

iO1 Country Report Czech Republic

GIVE – Guidance for Individual Vocations in Europe

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# **Imprint**



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# 1. Introduction

#### 1.1 What is at stake?

Boundaryless careers (working simultaneously for multiple employers in multiple projects in a short sequence) in digitalised labor markets, the rise of the platform economy as digital matchmakers, boosts an ongoing trend towards (enforced) self-reliance and self-optimisation of modern employees.

Persons performing these new forms of labor are coined "ENTREPLOYEES" (Pongraz, 2003). Today entrepreneurial labor is most easily to depict in forms of labor such as crowd workers and on-demand workers of the platform economy as well as solo self-employed, but also takes shape within conventional employment by focusing on self-governance (e. g. management by objectives) and removing all traditional boundaries with regard to time, space, cotent and qualification. These new forms of labor involve opportunities such as career entry points and flexible working conditions, but also challenges of self-control and self-marketing.

Reduced regulations and job security make them risky for persons with few resources and low qualification leading to the establishment of a disadvantaged subgroup of entreployees, the "**SELF-ENTREPRENEURIAL DAY LABORERS**" (Voß, 2003), a new group of working poor.

The spread of entreployees entails a transformation of the concept of vocation. While the Fordist model of employee is built on a concept of vocation, characterised by rigidly standardised qualifications and basic work virtues, the post-Fordist entreployee has his very own "INDIVIDUAL VOCATION" (Voß 2003): a personalized model of specific competence and experience, integrated in a rationalized, though individual, way of life. This new type of labor is not replacing the Fordist model of employee altogether. In many fields of work the typical occupational employee still dominates. But especially in sectors representing modern capitalism such as IT, media, culture, consulting, research and training as well as in the service economy entreployees are to be found in large numbers, heralding a changing relationship between providers and users of human labor characterised by an increase of casualization and, of course, also influencing the situation of employees in normal employment (comp. Crouch 2019).

The spread of new forms of labor and vocational identities are a challenge for educational guidance. It is not enough anymore to support clients in choosing and starting their career and in switching jobs. Guidance has to empower a new, very diverse client group to perform their individual vocations or move on to more stable forms of employment.

# 1.2 The Erasmus+ Project "GIVE - Guidance for Individual Vocations in Europe"

Responding to the challenge sketched out above, the Erasmus+ funded project "Guidance for Individual Vocations in Europe" (2019–2021) aims at fostering an innovative and inclusive offer of educational and vocational guidance by supporting guidance practitioners as well as policy maker to:

have a firm understanding of the rise of new forms of labor, the resulting transformation of the concept of vocation and the impact of these developments on educational guidance, know how to access persons conducting new forms of labor (entreployees) as new target groups for guidance, have appropriate counselling tools for these new target groups at hand and adapt their policies to this challenge at structural and strategical level.

The project is conducted by a European consortium consisting of institutions with long standing expertise in the field of educational guidance, labour (market) and education policy, discontinuous career biographies, policy analysis, consulting, scientific research and developing (web based) learning solution:

- ÖSB Studien und Beratung gemeinnützige GmbH (AT) coordinator,
- bbb Büro für berufliche Bildungsplanung (DE),
- i-smARt Trust reg. (LIE),
- Výzkumný ústav práce a sociálních věcí (CZ).

# 2. Situation and trends of new forms of labor

# 2.1 Defining the object of investigation

In recent years we have witnessed the emergence of, and growth in, forms of labor, different to the standard employment relationship (full time dependent employment). Unfortunately, the scientific discourse lacks a clear-cut definition or at least a shared understanding of what constitutes "new forms of labor". Consequently, these new forms are coined: "new forms of work" or "new forms of labor" or "new forms of employment".

In the paper at hand, our definition of "new forms of labor" is guided by the definition of international and European sources, for reasons of comparability:

The OECD (2019) states in a recent report the following "new forms of work", as receiving most policy attention in 44 selected countries of the OECD, EU and G20:

- Platform work: Matching customer and clients by means of a virtual platform (most commonly cited)
- Self-employment with a special focus on "fals/bogus self-employment" and ownaccount workers (self-employed workers without employees)
- · Fixed-term & temporary work
- Variable hours contracts: Contracts that include a clause stating that hours worked can vary from one week to the next

Based on the "indicators" (Eurofound 2015, 4/5):

- Relationship between employers and employees different from the established oneto-one employment relationship
- Provision of work on a discontinuous or intermittent basis
- Networking and cooperating arrangements between self-employed
- Place of work other than the premises of the employer
- Strong or prevalent support of ICT

Eurofound (2015, p 4-9) defined the following "New Forms of Employment":

- Employee sharing: An individual worker is jointly hired by a group of employers (excluding work agency)
- Job sharing: A single employer hires two or more workers to jointly fill a specific job
- Interim management: A worker is hired for a temporary period of time by an employer with employee status rather than that of an external advisor
- · Casual work: Irregular on-demand work
- ICT-based mobile work: Workers operating form various possible locations supported by ICT. Different from traditional teleworking, being even less "place-bound"
- Voucher-based work: The employment relationship is based on a voucher rather than an employment contract
- Portfolio work: Multiple small jobs/contracts for a large number of clients

- Crowd employment: Platform matched work
- Collaborative employment: New cooperation models among self-employed

Not all of these new forms of labor are to be found in all European country on a relevant scale. For the country report at hand, we focus on the most prevalent and well documented forms in Czech Republic.

