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Searching for high-paid, stable jobs: A comparative analysis of Britain and France

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Abstract. *In this article, we examine firms' provision of high-paid, stable jobs using linked employer-employee data from Britain and France. Such jobs are more prevalent in France but share common features in both countries: they are concentrated in larger, long-established workplaces with higher proportions of middle-aged, qualified male employees, and are supported by human resource practices that promote skill development, internal mobility and employee voice. These consistent features suggest a distinct employment model. However, differences in their prevalence and form across countries highlight the role of national institutions in shaping these employment practices.*

Keywords: *employment practices, wages, job security, good jobs.*

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1. Introduction

Profound transformations, including globalization, financialization, technological change and union decline, have reshaped labour markets since the late nineteenth century. Kochan et al. (2019) pinpoint the 1980s as a pivotal moment, with the dissolution of the social contract governing employment relationships that had been established after the Second World War. The resulting destabilization of employment standards and increased disparities in pay and working conditions are now well-established phenomena. Since then, there has been a gradual move away from standard employment, raising concerns about an expanding “precariat” (Standing 2011) and, in many OECD countries, the last two decades have been characterized by wage stagnation and economic instability.

Relatedly, a focus on the prevalence of “good jobs” has emerged as a priority for policymakers and social scientists. Debates centre on why these jobs have diminished (Holzer et al. 2011; Schmitt 2008) and how to foster their creation (Osterman and Schulman 2011; Osterman 2018; Schmitt and Jones 2013), with such concerns apparent in the 2030 Agenda for Sustainable Development (ILO 2018), the European Union’s plans to create more and better jobs (European Parliament 2000; European Commission 2010) and the OECD Jobs Strategy (OECD 2018). In the United Kingdom, the recently elected Labour Government has stated its ambition to boost wages and job security (Labour Party 2024; UK Government 2024), mirroring France’s focus on economic inequality and insecurity as key national challenges (Blanchard et al. 2021).

Motivated by these concerns, we use rich, linked employer-employee data to investigate employers’ provision of high-paid, stable jobs in Britain and France.¹ Wages directly affect employee material well-being, with a substantial body of literature showing a positive link between income and life satisfaction (Blanchflower and Oswald 2004). In the literature on “high-road” firms (see, for example, Osterman 2018), wages often serve as a sufficient indicator of good-quality employment.² However, employees frequently cite job security as the most crucial aspect of a job (Green 2009). Workers’ revealed preferences also underscore the primary importance of both high pay and job stability (Clark 2001). Therefore, we focus on the provision of high wages combined with long tenure, considering these fundamental components of a “good job”.³

In line with the literature on industrial relations, we adopt a workplace perspective, contributing to the “good jobs” discourse, often centred on individuals or occupations (e.g. Williams, Zhou and Zou 2020), and the literature on “firm effects”, which predominantly examines firm-level wage impacts (Barth et al. 2016). Our focus on establishments providing high wages and stable employment emphasizes those enabling internal career progression. This allows us to reconsider whether seniority still shapes firm-level employment decisions, a concept previously challenged by studies indicating its diminishing influence (see, for example, Cappelli 2001 and Piore 2002, for the United States; Gauthier 2004, for France).

We begin by identifying workplaces that offer both high wages and long tenure, labelling these as high-wage, long-tenure (HWLT) workplaces. Next, we determine whether HWLT workplaces possess distinctive features, circumstances and employment practices, so far as to suggest a unique employment system. The analysis focuses on Britain and France – two countries similar in general economic terms (GDP, population) yet representative of different models: Britain as a liberal market economy and France as a state-capitalist system (Hall and Soskice 2001; Amable 2003). We hypothesize that the prevalence and

¹ We refer to Britain rather than the United Kingdom, as our data do not cover Northern Ireland.

² “High-road firms” are typically defined as those offering terms and conditions that are above the norm for their industry and product market.

³ While broader conceptions of job quality include skill requirements (Green 2005), autonomy (Karasek 1979) or the ability to meet higher-order needs (Ton 2014), our firm-focused contribution is constrained by the limited range of working conditions typically measured in a harmonized way within linked employer-employee datasets. This reinforces our specific focus on the fundamental issues of wages and job security.

configuration of HWLT workplaces will vary between the two countries, partly due to their differing national models. Thus, our research contributes to debates on the institutional context for developing good jobs.

Our analysis is based on rich, linked employer-employee data from the British Workplace Employment Relations Survey (WERS) and the French Relations professionnelles et négociations d'entreprise (REPONSE) survey. These nationally representative surveys enable us to estimate the prevalence and characteristics of HWLT workplaces at the national level, while the linked employer-employee data further allow for the integration of both employee and employer perspectives.

The next section outlines our analytical framework and hypotheses. We then describe our empirical methodology and examine the prevalence of HWLT workplaces in both countries. This is followed by an analysis of the characteristics of these workplaces and their employees, as well as employment practices associated with high pay and job stability. The penultimate section discusses the results, before the article concludes.

Our findings indicate that HWLT workplaces in both countries are typically larger and longer-established, over-represented in manufacturing, finance and business services, and employ disproportionately more middle-aged, qualified males. These workplaces also use a specific set of human resource (HR) practices that favour internal mobility, skill development and employee voice. We conclude that HWLT workplaces represent a distinct employment model present in both nations, characterized primarily by opportunities for internal career progression. Comparative analysis further highlights the role of national contexts and public policies, potentially explaining the model's greater prevalence in France than in Britain, and accounting for nuanced differences between the two settings. Our analysis adds an original perspective to the "good jobs" discourse, for which we provide a detailed empirical grounding and characterization, situated within broader debates on institutions and comparative employment models.

2. Background

While neoclassical economics typically assumes that market forces primarily dictate job quality, extensive evidence shows that firms influence wages, with a significant portion of wage inequality attributable to their policies (OECD 2021). Similar patterns apply to job security (e.g. Burgess, Lane and Stevens 2001). This evidence supports the long-held contention that firms vary in terms of their investment in employees (Walton 1985) or their development of internal labour markets (ILMs) (Doeringer and Piore 1971). Some firms opt for low wages and high turnover, while others offer higher wages and emphasize long-term employment.

A firm's choice of HR practices can be influenced by product and labour market power, product strategy (Schuler and Jackson 1987; Osterman 1994; Grimshaw and Rubery 1998) and the strategic value of HR to the firm. When human capital significantly determines a firm's profitability, providing high wages and long tenure can create a competitive advantage by securing employee commitment and effort, aligning with the ILM approach (Doeringer and Piore 1971) or efficiency wage theory (Akerlof and Yellen 1986). Elsewhere, levels of investment may be low, leading to multiple equilibria (Kaufman and Miller 2011) and a potentially segmented labour market (Doeringer and Piore 1971).

