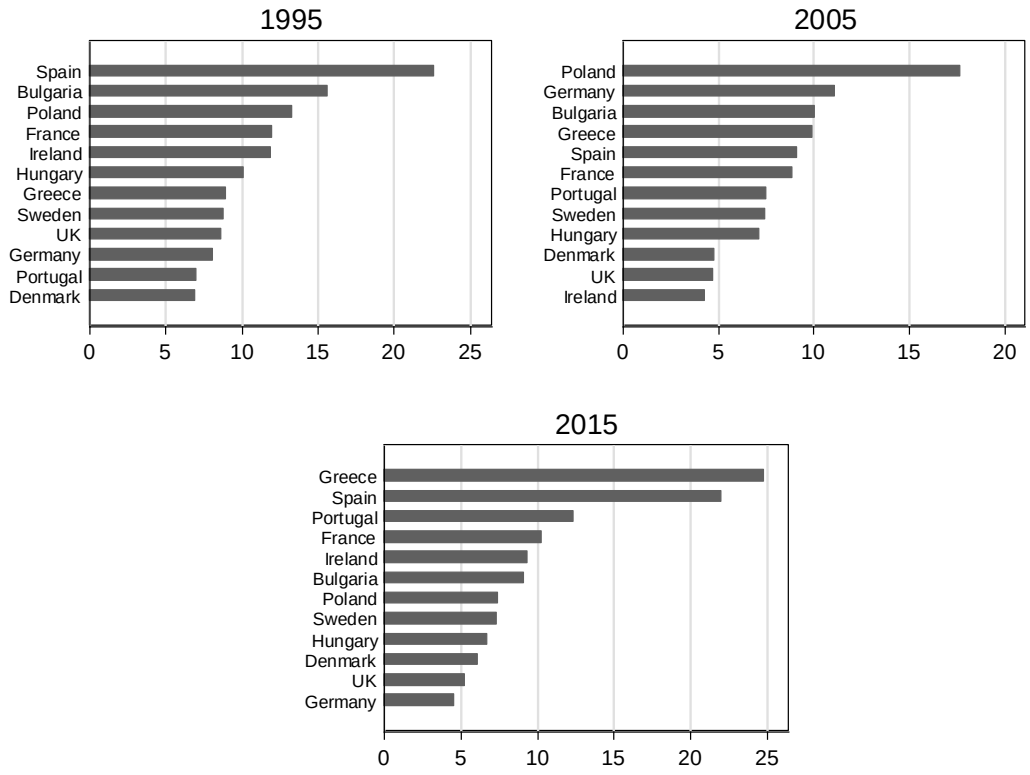
Figure 5.1

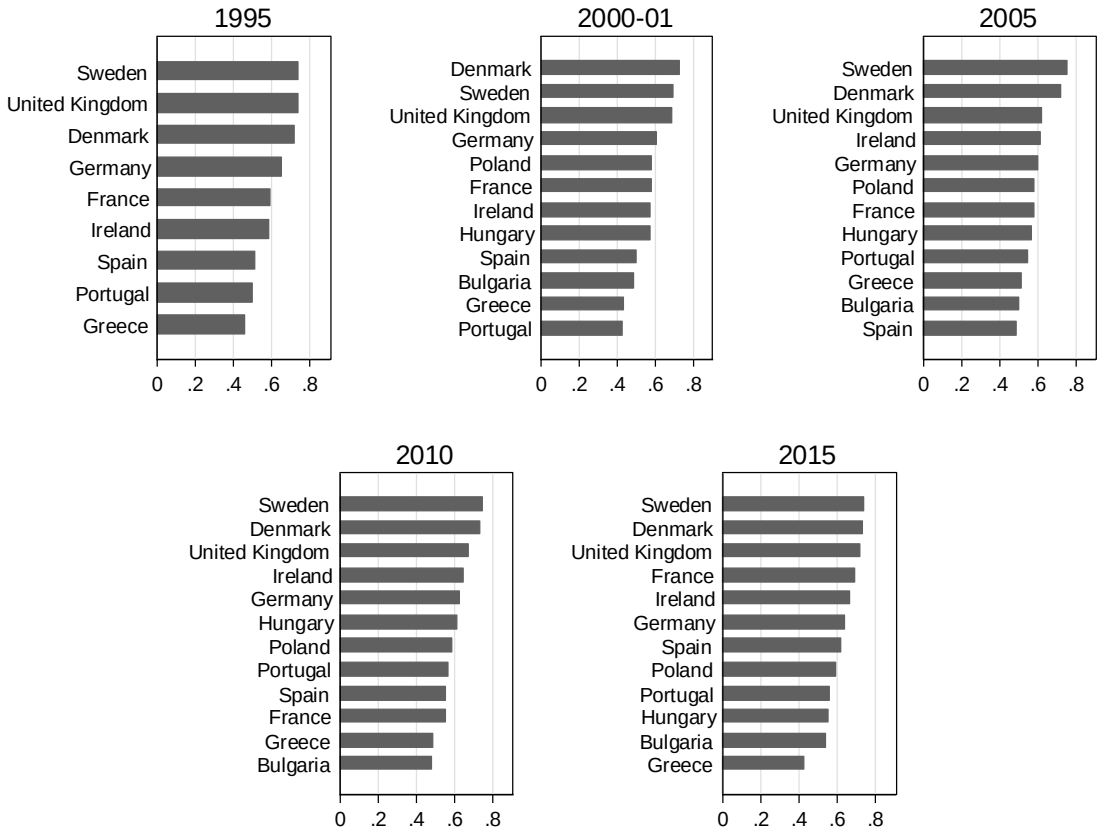
Unemployment in selected EU countries (%)



