Determinants of unpaid overtime: Exploring this phenomenon from the perspective of the embeddedness theory

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This paper attempts to be the pioneer literature review for unpaid overtime and further suggest an integrative framework for better understanding. The author begins the research with a simple question: is unpaid overtime an organizational driven behavior or a self-serving behavior? After reviewing the contradictory research results from Europe and Japan, the author applies the embeddedness theory to make up for the theoretical gaps and create twelve determinants to illustrate the complicated nature of unpaid overtime.

Key words: Unpaid overtime, embeddedness theory, human capital theory, signaling theory.

INTRODUCTION

Working time became the key element among labor issues and human resource management, since Karl Marx represented working time as a measurable unit of a worker’s labor input 100 years ago. Working time was significantly associated with not only productivity, but also the workers and their family’s well-being (Australian Bureau of Statistics, 2003; Clarkberg and Moen, 2001; Dawson et al., 2001; Schwartz et al., 1988; van der Doef and Maes, 1999). So far working time issues in an organization seem to be well investigated; however, most of these research efforts were devoted into working time which is paid. In this paper, the author would like to highlight another important yet less discovered working time element, unpaid overtime.

Unpaid overtime, an overtime conduct without immediate monetary compensation, is a worldwide phenomenon frequently observed in the daily workplace (Mizunoya, 2001 and see APPENDIX for detailed international statistics information). The organization for economic co-operation and development has officially adopted it as a type of working time which is invisible to statistics based on employer surveys (Organisation for Economic Co-operation and Development, 2004). Due to turbulent work style changes, heavy competitive pressures in the current knowledge and service industries (Morioka, 1995; Witt, 2001), and the bosses’ increasing difficulty in drawing a line between the work time and non-work time (Buchanan and Van Wanrooy, 2002), unpaid overtime has become a competitive advantage to meet the extra workload and strict human resource environments. However this issue has not gained equivalent academic emphasis yet. Therefore this paper attempts to be the first literature review to study and further suggest an integrative framework for better understanding.

So far the main focus of unpaid overtime studies is to clarify the worker’s motivation to participate in unpaid overtime. To the extent of my literature reviews, all relevant studies can be grouped into two research streams: the self-serving motivation group and the organizational driven motivation group. The self-serving motivation researchers conclude that workers choose to work on unpaid overtime for self-serving economic benefits. While the researchers of the organizational driven stream focus on the environmental conditions surrounding workers and claim that inappropriate management mechanisms are the primary reasons for unpaid overtime conduct. Both streams show bodies of evidence to support their assumption which are incompatible to illustrate a complete picture. It is obvious that an integrative framework is needed.

To suggest an integrative framework, the author will introduce a perspective of the embeddedness theory to converge the current contrasting study streams. In the
following section, a detailed literature review on those research streams is made separately to conclude the current findings and their potential limitations. Then the author will introduce the embeddedness theory to communicate the theoretical gap. After the literature reviews and discussion, a cross-classification of constructs to deduce twelve determinants for future empirical studies and conclude the research.

LITERATURE REVIEW

Self-serving motivated unpaid overtime

The social exchange theory

The social exchange theory suggests that an employee’s behavior is based upon economic judgment for exchanging benefits or compensation from their employers (Blau, 1964). According to the social exchange theory, many economists support the idea that unpaid overtime can be reasonably treated as employees’ long-term investment (Bell and Freeman, 2001) to their employers.

The social exchange theory expects equivalence between the worker’s overtime investment and future feedback. Campbell and Green (2001) argued that unpaid overtime is not really without compensation; it could be possibly compensated in the form of an increase in future income. Campbell and Green (2001) examined this hypothesis by using the databases of the national longitudinal survey of youth in the U.S.A. and the German socio-economic panel (GSOEP), and showed that the actual working-hours of full-time workers (including unpaid overtime) are positively associated with the income gaps across occupations. In other words, the longer hours employees work, the greater their possibility for a promotion. The promoting status becomes higher as well.