# 2.2 Trends of new forms of labor in the Czech Republic

The application of atypical forms of employment is not widespread in the Czech Republic. Both employers and employees tend to prefer nontime limited and full-time employment arrangements. However, the various social partners are aware that changes in the labour market due to digitalisation and the economic recovery will require more flexibility on the part both of employees and employers. It can be stated that with respect to flexible forms of employment, social partners at the headquarters level are addressing and searching for ways in which to make the labour market more flexible. Unfortunately, knowledge of the potential for and benefits of applying flexible forms of employment is restricted to headquarters level - social partners active at lower levels (trade union and employers' associations, specific companies) continue to take a conservative approach and prefer full-time, non-time limited employment contracts as is evident from the relevant statistics.

Notably, it is clear that the preferences of employers and employees with regard to the application of flexible forms of employment differ considerably. Moreover, substantial differences exist in terms of the types of flexible forms of employment employees would like and those under which they actually work and with respect to which there is considerable space for adjustment on an individual basis.

The labour market is expecting major changes as a result of digitalisation (the disappearance of certain professions, new forms of employment, etc.), the exact nature of which, however, cannot currently be predicted. In contrast to the standard employment contracts, which are results of standard tripartite dialogue between employee, employer and the social partners, the new form of employment are more driven by the needs of market. The models are moved from large-scale employment in manufacturing and automatize repetitive process, there is a growing need for staff with specific and specialized skills.

Both Governmental representatives and social partners are aware of this fact and are making real efforts to prepare for the anticipated changes where possible. To date, however, this has tended to concern trade unions and employers at the headquarters level rather than specific companies and local trade union organisations.

Employers' associations, led by the Confederation of Industry of the Czech Republic, make efforts to inform their members of the latest innovations and elicit their feedback, not only through organised meetings, but also by means of the conducting of sociological research within the membership. The Czech-German Chamber of Industry (Česko-německá obchodní a průmyslová komora, ČNOPK) for example organises roundtable meetings on the topic, to which representatives of Czech and German companies are invited. At the regional level, conferences are held, in cooperation with CzechInvest – Investment and Business Development Agency (CzechInvest – Agentura pro podporu podnikání a investice) and major employers in the respective region, on the effective introduction to their businesses of the systems outlined in Industry 4.0. In addition, SP ČR has developed the so-called "evaluation model for the self-assessment of the digital

maturity of companies" for its members via which companies are able to assess whether it is worthwhile investing in digital technology or whether it is better to rely on human labour. Moreover, awareness activities on the part of employers' associations are not limited to their own membership base, for example, experts from the Confederation of Industry regularly present lectures on the topic of Industry 4.0 at secondary schools. Representatives of employers' associations agree that most employers, especially SMEs, do not yet fully understand the Industry 4.0 concept. Such associations have therefore chosen to instruct their members in a way that they feel they will best understand. For example, the Association of Small and Medium-sized Enterprises and Crafts of the Czech Republic (Asociace malých a středních podniků a živnostníků ČR, AMSP ČR) has launched the Řemeslo 4.0 (Craft 4.0) project, inspired by a similar scheme underway in Bavaria. As a result of this approach, employers expect both higher productivity (increased efficiency and flexible processes leading to cost savings) and solutions to the everworsening shortage of labour. Moreover, they are afraid of losing their competitive edge compared to other advanced economies should they "miss the boat" in terms of advanced digitalisation. The focus of the approach of employers' associations thus includes familiarising companies with new digital systems and technologies providing for the complex interconnection of all the company's production systems. Employers' associations are also looking for ways in which to support their members in terms of implementing new technology.

Employers are aware of the fact that digitalisation will bring with it changes both in the quality of work and working patterns leading towards greater flexibility and less dependence on the place at which work is performed. Companies are thus being systematically made aware from the side of the unions that this trend will require adjustments to be made to their HR strategies as soon as possible. "Companies will not have a full complement of full-time employees at their disposal, but will consist of highly-specialised professions that will not use the full-time model" (manager for the digital economy, SP ČR).

The pace of the introduction of advanced technologies and the expansion of the Industry 4.0 concept largely depends on the financial resources of specific companies. The Czech economy is very open and is oriented towards exports with a high level of foreign capital invested in companies, which may have an impact on both the pace and willingness to introduce changes. In this respect the role of the Trade Union is a crucial one (and it can differ from the other partners countries), as there is existing fear that foreign owners will not want to invest in expensive technology and employee retraining in the Czech Republic, preferring instead to continue to exploit the country's cheap labour force. It is approximately about 40% of companies operating in the Czech Republic which are controlled by foreign capital.

The changes anticipated with respect to the nature of work, changes concerning the use of specific types of employment contracts and the modification of the organisation of working time resulting from the digitalisation of the economy. The disruption of these traditional relationships will involve essentially work through the so-called "platform economy" and "crowd working", which currently in the Czech Republic are not particularly widely used.

How important the new forms of employment are can be seen also in the respect with the recent pandemic situation. The pandemic has forced the adoption of new ways of working. Organizations are put to the situation to reimagine their work and the role of offices in creating safe, productive, and enjoyable jobs and lives for employees.

Many companies around the world, including the Czech Republic have risen to the occasion, acting swiftly to safeguard employees and migrate to a new way of working

that even the most extreme business-continuity plans hadn't envisioned. Across industries, leaders will use the lessons from this large-scale work-from-home experiment to reimagine how work is done—and what role offices should play—in creative and bold ways.

During the lockdowns, organizations have necessarily adapted to go on collaborating and to ensure that the most important processes could be carried on remotely. Most have simply transplanted existing processes to remote work contexts, imitating what had been done before the pandemic. This has worked well for some organizations and processes, but not for others.