However, debates over the determinism of market forces also focus on the significant role of institutions and regulations in shaping firms' employment strategies (Marsden 1999; Amossé et al. 2025). It is widely accepted that "economic, political and sociological forces shape the structural and institutional contexts of work and help to explain how and why employers make various decisions" (Kalleberg 2016, 116). This perspective naturally leads to international comparisons. In France, the State and social partners exert significant influence through a prominent legal and institutional framework for employment relations. Working conditions are highly regulated, either directly through legislation or indirectly through

support for social dialogue, and this is associated with labour market stability and uniformity (Amossé et al. 2025). Conversely, Britain, an archetypal liberal market economy, features light-touch regulation with limited employment protection and pay-setting controls, a model characterized by variability and heterogeneity (Amossé et al. 2025). Some argue that this lack of constraints leads to a “race to the bottom” and the proliferation of low-road employment, with polarization in job quality primarily linked to skills or occupation (Lloyd, Mason and Mayhew 2008; Eyraud, Marsden and Silvestre 1990; Gallie 2007).

Despite national differences, commonalities exist across countries. Drawing on the High-Performance Work Systems (HPWS) literature, which emphasizes the cumulative nature of HR practices (Huselid 1995; Applebaum et al. 2000), and the ILM literature, which highlights firms’ internal logics (Doeringer and Piore 1971), we expect HWLT workplaces to display a distinctive HR approach reflecting a specific employment system.

These latter arguments suggest that specific economic and strategic contexts favour long-term HR investment, irrespective of the country, and so we expect HWLT profiles to be more common among large, long-established firms in profitable industries employing skilled workforces. Consistent with the HPWS literature, we also expect these employment systems to utilize a distinctive bundle of HR practices. High wages and job security are likely to coexist with other commitment-based practices, such as an emphasis on internal promotion, skill development and employee involvement or voice. However, we also foresee a difference in the diffusion of HWLT firm profiles between France and Britain, with such employment systems potentially less frequent in Britain due to its prevailing institutional environment.

3. Datasets and methods

3.1 Datasets

The British WERS 2004 and 2011 (Department for Business Innovation and Skills 2013) and the French REPONSE 2005 and 2011 (DARES 2013) were carried out at similar times and cover a period when both economies were close to their archetypal models of liberal economy and state capitalism (before the 2017 reforms under Macron that liberalized the labour market in France) and operating within a comparable international context as members of the European Union. WERS 2011 provides the most up-to-date British data, whereas REPONSE was conducted again in 2017 and 2023. We use the 2017 wave to assess the robustness of our estimates.⁴

Both surveys employed similar methodologies, gathering data from managers on HR practices at the workplace and demographic information about the site and any parent enterprise, along with linked data on job characteristics and working conditions from randomly sampled employees in those workplaces.

Though not explicitly harmonized, the surveys were developed loosely in parallel, containing many comparable data items. They offer larger national samples than prominent harmonized cross-national surveys (such as the European Working Conditions Survey, the European Social Survey and the European Company Survey). Their linked employer-employee data also enable detailed information on individual employees’ working conditions to be linked with rich information on the characteristics, ownership patterns and management practices of the workplaces in which they are employed.

Our analysis focuses on private sector workplaces with 11 or more employees, covering all sectors except agriculture, mining, public administration and defence, activities of households as employers and extraterritorial organizations (i.e. NACE Rev.2, sections A, B, O, T and U); this is the lowest common denominator in terms of the coverage of WERS and REPONSE. This accounts for almost three quarters (74 per cent) of all private sector

⁴ Data from the 2023 REPONSE were not publicly available at the time of writing this article.

employment – and around 55 per cent of *all* employment – in each of the two economies (Amossé et al. 2016: table A.5).⁵

REPONSE randomly selected 9 employees in every workplace for its employee survey, whereas WERS surveyed all employees in workplaces with 11–24 employees and randomly selected 25 employees in larger workplaces. However, since only employees with 15 or more months of tenure were eligible for the REPONSE employee questionnaire, we omit the observations of employees with less than one year of tenure from WERS for comparability.⁶ Employees with more than 12 months' (or 15 months') tenure account for more than four fifths of all private sector employees in workplaces with 11 or more employees (87 per cent in France and 83 per cent in Britain).

Our estimation sample is further restricted to workplaces with at least two employee observations, to identify workplace fixed effects. This yields data for 10,645 employees in 1,055 workplaces in WERS 2011 (from a total of 11,581 employee observations in 1,602 workplaces) and for 10,456 employees in 2,985 workplaces in REPONSE 2011 (from a total of 11,244 employee observations in 3,947 workplaces). Our WERS estimation sample thus has greater workplace attrition, primarily due to the higher share of workplaces with no employee responses, but a higher density of employee observations per workplace by virtue of the sample design.⁷

We use survey weights at both the employee and workplace levels, as appropriate, to ensure representativeness, and cluster standard errors at the workplace level to account for the nesting of the employees within workplaces.

3.2 Identifying HWLT workplaces

HWLT workplaces are defined as those offering: (i) high job tenure, conditional on a given set of employee attributes; and (ii) high wages, conditional on those same attributes and on employee tenure. To estimate the workplace component of employees' wage and tenure profiles, we estimate equations 1 and 2 on pooled data for Britain and France:

$$Tenure_{ij} = \beta_0 + \beta_1 Gender_{ij} + \beta_2 Age_{ij} + \beta_3 Education_{ij} + Y_j + \varepsilon_{ij} \quad (\text{Eq. 1})$$

$$Wage_{ij} = \beta_0 + \beta_1 Gender_{ij} + \beta_2 Age_{ij} + \beta_3 Education_{ij} + \beta_4 Tenure_{ij} + \Phi_j + \varepsilon_{ij} \quad (\text{Eq. 2})$$

where i indexes employees and j indexes workplaces; *Gender* indicates the employee's gender (male/female); *Age* indicates the employee's age (with nine age groups, ranging from 16–17 to 65+); *Education* indicates the employee's educational attainment (with six levels based on the ISCED (1997) scale, ranging from level 0/1 to level 5A Long/6); Y_j is the workplace fixed effect on *Tenure* and Φ_j is the workplace fixed effect on *Wage*. Both equations are estimated via ordinary least squares (OLS). We take the workplace fixed effects Y_j (and Φ_j) from these equations to indicate the extent to which, for a given workplace, tenure (or wages) deviate from what a worker could expect to receive elsewhere based on their individual characteristics.⁸

⁵ This applies to all analyses of the 2011 waves of data. Analyses using the 2004 waves, or looking at changes between 2004 and 2011, are based on private sector workplaces with 21 or more employees, due to the higher employment threshold that was applied in REPONSE 2004.

⁶ We are unable to apply an exactly equivalent exclusion criteria, as WERS measured job tenure in five intervals (less than one year; one to less than two years; two to less than five years; five to less than ten years; and ten years or more).

⁷ The smaller sample for WERS implies that workplace-level estimates will have lower precision than in REPONSE, reducing the likelihood of identifying statistically significant differences. The effective workplace sample size in WERS is 43 per cent of that for REPONSE, once we take account of survey design effects (Kish 1965, 1992). By implication, an estimate with a t-statistic of 0.71 in WERS would have a t-statistic of 1.64 if the WERS workplace sample were the same size as the REPONSE workplace sample.