Source: The World Bank, World Development Indicators.

Figure 5.2

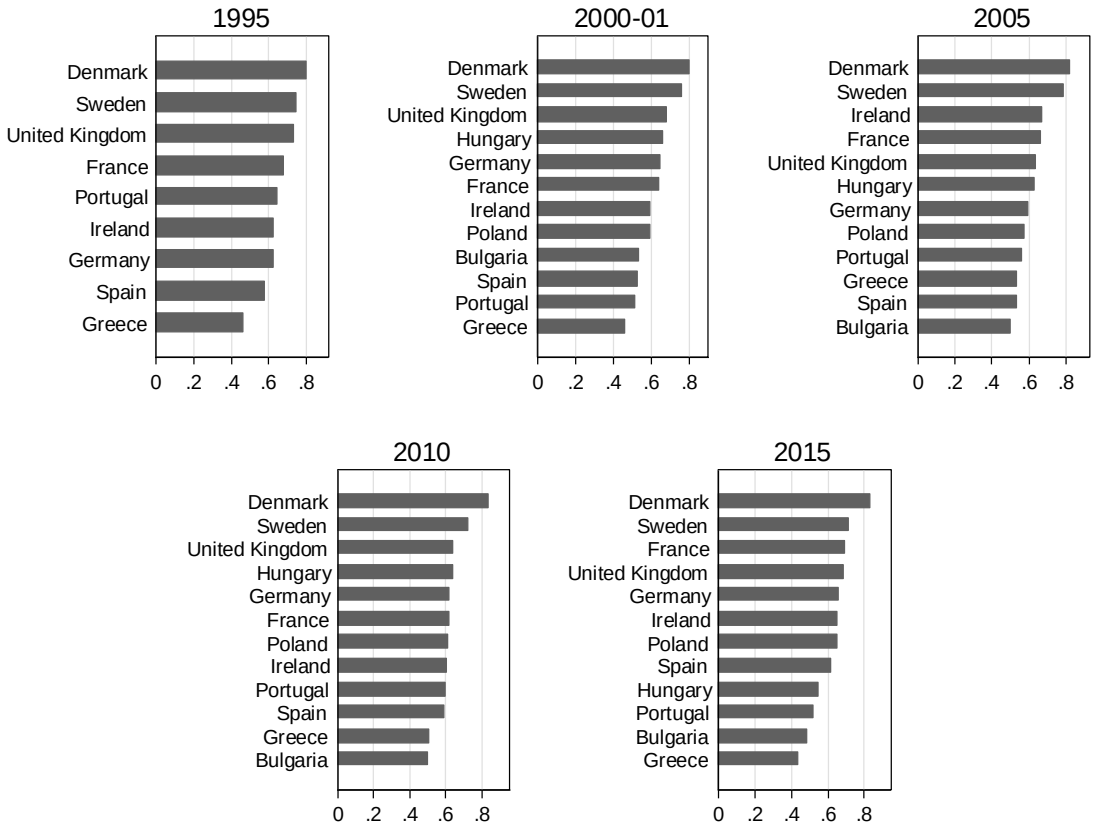
Skill use and development index in selected EU countries



Source: EWCS 1995-2015 and authors' calculations.