Table 1 Proportion of employees working on fixed – term contracts

Year	Number of employees working on fixed-term contracts (% of total no. of employees)
2009	7,0
2010	7,3
2011	7,0
2012	7,2
2013	7,9
2014	8,3
2015	8,7

Source: Czech Statistical Office

# Types of new and atypical forms of employment in the Czech Republic and related legislation

New non-standard or atypical forms of employment<sup>1</sup> are taken advantage of only to a limited extent in the Czech Republic. Flexibility in the labour market has formed a significant trend in developed European countries for several decades and it can only be assumed that its importance will continue to increase. The Czech Republic, however, is lagging far behind with respect to the development of flexibility in the labour market (Kotíková, Kotrusová, Vychová, 2012). In the Czech environment, employed persons are used to both working full-time and to concluding open-end (non-time-limited) employment contracts; indeed, this form of employment is the preferred option of employers. Flexible forms of employment in the Czech Republic are regulated by Act No. 262/2006 Coll., the Labour Code<sup>2</sup>.

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<sup>&</sup>lt;sup>1</sup> For a definition of this term please see Eurofound, 2009: Atypical work refers to employment relationships not conforming to the standard or 'typical' model of full-time, regular, open-end employment with a single employer over a long-time span. The latter in turn is defined as a socially secure, fulltime job of unlimited duration, with standard working hours guaranteeing a regular income and, via social security systems geared towards wage earners, securing pension payments and protection against ill-health and unemployment.

<sup>&</sup>lt;sup>2</sup> This text does not address illegal forms of employment, i.e. forms that exist outside employment relationships defined in the Labour Code. Of course, such forms occur in the Czech Republic, and probably the most frequently used form of employment in this respect consists of the status of self-employed person (Nekolová, 2010). Although such forms of employment may meet the conditions relating to the definition of atypical forms of employment, they are not legal and, therefore, no statistics are available; thus, this paper does not address this theme.

#### **Fixed term contracts**

Fixed-term contracts are defined in the Labour Code, which regulates when and under what conditions this type of employment arrangement can be concluded and, if relevant, extended (Act No. 262/2006 Coll., the Labour Code, Section 39). Those most often employed on such contracts include seasonal workers and persons standing in for permanent employees (e.g. for those on sick leave or maternity leave) – see Kotíková, Kotrusová, Vychová, 2012. This type of contract is seen as particularly beneficial for the employer – the degree of flexibility is much greater as compared to part-time work (see below) and allows the employer to adjust the number of personnel to the current economic situation. Moreover, the use of this type of contract is slightly more frequent than that of part-time employment (see table 1) and is increasing slowly. That said, it continues to represent a relatively marginal form of employment.

#### Part time employment

The Labour Code defines part-time employment (i.e. shorter working hours) as employment amounting to less than 40 hours per week, which can be concluded on a fixed-term or open-end basis, and for which the employee is entitled to remuneration corresponding to the shorter hours worked. The target group of the workforce for which the Labour Code allows for the shortening of working hours consists of pregnant women and persons who provide care either for their own children (under 15 years of age) or for other persons who are unable to care for themselves (requiring constant care). With respect to such employees, the employer has a duty to comply with a request for a reduction in working hours unless this is precluded by serious operational reasons. What is meant by such reasons, however, is not specified in detail. Similarly, no regulation exists with respect to the entitlement to increase the number of working hours once the requirement to decrease working hours on the side of the employee no longer applies (Kotíková, Kotrusová, Vychová, 2012).

Although the proportion of people working part-time is slightly on the increase in the Czech Republic, the number is still very low (see table 2), which is due particularly to the economic disadvantage of this type of employment. The most frequent reasons advanced for working part-time consist of medical issues (mainly concerning elderly persons), the inability to secure full-time employment, the need to care for children or other dependent persons (especially concerning women), or continuing education (Kotíková, Kotrusová, Vychová, 2012).

Table 2 Proportion of employees working on part – time contracts

Year	Number of employees working part time (% of total no. of employees)
2009	5,1
2010	6,0
2011	5,5
2012	5,8
2013	6,6
2014	6,4
2015	6,3

Source: Czech Statistical Office

#### **Working from home**

Currently, working from home is not comprehensively regulated; however, it has been allowed under the Labour Code for several years - according to Nekolová, 2010, such a form of work enjoys a certain tradition in the Czech Republic, even though for many years it was limited to very specific groups of the population (particularly women over retirement age and mothers on maternity leave). However, new Labour Code planned in 2022 should cover this form of work. Currently, in terms of the form of employment relationship, working from home is conducted on the basis of a standard employment contract. Obstacles to the wider use of working from home consist of concerns regarding the inability of employers to ensure compliance with safety regulations regarding the performance of work, the inability to supervise employees, difficulties concerning communication with employees and doubts with respect to labour productivity (Kotíková, Kotrusová, Vychová, 2012, Czech-Moravian Confederation of Trade Unions (Českomoravská konfederace odborových svazů, ČMKOS), 2016).

#### Flexible working arrangement

The Labour Code recognises flexible working arrangements (for details of the legislation, see Act No. 262/2006 Coll., the Labour Code, Section 85) and the so-called "working time account" (for details of the legislation, see Act No. 262/2006 Coll., the Labour Code, Sections 86–87).

Flexible working hours allow for the selection of the start and finish times of the working period within a predetermined time range agreed between the employee and the employer. The employee is required to be in the place of work during the agreed core time period. The length of individual working shifts should not exceed 12 hours. This kind of flexible employment is particularly advantageous for mothers with young children whose working hours must often be adapted to fit in with the need to arrange care for their children (kindergarten).