⁸ While further personal characteristics, such as ethnicity and disability status, are measured in WERS, they are not captured in REPONSE. Accordingly, the harmonized set of personal characteristics that is available to us is limited to gender, age and education.

The pooled sample allows us to compare the positions of British and French workplaces within the distribution of Y_j (and, equivalently, the distribution of Φ_j). We use the median value of Y_j as a threshold to distinguish between “long-tenure” and “short-tenure” workplaces, and the median value of Φ_j to distinguish between “high-wage” and “low-wage” workplaces. We are then able to identify the shares of workplaces in Britain that lie above or below these thresholds and compare them with the corresponding shares in France. Although our choice of the median is arbitrary to some extent, we consider it the natural choice when seeking to divide a distribution into two groups (long/short or high/low), as it splits the sample into two populations of equal size. HWLT workplaces are defined as those that lie above the median in both distributions.⁹

In WERS, *Tenure* is measured on an ordinal, four-point scale (1–2 years; 2–5 years; 5–10 years; 10+ years), so OLS is not strictly the most appropriate estimation method. However, comparisons show that linear and ordered models yield similar results (Dickerson, Hole and Munford 2014; Riedl and Geishecker 2014); consequently, we use OLS throughout. Although REPONSE provides a continuous measure of tenure, we transform this into the four-point scale described above for comparability. If we use the continuous measure of tenure in REPONSE, we obtain a workplace fixed effect that is highly correlated with that based on the ordinal variable ($r = 0.93$). Descriptive statistics show that, among workers with more than one year of tenure (see above), tenure is typically longer in France than in Britain: around half (47 per cent) of sampled employees in France have tenure of 10+ years, compared with 30 per cent in Britain (see table A1 in supplementary online appendix A).¹⁰

Wage is the employee’s weekly or monthly wage divided by the usual number of hours worked.¹¹ For France, we match the REPONSE employee sample to individual records in an administrative database recording gross wages and hours worked (*déclarations annuelles de données sociales*). For Britain, wages are observed directly in the WERS employee questionnaire, although they are recorded in intervals, so we obtain point estimates for gross hourly wages by dividing the upper and lower bounds of the interval by a continuous measure of hours worked and then taking the midpoint.¹² The lower and upper tails of the WERS wage distribution are longer than indicated by the Structure of Earnings Survey and Labour Force Survey for Britain; we therefore winsorized the WERS wage distribution at the 5th and 95th percentiles. No such winsorization was applied to the REPONSE wage data, which aligned well with other sources for France. The resulting wage distribution is skewed to the right in both countries, and normally distributed after taking logs. We convert the WERS wage measure to euros using the prevailing exchange rate at the time of the 2011 surveys. Wage dispersion – measured by the interquartile range – is higher in Britain (0.77 log points) than in France (0.55 log points) (see table A1 in supplementary online appendix A).

⁹ If we did not pool the data across the two countries, we would need to set a common absolute threshold (a particular level of hourly wages or tenure) as the basis for the cross-country comparison. However, this is impractical in our case, as Y_j and Φ_j are covariate-adjusted values (i.e. residuals) rather than raw values. Our relative approach follows similar approaches elsewhere in the literature (Holzer et al. 2011, for example).

¹⁰ In the 2011 Labour Force Surveys for Britain and France, the share of all employees with tenure of less than one year was 15 per cent in Britain and 13 per cent in France; the pattern in table 1 is therefore not an artefact of our sample selection strategy.

¹¹ WERS defines the weekly “gross wage” as the wage after deducting employers’ social security contributions and before the deducting employees’ social security contributions and tax payments; REPONSE reports the monthly “net wage”, defined as the wage after the deduction of both employers’ and employees’ social security contributions but before the deduction of employees’ tax payments. The WERS wage measure therefore includes employees’ social security contributions, whereas REPONSE excludes them. The WERS wage distribution would therefore shift slightly to the left if these contributions were excluded. This implies that the relative share of high-wage workplaces in Britain may be slightly overestimated.

¹² This is the standard approach in the literature, and, in regression analysis, coefficients are very close to those obtained from conventional wage data (see Davies and Welpton 2008).

3.3 HWLT workplaces: Connecting wages and tenure

Figure A1 in supplementary online appendix A shows the distribution of workplace fixed effects (γ_j and ϕ_j) for each country. Within the pooled distribution of γ_j , 34 per cent of workplaces in Britain, compared with 66 per cent of workplaces in France, lie above the median (see tables A2 and A3 in supplementary online appendix A). Turning to the pooled distribution of ϕ_j , 45 per cent of workplaces in Britain lie above the median, compared with 55 per cent of workplaces in France.¹³ We define HWLT workplaces as those which are above the median on both dimensions. In the pooled sample, γ_j and ϕ_j are approximately uncorrelated, and 27 per cent of workplaces are above the median on both dimensions. However, the situation differs between the two countries: γ_j and ϕ_j are more highly correlated in France than in Britain. The share of HWLT workplaces is greater in France (38 per cent) than in Britain (16 per cent), and the share of employees is also correspondingly higher (40 per cent, compared with 16 per cent in Britain) (see table 1). As expected, HWLT workplaces are thus more prevalent in France than in Britain.¹⁴

Table 1. Distribution of workplace fixed effects (FEs) on job tenure and log hourly wages, 2011

% workplaces	Britain	France	All
Workplace FE on job tenure: at the median or above	34	66	50
Workplace FE on wages: at the median or above	45	55	50
HWLT workplaces:			
Share of workplaces	16	38	27
Share of employees	16	40	34
Observations (workplaces, unweighted)	1 055	2 985	4 040
Observations (workplaces, weighted)	2 020	2 020	4 040

Base: All private sector workplaces with 11 or more employees.

Notes: HWLT workplaces are those with FEs above the median on both tenure and wages.

Sources: Our own calculations, based on data taken from WERS 2011 (Department for Business Innovation and Skills 2013) and REPONSE 2011 (DARES 2013).

Our analysis focuses on 2011 (the latest year with available data for Britain). However, data for both countries in 2004 and French data for 2017 show that the prevalence of HWLT workplaces in Britain is very similar in 2004 and 2011 (see table B1 in supplementary online appendix B). In France, the share is slightly lower in 2011 than in 2004, but then stable between 2011 and 2017. These estimates support the hypothesis that the results presented elsewhere in this article are relevant beyond the period (2011) featured in most of our analysis.

3.4 Characterization of HWLT workplaces

In the remainder of the article, we describe HWLT workplaces and discuss the implications of these results. We begin by examining which employer and employee demographic characteristics are common to HWLT workplaces across the two countries: does a specific type of workplace provide high wages and long tenure, and do these workplaces tend to employ a particular type of worker? We then explore the HR practices that tend to coincide with the provision of high wages and long tenure.

¹³ The shares reported in the text necessarily sum to 100 per cent across the two countries, as we constrain the number of workplaces in each country to have the same numerical influence on the pooled distribution, rather than allowing the larger number of workplaces in France to dominate.

