

POLICY BRIEF

Quality of Employment in the Private Sector in Cote d'Ivoire

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Abstract

Issues related to job quality are increasingly taking centre stage in professional and scientific circles because of the stakes involved. The objective of this research is to identify the characteristics of workers that allow them to benefit from aspects of quality of employment. This study uses two models: Ordinary Least Squares (OLS) and ordered probit. Before using these models, the author estimates a bivariate selection probit with experimentation. The dependent variable is constructed using Multiple Correspondence Analysis (MCA) and Hierarchical Ascending Classification (HAC). The results make it possible to determine the profile of individual beneficiaries. The study shows that a worker with university education, who is familiar with the collective agreement of the companies and who has not experienced a long period of unemployment is more likely to benefit from a good level of quality employment than someone else. The data used are from the 2012 Household Employment Survey conducted by the Agency for Employment Studies and Promotion (AGEPE).

Introduction

Job quality has been a concept of interest to all labour market actors for almost two decades. It has continually sparked debate in both scientific and institutional circles. Even today, it is difficult to find research on this unanimous topic. However, the diversity of approaches used to understand it makes it rich.

Job quality is a multidimensional concept that can be understood through dimensions or indicators that make it up. Guergoat-Larivière and Marchand (2012) summarize in the dimensions of job quality retained in the various international approaches. These are the dimensions chosen by international organizations to sometimes serve as a basis for indicator selection.

For Ralle (2006) in "The Quality of Employment" from the Centre for Labour Studies, a quality job is: "A well-paid job, with a stable status and good working conditions, which leaves the possibility of having a fulfilled life outside of work, and in which relations with the professional environment are good." While the definition proposed by Ralle has the advantage of summarizing a term that is not easy to approach, it should however be noted that the concept itself remains a subject of discussion due to the subjective nature of some of its dimensions, which are often difficult to measure. Indeed, what does a well-paying job mean? What does the possibility of having a full life outside of work mean? Would work in itself be a source of alienation to the point of feeling own life fulfilled outside of it?

In any case, we can hold that the understanding of the notion of job quality refers to the grasp of the following dimensions retained (Cloutier-Villeneuve, 2017) most of the time in empirical works: remuneration, working hours, job stability, qualifications, physical and psychological (working) conditions, typical and atypical working hours, group insurance, retirement plans and paid leave. From these dimensions and depending on the context of the study (purpose, scope, survey data, etc), it is possible to select their sub-dimensions that could be the subject of research.

From there, the construction of a composite index of job quality becomes a challenge! So far, there has been no unanimous agreement on the rules for composite index construction; the question of the weight to be given to this or that dimension remains unresolved. To facilitate research on the subject and to be able to derive economic policy recommendations, some authors use recurrent dimensions in their work to define job quality, while other authors use other variables such as job satisfaction to designate job quality (Davoine and Erhel, 2007).

In any case, we note that despite a vagueness that may surround the notion of job quality, it remains a fascinating field of study, especially if we assume that job quality is a source of productivity and performance insofar as it contributes to employee motivation (Amoranto and Chun, 2011).

Several studies at the international level have addressed the issue of job quality with approaches that are certainly different, but that retain the quintessence of the concept (Davoine and Erhel, 2007; Cloutier-Villeneuve, 2015; Lapointe, 2013; Burchell et al., 2014; Clark, 2015; Perrenoud, 2015; Cazes, Hijzen, Saint-Martin, 2015; Monga, Shimeles, Woldemichael, 2019).

In Africa, reports on the quality of work are generally carried out by supranational organizations and deal more with working conditions. Studies on job quality are rare. Oumba (2016) and Razafindrakoto and Roubaud (2005), who respectively discuss the issue of decent work in Africa in light of International Labour Organization (ILO) standards and unemployment and working conditions in the urban labour market of sub-Saharan Africa through stylized facts, refer more to working conditions.

In Côte d'Ivoire, the quality of employment was understood through four dimensions considered recurrent in international research work and concerned all sectors of activity (N'Gratier, 2017).

This study addresses the notion in a league of its own, more particularly in the (Ivorian) private sector, which is supposed to be the relay of public enterprises, participating in the generation of four-fifths of the total production, two-thirds of the investments in Africa according to the International Monetary Fund (IMF). The study involves several dimensions of job quality.