The working time account represents the most flexible form of working time arrangement and consists of the employer assigning work to employees according to their requirements, and it is possible to depart from the working hours schedule on an arbitrary basis. The employee is paid via a permanent (fixed) monthly salary regardless of the amount of work performed and the actual remuneration achieved, and any overtime owed to the employee is settled at the end of the so-called "balancing period". The working time account can be used by every employer in the private sector, however, it must be governed via a collective agreement or company internal regulations and employees must agree to its introduction. The balancing period is either 26 weeks or 52 weeks if the implementation of the system was agreed via a collective agreement. The employer is obliged to maintain accounts of the employee's working hours and wages. Working time accounts are therefore administratively demanding and economically risky given the short balancing period; thus, this form of work arrangement is mainly used by larger companies (Kotíková, Kotrusová, Vychová, 2012).

Table 3 Forms of employment and their use in practice

Type of employment	% responds
Full-time employment, open-end	70,3
Full-time employment, fixed-term	13,2
Part-time employment, open-end	5,4
Part-time employment, fixed-term	4,6
Agreement to perform work – open-end	2,4
Agreement to perform work – fixed-term	1,7
Agreement to complete a job	0,6
Working from home – full-time	0,1
Working from home – part-time	1,7

Source: ČMKOS, 2016, Note: N = 3,924

An interesting view with respect to the use of flexible employment arrangements in the Czech Republic was revealed by the results of the afore-mentioned Shortening of Working Hours project that included a questionnaire survey which examined the use of flexible employment arrangements as viewed by both employees and employers. Table 3 shows that respondents expressed an overwhelming preference for standard full-time employment with open-end contracts, followed by full-time employment with fixed-term contracts. Other forms of employment were found to be much less popular.

Employee preferences differed however. The same research indicated that employees expressed the greatest interest in flexible working hours, shorter working hours and working from home. With respect to employers, it was found that the most popular form of flexible employment arrangements consisted of flexible working hours followed by agreements to complete a job and agreements to perform work; the least preferred option was shorter working hours.

Similar result was received within the survey of RILSA which was performed with in the project *The adaptation of industrial relations towards new forms of work - VS/2018/0039*. Here experts at RILSA received the following information from the public institutions, regarding employment:

Table 4 Employees with fixed term and permanent job contract (2015, average numbers)

Employees incl. members of productive cooperatives	Total number of employees	Full time job contracts	Part time job contracts
Of which:	4,167,700	3,915,300	252,400
Fixed-term job contracts	437,700	329,900	107,800
Permanent job contracts	3,727,700	3,583,500	144,200

Source: Czech Statistical Office, table 211: Employment in the national economy by employment status and type and duration of employment 2015

Table 5 **Employees with fixed term and permanent job contract** (2016, average numbers)

Employees incl. members of productive cooperatives	Total number of employees	Full time job contracts	Part time job contracts
Of which:	4,256,800	3,915,300	275,100
Fixed-term job contracts	434,500	321,300	113,200
Permanent job contracts	3,820,800	3,659,200	161,600

Source: Czech Statistical Office, table 211: Employment in the national economy by employment status and type and duration of employment 2016

It was confirmed that in the Czech Republic, full-time contracts constitute the overwhelming majority of employment contracts concluded in the economy, i.e. in 2015 the number amounted to 3,915,300 employees with a share of 93.1% of the total and in 2016 the number stood at 3,981,700 employees (93.5%).

The share of part-time contracts concluded with respect to the total number of employees in the Czech economy stood at 6.5% in 2016 (345,600 employees), while in 2015 it was 6.1% (317,800 employees), an 8.7% year-on-year increase. The proportion is low when compared to other EU28 countries, especially Western European countries.

In 2015, 437,700 employees in the Czech Republic (i.e. 10.5% of the total) worked on fixed-term contracts and 434,500 employees (10.2%) in 2016. In 2015, 3,727,700 employees worked on permanent contracts (89.5% of the total) and 3,820,800 employees (89.8%) in 2016. RILSA obtained a further (second) source of data on the number of fixed-term contracts and permanent contracts in the Czech Republic in 2015 and 2016, namely the Labour Force Survey (LFS) conducted by the Czech Statistical Office:

Table 6 **Employees with fixed term and permanent job contract** (2016, average numbers)

	Total number of employees	Full time job contracts
Number of permanent contracts	3,727,730	3,820,810
Number of fixed term contracts	437,650	434,520
TOTAL number of contracts	4,165,380	4,255,330
Of which:		
Number of agreements to complete the job (DPP) AND agreements to perform work (DPČ)	133,100	145,400
Share of number of (both) agreements on number of fixed term contracts in %	3.0	3.3
Share of fixed term contracts in %	10.5	10.2
Share of permanent contracts in %	89.5	89.8

Source: Labour Force Survey (LFS) by Czech Statistical Office

The LFS source shows that the number of permanent contracts concluded in the Czech Republic increased by 2.5% in 2015 and 2016 due to the improving economic situation. This tendency continued into 2017 and 2018. The favourable economic situation was also reflected in the decreasing number of fixed-term contracts (-0.8%); this type of work arrangement currently represents around one tenth of all employment contracts. Fixed-term contracts include so-called agreements to complete a job and

agreements to perform work; according to official ČSÚ statistics, the number of such contracts concluded increased by 11% year-on-year, i.e. significantly faster than in the case of permanent contracts. The share of these two forms of total fixed-term contracts is just over 3% of the total of 430,000 contracts.

Finally, according to the experts at RILSA, there are no official or unofficial statistics available in the Czech Republic indicating the number of civil contract or intellectual property contracts with concern to fixed-term employment.