Figure 5.3

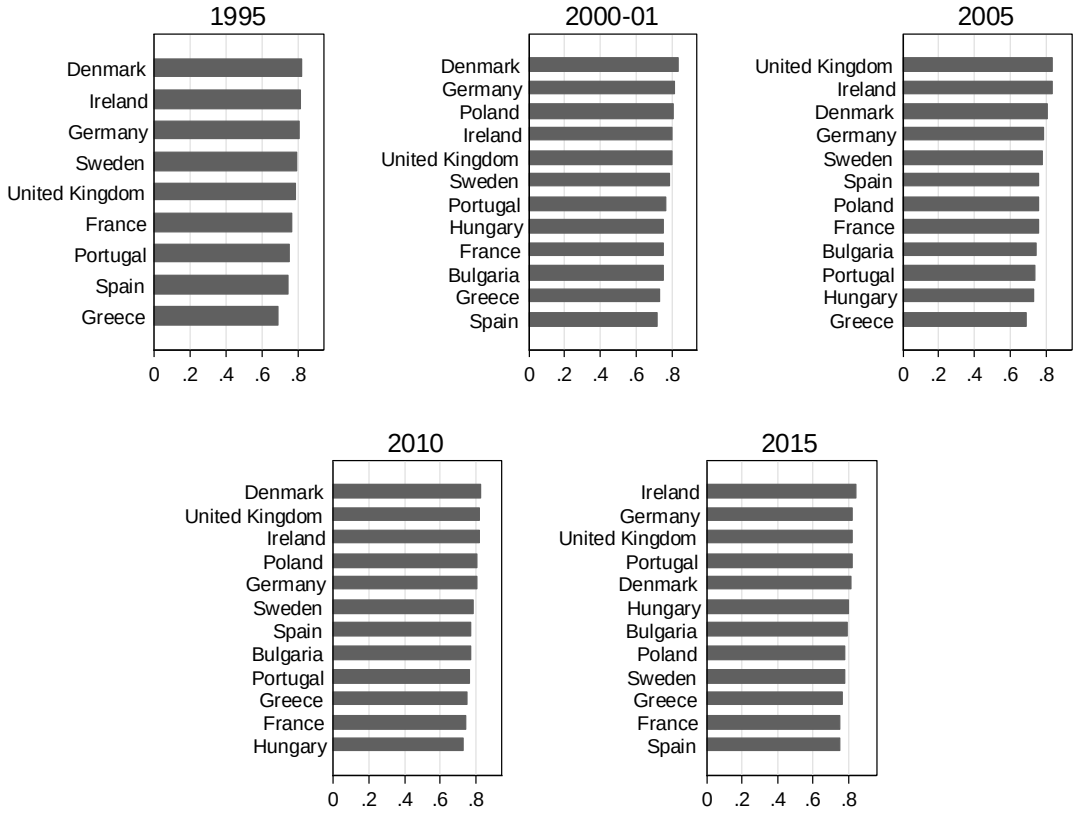
Job autonomy index in selected EU countries



Source: EWCS 1995-2015 and authors' calculations.

Figure 5.4

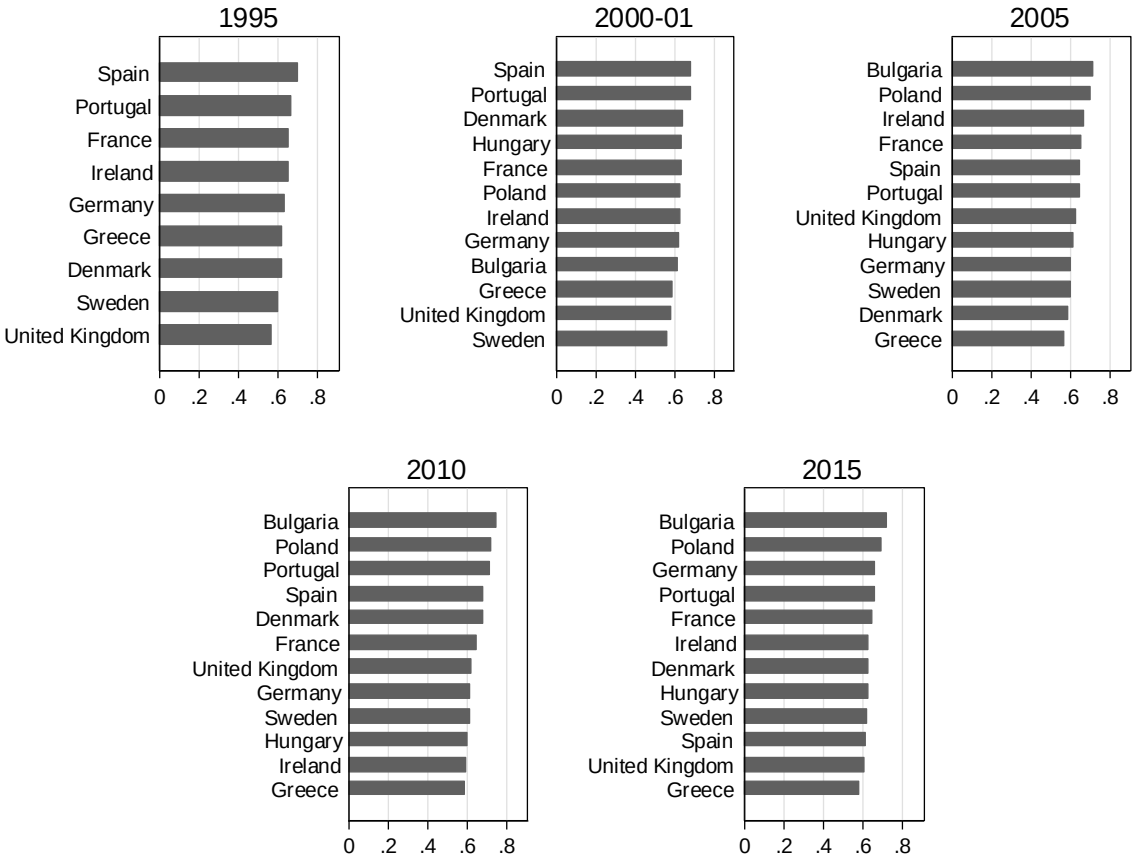
Physical environment index in selected EU countries



Source: EWCS 1995-2015 and authors' calculations.