¹⁴ In Britain, mean hourly wages are 16.45 euros (2011 prices) in HWLT workplaces and 11.25 euros in other workplaces. In France, the wages are 15.18 euros and 10.49 euros, respectively. Similarly, in Britain, the share of employees with five years or more of tenure is 74 per cent in HWLT workplaces and just 50 per cent in other workplaces, while the equivalent figures in France are 81 per cent and 60 per cent, respectively.

Our aim is to highlight the potentially specific and homogeneous characteristics of HWLT workplaces. We primarily use a bivariate approach to contrast the average characteristics of HWLT workplaces with those of other workplaces. Our main objective is not to pinpoint the unique characteristics that define HWLT establishments “all other things being equal”. Instead, we aim for a broader understanding of the full range of establishment characteristics and HR strategies that are typical of HWLT establishments. A bivariate analysis also enables us to take full advantage of our rich dataset. Due to variations in the wording of questions or level of measurement (employer versus employee) across countries, certain factors cannot always be comprehensively analysed (or clustered) together in a multivariate analysis.

4. A portrait of HWLT workplaces and their employees

4.1 Firm characteristics

Consistent with the long-standing literature on the firm-size wage effect (Oi and Idson 1999), and the fact that long tenure relies on a degree of firm longevity, HWLT workplaces in both France and Britain tend to have larger workforces and to be older than other workplaces (see table 2). In Britain, around 1 in 7 HWLT workplaces (14 per cent) have 100 or more employees, compared with around 1 in 12 non-HWLT workplaces (8 per cent), and the ratio of mean workforce size is around 1.5:1 (76 employees versus 51). In France, the pattern is broadly similar, though the average HWLT workplace in France has twice as many employees as other workplaces (mean; 82 employees versus 43). In both countries, approximately three quarters of HWLT workplaces are at least 20 years old; in Britain, this is the case for less than half of all other workplaces, and in France for only two thirds. These associations remain apparent in a multivariate regression combining all employer characteristics (see table A4 in supplementary online appendix A).

We expect HWLT workplaces to operate in high value-added industries with large and stable markets, fuelling stable employment and high pay levels. In both countries, workplaces in the manufacturing/utilities and finance sectors are over-represented within the HWLT group. The construction and other business services sectors also have some degree of over-representation, but the difference is only statistically significant in France. On the other hand, in both countries, wholesale/retail and public administration/education/health are under-represented in the HWLT group (as are other personnel services in Britain, and transport/communications in France).¹⁵ These sectoral patterns are not directly replicated across bivariate and multivariate analysis, but they are broadly similar (see table 2, as well as table A4 in supplementary online appendix A).

In line with the comparative literature on capital ownership and HR practices (Conway et al. 2008; Forth and Rebérioux 2016), we find that, in France, HWLT workplaces are more likely to form part of larger organizations and listed firms, but less likely to form part of family-owned firms (see table 2 for bivariate analyses, confirmed by multivariate regressions in table A4 in supplementary online appendix A). The results are less straightforward for Britain. HWLT workplaces are less likely to be family-owned, but the difference is not significant. The link with listed status is weaker than in France and, again, not significant. Last, we find that HWLT workplaces are less likely to form part of larger organizations in Britain, but the difference is not significant in a multivariate analysis.

In both countries, HWLT workplaces tend to operate in national or international markets, rather than in local or regional markets, and in more mature markets (see table 2). The latter result remains after controlling for other factors (see table A4 in supplementary online appendix A). Turning to the nature of production, the available measures of capital intensity are different across the two surveys – labour costs as a share of revenue and the extent of computer use in Britain, and the extent of computer-controlled and digital systems in France. However, in both countries, the association with HWLT is positive.

¹⁵ In the public administration/education/health sectors, our sample is restricted to private sector workplaces. Therefore, conclusions should not be drawn from these results about relative working conditions in the public versus private sectors.

Table 2. Profile of HWLT workplaces, Britain and France, 2011

	Britain			France				
	HWLT workplaces (col %)	Diff.	Sig.	t-stat	HWLT workplaces (col %)	Diff.	Sig.	t-stat
Workplace demographic characteristics:								
Number of employees:								
11–49	75.1	–6.6	*	–1.66	71.5	–2.1	n.s.	–1.13
50–99	10.7	+0.3	n.s.	0.12	13.7	–3.1	**	–2.14
100–249	7.0	+1.1	n.s.	0.71	10.0	+2.5	***	2.89
250–499	4.8	+3.3	***	2.77	3.1	+1.4	***	4.15
500+	2.4	+1.8	***	3.83	1.9	+1.3	***	8.82
Age of workplace:								
Less than 5 years	5.4	–8.9	**	–2.24	2.2	–2.3	**	–2.44
5–9 years	7.2	–17.5	***	–4.10	5.7	–5.8	***	–4.15
10–19 years	13.1	–11.4	***	–2.97	19.4	–6.8	***	–3.05
20–49 years	55.0	+28.6	***	4.64	45.9	+3.1	n.s.	1.18
50+ years	19.4	+9.3	**	2.14	26.8	+11.8	***	5.67
Industry sector (NACE Rev. 1):								
DE: Manufacturing/Utilities	25.1	+17.6	***	2.95	26.3	+6.1	***	2.83
F: Construction	8.2	+3.8	n.s.	1.34	10.8	+3.8	**	2.53
GH: Wholesale/Retail	13.0	–20.6	***	–3.99	16.8	–9.2	***	–4.14
I: Transport/Communications	6.1	–0.2	n.s.	–0.11	7.4	–2.6	**	–2.12
J: Finance	3.1	+2.3	*	1.72	5.9	+3.8	***	3.10
K: Other business services	27.3	+8.7	n.s.	1.57	19.6	+7.8	***	3.93

(Cont.)

Table 2. Profile of HWLT workplaces, Britain and France, 2011 (concl.)

	Britain			France				
	HWLT workplaces (col %)	Diff.	Sig.	t-stat	HWLT workplaces (col %)	Diff.	Sig.	t-stat
LMN: Public admin./Education/Health	15.3	-8.7	*	-1.95	9.8	-8.4	***	-4.86
O: Other personal services	2.0	-2.9	**	-2.31	3.6	-1.2	n.s.	-1.17
Ownership characteristics:								
Part of a larger organization (%)	48.1	-12.5	**	-1.97	66.3	+5.2	**	2.01
Listed (%)	8.5	-2.9	n.s.	-0.98	20.9	+8.7	***	4.77
Family-owned (%)	36.9	-5.8	n.s.	-0.86	42.4	-9.4	***	-3.49
Product market conditions:								
Market for main product or service is national or international (not local or regional)	49.0	+12.5	*	1.88	49.9	+9.9	***	3.85
Main market is mature or declining (not growing or turbulent)	44.1	+11.4	***	1.75	n/a			
Volume of business stable or decreasing over previous three years (not increasing)	n/a				64.5	+7.6	***	2.97
Capital intensity:								
Labour costs less than 50% of revenue	61.0	+3.4	n.s.	0.51	n/a			
At least 90% of employees use computers	62.0	+18.8	***	3.05	n/a			
Workplace uses robots, digital machine tools or computer-assisted systems (CAM, CAD)	n/a				43.5	+12.9	***	5.20
Uses enterprise resource planning software	n/a				40.6	+6.9	***	2.75
Observations (workplaces)	1 055				2 985			

Base: All private sector workplaces with 11 or more employees.

