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Quality of Employment in Bogota (Colombia): Concept, Method and Evidence

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ABSTRACT

The concept of quality of employment is a helpful response to different conceptualisations and typologies’ failures in the analysis of the diversity of labour institutions in Latin America. The authors, with the help of an original methodology combining socio-economic dimensions in a Multiple Correspondence Analysis (MCA), construct a multidimensional indicator. Analysing individual data coming from a household survey in Bogota for 2013, they found a clear polarization in the quality of employment distribution, transcending the classical typologies. Finally, this original and contextualized measure seems to be useful to describe precisely the complexity of the labour market institutions.

KEYWORDS Colombia; labour market institutions; multiple correspondence analysis; quality of employment; univariate clustering

Introduction

Since the 1990s some Latin American countries have implemented reforms on labour markets and social structures to construct neoliberal institutions within their specific types of capitalism (Bizberg, 2014; Portes & Smith, 2012; Tuman, 2000). Particularly in the Colombian employment regime, in opposition with the expectations of mainstream economic policies, the flexibilization of legal standards and the privatization of large parts of the public sector have led to increased unemployment and informality, reduced incomes and a decrease in collective protections (Farné & Vergara, 2015; Piñeda Duque & Acosta, 2011). These mutations have accentuated the difficulties in the urban labour market characterization. However, a proper grasp of this social sphere is crucial to efficiently orient the public policies of employment.

Thus, \textit{ad hoc} informal\textsuperscript{1} and formal economic formulations or the opposition between employees and self-employed are now broadly criticized, unable to grasp the changing forms of employment and social practices, particularly in Latin

\textsuperscript{1}The definition of informal economy kept in this article leans on the characterization established by the ILO in 2003, regrouping two pillars: informal sector and informal employment. The informal sector is defined as small enterprises having less than five employees, unregistered or not holding a written account. Informal

\textsuperscript{2}Supplemental data for this article is available online at https://doi.org/10.1080/07360932.2020.1843515.
America (Floro & Messier, 2011). The heterogeneity between “upper” and “lower” tiers in the informal economy (Günther & Launov, 2012; Radchenko, 2014), where activities are “chosen” or “necessary” (Perry et al., 2007), the existence of subordination links between informal and formal activities (Arimah, 2001), “[…] depending on social ties (and social relations) for its effective functioning” (Berrou & Combarnous, 2011, 2012; Portes & Haller, 2005, p. 407), the desire to avoid the non-wage costs (Maloney, 2004), the increasing of the sub-contracted jobs in modern economy (Tokman, 2007) within the global labour standards reduction (Galli & Kucera, 2004) and the weak data reliability constitute a non-exhaustive list of the contemporary debates on the informal economy. With this extreme complexity, how can we revisit the Latin American labour markets, abandoning these limited typologies and taking into account the socio-economic embeddedness of workers?

To offer part of the solution, we must “trespass on the territories of a variety of disciplines” to construct a plural approach necessary to understand the employment institutions in a specific context (Streeck, 2005, p. 254). According to the Smelser and Swedberg (p. 241) definition of the labour market as an institutional process regulated through social norms, we need to develop a general socio-economic analysis of the multiple processes describing the employment in the Latin American context.

Focused on this question, numerous studies revisit the concept of quality of employment (from now on QoE), which is considered epistemologically functional, and allows the political objective of decent work to become operational in Latin America (Burchell et al., 2014; Ramos et al., 2015, Deguilhem et al., 2020). Based on a multidimensional approach, this paper offers to construct an original quality of employment measure to analyze a specific case in this developing region: Bogotá’s labor market. Using individual data produced in Colombian Capital by the 2013 Gran Encuesta Integrada de Hogares (GEIH), we applied a Multiple Correspondence Analysis (MCA) to summarize all conceptual dimensions into a unique quantitative indicator, that goes beyond the simple indexes used in previous economic studies (Fernández-Macías, 2012). This novel employment measure applied to Bogota appears relevant to describe the labor market and transcends common typologies (formal vs. informal or employee vs. independent). In particular, we show that a low-quality of employment is not necessarily limited to informal workers and let alone to independent ones. Finally, the groups created based on the quality of the individuals’ jobs reveal the importance of social factors, such as socio-economic strata or level of education, to obtain a better job in Bogota.

This paper is organized as follows. Section 2 presents the conceptual approach of quality of employment. Section 3 displays the methodology adopted to construct a relevant and multidimensional QoE index. Section 4 presents the data and introduces the socio-economic context of the Bogota’s labor. Finally, the empirical results and a general discussion are presented in section 5.

employment is defined as work without a contract or unprotected work, which can be located in the informal or in the formal sector (Hussmanns, 2004).
**The Conceptualization of Quality of Employment: A Multidimensional View**

From the 2000s, different studies trying to operationalize the decent work concept, reactivate the notion of QoE (Burchell et al., 2014). Functional from its reappearance, this notion is considered a pillar of the European Employment Strategy since the Lisbon summit in 2000. The Organisation for Economic Cooperation and Development (OECD) and the International Labor Organization (ILO) also consider QoE to be an adapted instrument, named as a reference indicator (OECD, 2014). Across its social involvements, QoE constitutes a particularly interesting and pertinent statistical redefinition for the labor market analysis in industrial countries (IC) as well as in developing countries (DC) (OECD, 2015; Osterman, 2013).