#### New trends in using new forms of labour in the Czech Republic

There is recent project "The adaptation of industrial relations towards new forms of work" focusing on the use of new forms of employment in the Czech Republic and to compare the results with those from other participating countries (Romania, Bulgaria, Croatia, Poland and Macedonia). Part of the project consisted of survey including the conducting of a focus group session with the participation of employees working in new forms of employment and 15 managed interviews with employers, recruitment agencies and experts involved with new forms of employment. According the outcomes of the project the situation looks in the Czech Republic as follows:

#### **Employee Sharing**

Employee sharing is defined by Eurofound as "where an individual worker is jointly hired by a group of employers to meet the HR needs of various companies, resulting in permanent full-time employment for the worker." This form is in the Czech Republic used mostly by micro or small companies which are able to "share" employee with other companies.

In the survey, less than 9% reported that they had personal experience with this type of work and 4% of respondents stated that they currently worked in this form of employment relationship regardless of whether they were employed or self-employed, about 87 % don't have any experience with this kind of work.

#### Job Sharing

Job sharing is defined by Eurofound as "where an employer hires two or more workers to jointly fill a specific job, combining two or more part-time jobs into a full-time position".

In the Czech Republic, according to RILSA survey, the level of awareness regarding this form of work is relatively high because plans are in place for the legal regulation and it has been frequently discussed in the media. Still there is relatively big amount of people without any experience with this form of work (81,7 %).

Given that plans are in place for the legal regulation of this form of employment and the topic has, consequently, been subjected to frequent debate in the media, the level of awareness of the employed public in this respect is relatively high. Almost 40% of employees said they knew of the concept of job sharing, with 59% of employees working in Prague stating that they were familiar with this form of work. Moreover, awareness of this form was relatively more common among women (45%) than men (35%), university graduates and the youngest age group, i.e. up to 30 years. As for personal experience, the differences between the different socio-demographic groups were not so significant. That said, a statistically significantly higher proportion of those

under 30 years had experienced this type of work arrangement compared to the other age groups; a quarter of respondents in this age category stated that they had had experience of job sharing.

Job sharing has the potential for increasing the employment percentage of disadvantaged groups (such as the elderly, the disabled or young people on the labour market) or individuals who are not able to work full-time due to care responsibilities. It is a model that offers flexibility for both the employer and employee, with the latter being able to choose the working hours which are most suitable and convenient for them. It also ensures employers that particular jobs are always fully staffed. However this kind of form of work is highly influenced by the high of the salary (remuneration for work) which is in the Czech Republic connected with quite law salary especially in case of shorter working time and with other complementary cost connected with the performing the job (commuting, payment for child care, etc.). This problem is also connected with later use of social solidarity systems (pensions benefits, unemployment benefits).

#### **Interim management**

Eurofound defines interim management as a form of employment "in which highly skilled experts are hired temporarily for a specific project or to solve a specific problem, thereby integrating external management capacities in the work organisation.

Interim management was known by 45% of respondents. Due to its requirements in terms of expertise and special requirements, university-educated respondents were most aware of this type of work (62% of this group of respondents had already heard of this form of work). Moreover, there were higher than average levels of awareness among the self-employed and persons working in Prague. Workers over 60 years of age reported significantly lower levels of awareness of this form of work. 11,9 % of respondents stated that they had personal experience of interim management, with men predominating over women and the self-employed over employees.

#### ICT based mobile work

According to the Eurofound definition, ICT-based mobile work is "where workers can do their job from any place at any time, supported by modern technologies".

Act No. 262/2006 Coll., the Labour Code does not refer directly to mobile or home office work; however, Section 317 states that the Labour Code applies to the labour (employment) relationship of an employee who does not work at the employer's workplace (site) but who performs agreed type of work under the laid down conditions within working time (working hours) which he organises himself, with the following exceptions: a) the regulation concerning the schedule of working hours, idle time or work interruptions due to unfavourable climatic conditions shall not be applicable to this employee; b) where there are other important personal obstacles to work (medical check-up, accompanying a relative to a health facility, etc.), this employee is not entitled to compensatory wage or salary, c) the employee shall neither be entitled to compensatory wage/salary or compensatory time off in lieu of overtime work, nor to compensatory wage/salary or overtime premium for work on public holidays.

Mobile work makes up a particularly inadequately legally-established institution, which means that its application in practice raises a number of questions to which legislation provides no (or at least unclear).

ICT-based mobile work has one of the highest rates of positive responses from respondents, of all new forms of employment surveyed. In the Czech Republic it is 18,3.

Contracts drawn on this topic must be very detailed regarding the rules (working time limits, health and safety at the work place – which is under the responsibility of employer, the duty to take work breaks etc.). This makes employers quite hesitant in using it.

Furthermore, when analysing response rates to professional experience in ICT-based mobile work in light of the responses on working locations, the conclusion is that a correlation exists. But interestingly, the correlation is not between positive responses between mobile work and work in public spaces, but to homebased work.

Table 7 Working location vs. ICT based mobile work

Location	%
Employers premises	80,3
Own home	29,10
Public spaces	8,5

Source: National survey

From the perspective of the reality of a digital economy, the implications of ICT-based mobile work are significat for the labor market because it implies a shift in the understanding of employment from a traditional perspective. It has longrange effects on the traditional organization of a company, employment relations and even implications for the welfare system. It is already shaping the recent drive for more flexibility regarding employment contracts and even Labour Law Codex in the future.

The specific role of this form of work appear at the recent time of pandemic situation connected with Covid 19 when majority of economy switched to this mode.

ICT based mobile work (along with platform work) is also perceived as the defining and characteristic form of new employment because it pertains the most to the digital economy.



#### **Personas**

Kateřina, real estate agent Working from home

- Reasons to work in ICT based mobile work:
  - "Thanks to the ICT based work and free planning of working time I can afford to do also second job, which is more my "hobby" but not profiting activity as such. It concerns horses which are matter of my heart."
- Reasons for Career Guidance
   She received advice how to use ICT to support her working activities.