Notes: Columns 1 and 5 = incidence of the row variable in HWLT workplaces. Diff. = difference in incidence between HWLT workplaces and non-HWLT workplaces (positive value: incidence is higher in HWLT workplaces). Sig. = statistical significance of Diff.: *** $t > 2.32$, $p < 0.01$; ** $t > 1.96$, $p < 0.05$; * $t > 1.64$, $p < 0.1$; n.s. $t < 1.64$, $p > 0.1$. Wald tests confirm the distribution of each categorical variable differs between HWLT and non-HWLT workplaces ($p < 0.01$). n/a = data item unavailable.

Sources: Our own calculations, based on data taken from WERS 2011 (Department for Business Innovation and Skills 2013) and REPONSE 2011 (DARES 2013).

Overall, the profile of HWLT workplaces is quite similar in the two countries, with the partial exception of ownership characteristics. The profile of the two economies is somewhat different across the demographic characteristics considered in table 2 (Britain having a higher share of smaller and younger workplaces, for instance). In a pooled regression, the gap of 22 percentage points between Britain and France reduces to 13 percentage points after controlling for (equalizing) those characteristics.¹⁶ Differences in the workplace age profile and industry profile of the two economies are the main contributors to this reduction. Differences in the productive structure of the two economies therefore account for around one third of the differing prevalence of HWLT workplaces across the two countries, but the remainder is accounted for by other factors. We return to this issue later, when discussing the institutional environment in each country.

4.2 Employee characteristics

One expects workers in high-paid, stable jobs to be those with the most market power (those with the best outside options, whom employers will wish to retain and develop). On the employer side, we also expect employers to offer better wages and greater job stability to skilled workers, who are a key determinant for profitability (Doeringer and Piore 1971), and as a means to encourage commitment and effort in jobs where employers have limited direct control (Akerlof and Yellen 1986).

An analysis of the socio-economic profile of workers in HWLT workplaces is presented in table 3, focusing on employees' education, occupation, age and gender.¹⁷ In both countries, HWLT workplaces are more likely than other workplaces to have a workforce that is highly educated and working in occupations requiring high levels of skill. The workforce in HWLT workplaces is also older and more male-dominated than in other workplaces. The broad similarity of the results for France and Britain indicates a similar logic in both countries. There is a slight difference, however, in that HWLT workplaces in France place even greater emphasis on more-educated employees and higher-skilled jobs.

Table 3. Characteristics of employees working in HWLT workplaces, Britain and France, 2011

	Britain				France			
	HWLT workplaces	Diff.	Sig.	t-stat	HWLT workplaces	Diff.	Sig.	t-stat
Highest education, ISCED (1997):								
Level 0/1	5.6	-4.3	***	-5.77	10.6	-6.5	***	-8.27
Level 2-4	45.0	-7.7	***	-5.08	42.3	-11.2	***	-9.77
Level 5/6	49.3	+12.1	***	7.92	47.1	+17.8	***	15.79
Occupation (ISCO-88):								
Managers	18.5	+3.0	***	2.65	14.8	+9.8	***	13.16
Professionals	18.1	+8.2	***	7.40	14.0	+9.3	***	14.16
Technicians and assoc. professionals	16.9	+5.6	***	4.87	24.2	+9.6	***	10.23
Clerks	18.6	+5.0	***	4.21	12.5	-1.5	**	-2.06

(Cont.)

¹⁶ We do not include the measures of capital intensity, as they are not broadly equivalent across countries.

¹⁷ Note that the workplace fixed effects on job tenure and wages have already been purged of compositional effects.

Table 3. Characteristics of employees working in HWLT workplaces, Britain and France, 2011 (concl.)

	Britain				France			
	HWLT workplaces	Diff.	Sig.	t-stat	HWLT workplaces	Diff.	Sig.	t-stat
Service and sales	1.8	-16.8	***	-26.71	4.8	-11.8	***	-16.45
Craft workers	9.9	+4.8	***	6.14	11.9	+0.4	n.s.	0.60
Plant and machine operatives	8.8	-0.1	n.s.	-0.09	13.6	-6.1	***	-7.56
Elementary	7.6	-9.7	***	-11.30	4.3	-9.6	***	-14.22
Age:								
16-29	14.4	-8.6	***	-7.56	15.0	-4.6	***	-4.97
30-39	25.0	+3.0	**	2.34	27.6	-0.9	n.s.	-0.85
40-49	29.2	+4.1	***	3.17	31.2	+1.4	n.s.	1.37
50-59	25.2	+4.2	***	3.28	24.3	+3.8	***	4.00
60-64	5.3	-1.0	n.s.	-1.52	1.7	+0.3	n.s.	0.93
65+	0.9	-1.7	***	-5.15	0.3	-0.1	n.s.	-0.51
Male	63.2	+10.5	***	<0.01	62.7	+8.0	***	<0.01
Observations (employees)	10 645				10 456			

Base: All employees with at least one year of tenure in private sector workplaces with 11 or more employees.

Notes: Columns 1 and 5 = incidence of the row variable in HWLT workplaces. Diff. = difference in incidence between HWLT workplaces and non-HWLT workplaces (positive value: incidence is higher in HWLT workplaces). Sig. = statistical significance of Diff.: *** $t > 2.32$, $p < 0.01$; ** $t > 1.96$, $p < 0.05$; * $t > 1.64$, $p < 0.1$; n.s. $t \leq 1.64$, $p \geq 0.1$. Wald tests confirm the distribution of each categorical variable differs between HWLT and non-HWLT workplaces ($p < 0.01$).

Sources: Our own calculations, based on data taken from WERS 2011 (Department for Business Innovation and Skills 2013) and REPONSE 2011 (DARES 2013).

The bivariate associations are confirmed in multivariate analyses (see table A5 in supplementary online appendix A). The Pseudo- R^2 of these estimations is very similar across the two countries, indicating that these employee characteristics are of similar importance in each country in explaining the probability of being in an HWLT workplace.

Overall, the analyses of firm and employee profiles show that HWLT workplaces have a number of distinct characteristics, which are fairly similar in both countries. This suggests the existence of a specific employment model. To explore this question further, we examine the HR practices used in HWLT workplaces.

5. Which HR practices are used in HWLT workplaces?

The higher level of job tenure seen in HWLT workplaces is mainly due to the lower rate of resignations; the level of dismissals and redundancies does not differ from other workplaces (see table 4). This suggests that employers succeed in securing worker commitment. This is likely to reflect the higher wages on offer (Clark 2001; Duhautois, Gilles and Petit 2016), but we can hypothesize that other HR practices also promote employee loyalty and involvement in a complementary way.