The macro-institutional approach uses this concept as a multidimensional tool that is advantageous for international comparisons. Indeed, QoE proves to be particularly efficient at highlighting the links between labor markets, the varieties of capitalism, the polarization in the employment structure and the technological change (Davoine et al., 2008; Erhel & Davoine, 2007; Gallie, 2007; Goos et al., 2009; Green et al., 2013). In spite of the proliferation of international comparisons, QoE turns out to be naturally comprehensible at the level of all job characteristics. This concept promotes its microeconomic interpretation and focuses on working and living conditions (Floro & Messier, 2011). In this sense, Van Bastelaer and Hussmanns (2000 in Farné, 2003, p. 15) have shown that “the [QoE] refers to a set of characteristics determining the ability of employment to meet certain needs commonly accepted”. However, how can we characterize this notion and its dimensions?

A first approach offers a unidimensional measure of QoE, keeping income as a possible approximation (Fernández-Macias, 2012). This choice is justified due to the absence of data and through the correlation between the level of income and the components of QoE.

A second approach apprehends this instrument by its psychological, sociological, and ergonomic dimensions through the measurement of satisfaction in relation to working conditions (Clark, 2005; Rose, 2005). This subjective approach expresses the preferences of workers in a social context. For example, where obstacles to improve working conditions are strong, claims are nonexistent, and the satisfaction level is high. This situation explains why these satisfaction indicators appear lower in the IC than DC, or between men and women (Clark, 1997). Hence, Bustillo et al. (2011) offer the exclusion of any type of subjectivity on behalf of the workers. However, the subjective dimension identifying the “sense of purpose” individuals give to their jobs cannot then be completely excluded (Guergoat-Larivière & Marchand, 2012).

The third strategy, predominant in socio-economic studies, consists of identifying a multidimensional aspect by gathering a series of objective characteristics of employment. In the United States, Kalleberg et al. (2000) identify individuals with bad jobs through low income, without access to health insurance or a pension system. Johnson and Corcoran (2003) perceive QoE as a combination of wage, working time and protection against occupational risk. In Europe, Green et al. (2013) characterize this concept across income and working time, allowing them to formulate a regional labor market typology. This objective approach finds a considerable interest in Latin America thanks to the Economic Commission for Latin America and the Caribbean (ECLAC), allowing precise analysis of employment forms and their further
evolution to the general implementation of deregulation policies from the 1990s. Farné and Vergara (2015) establish a QoE index in Colombia, by raising the type of contract, social security cover, income and working time. In Ecuador, Floro and Messier (2011) define their QoE index across income, working time, multiple activities, workplace, employment security and non-wage benefits.

Finally, the last approach opens a possibility of a synthesis between these different streams. It envisages a combination of objective and subjective criteria. Thus Körner et al. (in Burchell et al., 2014) draw a model in seven dimensions, in which QoE is organized into a hierarchical structure inspired by Maslow’s pyramid of needs (Maslow, 1943). This representation illustrates the fundamental characteristics of employment at the base of the pyramid and secondary characteristics at the summit.

Two conclusions can be drawn from this literary survey. First, variables cannot be fixed a priori in order to statistically characterize this idea. More importantly, this concept must be intuitively located in legal and social contexts. Second, despite this necessity, the following six dimensions mark the “common core” of QoE (Floro & Messier, 2011; Guergoat-Larivière & Marchand, 2012; Deguilhem et al., 2020):

- Income level
- Working conditions and legal status
- The possibilities of reconciling work and family life
- Social securities, including pension types and social protections
- Collective employment components, such as the possibility of social dialogue and unionization
- The subjective dimension given to the job and to its opportunities

It is then possible to assert that the concept of quality of employment tends to approximate that of decent work (Farné & Vergara, 2015; Sehnbruch et al., 2015), insofar as the definition of the latter by the ILO’s Commission of Experts uses these six dimensions, namely: fundamental rights at work, employment, working, and employment conditions combining remuneration and health/safety at work, labour inspections, labour relations, and social security (Auvergnon, 2014).

**Methodological Approach**

QoE is necessarily a multidimensional and contextualized issue. From this scheme, arises the need to use measurement tools that can meet this requirement. In Latin America, most studies in social sciences define a synthetic QoE index with a horizontal and/or vertical weight alternatively for employees and independents (Floro & Messier, 2011).

In a second strategy coming from the literature on poverty measures, Huneeus et al. (2015) or Sehnbruch et al. (2020) use the Foster-Greer-Thorbecke (FGT) method to measure deprivations in the area of employment quality. They construct a multidimensional and composite indicator on Brazilian data, but this method transforms QoE into a measurement of deprivations and does not permit to incorporate some important variables such as a subjective dimension.
A third approach uses the exploratory multivariate analysis and consists of eliminating these pre-established representations to construct a composite indicator in which weight will depend on the relative importance of every category in a specific social context. Particularly in Colombia, Farné and Vergara (2015) have used a weighting method based on Categorical Principal Components Analysis (CATPCA) with its Euclidean metric. However, with this method, the analyst must determine an arbitrary scale and the weight of each indicator.