Pannenberg (2002) utilized the same GSOEP database and confirmed that employees who conducted 1 h of unpaid overtime will receive a 2% actual income increase as compared to workers who did not conduct in overtime work. Moreover, considering several control factors, Campbell and Green (2002) found that the real monetary compensation per unpaid overtime is 5% within five years, contrasted to the rate of increase of 1% for paid overtime. They also found that this wage increasing effect will decline with the increase of working time and that the critical point is 59 h for male and 47 h for female employees.

Signaling theory

The signaling theory predicts that employees show their high organizational commitment through their unpaid overtime signal and thus earn a better chance of higher status and income promotion (Bell and Freeman, 2001; Campbell and Green, 2002). As a competing theory to the social exchange theory, the signaling theory focuses upon the behavioral differences between workers with various employment levels and it concludes that the unpaid overtime works helps to improve the employee’s employment status.

Utilizing the GSOEP database, Anger (2005) revealed that the unemployment rate can be an effective predictor for unpaid overtime and that the national culture is a moderator variable. East German employees, during the high unemployment period, were more willing to conduct unpaid overtime. Anger (2005) suggested that in comparison with employees in West Germany, the employees in East Germany felt that working unpaid overtime was needed to exhibit their commitment to their employers to avoid the risk being laid off. Engellandt and Riphahn (2003) pointed out that in comparison with full-time labourers, the temporary labourers have a much higher tendency (more than 60%) to conduct unpaid overtime to show their organizational commitment. This gap disappears when temporary labourers upgrade their status into full-time labourers. Engellandt and Riphahn (2003) therefore inferred that unpaid overtime might be an economic affair rather than an ethical one.

Organizational mechanism for unpaid overtime

The organizational mechanism research in the past had focused on the power structure within the organization. Researchers infer that the advantageous bargaining power of employers might develop a selection mechanism. When the selection mechanism signals that the employers preferred employees who were willing to work on unpaid overtime by promoting them primarily, these signals will eventually re-shape the workers perceptions and produces unpaid overtime regardless of whether workers’ organizational commitment is high or low.

Using the questionnaire survey data of 1,436 workers in five corporations, Mitani (1995) revealed that unpaid overtime is a behavioural outcome derived from employees who mistakenly applied the length of working-hours as a performance criterion of job efforts. This mistake occurs when employers try to save their efforts in designing a complicated performance appraisal system. Sometimes it builds a kind of organizational culture which highly values hard work, such as the long-time-working-virtue culture in Japan. Workers in those organizations might find themselves being encouraged to produce longer working-hours instead of objective job outcomes. Mitani (1995) inferred that this might be the reason why unpaid overtime and voluntary long-time working is frequently observed in Japanese firms.

The selection system is another mechanism being indicated to possibly encourage unpaid overtime. Tomlinson (2002) argued the employers are very likely to enhance employees’ long-time working motivation by
selectively rejecting to offer promotion opportunities to workers who are unwilling to provide unpaid overtime. Based on numerous case studies, Kawahito (1998) and Kumazawa (1997) pointed out the utilization of the performance-based human resource system, the flexibility of working time and the extreme down-sizing policy have forced Japanese workers to comply with the long working hours and unpaid overtime workplace customs.

However, according to the auction-bidding for job theory, those unpaid overtime mechanisms might not necessarily bring about expectations of high productivity. Bell et al. (2000) supported this theory by showing evidence that the length of unpaid overtime has a significant negative association with labor productivity. The auction-bidding for job theory illustrates a scenario that a less productive worker will take advantage of the employers' selection preference. While employers select workers by comparing the number of working hours they recorded a bid on without actually monitoring the number of hours they spent, employees can possibly gain a good job by over-bidding for shorter hours. Less productive workers will cover their skill shortages through the practice of extra unpaid overtime work. The auction–bidding for jobs theory reflects an anti-screening phenomenon which is harmful to the organizational performance (Bell et al., 2000).

**Analysis and limitation of current frameworks**

A divergence can be found within the two streams mentioned above. The social exchange theory and the signaling theory both emphasize the purpose of the supply side of offering unpaid overtime. This defines unpaid overtime as an outcome of self-serving economic decisions. On the other hand, the researchers of organizational mechanisms emphasize that institutional encouragement forces from the working-hours demand side, where the workers' rational working-hours are to be complied regardless on if the unpaid overtime decisions have met their needs or not.