To investigate this, we review the use of HR practices across four domains: internal mobility, skill development, payment systems and voice mechanisms. For each practice, we compare the prevalence among HWLT workplaces and others and test whether the difference is statistically significant. We then complement this bivariate analysis with a final estimation including all practices, which we will discuss later.

Table 4. Labour turnover and contract type, Britain and France, 2011

	Britain				France			
	HWLT workplaces	Diff.	Sig.	t-stat	HWLT workplaces	Diff.	Sig.	t-stat
Voluntary resignations per 100 employees (mean)	6.3	-5.6	***	-4.53	3.1	-1.6	***	-3.68
Dismissals or redundancies per 100 employees (mean)	2.8	-0.6	n.s.	-0.85	2.5	0.1	n.s.	0.19
Has a permanent contract (% employees)	96.5	+1.5	*	1.74	95.9	+5.9	***	7.68
Works full-time hours (30+ per week) (% employees)	86.4	+7.2	***	4.65	93.3	+6.6	***	7.76
Vacancies filled internally by preference ^a (% workplaces)	42.1	+11.2	n.s.	1.50	n/a			
Employee has been promoted in last three years (% employees)	n/a				29.8	+9.4	***	9.07
Employee expects high likelihood of promotion / pay rise in next 12 months (% employees)	n/a				15.0	+4.0	***	4.75

Base: All private sector workplaces with 11 or more employees.

Notes: Columns 1 and 5 = incidence of the row variable in HWLT workplaces. Diff. = difference in incidence between HWLT workplaces and non-HWLT workplaces (positive value: incidence is higher in HWLT workplaces). Sig. = statistical significance of Diff.: *** $t > 2.32$, $p < 0.01$; ** $t > 1.96$, $p < 0.05$; * $t > 1.64$, $p < 0.1$; n.s. $t \leq 1.64$, $p \geq 0.1$. Wald tests confirm the distribution of each categorical variable differs between HWLT and non-HWLT workplaces ($p < 0.01$). n/a = data item unavailable.

^aWorkplaces with 50 or more employees.

Sources: Our own calculations, based on data taken from WERS 2011 (Department for Business Innovation and Skills 2013) and REPONSE 2011 (DARES 2013).

5.1 Incentives based on internal mobility

Workforce stability can be promoted by offering stable contracts or expectations of future rewards. We find that the shares of permanent contracts and full-time workers are higher in HWLT workplaces than in other workplaces, and that the differences are statistically significant in both countries (see table 4). Information on internal mobility is provided in the lower part of table 4. In Britain, the WERS management questionnaire asks whether vacancies are “filled internally by preference”; this is the case in 42 per cent of HWLT workplaces, compared with only 31 per cent of other workplaces. The difference is not statistically significant from zero ($p = 0.130$) but would reach statistical significance if the WERS sample were the same size as the REPONSE sample. For France, the employee questionnaire yields 2 complementary pieces of information: the share of employees promoted in the past 3 years, and the share expecting a high likelihood of promotion or pay rise in the next 12 months. On both indicators, HWLT workplaces in France tend to offer greater chances of promotion than other workplaces, with the differences being statistically significant.

HWLT workplaces thus appear to offer stabler employment conditions across multiple dimensions, allowing employees to evolve once recruited, by providing them with full-time jobs with open-ended contracts and opportunities for internal promotion.

5.2 Incentives based on skill development opportunities

In addition to employee stability and internal promotion opportunities, we expect HWLT workplaces to provide their employees with opportunities for skill enhancement. In both countries, employees in such workplaces are more likely to receive off-the-job training (see table 5, panel 1). In France, employees in HWLT workplaces are also more likely to offer jobs with opportunities to learn new things. These differences are all statistically significant. In Britain, despite the higher levels of training provision in HWLT workplaces, employees are less likely to feel that their managers encourage them to develop their skills. Overall, however, there are several indications that HWLT workplaces stimulate human capital development among their employees, particularly in France.

5.3 Incentives based on pay policy

The coexistence of high wages and high tenure suggests a tenure-based pay system. To assess whether this is typical of HWLT workplaces, we regress the employee's log hourly wage on job tenure and interact this with the HWLT workplace indicator, after controlling for the employee's gender, age and educational attainment. The results show that wages rise with tenure in all workplaces, but that the gradient is steeper in HWLT workplaces (see table A6 in supplementary online appendix A). The interaction term becomes statistically significant in both countries once an employee reaches ten years of tenure.

Table 5. Employment practices, Britain and France, 2011

% workplaces (unless indicated otherwise)	Britain				France			
	HWLT workplaces	Diff.	Sig.	t-stat	HWLT workplaces	Diff.	Sig.	t-stat
Skill development:								
Any off-the-job training in the previous year (GB) / three years (FR) (% employees)	69.3	+5.4	***	2.82	54.4	+13.6	***	10.24
Some experienced employees in the largest occupational group at the workplace received off-the-job training in the previous year	94.7	+8.0	**	2.52	n/a			
Total training expenditure at least 1% of the wage bill in the previous year	n/a				78.6	+1.3	n.s.	0.52
Managers at the workplace encourage employees to develop their skills ("Strongly agree" or "Agree") (% employees)	48.2	-3.5	*	-1.74	n/a			
Job offers opportunities to learn new things ("Always" or "Often") (% employees)	n/a				48.9	+10.7	***	8.41
Payment systems:								
Profit-sharing scheme or collective bonus scheme	47.8	+7.5	n.s.	1.17	66.5	+14.4	***	5.55

(Cont.)

Table 5. Employment practices, Britain and France, 2011 (concl.)

% workplaces (unless indicated otherwise)	Britain				France			
	HWLT workplaces	Diff.	Sig.	t-stat	HWLT workplaces	Diff.	Sig.	t-stat
Employees at the workplace can join a share ownership plan	16.2	+0.1	n.s.	0.03	n/a			
Employees at the workplace own shares in the firm or have stock options	n/a				22.3	+7.4	***	3.75
Merit pay scheme or individual "payment by results"	37.0	+2.0	n.s.	0.34	n/a			
Bonus scheme related to individual performance	n/a				69.1	+13.0	***	5.16
Employment relations and voice:								
Union membership density (% employees)	29.6	+6.4	*	1.88	12.1	+2.4	***	2.76
Any on-site representatives or joint consultative committee	29.1	+8.1	*	1.65	74.3	+11.5	***	4.46
On-site union representatives	11.6	+3.3	n.s.	1.36	40.6	+6.7	***	2.80
On-site non-union representative	19.9	+5.0	n.s.	1.16	41.3	+5.6	**	2.22
Joint consultative committee	16.1	+5.3	*	1.67	34.1	+9.5	***	4.53
Wages set by collective bargaining	18.5	+5.6	n.s.	1.45	62.0	+8.8	***	3.40
Regular departmental meetings	91.6	-4.7	n.s.	-1.40	82.6	+5.6	**	2.49
Employee attitude survey	45.1	+0.4	n.s.	0.06	22.0	-0.9	n.s.	-0.44
Suggestion scheme	22.8	-6.3	n.s.	-1.26	26.2	-0.6	n.s.	-0.27
Work organization:								
Employees in the largest occupational group work in teams which jointly decide how work is to be done and are responsible for specific products or services	49.3	+5.3	n.s.	0.82	n/a			
Any employees in autonomous production teams	n/a				53.6	+5.0	*	1.92
Any problem-solving groups (continuous improvement groups, quality circles)	20.5	+2.3	n.s.	0.53	52.2	+9.9	***	3.83

Base: All private sector workplaces with 11 or more employees.