Figure 5.5

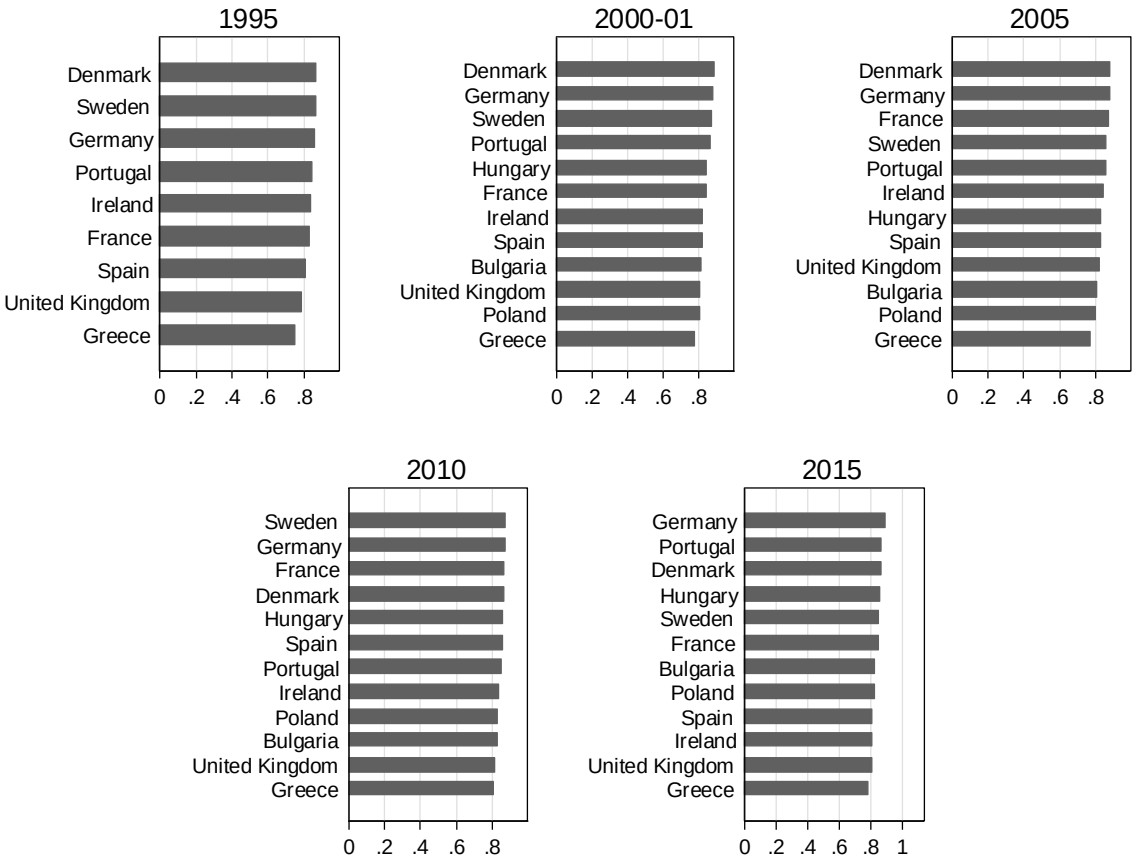
Work intensity index in selected EU countries



Source: EWCS 1995-2015 and authors' calculations.