#### **Personas**

Viktor, Business Access Manager

Working from home (90 % of work amount)

Reasons to work in ICT based mobile work:

"I am welcoming this type of work, flexibility is for me big advantage, however, I have to learn a couple of new things. One of those things is to manage not to be in pyjama at 3 o'clock in the afternoon, or that I am having breakfast only at 11 a.m. I had to work on some day regime to be able to do my work properly. I know some of my colleagues which are allowed to work in the same form of work but for those reasons they are continuing to visit their office daily."

· Reasons for Career Guidance

He never took care of Career Guidance, he was recommended nevertheless to undertake some training by his boss.

#### **Crowd employment**

Under the Eurofound definition, crowd employment is "where an online platform matches employers and workers, often with larger tasks being split up and divided among a 'virtual cloud' of workers".

Legally, there is none labor legislations specifically regulating crowd employment. In practice, however, workers perform platform work on the basis of registering as self-employed and/or working on the basis of contracts for the provision of services. There must be mentioned the existence of a legal grey zone concerning platform work. The estimated involvement in this form of work in the Czech Republic 6,2%.



#### **Personas**

Sarah, houskeeper

Crowd employment

· Reasons to work in this form of work:

"Me and my clients – we are very open to find the best arrangements, fitting to both sides and according the individual preferences and needs. If we are not finding the solution, the platform is matching me with other clients".

· Reasons for Career Guidance

She did not have good overview concerning online career and what she can do via crowd employment

#### **Casual work**

Eurofound defines casual work as a form of employment where "where an employer is not obliged to provide work regularly to the employee but has the flexibility of calling them in on demand"

Casual work is the form of employment where the second highest proportion was indicated – specifically 26,4% in the Czech Republic. has the second highest rate, with 26,4%. This can be partially due to the fact that Czech labor law does provide for shorter-term contracts, such as the agreement to perform work, which does not exceed 20 hours per week and can be concluded for a fixed period.

The concept of casual work is generally perceived by the employed public in the Czech Republic as short-term (e.g. holiday)/intermittent employment. Hence "casual work" was the most well-known and widely experienced "new form of employment" concept identified in the research. Casual work was known by two-thirds of respondents and a quarter of them stated that they had personal experience with this type of employment. Even among the self-employed respondents, one-third reported having had personal experience. With the exception of the self-employed sub-group, practical experience with this form of work was stated significantly more often by participants in the youngest age category. Awareness of this form was stated more often by women than men, those with a completed secondary level of education and more frequently by the self-employed than employees.



#### **Personas**

Vanda, X- ray assistant at parental leave

#### Casual work

· Reasons to work in this from:

"I have big room to plan my work – due to it I can perform work life as well as the private one and I am able to ensure baby-sitting which can be in this form of long term planning covered by family".

· Reasons for Career Guidance

The need to apply new technologies, which are appearing in time of parental leave, regular training

#### Portfolio work

Portfolio work is defined as employment where "a self-employed individual works for a large number of clients, doing small scale jobs for each of them".

This form of employment allows for certain categories of highly-skilled workers to remain active on the labor market, if they so choose, long after retirement. This would ensure that certain skills and experience are not lost but passed on to younger generations. For some people, portfolio work was the first step towards entrepreneurship.

The percentage of portfolio work in the Czech Republic is 10,6%.

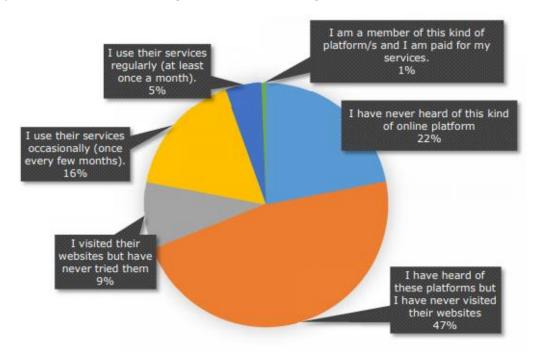
RILSA concludes that in the Czech Republic, positive incentives prevailed with respect to choosing employment linked to the new digital labour market environment. The most frequently mentioned reason for why respondents were willing to work in new forms of employment was to gain experience followed by the desire to increase one's income. On the other hand, only marginally was it mentioned that the employer forces its staff to accept new forms of employment in place of a standard employment relationship. Likewise, most of the respondents in the Czech Republic did not view working in new forms of employment as a substitute for the non-availability of a standard employment relationship. However, these results may have been strongly influenced by the economic boom and prevailing low unemployment rate during the period of research.

### **Collaborative employment**

This method of employment was known by practically every fifth respondent. The level of awareness was highest among the self-employed (36%) and university educated respondents (32%). Furthermore, the youngest age group was found to have the highest level of awareness of this type of work activity. 9% of respondents stated that they had personal experience with collaborative employment, of which more often men than women and the self-employed more often than employees.

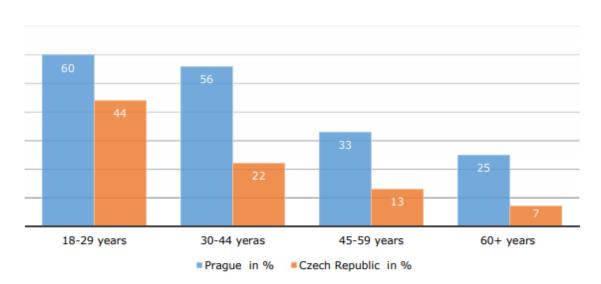
#### Platform economy in the Czech Republic

In the context of the Czech Republic as a whole, use and overall awareness of online platforms is dependent on education and age. University-educated persons use online platforms more frequently than other educational attainment groups (university educated: 29%; without school-leaving certificate: 11%). Experience of using online platforms falls with increasing age. Another interesting fact is that although more women than men have never heard of this type of service, more women than men also stated that they used online platforms. Access to online platforms is specific in the case of Prague. Only 7% of Prague inhabitants have not heard of these services, with 51% saying they have experience of using online platforms. This experience reaches as much as 60% among young inhabitants of Prague below the age of 30 (see graph 2). Another surprising finding is that people in Prague have a similar degree of experience with online platforms regardless of education, sex or work status.