Notes: Columns 1 and 5 = incidence of the row variable in HWLT workplaces. Diff. = difference in incidence between HWLT workplaces and non-HWLT workplaces (positive value: incidence is higher in HWLT workplaces). Sig. = statistical significance of Diff.: *** $t > 2.32$, $p < 0.01$; ** $t > 1.96$, $p < 0.05$; * $t > 1.64$, $p < 0.1$; n.s. $t < 1.64$, $p > 0.1$. Wald tests confirm the distribution of each categorical variable differs between HWLT and non-HWLT workplaces ($p < 0.01$). n/a = data item unavailable.

Sources: Our own calculations, based on data taken from WERS 2011 (Department for Business Innovation and Skills 2013) and REPOSE 2011 (DARES 2013).

In recent decades, one distinctive feature of pay policies has been the diffusion of individual and group-level incentive pay systems (e.g. Lemieux, MacLeod and Parent 2009). Collective bonus or profit-sharing schemes are one means by which an employer may seek to align the employee's incentives with the goals of the firm. Our empirical results show that such schemes are more frequent in HWLT workplaces (see table 5, panel 2); the difference is only statistically significant for France, but it would reach statistical significance for Britain if the WERS sample were the same size as the REPONSE sample. Shareholding and share ownership plans are another means of aligning employers' and employees' interests, situating them in a longer-term perspective. Here, the association with HWLT workplace status is apparent only in France. Schemes linking pay to individual performance are common in both Britain and France, but they are associated with HWLT workplaces only in France. Overall, while HWLT workplaces in France often use incentive pay schemes, the same cannot be said of such workplaces in Britain.

5.4 Incentives based on voice mechanisms

Institutional economists (Hirschman 1970; Freeman and Medoff 1984) have long argued that unions – and possibly other forms of voice – can reduce labour exits by providing employees with opportunities to influence their work environment through collective discussion and negotiation. The empirical literature tends to confirm that voice mechanisms are associated with lower labour turnover at the micro level (Bryson and Forth 2010; Amossé and Forth 2016). We therefore expect voice mechanisms to be more prevalent in HWLT workplaces, and our estimations confirm this (see table 5, panel 3): union membership density is higher, and on-site employee representatives, consultative committees and collective bargaining are more common in such workplaces. There is also a positive association between HWLT workplace status and the presence of non-union representatives, at least in France. In that country, the difference between the two workplace profiles is similar to that observed in Britain, but is statistically significant due to the larger sample size. Union and non-union voice mechanisms thus appear to be complementary in HWLT workplaces. By contrast, HWLT workplaces do not appear to differ markedly in their use of direct voice mechanisms. In France, they are more likely to use departmental meetings, but the prevalence of employee attitude surveys and suggestion schemes does not differ by workplace status in either country. HWLT workplaces are thus characterized by greater use of voice, but this is primarily channelled through (union or non-union) representatives rather than through direct mechanisms. This aligns with the notion that different forms of voice have a specific “fit” with particular industries, economic strategies, forms of work organization and management styles (Storper and Salais 1997).

5.5 Work organization

In his review of the HR management performance literature, Wood (2020) distinguishes between two forms of employee involvement: employee participation in decision-making on broad issues (via direct or indirect representation mechanisms); and employee participation in defining the contours of the job (e.g. through teamwork or problem-solving groups). Regarding the latter, the final panel in table 5 shows that employees in HWLT workplaces are more likely to work in teams and have access to problem solving groups, even though the difference is not significant in Britain (and would be significant for teamwork only if the WERS sample were the same size as the REPONSE sample). Here again, British HWLT workplaces display similar tendencies to those observed in French HWL workplaces, but the patterns are less pronounced.

6. Discussing the results

6.1 Drawing the contours of an HR model?

Taken together, the set of HR practices used in HWLT workplaces form a consistent profile combining complementary practices: the promotion of human capital (taking into

account job stability, internal promotion opportunities and increasing qualifications), the implementation of incentive methods (in terms of remuneration) and opportunities to involve employees in the decision-making process (with multiple voice mechanisms). This profile echoes the HR model of HPWS studied since the 1990s (Huselid 1995; Applebaum et al. 2000), which emphasizes the bundling of complementary practices designed to promote employees' knowledge, skills and abilities, motivate them to perform at their best, and provide opportunities for them to contribute and make a difference (Boxall and Purcell 2003). The correspondence is striking in the French case, but more muted in Britain given the weaker relationships between the HWLT classification and the use of incentive pay and employee involvement practices. Such country differences are coherent with earlier findings showing that HPWS are less developed in Britain than in France (Conway et al. 2008), especially in respect of incentive pay (Marsden and Belfield 2010).

To complement this picture, we conduct a multivariate estimation of the likelihood of being an HWLT workplace, using all reviewed HR practices as explanatory variables (see table A7 in supplementary online appendix A). For methodological reasons, our analysis is limited to practices that are measured in the management questionnaire of each survey.¹⁸ The results should not be interpreted causally; instead, our aim is to identify practices that are distinctively characteristic of HWLT workplaces in each country. The results are similar to those discussed in the previous sections. The only notable difference – observed in both France and Britain – is that HWLT workplaces are now negatively associated with direct voice mechanisms. Most HR practices remain significantly associated with being an HWLT workplace, even when controlling for other factors, indicating that they are all distinctive features of the employment pattern we are mapping out.

6.2 Similarities with ILMs

In addition to HPWS, HWLT workplaces also resemble another classic management model: the ILM. Our empirical portrait of HWLT workplaces shows common features with the ILM literature from Doeringer and Piore (1971) to Osterman (2024): workers are often highly skilled men, who are offered full-time, permanent positions with training, tenure-pay systems and internal promotion opportunities. Higher levels of union membership and the presence of union representatives are also associated with the ILM model. Moreover, the fact that wage-setting practices in HWLT workplaces play a key role in tenure, and that wages exceed those that workers could earn elsewhere, is consistent with the core principle of ILMs (as set out by Doeringer and Piore 1971; Osterman 2024), namely, that wages are determined internally and are disconnected from market forces.