Figure 5.6

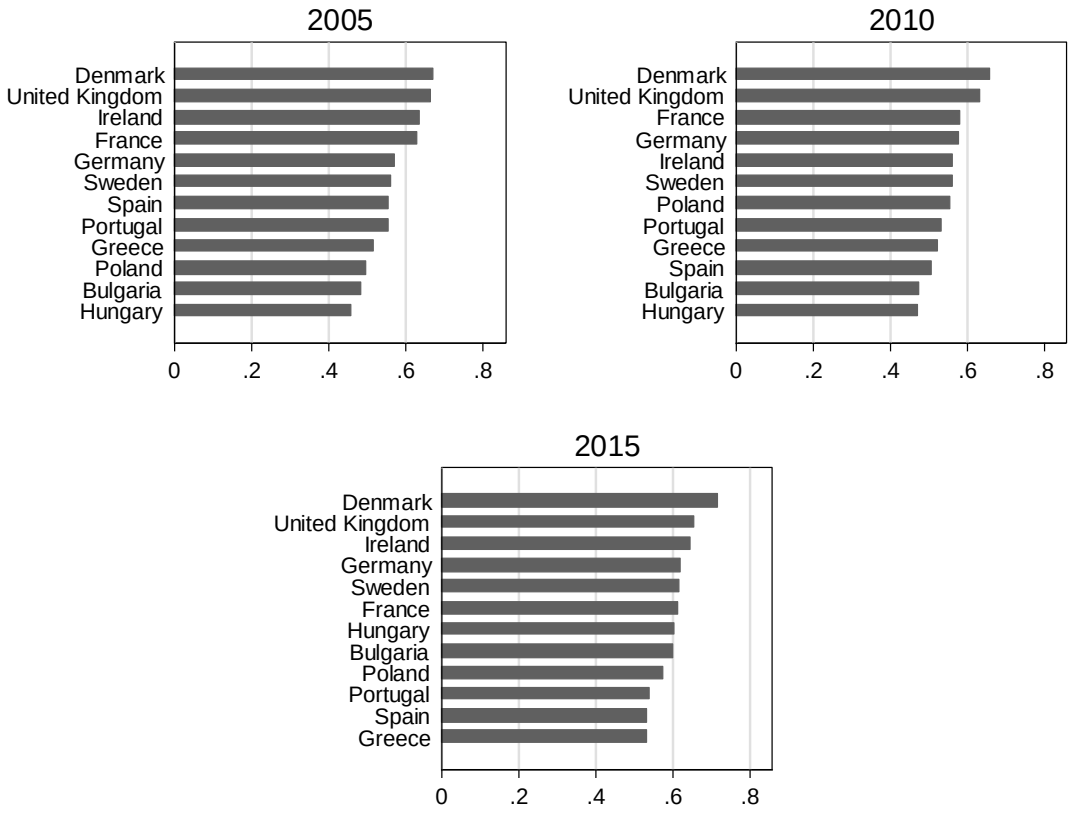
Working time quality index in selected EU countries



Source: EWCS 1995-2015 and authors' calculations.

Figure 5.7

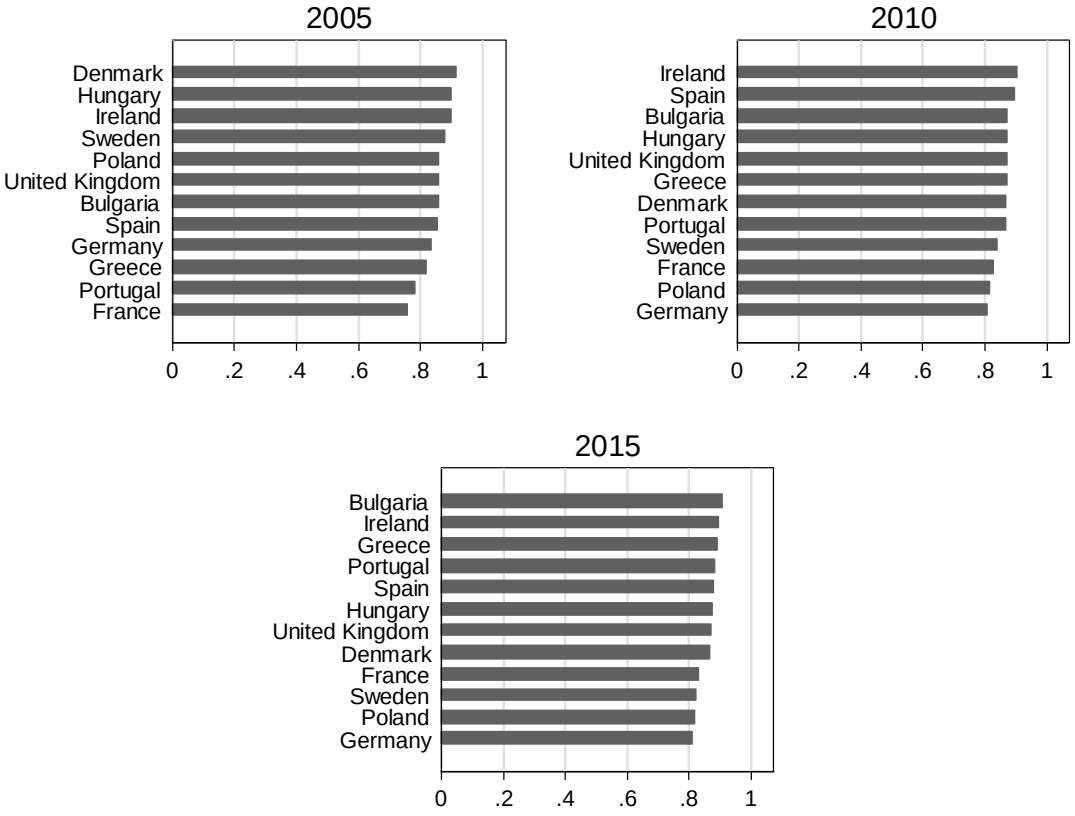
Job prospects index in selected EU countries



Source: EWCS 2005-2015 and authors' calculations.