Thus, this approach makes quality of employment an intrinsically relative concept, whose formulation aims to distinguish “stable” situations from “precarious” situations - with all their subtleties - on a particular labour market. So, any defects relating to the exclusively quantitative and binary classical approach are thus mitigated, resulting in the possibility of reintroducing indicators of a legal nature - which are, by definition, qualitative data. These indicators must be chosen from amongst the most important legislative provisions and national jurisprudence, based on their discriminating nature - by company size, seniority, activity, or sector of activities - and must, as far as possible, embrace all aspects of the job: individual and collective employment relations and social protections.

Following Combarnous and Deguilhem (2019), we opted for another multivariate strategy. Faced with the categorical nature of household survey data, the Multiple Correspondence Analysis (MCA) seems to be the more appropriate technique in social sciences to deal with mixed data (Lebart et al., 2006). This approach constitutes an empirical method particularly adapted to construct a contextualized QoE index, based on the factorial scores of each category for each variable (OECD., 2008). In this sense, we assume that the $Q$ indicators are categorical and each indicator $q$ has $j_q$ categories. Suppose that the first factorial axis meets the consistency conditions to be considered as a quality of employment factor, we can then define as an appropriate composite indicator: $QoE = F_1$. In this sense, the QoE index for every worker is calculated based on the normalized score of each category of all the variables considered on the composition of the first factorial axis of the MCA. We can express the quality of employment index for the individual $i$ under the following functional form:

$$QoE_i = \frac{\sum_{q=1}^{Q} \omega_{j_q}^{1+q} K_{i,j_q}}{Q}$$

(1)

Where $Q$ corresponds to the number of variables in the first MCA factor, $j_q$ the modality $j$ of variable $q$, $\omega_{j_q}^{1+q}$ is the normalized score of modality $j_q$ of variable $q$ on the first factor, to simplify, let us write $\omega_{j_q}^{1+q} = \omega_{j_q}^{1+q} / \sqrt{\lambda_{1}}$, $K_{i,j_q}$ is the binary variable, taking a value of 1 when the individual presents the modality $j_q$, 0 if not.

The value of the QoE index corresponds to the normalized category-score average on the first factorial axis of the MCA. Finally, we have $QoE_i \in [-1; 1]$ that we brought back into $[0; 1]$ by the linear interpolation, to make reading easier. Then, we have a continuous QoE index: $QoE_i \in [0; 1]$, with 0 corresponding to the worst possible quality, and 1 corresponding to the best possible one in this specific social context.

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2See e.g. Asselin (2009, pp. 19–77).

3If the first factor obtains the major part of the adjusted MCA eigenvalues (Greenacre, 1993).
Despite the empirical interest of this quantitative indicator, the QoE index tends to oppose two categories: “poor” versus “strong” quality of employment. However, this discretization cannot come from our subjective decision on fixed values.

This type of partitioning, necessarily deterministic, consists in grouping $n$ dimensional observations into $k$ homogeneous classes. Homogeneity is measured here through the sum of intra and interclass variances. Through this algorithm, we are looking to maximize the inertia between diverse groups and minimizing the inertia within them (Fisher, 1958). This QoE index can be discretized rather naturally by clustering in two groups: the “poor” quality group and the “strong” quality group. According to the statistical distribution of the QoE index (section 5), we kept two groups: low and high quality of employment.

**Context of Bogota’s Labour Market and Data**

**Social and Economic Context**

In 2013, the city of Bogota had nearly 7.6 million inhabitants and represented almost 17% of the Colombian population. Consistent with the rapid process of urbanization that took place in Latin America, the population of Bogota has almost doubled since 1985. In fact, despite a low birth rate, and a downward trend in the average annual urbanization rate - going from 7% between 1950 and 1955 to 1.36% between 2010 and 2015 - the capital remains marked by a strong urban transition, arising from internal migration. It forms a “hub of the territorial system”, hosting populations from forced displacements resulting from the internal conflict (Dureau et al., 2014, p. 35). This important growth of the urban population puts pressure on the labor market, and with the lack of control on the part of the state, companies profit to pay less workers. Indeed, according to data from DANE (2013), 26.4% of Bogotá workers earn less than the minimum wage.

Faced with expanding informal urbanization and growing inequalities, the district government implemented a socio-economic space stratification method in order to introduce a mixed subsidy mechanism for municipal services payments. Various homogeneous groups of buildings (6 groups) were established based on the cadastral zones. These “blocks” of homogenous residences give a good approximation of the social hierarchy: the poorest (1, 2 and 3), representing almost 90% of the population in 2013, receive a subsidy between 10% and 40% of the cost of services, whereas the richest (5 and 6) pay a surcharge of between 20% and 40%. Since the introduction of this policy, Bogota has followed an insular, residentially segregated developmental logic, between a north-eastern zone occupied by the wealthiest households, a southern area inhabited by poor households, and a western area occupied by the middle class (Dureau et al., 2014, pp. 113–114). This social hierarchy directly determines individual behaviour, household location decisions, and

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4To create the most appropriate score possible on a quantitative variable, the optimization technique to implement is fairly complex and has long been debated in the literature. However, in various disciplines, it appears that the method of Fisher remains an appropriate response to this problem because of its efficiency and speed of calculation compared to other possible methods.