On the whole, employee profiles in HWLT workplaces share clear similarities with those proposed under the traditional conception of ILMs (Doeringer and Piore 1971). However, ILM firms were traditionally known for their presence in manufacturing industries and for integrating low-skilled workers and enabling them to progress internally, whereas the HWLT workplaces clearly focus on highly qualified workers and are quite prevalent in finance and business services. This change in ILMs would align with the significant shifts in productive systems in recent decades, particularly deindustrialization and the restructuring of manufacturing sectors, as well as the growing segregation of top earners described by Godechot et al. (2024).

6.3 France versus Britain: One model or two different models?

We can draw on the similarities with ILM and HPWS models to discuss the comparative aspect of our analysis: do French and British HWLT workplaces illustrate different models? This would echo the opposition in the labour market segmentation literature between ILMs (characteristic of France and the US) and occupational labour markets (characteristic of Britain) (Eyraud, Marsden and Silvestre 1990). Alternatively, we might consider that the

¹⁸ The numbers of employees observed in each workplace are typically not large enough to use the employee-level data to characterize the HR practice in each workplace.

French and British situations represent two ways of implementing the same model: each country illustrates how the model adapts to the prevailing economic and institutional context (Grimshaw and Rubery 1998; Doellgast and Marsden 2019; Amossé et al. 2025). Given that the differences highlighted between Britain and France primarily concern the extent of certain practices (e.g. incentive pay or participative forms of work organization), rather than the use of different practices, we hypothesize that there is a single model of HWLT workplaces. The main difference is that the HWLT profile is more clearly apparent in France. This may be due to the smaller sample size for Britain, but it could also suggest a less distinctive profile. The latter hypothesis would be consistent with earlier literature describing ILMs as typical of France (Eyraud, Marsden and Silvestre 1990). Further research would be needed to establish whether an employment model similar to that of the occupational labour market remains typical of the British labour market.¹⁹

How can the national context thus explain country differences? The arguments developed by Marsden and Belfield (2010) and Amossé et al. (2025) are compelling here. First, employer and employee networks are denser in France (Amossé et al. 2025). Employers often belong to employer organizations, especially in large firms, which tend to have large HR departments. HWLT workplaces often form part of larger firms. Marsden and Belfield (2010) argue that such networks help to disseminate new HR practices, which might explain why HWLT workplaces are more widespread in France. Second, Amossé et al. (2025) argue that differences in corporate governance and financing of firms are also crucial in understanding national models. They argue that British managers tend to be more autonomous in their decision-making and less dependent on other organizations. This may also slow down the spread and/or standardization of practices. Finally, differences are likely to stem from different regulations and legal standards (Amossé et al. 2025). The French State plays a more central role in the labour market, and employment protection legislation is stricter in France, which may lead employers to find new ways to manage and retain workers. Marsden and Belfield (2010) have highlighted how employment protection legislation can discourage the use of dismissal threats and encourage alternative HR policies, such as the use of incentive pay. But regulations and legal standards do not refer to stricter redundancy rules alone. For example, in France, there exist a distinct set of laws encouraging (fiscally) the use of performance-related pay schemes and even making it compulsory for the largest companies to use certain remuneration tools (in a profit-sharing logic). All in all, these characteristics of the French and British national models may be the reasons why HWLT workplaces are less widespread in Britain, and why their characteristics are less distinctive when they exist.

7. Conclusion

In this article, we have sought to understand the provision of high-wage, stable jobs from an employer's perspective. We identified HWLT workplaces and sought to establish whether they have distinctive characteristics and constitute a specific employment pattern. Methodologically, our approach comprised a comparative exploratory analysis of two databases, WERS and REPONSE, offering multi-thematic linked employer-employee data for France and Britain.

We first showed that, in both countries, HWLT workplaces tend to be larger and older than the average workplace and are over-represented in manufacturing, finance and business services. They are also likely to operate in product markets with a broad scope (at least at the national level) and employ more middle-aged, highly qualified male employees. Companies offering stable, high-paid jobs also have very specific characteristics and target employees with equally specific profiles. HR practices in HWLT workplaces are broadly

¹⁹ The fact that a larger proportion of workplaces are characterized by short tenure and high wages in Britain than in France (29 per cent versus 17 per cent, respectively) suggests that this may indeed be the case (see tables A2 and A3 in supplementary online appendix A).

similar in the two countries regarding, for example, seniority pay, permanent, full-time positions, opportunities for internal promotion and worker voice through representatives. These policies complement job stability and high salaries by encouraging employees to become involved in their work and the future of the company. It is particularly true in France, where HWLT workplaces often use performance pay and participatory pay schemes.

Overall, HWLT workplaces have characteristics that are clearly linked and relatively consistent with each other. It therefore seems appropriate to argue that HWLT workplaces constitute a specific employment model, especially as there are strong similarities from one country to another. Although HWLT workplaces in Britain are less focused on the most highly skilled and make less use of pay-for-performance practices, the number of common characteristics remains strong.

Conceptually, our analysis contributes to debates on the diversity of institutional labour markets (Osterman 2011). The patterns we identify are clearly reminiscent of the ILM type of employment system described by Doeringer and Piore (1971), but our HWLT profile is also similar to “high-road” employment models (Osterman 2018) with its high wages and to HPWS with its commitment-oriented HR policies. The role of internal careers and seniority pay is also reminiscent ILMs, as described in Osterman (2024). The variety of these models is rich, giving us different and complementary points of view on good jobs. However, this diversity calls for further analysis from a macroeconomic perspective in order to better understand which models coexist at the national level and whether there are segmentation effects between them.

HWLT workplaces are more prevalent in France, but only around one third of the difference in the share of high-road workplaces can be linked to differences in the productive structure of the two economies. Differences in the spread of HWLT employment systems between the two countries reflect institutional differences, including regulations, collective actors and the organization of the productive system.

Country differentiation also points to the role of public policy in creating appropriate national and local institutions to support HWLT employment systems. Our results are consistent with the argument that “supply side” (worker-level) strategies are not enough to fuel the development of good jobs (as stated also by Schmitt and Jones 2013; Osterman 2018; Blanchard et al. 2021). In line with Rodrik and Stantcheva (in Blanchard et al. 2021), our results support the implementation of public organizations responsible for promoting HWLT employment systems. Specifically, it would seem beneficial to support the broader adoption of HWLT employment systems across sectors where they are already relatively common, and to encourage them to integrate less-qualified employees. It also seems important to develop other ways of encouraging the provision of high-paid, stable jobs in sectors where market conditions and firm characteristics make the adoption of the HWLT approach more challenging.

Our work calls for two specific extensions. First, we need to understand whether HWLT employment systems lead to better business performance (in productive and financial terms). This is obviously a key issue in promoting this employment model, but requires comparable accounting information, which unfortunately is not available in our data. Second, we need to understand if, inside HWLT workplaces, all employees benefit equally from HR practices. The literature on ILMs in France (Piore 1978) clearly show how firms exclude part of the workforce from the internal promotion system. One might fear a strategy of differentiation, as described by Lepak and Snell (1999), on the part of employers. Our data are richer than most, but one would need larger samples of employees in each workplace to shed more light on this point.

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Competing Interests

The authors have no competing interests to declare.

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