Figure 5.8

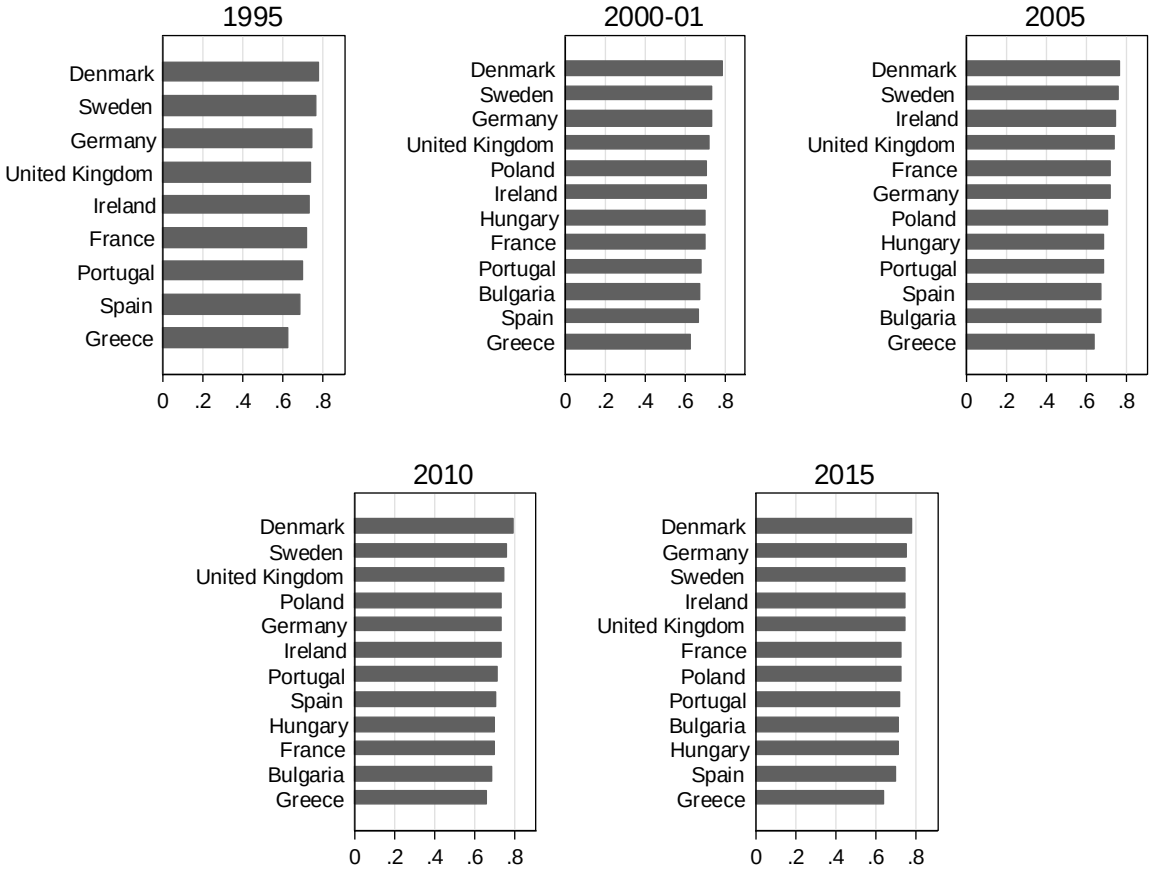
Social environment of work index in selected EU countries



Source: EWCS 2005-2015 and authors' calculations.

