## VIENNA UNIVERSITY OF ECONOMICS AND BUSINESS ADMINISTRATION MSc Socio-Ecological Economics and Policy

## Reduction of Working Time in Austria

A Mixed-Methods Study Relating a New Work Time Policy to Employee Preferences

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## **Abstract**

This project examines current prohibiting and supporting factors determining employees' desire to reduce working time. It draws on theoretical concepts based on the notion of endogenous preferences, meaning that they are subject to adaptations in response to external factors.

Following a mixed-methods approach, we combine quantitative and qualitative research techniques. The quantitative part contains a regression model that applies several factors for explaining the mismatch between preferred and actual working hours by using data from the Austrian Microcensus 2012. The regression results are scrutinized by qualitative interviews amongst employees of the electrics/electronics industry in Austria, who had the possibility to opt for the leisure option ("Freizeitoption"). This novel work time policy, first implemented via the collective agreement 2013, enables workers and salaried employees to individually choose between a wage increase and equivalent leisure time.

This research project comprises two innovative elements. First, the mixed-methods approach allows for a comprehensive study of preferences for work time reduction. Whereas the quantitative analysis generates an understanding of the factors associated with a preference for work time reduction, the qualitative approach provides insights into the perceptions of individuals regarding their preferences to reduce work hours. Moreover, it allows us to contextualize the regression results and to explain unexpected quantitative findings. Second, the leisure option was introduced only in May 2013, and by now, no study exists about individuals' perceptions on this new policy instrument.

Quantitative results suggest that employees who prefer shorter weekly working hours are older, higher educated and work longer actual hours, compared to salaried employees in bigger business premises. Additionally, women living in multiple earner households and mothers of young children prefer to work less, while men are unaffected by these variables. Qualitative results also indicate that employees with higher educational levels tend to reduce working time, which can be explained by the fact that leisure time and familiy time constitute intrinsic values for them. Moreover, the shift in assessing work performances by output indicators instead of time measures can be regarded as a major obstacle for work time reductions.

The insights gained by this innovative project contribute to policy debates by providing a better understanding of the circumstances inducing employees to reduce working hours, an issue increasingly discussed in the context of various aspects of sustainability.

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