This proposal aims to identify and evaluate the determinants of job quality among private sector workers in Côte d'Ivoire. Specifically, it involves constructing a composite index of the quality of employment for private sector workers, evaluating the factors that explain the job quality for private sector workers in Côte d'Ivoire, and finally assessing the individual and collective effects of higher education, and knowledge of the collective agreement on said quality. This study initially revolves around all workers in the private sector, whether they are in the formal or informal private sector. Secondly, to make it less open to criticism, the study analyzes the quality of employment in the two private sectors separately. Indeed, limiting oneself to studying only the quality of employment in the two sectors could potentially lead to very questionable results insofar as the private informal sector is an area where most of the time jobs are precarious, even if some actors earn substantial incomes. However, this assertion should be made with caution, as informal (i.e., low-quality) jobs can also be found in the formal private sector, regarding indefinite unwanted part-time contracts, temporary work, subcontracting, lack of social protection, etc. In contributing to the debate on employment quality, this study focuses on Côte d'Ivoire, a country in the South, which has been posting a higher growth rate compared with some developing countries for nearly a decade. The study relies on data from the 2012, Agency for Studies and Job Promotion (AGEPE) household employment survey. The choice of these data lies in its richness regarding the number of variables and questions related not only to the socio-demographic aspects of individuals, the work environment, etc.

Moreover, this study informs economic actors in the countries of the South that the notion of quality of employment is not the prerogative of the countries of the North. Through a literature review and a model based on numerical data, the study shows that the characteristics of certain workers are likely to enable them to benefit from a certain level of employment quality in companies. Moreover, the research attempts to assert that if the improvement of job quality seems to be conditioned for several managers by the achievement of performance on the part of their workers, the acquisition and/ or development of given characteristics by the latter could "oblige" them not to expect any more conditions from their employment, even though these may appear legitimate.

Quality of employment

The theories outlined below refer to aspects of remuneration, assimilated here by salary, working conditions, that is to say psychological and physical working conditions, professional recognition, industrial relations, employment contracts, collective bargaining, and working hours, among others.

Theories on compensation and precisely on the link between compensation and worker motivation go back to Leibenstein (1957). He established an inverse causality between wages and productivity, since hitherto accepted that high productivity should be rewarded by high wages (Lesueur and Sabatier, 2008). With Leibenstein, salary becomes a source of motivation and leads to employee performance. The theory on the wage efficiency with its microeconomic developments is becoming more precise. Models of gifts and counter-gifts, tug-of-war, and rotation of the labour force puts more significance on the reverse causality established by Leibenstein.

The question of remuneration is so significant in microeconomic theory and labour economics in particular that some authors, in their study of the quality of employment, make it a privileged dimension to the point of retaining it as the sole indicator of job quality (Guergoat-Larivière and Marchand, 2012, citing Fernandez-Macias and Hurley, 2008).

Physical and psychological conditions, and professional recognition, are equally important dimensions of job quality. Theories on these dimensions are generally in the domain of work and organizational psychology. Here, the questions of recognition at work, of merit and thus of categorical and salary advancements, of social ties with others (colleagues, superiors) find their full meaning. Sarnin (2008) rightly points out that "an individual who makes an effort... necessarily asks himself the question of the meaning of this effort, of the know-how used. If others confirm, "it's a good job"... the effort made makes sense. If, on the other hand, the others say nothing, the leaders,..., no comment, then all this effort is made without really making sense, and the only thing left to the individual is the hardship associated with the effort". Dejours (1993a), quoted by Sarnin (2008), presents through a very illustrative diagram the consequences that could occur in case of non-recognition of the work accomplished. Another important dimension of job quality is job stability through employment contracts. The theory of implicit contracts makes explicit the work relationship that exists between employers and workers. The latter prefer to sign a contract that guarantees them a stable job with low remuneration, regardless of the economic situation; employees are considered to be averse to the risk of unemployment, and employers are neutral about it.

Professional relations, which can be likened to the social climate in the workplace, contribute to the quality of employment. Lawler, Hall, and Oldham (1974), as cited by Martin and Croisille (2006), emphasize that this climate influences the performance of the organization and the satisfaction of the workers. They define *climate as the experience of the work environment* (Martin and Croisille, 2006). Union power also influences the quantity and, to some extent, the quality of employment. The right-to-manage model and the effective contract model are at odds as to the outcome of employment levels due to union negotiations. Indeed, as Cahuc and Zylberberg (1996) note: "The union monopoly model and, more generally, the right-to-manage model, lead to the conclusion that union bargaining power decreases the level of employment...while in the latter it increases it in the (more likely) case where employees are risk-averse."

In addition, hours of work and work schedules are considered essential dimensions of job quality. These dimensions make it possible to perceive the possibilities for the worker to reconcile private and professional life. Often equated with the arduousness of tasks, working hours, or more precisely, the number of weekly working hours, are hotly debated between workers' unions and employers. According to the workers' unions, a quality job would be one that would guarantee workers the possibility of having a normal family life and engaging in other recreative activities. Staggered working hours, night work, and weekend work force employees to reorganize their family life or their life outside of work, which likely makes it very different from that of their counterparts with standard working hours.