5The population increased by 87% since 1985.

6In Colombia, the labor inspection faces strong institutional weaknesses and the number of labor inspectors has stagnated at around 1,000 individuals (Ministerio del Trabajo, 2014).
influences social groups identity in access to education, healthcare, and employment (SDP, 2013).

Bogota has a relatively low rate of poverty, at 17% in 2011; it remains high, however, in the South of the city and in strata 1 and 2: 40% for stratum 1 and 25% for stratum 2 (SDP, 2013). As an illustration of this heterogeneous situation, the capital city has observed a significant increase in income inequality, with the Gini index for income increasing from 0.51 in 2008 to 0.61 in 2013.\(^7\)

Moreover, the labour market in Bogota shows certain singularities. In 2013, 64% of workers were men and only 36% were women, most jobs are formal, but the rate of informality remains at 35.6%, according to the definition given by the ILO in 2003. The jobs are mainly located in the commercial sector; in 2013, most individuals are employees in the private sector (49%) or self-employed (35%), and a small percentage work in the public sector (4.5%). Table 1 shows the distribution of Bogotá's workers in 2013 by sector of activity and firm size.

### Legal Provisions Applicable to the Bogota's Labour Market

In Colombia, the labour law corresponds closely to the "model" prevalent in Andean countries (Deguilhem & Frontenaud, 2016). Although there are obviously specificities and differences within each legal system, South American labour law is characterized by a legislation that is strong in terms of individual labour relations, but often ineffective, and conversely, by state centralism concerning collective labour relations, the right to organize and the right to strike being most often tightly conditioned. However, where Colombia stands out, probably alongside Peru as well, is in its liberalization of the labour market since the 1980s, under the pressure of successive neoliberal policies (Vega Ruiz, 2005).

Thus, without attempting to be exhaustive (Cadavid, 2014), the applicability of several legal provisions are subject to criteria based either on the size of the company, seniority, the business sector concerned, or even the business activity itself. Thus, various discriminating legal variables could be retained as part of the proposed analysis.

First, the rules associated with the right to vocational training only apply to companies with more than 50 employees subject to a 48-hour workweek. Both the Constitutional Court (decision No. C-557-93 of December 2, 1993) and the Supreme Court (decision No. 128 of October 10, 1991) have ruled on its constitutionality. Collectively, it is only possible to form a local union in companies with at least 25 employees (Article 359 of the CST, Constitutional Council decision No. C-201-02 of March 19, 2002). In the Colombian socio-economic context, characterized by the omnipresence of microenterprises and small enterprises, this closes the door, for a large number of workers, to the collective defence of their rights. Moreover, article 416 of the Colombian CST, derived from decree 2663 of 1950, excludes public-sector employee unions from the right to collective bargaining and the right to strike. The Constitutional Court did, however, nuance the scope of this legislation, public-sector employees have access to the right of collective bargaining to some extent, but not the right to strike.

\(^7\)The 2008 Gini index came from Bogota's Department of District Planning (SDP, 2013). Authors have calculated the 2013 Gini index with the 2013 household's survey.
Table 1. Socio-economic and legal variables for the QoE index, 2013 (GEIH).

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Variables</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Income</td>
<td>Monthly income expressed as a function of the minimum wage</td>
<td>1 if the individual earns less than one MW (see note under the table); 2 if he/she earns between 1 and 2MW; 3 if he/she earns between 3 and 4MW; 4 if he/she earns more than 4MW</td>
</tr>
<tr>
<td>II. Social Welfare Coverage</td>
<td>Completeness of the work contract; Type of social welfare; Coverage of occupational hazards; Contribution to a retirement fund</td>
<td>See note under the table.</td>
</tr>
<tr>
<td>III. Working conditions</td>
<td>Contribution to a Family Compensation Fund; Workplace; Use of means of transport made available by the company; Other activity; Employment stability</td>
<td>1 if the individual has a Family Compensation Fund; 2 otherwise</td>
</tr>
<tr>
<td>IV. Balance between work life and family life</td>
<td>Working time</td>
<td>1 if the individual works less than 24 hours per week; 2 if he/she works 24 to 48 hours (legal maximum time); 3 if he/she works more than 48 hours</td>
</tr>
<tr>
<td>V. Individual and Collective Rights</td>
<td>Right to create a Comité Paritario de Salud Ocupacional (CPSO); Right to participate in an Occupational Risk Coverage System; Right to Vocational Training; Right to establish a local union in the workplace</td>
<td>1 if the individual has the right to create a CPSO at his/her workplace; 2 otherwise</td>
</tr>
</tbody>
</table>

(continued)
Regarding social security, the access to the Sistema General de Riesgos Laborales (General System of Occupational Risks Insurance) is limited for the self-employed workers, the establishment of a Comité/C19e Paritario de Salud Ocupacional (Joint Committee on Occupational Health) is mandatory only for companies with at least 10 employees. An employment contract lasting at least one month is also required for entering the occupational risk coverage system.

Based on the data available, it is now possible to put forward a panel of variables consistent with the proposed methodology. We have therefore selected the following socio-economic and legal variables to define the quality of employment index (Table 2). Using this selection, we have built the QoE index, which allows to analyse Bogotá’s labour market in the clearest and most accurate way possible.