Graph 1 Awareness and experience of online platform

Source: RILSA own research on penetration of awareness of an experience with new form



Graph 2 Share of respondents using online platforms (Prague vs. Czech Republic)

Source: RILSA own research on penetration of awareness of an experience with new form

#### **Conclusions**

- In terms of the spectrum of new forms of employment we defined, employees were most aware of casual work (67% of respondents had come across or heard of this form of work) and distance work based on ICT technologies (60% affirmative answers), and almost half of respondents (45%) knew of interim management. There was a relatively strong awareness of job-sharing (40% of respondents are familiar with this form of work organisation).
- Respondents were almost entirely unaware of voucher-based work, with only 10% of employees having heard of it, and of platform-based work (only 19% of respondents answered that they were familiar with this form of work).
- It was more frequently people under 30, university-educated persons, the selfemployed and workers in Prague who had encountered the majority of the new forms of employment under scrutiny. In the vast majority of cases (bar job-sharing and casual work), the respondent's sex does not determine knowledge of new forms of employment.
- It is most frequently employees who have personal experience of casual work and distance work using ICT technologies (every sixth employee). Almost 14% of working people have had experience with job-sharing during their career and 11% with interim management. Experience with voucher-based and platform-based work was the lowest among the labour force of the Czech Republic.
- As in the case of awareness, personal experience of the majority of new forms of employment is more common among young people, people working in Prague and the self-employed. Men have more personal experience with certain forms than women.
- Approx. one fifth of employees are concerned about new forms of employment: they stated that they would not want to work in the new forms of employment. More than 40% of respondents would be willing to use the new forms of employment. Those who don't know make up a similarly large group (39%).
- It is more frequently the self-employed, men rather than women and respondents from Prague who are willing to work in new forms of employment. In addition, this willingness is more commonly found in individuals who are already used to having another job/working activity.
- Working activity using new forms of employment is not compelled, as a rule. The most
  frequently mentioned reason for being willing to use new forms of employment is to
  gain work experience (three quarters of respondents willing to use the said forms of
  employment opted for this answer). Another reason that appears central is the ability
  to increase one's income through this kind of work (two thirds of respondents).
  Conversely, the situation where an employer compels an employee to accept new
  forms of employment in place of standard employment can be regarded as marginal.
- It is fair to say that a relatively large group of employees regards the opportunities provided by new forms of employment as a challenge.
- The predominant place of work differs significantly between employees and the self-employed. Nine out of ten employees carry out their work mainly (at least several times a week) on their employer's premises. Work in one place on the premises of a firm is less represented among the self-employed (70%). The self-employed are also very flexible in terms of place of work.

#### Resulting challenges for educational guidance

Debates on the introduction of Industry 4.0 and the emerging digital economy invariably include warnings with respect to serious deficiencies in the education system which, it is suggested, is not prepared for technological change. All the parties involved agree that there is a need to restructure the Czech education system. At the government level, the "Action Plan for the Development of the Digital Market" was developed in the form of two more detailed strategies, namely: the Strategy for Digital Education 2015–2020<sup>3</sup> and the Strategy for Digital Literacy 2015–2020<sup>4</sup>.

Moreover, it will be necessary that any adjustments to the curricula and the composition of courses offered reflect the interconnection of vocational qualifications and digital skills. At the present time, the best option would appear to be the introduction of a dual education system. However, the last 39) Ministry of Education, Youth and Sports of the Czech Republic (2014). Strategie digitálního vzdělávání do roku 2020. 31. 10. 2014. Available at http://www.eduin.cz/wp-content/uploads/2014/12/DigiStrategie.pdf (in Czech only). 40) MPSV ČR (2015). Strategie digitální gramotnosti ČR na období 2015 až 2020. June 2015. Available at: http://www.mpsv.cz/files/clanky/21499/Strategie\_DG.pdf (in Czech only).

Challenges in industrial relations in the future few years have seen a consistent failure to effectively put such a system into practice. Nevertheless, a certain shift in this respect can be expected following an agreement between representatives of the main employers' organisations the SP ČR, the Czech Chamber of Commerce (Hospodářská komora ČR, HK ČR), the Confederation of Employers' and Entrepreneurs' Associations of the Czech Republic (Konfederace zaměstnavatelských a podnikatelských svazů České republiky, KZPS) and the Czech Agrarian Chamber (Agrární komora ČR), signed on 20 October 2016, which provides for the splitting of the responsibility of employers' organisations for different groups of vocational education disciplines taught at secondary schools. This division of responsibility between the various employers' associations and chambers is aimed at improving the coordination of practical in-house company training and at introducing elements of dual education to the Czech education system.