Studies on the quality of employment

Although studies on the quality of employment differ from one another because of the research context, it is concluded that the diversity of these studies enriches the debate, or rather shows that there is room for research. In principle, job quality analysis should be carried out within a global analysis of the labour market, which is itself broken down into three levels: macro, meso, and micro. This global analysis makes it possible to identify the contours of job quality (Cloutier, 2008 as quoted by Cloutier-Villeneuve and Saint-Frard, 2015).

In a study on the perception of job quality, Yedder and Perreti (2009) concluded, based on a sample of 404 potential workers, that for them, *quality jobs are those that offer decent pay with opportunities for advancement, including access to training, and healthy working conditions.* They also note a disparity in expectations about the quality of employment depending on cultural affiliation and personal background. In their study, the subjectivity of the notion takes on its full meaning.

Moisserons et al. (2017), reflecting on women's access to and retention in quality employment in two Maghreb countries and Turkey, show the discrimination suffered by women in accessing and retaining quality jobs, which depends on their place of residence and work, and their level of education. They advocate for an improvement of their working conditions.

In analyzing the relationship between quality jobs and firm performance, Amoranto and Chun (2011) note in a sample of Indian firms that large firms tend to offer better quality jobs. They point out that (good) remuneration tends to increase the level of profit, labour, and capital productivity. In a completely different register, Lewandowski (2017) show that in Poland, although the creation of temporary jobs has made it possible to reduce the level of unemployment, in most cases it is accompanied by poor quality conditions for the exercise.

Workers, regardless of their status and physical health, should have access to quality jobs. However, this is not always the case, especially for workers with disabilities. Fanjeau (2007) notes, in a study carried out in partnership with the Directorate of Research, Studies and Statistics [*Direction de l'Animation de la Recherche, des Etudes et des Statistiques (DARES)*], that although most people with disabilities are employed in jobs comparable to those held by able-bodied people, it should be noted that in the medium to long term, differences appear in career development and salary.

Davoine (2007) and Davoine and Erhel (2007), in their research on the quality of employment in Europe, show wide disparities between European countries. Thus, while the intensity of the training effort for workers is identified in Denmark, income

and job security are more unfavourable in southern European countries. As for working conditions, they are considered dangerous in southern European countries and difficult in northern European countries and the United Kingdom.

Data sources

The data used in this study is primarily from the 2012 AGEPE household employment survey. It consists of self-reported responses from the individuals interviewed. These secondary data have the advantage of being drawn from a credible public institution on which the state of Côte d'Ivoire relies on to define employment policies. The sampling frame for this survey is the 1998 General Population and Housing Census information. These data provides the household population and number by block, locality, subprefecture, department, and region. It covers the entire national territory. Thus, each of the 19 administrative regions formed a stratum, plus the city of Abidjan, making 20 strata. Abidjan, the country's economic capital, is home to a fifth of the national population and half of the urban population. Almost all modern businesses have their headquarters in Abidjan, where public administration, diplomatic representations, and economic infrastructure are concentrated. Sampling was conducted using a twostage sampling design in each stratum. At the first stage, clusters or census districts were drawn in proportion to their size relative to the number of households. The different clusters were enumerated to list the households they contain. At the second stage, 20 households were drawn according to a systematic drawing method from each cluster. 580 clusters were drawn, and 20 households were selected from each cluster. The two-stage survey used in this way makes it possible to calculate extrapolation coefficients associated with the data collected. Thus, making it possible to extend the indicators obtained from the sample to the total population.

Conclusion and policy recommendations

In this research, we attempted to model the quality of employment while looking for the characteristics of workers that would influence their probability of benefiting from it. To define the notion of quality of employment, we undertook a literature review that provided a theoretical framework for the research and enabled us to understand what has been done elsewhere. The dimensions of job quality, which were selected for the construction of the composite index, are those that have been recurrent in previous research and exist in our database. After constructing the composite index using Multiple Component Analysis and classifying it using Ascending Hierarchical Classification, we established the profile of workers with a good level of job quality. To avoid biased results, we corrected for potential selection and endogeneity bias. Of all the workers, those who benefit the most from good employment conditions are those who have a university level of education, know the collective agreement of the companies, work in a large company, and have not experienced a period of unemployment. Based on these results, we make the following recommendations:

- Encourage post-secondary education on both the demand side and the supply side. The positive effect of education on certain employment conditions, notably the level of salary, has been demonstrated through the human capital theory and its derivatives and is still being demonstrated today. Mincer's earnings equation is a perfect illustration.
- Disseminate, through campaigns and organizations in charge of employment, the merits of workers taking ownership of the collective agreement of companies, which contains all the obligations of employers towards their employees. Once equipped and informed, workers would increase their chances of seeing their working conditions improve tenfold; hence, they would be in a position to make demands or to contest any decision taken against them.
- Find socio-professional integration mechanisms for graduates and unemployed people within reasonable time limits. A long period of unemployment negatively affects the probability of obtaining a good level of job quality.

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