Table 3 shows the individual variables that will permit the socio-economic characterization of this index of QoE.

**Findings**

*The Quality of Employment Polarization in Bogota*

The quality of employment index built for Bogota for 2013 shows a bimodal distribution allowing the construction of two opposing groups (Figure 1)8. On the one
side, there is a low-quality group composed of vulnerable individuals lacking protection, and on the other side, a high-quality group with labour rights and legal safeguards. Moreover, this marked contrast in the distribution justifies the use of the univariate partitioning method for this QoE index (Fisher, 1958). Thus, an analysis of the two distinct quality of employment groups, on either side of the cutline allows a redefinition of a new and authentic typology more suited to the specificities of employment in Bogota.

Table 2. Variables of individual characterization, 2013 (GEIH).

<table>
<thead>
<tr>
<th>Variables</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGE</td>
<td>1 if individual is between 18-25; 2 if individual is between 26-45; 3 if individual is between 46-65; 4 if individual is more than 65</td>
</tr>
<tr>
<td>GENDER</td>
<td>1 if female; 0 if male</td>
</tr>
<tr>
<td>STRATA</td>
<td>1 Strat 1; 2 Strat 2; 3 Strat 3; 4 Strat 4.5 and 6</td>
</tr>
<tr>
<td>EDUCATION</td>
<td>1 if individual has none or basic graduation; 2 if he has ICFES level; 3 if he has a technological or technical level; 4 if he has a university level</td>
</tr>
</tbody>
</table>

Table 3. Composition of the QoE in the two groups defined by the univariate clustering (%), (GEIH).

<table>
<thead>
<tr>
<th></th>
<th>Low-Quality</th>
<th>High-Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social security contribute</td>
<td>0.544</td>
<td>0.848</td>
</tr>
<tr>
<td>Social security subsie</td>
<td>0.274</td>
<td>0.061</td>
</tr>
<tr>
<td>Social security without social security</td>
<td>0.156</td>
<td>0.039</td>
</tr>
<tr>
<td>Transportation</td>
<td>0.006</td>
<td>0.045</td>
</tr>
<tr>
<td>Occupational risk</td>
<td>0.064</td>
<td>0.970</td>
</tr>
<tr>
<td>Other activity</td>
<td>0.080</td>
<td>0.059</td>
</tr>
<tr>
<td>Family fund</td>
<td>0.018</td>
<td>0.880</td>
</tr>
<tr>
<td>Union</td>
<td>0.017</td>
<td>0.055</td>
</tr>
<tr>
<td>Stability job</td>
<td>0.498</td>
<td>0.580</td>
</tr>
<tr>
<td>Pension fund</td>
<td>0.118</td>
<td>0.974</td>
</tr>
<tr>
<td>Income ([0; 1 MW])</td>
<td>0.446</td>
<td>0.112</td>
</tr>
<tr>
<td>Income ([1; 2 MW])</td>
<td>0.416</td>
<td>0.529</td>
</tr>
<tr>
<td>Income ([2; 4 MW])</td>
<td>0.113</td>
<td>0.198</td>
</tr>
<tr>
<td>Income (More than 4 Bold Bold MW)</td>
<td>0.067</td>
<td>0.160</td>
</tr>
<tr>
<td>Weekly hours ([0; 24])</td>
<td>0.248</td>
<td>0.020</td>
</tr>
<tr>
<td>Weekly hours ([24; 48])</td>
<td>0.370</td>
<td>0.719</td>
</tr>
<tr>
<td>Weekly hours (More than 48)</td>
<td>0.382</td>
<td>0.261</td>
</tr>
<tr>
<td>Hard workplace</td>
<td>.440</td>
<td>0.835</td>
</tr>
<tr>
<td>Households</td>
<td>0.306</td>
<td>0.023</td>
</tr>
<tr>
<td>Others</td>
<td>0.254</td>
<td>0.143</td>
</tr>
<tr>
<td>Completeness contract (0)</td>
<td>0.488</td>
<td>0.012</td>
</tr>
<tr>
<td>Completeness contract (1)</td>
<td>0.421</td>
<td>0.054</td>
</tr>
<tr>
<td>Completeness contract (2)</td>
<td>0.034</td>
<td>0.082</td>
</tr>
<tr>
<td>Completeness contract (3)</td>
<td>0.041</td>
<td>0.142</td>
</tr>
<tr>
<td>Completeness contract (4)</td>
<td>0.006</td>
<td>0.226</td>
</tr>
<tr>
<td>Completeness contract (5)</td>
<td>0.011</td>
<td>0.484</td>
</tr>
<tr>
<td>Subjectivity (satisfied)</td>
<td>0.191</td>
<td>0.480</td>
</tr>
<tr>
<td>Subjectivity</td>
<td>0.364</td>
<td>0.299</td>
</tr>
<tr>
<td>Subjectivity (unsatisfied)</td>
<td>0.445</td>
<td>0.221</td>
</tr>
<tr>
<td>Union section</td>
<td>0.043</td>
<td>0.776</td>
</tr>
<tr>
<td>Professional training</td>
<td>0.006</td>
<td>0.188</td>
</tr>
<tr>
<td>Comité Paritario de Salud (CPSO)</td>
<td>0.105</td>
<td>0.889</td>
</tr>
<tr>
<td>Mean QoE</td>
<td>0.2288</td>
<td>0.7738</td>
</tr>
<tr>
<td>Std.</td>
<td>0.1037</td>
<td>0.1070</td>
</tr>
<tr>
<td>N (0.502)</td>
<td>4448</td>
<td>4407</td>
</tr>
<tr>
<td>(%)</td>
<td>(0.498)</td>
<td></td>
</tr>
</tbody>
</table>