Figure 5.9

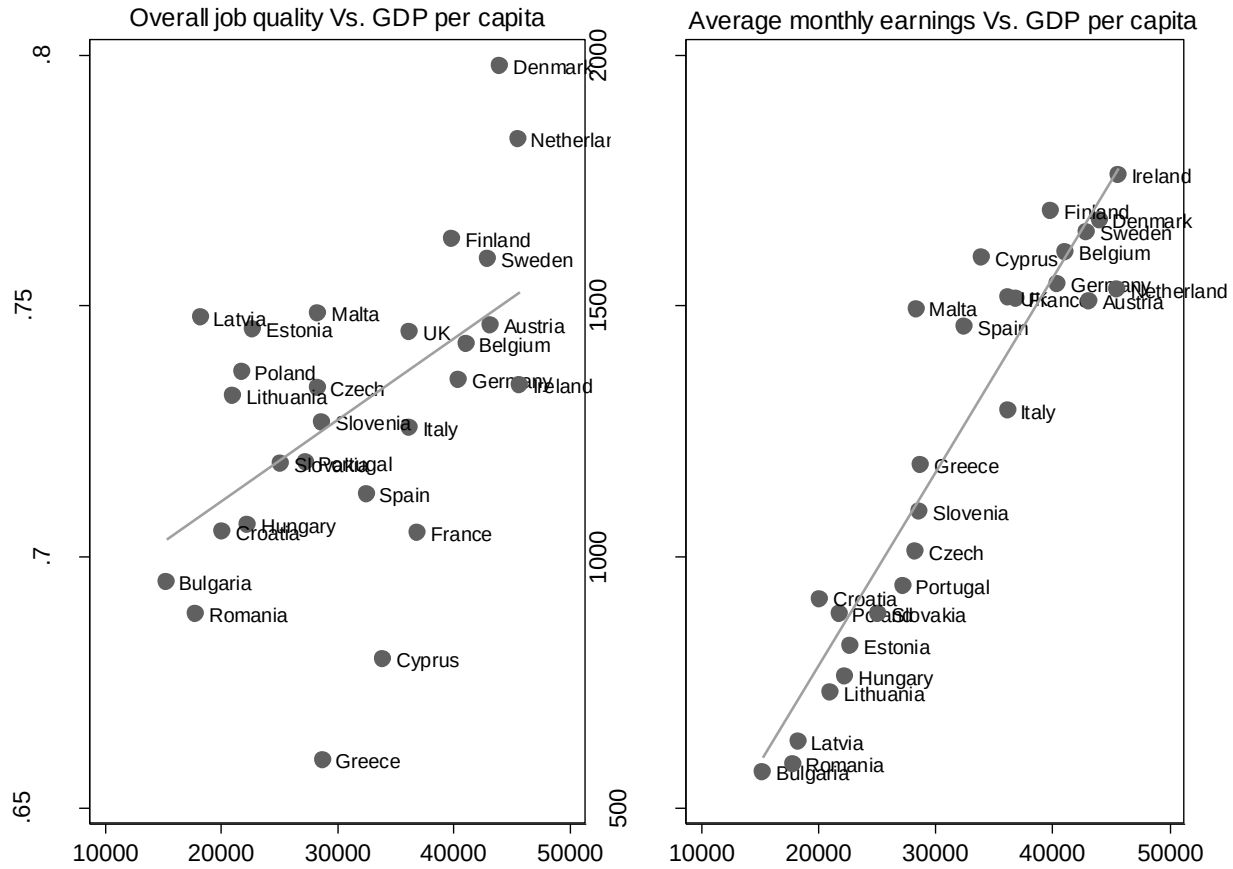
Overall job quality index in selected EU countries



Source: EWCS 1995-2015 and authors' calculations.

Figure 5.10

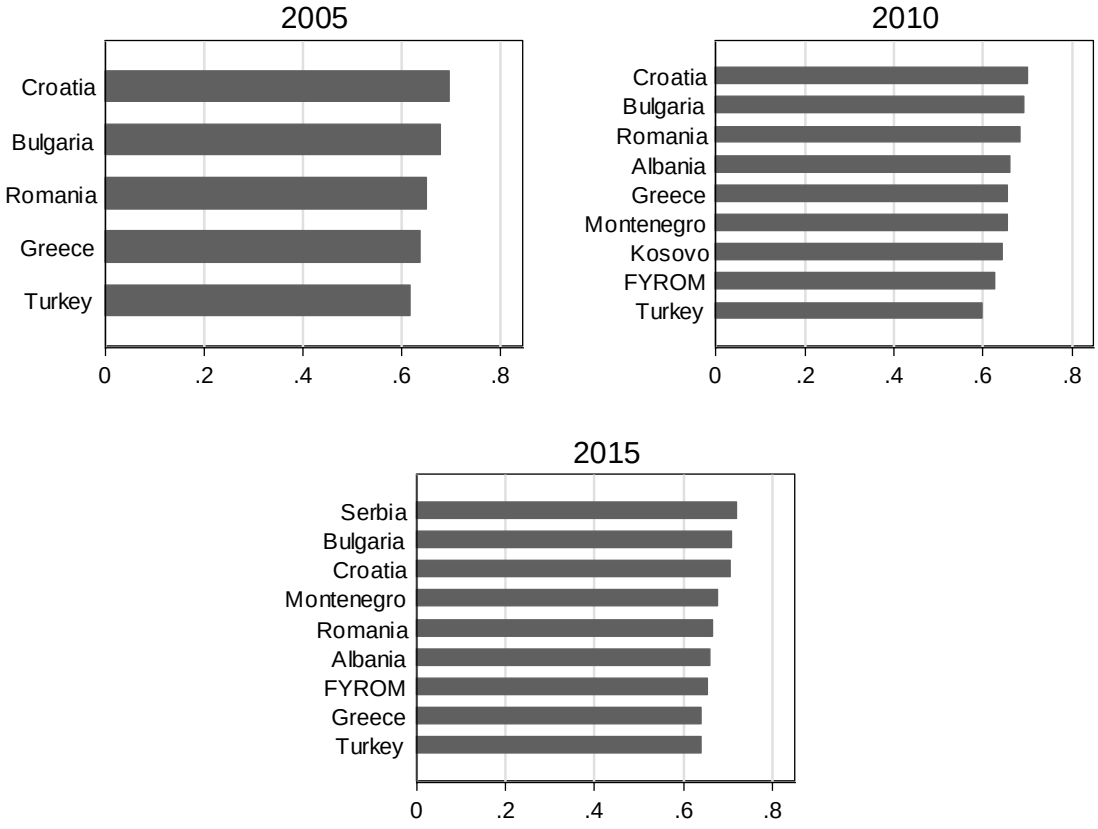
Overall job quality, average earnings, and GDP per capita in the EU in 2010