Ministry of Education, Youth and Sports of the Czech Republic (2014). Strategie digitálního vzdělávání do roku 2020. 31. 10. 2014. Available at http://www.eduin.cz/wp-content/uploads/2014/12/DigiStrategie.pdf (in Czech only)

<sup>&</sup>lt;sup>4</sup> MPSV ČR (2015). Strategie digitální gramotnosti ČR na období 2015 až 2020. June 2015. Available at: http://www.mpsv.cz/files/clanky/21499/Strategie DG.pdf (in Czech only)

# 3. Existing approaches to tackle the challenge

#### Brief overview of the Guidance system in the Czech Republic

The activities of the guidance systems are merged to provide counselling services to pupils leaving primary and secondary school in the Czech Republic. Guidance and counselling services are required by law to be provided at all basic schools, secondary schools and tertiary professional schools. Guidance and counselling services at all basic and upper secondary schools and school guidance and counselling facilities are provided by: educational counsellors and school prevention specialists— teachers with a further qualification obtained through in-service training. At some schools, psychologists and special educational needs specialists also provide guidance and counselling support. The most important individual professional as regards career counselling is the educational counsellor. The position of an educational counsellor is taken usually by a school teacher with the necessary qualifications. Guidance and counselling for tertiary professional education is organised by the same bodies and institutions and in the same way as at secondary schools. Some higher education institutions offer academic guidance service centres. Most public universities provide their service through in-house Career Counselling Centres.

The Labour Office provides career guidance and counselling for a wide range of issues such as searching a job, psychological support, exploring client's working potential, guidance for retraining, guidance for work rehabilitation and transnational guidance within the EURES network. Jobseekers are guided by employment brokers, they can obtain individual or group career guidance.

In addition to the Labour Office, other actors provide careers advice for adults, including NGOs, employer associations, private employment agencies and regional career centres. A wide range of services for specific target groups is provided by non-governmental organisations and funded by different sources, mainly on a temporary basis (e.g. the European Social Fund, etc.). Career counselling projects funded by EU sources have been expanded however these are not always well linked with other services and for the most part they operate independently. Awareness of their activities is therefore fragmentary. However, those activities have contributed to the development of career guidance/counselling and have created a need for regulation of the whole range of career counselling services as a profession, with its own professional standards and training.

As of 2018 in the Czech Republic, a systemic analysis of the education supply and opportunities for professional development of career guidance counsellors is missing. Requirements on entry qualifications of those who provide career guidance services are not clearly defined. A system of further education and training that would complement and broaden education of currently operating career guidance providers across particular sectors does not exist. Qualification requirements and standards are regulated by legislation by the relevant sector under which career guidance is provided (education, employment).

#### **Recent challenges**

The labour market has undergone a fundamental transformation in recent years. The spread of IT technologies, the use of social networks and changes in individuals' value systems are bringing a gradual transformation of the labour market, with greater

flexibility demanded both by employees of their employers and vice versa, although the reasons may differ on both sides. That is also affecting the Czech labour market which, moreover, has been profoundly influenced by favourable economic conditions and record low unemployment in the last three years. All these factors shape the attitudes of both employers and employees towards new forms of employment.

Following the implementation of the national survey and the discussions within the focus groups and interviews, the experts at RILSA concluded the following regarding the new forms of employment in the Czech Republic. The first is that, in general, microfirms and small firms are more progressive in the use of new forms of employment – they see new forms of employment as a necessity. Given the uncertainty of the external environment and the greater bureaucracy, standard employees working on open-ended full-time contracts are often considered an administrative burden, so companies try to make use of new forms of employment, most commonly casual work, mobile work, job sharing and collaborative employment. This is done either within the framework of the legislation or even on the margins of the grey economy.

The second conclusion is that, in contrast, large firms in the Czech Republic, see new forms of employment as a benefit. According to the research implemented by RILSA, their motivation for introducing new forms of employment (most commonly home office and job sharing) is that employees (and job candidates) demand these new forms of employment. Firms try to keep hold of these employees, so they adapt. However, new forms of employment are still seen as a benefit and not standard practice.

Third, some sectors of the economy use new forms of employment more than others. Apart from the IT sector, other sectors where new forms of employment are used are the science and research and university education sector, various consulting services and the non-profit sector. In general, it was found by RILSA, that the biggest motivations for using new forms of employment in the Czech Republic, are financial savings (costs linked to payroll administration, leasing offices etc.) and the introduction of new work benefits in the shape of certain new forms of employment (typically home office or job sharing). According to the results of the focus group, what employees appreciated most about new forms of employment is time flexibility (i.e. a better work/life balance), greater room for self-fulfilment (i.e. new forms of employment, e.g. casual work, job sharing or collaborative employment permit employees to devote themselves to the kind of work that fulfils and satisfies them) and income and expenditure optimisation (especially if the employment is carried out on the basis of nonemployment agreements or self-employment). Respondents also gave other reasons in the questionnaire.

According to RILSA, the most frequently mentioned reason for willingness to use new forms of employment is to gain work experience. Another reason that appears central is the ability to increase one's income via this kind of work.

All in all the educational guidance system in the Czech Republic is not reacting systematically and in flexible way to the situation on the labour market in the respect to the new forms of work. There are some sectors (IT mainly) where companies are creating their own systems of guidance, some offers can be found on the market, however it is not a rule that there is included a component relevant to the now work forms and needs.

At the moment there is no bigger impact of those forms also at the level of the active labor market policies which are addressing guidance. The main interest is put to the unemployed persons.

# 4. Stakeholder Analysis

The goal of this stakeholder analysis is to strategically consider all project-relevant actors and stakeholders and to specify involved the project and the project activities?

how to involve them. Which actors in	actors in your country will be directly or indirectly involved in the project and the project activities?	ed in the project and the project activities?
Stakeholder	Interests in the project	How to target this stakeholder within the project and dissemination?
Ministry of Labour and Social Affairs	X Responsible for employment	X Direct link to the Ministry, presenting the project outcomes and offering approaches
	X Responsible for further education	
	X Implementing the ALMP	X implementation of common projects
Labour Office of the Czecii Republic	X Implementing vocational/career guidance	
Association of Institutions for Adult Training	X organising the platform for adult training in the Czech Republic	X contacts from previous projects
	X proofed network of adult training institutions	

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