Note: The Pearson’s chi-squared test was used to test dependency between the four QoE groups and every variable. We can observe a statistically significant dependency at 1% level for each of them.
Though the analysis of Bogota’s labour market via these two groups accounts for a real contrast between low and high QoE, the fact remains that this divergence is primarily centred on certain specific variables. In other words, the split between the two groups appears to be restricted to certain components of quality of employment but shows continuity regarding the remaining elements.
The low-quality group, composed of unprotected and vulnerable individuals, is characterized by a specific combination of elements (Table 4). In terms of social security, 15.6% are not members of a healthcare coverage system, 93.6% are not insured against occupational risks and 88.2% do not contribute to a pension plan. Furthermore, regarding the type of contract, 90.9% have a basic level, which means that most of these workers are submitted to verbal contracts with no protections included. Moreover, these workers have no legal limit on their working hours, almost half earn less than the minimum wage, and only 2% are members of a Caja de Compensación Familiar. As for individual and collective rights, workers with low-quality of employment do not receive vocational training, are not unionized, and only 4% are able to create a local union in the workplace. This low level of unionization can be explained by the accumulation regime particularly unfavourable to workers’ collective organizations regardless of the workplace.

Conversely, the high-quality group is composed predominantly of workers with protections, as 48.4% have a complete employment contract and 84.5% are contributing members of a health plan. Moreover, these workers enjoy other types of protections, such as occupational risk insurance, membership to a pension plan, a stable income above the minimum wage, and the possibility of balancing work and

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9 The Cajas de Compensación Familiar are private not for profit entities that provide economic redistribution through subsidies and services (health, education, sports, culture, tourism, housing, loans, etc.). All employers must register membership for all permanent employees or workers engaged in work activity for more than four hours a day or more than 93 hours monthly.
family life. As for collective rights, 77.6% are able to create a local union but only 5.5% are unionized.

Nonetheless, despite these elements of rupture, the continuity can be observed through different variables, for example, 92% of workers with low QoE have no second activity, and 49.3% have a stable job. Likewise, 42% of individuals with a high-quality of employment have unstable jobs, 5.9% have a second activity to ensure sufficient revenue, and almost 12% earn less than the minimum wage. Based on this detailed description, we can establish the profiles for these two groups in terms of quality of employment (Figure A1). This representation shows that quality of employment is neither absolute nor a linear combination of qualitative elements.

Lastly, as regards the meaning given by workers to their jobs, we observe that the low-quality group shows general “unsatisfaction” toward its jobs. Individuals are therefore aware of the state of insecurity and vulnerability in which they live. However, the result is significantly different for workers in the second group, since almost half have a regular or bad perception of their jobs still, they have more protections than the low-quality group.

This redistribution of quality of employment in Bogota not only questions the traditional typologies regularly used, but also clarifies the perspective on the demographic characteristics of each socio-occupational group.

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Table 5. QoE index average by social characteristics,* 2013 (GEIH).

<table>
<thead>
<tr>
<th></th>
<th>Low-Quality</th>
<th>High-Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal</td>
<td>0.2792*</td>
<td>0.7799*</td>
</tr>
<tr>
<td>Informal</td>
<td>0.2033*</td>
<td>0.6430*</td>
</tr>
<tr>
<td>Employee</td>
<td>0.2421*</td>
<td>0.7838*</td>
</tr>
<tr>
<td>Independent</td>
<td>0.2186*</td>
<td>0.7482*</td>
</tr>
<tr>
<td>Age (Young)</td>
<td>0.2331</td>
<td>0.7583***</td>
</tr>
<tr>
<td>Age (Middle young)</td>
<td>0.2259</td>
<td>0.7760*</td>
</tr>
<tr>
<td>Age (Middle old)</td>
<td>0.2281</td>
<td>0.7743*</td>
</tr>
<tr>
<td>Age (Old)</td>
<td>0.2401</td>
<td>0.7730</td>
</tr>
<tr>
<td>Gender (Men)</td>
<td>0.2293</td>
<td>0.7733</td>
</tr>
<tr>
<td>Gender (Women)</td>
<td>0.2277</td>
<td>0.7746</td>
</tr>
<tr>
<td>Strata 1</td>
<td>0.1982****</td>
<td>0.7412***</td>
</tr>
<tr>
<td>Strata 2</td>
<td>0.2170****</td>
<td>0.7694***</td>
</tr>
<tr>
<td>Strata 3</td>
<td>0.2417****</td>
<td>0.7829**</td>
</tr>
<tr>
<td>Strata 4</td>
<td>0.2992****</td>
<td>0.7855**</td>
</tr>
<tr>
<td>Education level (None or basic)</td>
<td>0.2124****</td>
<td>0.7561***</td>
</tr>
<tr>
<td>Education level (Bachelor)</td>
<td>0.2335**</td>
<td>0.7724***</td>
</tr>
<tr>
<td>Education level (Technological)</td>
<td>0.2401**</td>
<td>0.7917***</td>
</tr>
<tr>
<td>Education level (University)</td>
<td>0.2942</td>
<td>0.7934***</td>
</tr>
<tr>
<td>Mean QoE</td>
<td>0.2288</td>
<td>0.7738</td>
</tr>
<tr>
<td>Std.</td>
<td>0.1037</td>
<td>0.1070</td>
</tr>
<tr>
<td>N</td>
<td>4448</td>
<td>4407</td>
</tr>
<tr>
<td>(%)</td>
<td>(0.502)</td>
<td>(0.498)</td>
</tr>
</tbody>
</table>