Source: EWCS 2010, World Development Indicators, and authors' calculations. Figure excludes Luxembourg due to its outlier status concerning GDP per capita.

Figure 5.11

Overall job quality index in Greece, the newest EU member states, and EU candidate countries



Source: EWCS 2005-2015 and authors' calculations.

Table 5.1

Survey items included in the Job Quality indicators

Skill use and development	**Training provided by employer over the past 12 months, job involves solving unforeseen problems, job involves complex tasks, and job involves learning new things**
Autonomy/discretion	Be able to choose or change order of tasks, methods of work, and speed/rate of work
Physical environment	Exposed to vibrations, noise, high/low temperatures, smoke/fumes, and chemicals, job involves tiring positions, carrying heavy loads, repetitive hand/arm moves
Work intensity	Job involves working at very high speed, job involves working to tight deadlines, has enough time to get job done, pace of work dependent on work done by colleagues, direct demands from customers, numerical production or performance targets, automatic speed of a machine, direct control of boss
Working time quality	Working at nights, Sundays, Saturdays, works more than 48 hours per week (usual hours)
Prospects (available 2005-2015)	Might lose job in the next 6 months, job offers good prospects for career advancement
Social environment (available 2005-2015)	Colleagues help and support, manager helps and supports, have been subjected to unwanted sexual attention, have been subjected to physical violence
Overall job quality index	All above items that are consistently available since 1995, i.e. items for skill use and development, autonomy, the physical environment, work intensity, and working time quality

Source: Author's own definitions, based on EWCS data and following to a certain degree the work by Eurofound (2012; 2017). As detailed in the text, items that indicate 'negative' quality have been reversed in order for the value of 0 to indicate the lowest (and the value of 1 the highest) quality for each specific item. The specific survey questions and the computer code used to construct the indicators are available from the authors on request.

Table 5.2

The job quality gap between Greece and Europe

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Overall job quality	Overall job quality	Overall job quality	Overall job quality	Overall job quality	Overall job quality	Overall job quality
Greece	-0.087***	-0.088***	-0.086***	-0.068***	-0.034***	-0.035***	-0.043***
Year dummies	-	√	√	√	√	√	√
Female share, average age	-	-	√	√	√	√	√
GDP per capita, Unemployment rate	-	-	-	√	√	√	√
Occupational and industrial structure	-	-	-	-	√	√	√
Union density	-	-	-	-	-	√	√
EPL	-	-	-	-	-	-	√
Observations	126	126	126	126	126	125	95
R-squared	0.24	0.30	0.31	0.60	0.83	0.84	0.89

	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Skill use and development	Job autonomy	Physical environment	Work intensity	Working time quality	Overall job quality (Poorer EWCS countries, density excluded)	Overall job quality (Poorer EWCS countries, density included)

Greece	-0.007	-0.075***	-0.039***	-0.016	-0.044***	-0.091***	-0.078***
Year dummies	√	√	√	√	√	√	√
Female share, average age	√	√	√	√	√	√	√
GDP per capita, Unemployment rate	√	√	√	√	√	√	√
Occupational and industrial structure	√	√	√	√	√	√	√
Union density	√	√	√	√	√	-	√
Observations	125	125	125	125	125	67	59
R-squared	0.77	0.72	0.66	0.57	0.72	0.91	0.95

Source: EWCS 1995-2015, World Development Indicators, and authors' calculations.
Notes: OLS regressions; standard errors clustered by country are used for statistical significances; *** $p < 0.01$; ** $p < 0.05$; * $p < 0.10$; poorer countries in Columns 13 and 14 are those in the EWCS that in 2010 had a lower GDP per capita than Greece, namely: Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, Croatia, FYROM, Turkey, Albania, Montenegro and Serbia; in Column 14 FYROM, Albania, Montenegro and Serbia are excluded due to missing union density data.