Note: *The difference of QoE averages is statistically significant at 1% between the two different groups. (⁎) QoE average for this modality statistically differs at 1% from the average of one another modality of this variable within the same group (Student T-test). (⁎⁎) QoE average for this modality statistically differs at 1% from the average of twice other modalities of this variable within the same group (tests post-hoc (ANOVA): LSD, Bonferroni and Tukey). (⁎⁎⁎) QoE average for this modality statistically differs at 1% from the average of each other modality of this variable within the same group (tests post-hoc (ANOVA): LSD, Bonferroni and Tukey).

We consider that a stable job is obtained when the labor contract is superior to one year. In fact, the Colombian labor law indicates that contracts over a year must be permanent.
Beyond the specific configuration of each group, the reality of the labour market in Bogota demonstrates the weaknesses of the classical typologies used to describe the forms of employment in urban areas of primarized and open economies of Latin America. In this sense, an analysis of this quality of employment index highlights the futility of formality/informality and employment/self-employment dichotomies.

In visualizing the QoE index for the formal and informal economy, it emerges that 90% of informal workers in Bogota have a low-quality of employment (Figure 2) which also means that being informal implicates protection and security for one out of ten workers. As for formal workers, 25% have low-quality of employment demonstrating that this form of employment is not necessarily synonymous with safety and protection (Figure 2). In other words, 34% of low-quality job workers are formal but only 5% of high-quality workers are informal (Table 5). Thus, this new representation of the labour market in Bogota illustrates the strength of the informalisation process striking one out of four workers. The insecurity present in employment that once enjoyed protections confirms that the informal economy is a default choice since no better opportunities exist in the formal economy (Kucera & Roncolato, 2008).

Furthermore, the second classical dichotomy often envisioned via the separation between self-employed and employed workers is also contradicted by the construction of this QoE index (Figure 3). Thus, whereas 57% of workers having a low QoE are independent, 43% of workers belonging to the same group are also employees (Table 5). This observation puts into perspective the idea that the self-employed have essentially precarious and vulnerable jobs. Again, this result illustrates the employment vulnerabilization, since for employees, work tends to become precarious for more than one out of three workers, gradually losing certain key protections.
due to the effects of outsourcing, exemptions from the application of labour law, and the flexibility of employment contracts.

These results affirm the weaknesses of conventional typologies, which are unsuitable for describing the prevailing situation in Bogota. A new characterization of the labour market is then necessary and seems to find a proper tool through QoE. A better understanding of these typologies allows analysing more specifically the segmentation of the labour market in developing countries.

**A More Accurate Socio-Economic Description of Groups**

The expression of QoE through certain sociodemographic variables illustrates the effects of dominance and social inequality in the access to QoE in Bogota, where income disparities and the lack of appropriate public policies accentuate this phenomenon (SDP and Universidad Nacional de Colombia, 2013).11 Thus, when looking at the relationship that may exist between the quality of employment groups and the various socio-demographic variables, we encounter some unexpected results sometimes even counterintuitive (Table 5).

Contrary to the expected results in terms of professional experience in the labour market, there is no significant statistical correlation between quality of employment and the age of the individual.12 This can be explained in the case of employees by the fact that the variables with the most important weight in our QoE index are dependent on legal facts and are not subjected to the willingness of the employer. In other words, variables such as income or working hours that can be determined by the employer have a minor weight in our index.

Similarly, there is no dependent relationship between quality of employment and the gender of individuals. In this way, there is no significant difference between men and women in terms of quality of employment in the various groups of QoE (Table 4). Thus, the discrimination suffered by women seems to be held upstream from their participation in the labour market, particularly in the distribution of unpaid work in households (Alaniz et al., 2015). Also, Farné and Vergara (2015) show that, between 2002 and 2011 in Colombia, there has been an improvement of quality of employment for women. Two main reasons could explain this progress: the increase in paid employment for women and the low decrease of domestic work, predominantly a female occupation.

Inversely, there is a statistical dependence between individuals’ level of education and their quality of employment. Contrary to what can be observed in other areas of the Latin American subcontinent, the results from Bogota for 2013 underline the existence of a weak correlation between the quality of employment and the numbers of years of study, highlighting a limited positive effect of human capital in this particular labor market.13 Specifically, we find that 52% of individuals in the group of poor QoE have a basic level of education while 9% have a university level. Conversely, in the high-quality group, they are 34% and 20% respectively (Table 4).

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11Mean differences between low and high job quality group by each socio-economic variable are significant.
12We used the OLS regression to test the relationship between age and our QoE index.
13We used the OLS regression to test the relationship between years of education and our QoE index.
In light of these results concerning professional experience and human capital, other factors must be considered in order to better perceive the social differences existing between the groups of quality of employment. In this sense, socio-economic stratification in Bogota is reflected in the labour market by unequal access to the QoE, illustrating the effects of segregation and social isolation envisaged by Dureau et al. (2015). Thus, individuals living in poor neighbourhoods (strata 1) mostly have a poor quality of employment while individuals from advantaged neighbourhoods (strata 4, 5 and 6) generally have better jobs. A fortiori, while 60% of individuals in strata 1 and 2 have a mediocre quality of employment, 50% of individuals of middle and upper neighbourhoods (strata 3, 4, 5 and 6) have a good quality of employment (Figure B1). More precisely, we observe a statistically significant difference in terms of social classes, especially for the poorest that appear over-represented in the poor quality group, while the most favoured are under-represented in the same group. Conversely, strata 1 is under-represented in the group of good quality while strata 4, 5 and 6 are overrepresented in the same group. Inside each group, the average quality of employment for the upper strata is higher than for the lower strata, highlighting the social mechanisms of segregation in the labour market (Table 3).

Finally, the analysis of the quality of employment based on the sectors of activity (Figure B2) reveals an opposition between very vulnerable sectors reaching between 65% and 80% of low-quality employment such as activities in private households, the hotels and restaurants, and protected sectors ensuring good quality jobs, such as public administration, and financial intermediation. Corroborating this observation, employees in the public services have the best jobs in terms of quality while unpaid family workers, own account workers and domestic employees have a poor quality of employment (Figure B3).

**Discussion**

It appears that there are two original aspects to this paper: its conceptualization and the original methodology used to describe a multidimensional indicator favourable to a labour market analysis in DC. Thus, through a Multiple Correspondence Analysis, suited to the specific context of Bogota and to the variables available in the 2013 GEIH database, we have constructed a multidimensional quality of employment index allowing for a better description of the labour market, emphasizing on the variety of employment institutions.

Consistent with the bimodal aspect of the distribution of the QoE index, two quality of employment groups were established, permitting a precise description of the individuals constituting them. In this sense, the results show that the first group is made up of low-quality jobs, reflecting the state of vulnerability and social insecurity in which those individuals find themselves. And on the other side, we find individuals with a good quality of employment, enjoying protections.

Moreover, quality of employment constitutes a useful tool for a re-examination of the classical typologies. They appear to be unsuitable for describing Bogotá’s labour market since one formal employee out of four is just as precarious as the poor quality informal jobs. Moreover, in this context, the distinction between employed and self-employed no longer appears relevant, since 35% of self-employed workers have good quality jobs, while 35% of employed workers have poor quality jobs. This
interesting outcome, consistent with the results of Cunningham and Maloney (2001) but reversing those of Bocquier et al. (2010), questions the empirical effectiveness of conventional distinctions between employees and independents, as well as public policies established on the basis of this rupture in DC.

We also wish to make a few important observations on the used methodology and the results presented. The sequence of the MCA and the univariate partitioning methods appears as an instrument having good reproducibility insofar as these methods demonstrate precision and flexibility to take into account the specific legal and social context studied (Asselin, 2009). However, like all statistical multivariate methods, the results generated in different contexts cannot be directly compared with each other to the extent that, for example, the factorial axes produced are related to the specificity of the modalities considered. Although this method gives all the guarantees to be considered a good instrument for measuring quality of employment, the comparison of the results produced is a limit to its dissemination. However, partial resolution (without allowing a truly comparative analysis) of this difficulty may be considered through the positioning of additional modalities produced in a specific field on the graphic generated in a different context (Lebart et al., 2006). Finally, other studies using the same data source are needed to deepen the understanding of quality of employment and to estimate its determinants. These studies will allow refining, through the observed polarization, the targeting of institutions in charge of public action on this specific labour market.

Data Availability

Additional results and copies of the computer programs used to generate the results presented in the paper are available from the lead author at: thibaud.deguilhem@u-paris.fr

Conflict of Interest Statement

The authors whose names are listed immediately below certify that they have NO affiliations with or involvement in any organization or entity with any financial interest (such as honoraria; educational grants; participation in speakers’ bureaus; membership, employment, consultancies, stock ownership, or other equity interest; and expert testimony or patent licensing arrangements), or non-financial interest (such as personal or professional relationships, affiliations, knowledge or beliefs) in the subject matter or materials discussed in this manuscript.

This statement is signed by all the authors to indicate agreement that the above information is true and correct.

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References


APPENDIX A

Figure A1. Profiles of the two quality of employment groups in per cent of each variable, 2013 (GEIH).
Appendix B

Figure B1. Cumulative density of QoE index for strata categories.

Figure B2. Cumulative density of QoE index for activity sectors.
Figure B3. Cumulative density of QoE index for employment status.