The strong rational human behaviour assumption of the social exchange theory and the signalling theory might help to explain this gap. This rational human behaviour assumption is challenged by a famous economics theory called the rat-race. The rat-race researchers attempted to deal with a difficult working time decision situation which is similar to what we have had faced in the real business world. The rat-race theory illustrates that endless competition, in which long-time workers will choose working-hours whose unit wages are equal to their productivity but the marginal productivity is less than their marginal wage (substitution rate of working-hours). In contrast to the long-time workers, the short-time workers' working time decisions are not influenced because they did not receive the under-table managerial motivation offers (Akerlof, 1976).

Based on the database analysis of Swiss male workers, Ramirez (2000) revealed that employers tend to offer an underground wage-hours package, such as a labor contract that does not concretely distinguish between regular and overtime hours, to workers for positions in which their skill levels are likely to significantly influence their production. In a rat-race situation, the underground wage-hour package stimulates workers to enter into the rat-race and eventually make a bad working-hour choice harming their economic benefits. The rational human assumption fails to confirm itself here.

The viewpoint of the organizational mechanism parallels the rat-race concept and suggests that unpaid overtime should not be merely defined on an individual decision but rather on an organizational issue. In fact, some researchers claim that the unpaid overtime phenomenon as a whole will not disappear by the individual worker's rejection decisions. Campbell and Green (2002) hypothesized that only if every worker gave up their desire for higher wage income, could unpaid overtime ever be rooted out. Ramirez (2000) embodied this concept before Campbell and Green (2002). In Ramirez's (2000) model, the underground wage-hours package is the only reason for different working-hour decisions. All stimulated workers in Ramirez's (2000) model shared the same utility function. This meant that unpaid overtime workers and non-unpaid overtime workers were equal by nature.

To integrate these concepts, the author refers to the Embeddedness Theory, a new framework which emerged from socio-economics, which might be able to make up the divergence between the social exchange, signaling and the organizational mechanism theory. The human assumption in the embeddedness theory is the "individual in relation" instead of "pure individual independent from all surroundings" (Cheng et al., 2001). Therefore the embeddedness theory possesses a rich and complete framework to describe real organizational conditions surrounding workers, which is the exact advantage of the organizational mechanism theory, to predict further determinants of unpaid overtime.

**EXPLORING DETERMINANTS FROM THE PERSPECTIVE OF THE EMBEDDEDNESS THEORY**

**The contextual behavior perspective**

**The embeddedness theory**

The embeddedness theory argues that the traditional economics which are built on the ration model of behaviour failed to appropriately deal with uncertainties in the real world and to explain the economic affairs which occurred. Granovetter (1985), in consequence, suggests that researchers should understand the economic affairs occurring in the real world from an interpersonal relation
context. Embeddedness in this case refers to the process by which social relations shape economic action in ways that some mainstream economic schemes overlook or misspecify when they assume that social ties affect economic behaviour only minimally or, in some stringent accounts, they reduce the efficiency of the price system (Granovetter, 1985; Uzzi, 1996).

Four patterns of embeddedness have been identified from an economics context and they are as follows: cognitive, cultural, structural and political embeddedness (Zukin and DiMaggio, 1990). In the embeddedness theory, an economic decision relies on the environmental limitations, in other words, the four patterns of embeddedness, rather than from perfect actions independent from every situation. Those environmental limitations are inter-subjective and formed during the reference process of others’ judgments on the same affairs (Beckert, 2003; Raub and Weesie, 1990). The concept of inter-subjective cognition helps to determine the gap between organizational mechanisms and the social exchange and signaling theories. Some workers might learn from the selection policy to know that unpaid overtime is ethically good behavior in their workplace. However, some might conduct unpaid overtime solely for the purpose of earning a better chance to gain a promotion for higher wages regardless of organizational policies.

Determinants of cognitive embeddedness

Cognitive embeddedness is the way in which the structured regularities of mental processes limit the exercise of economic reasoning (Dequech, 2003). There are evidence which support the relationship between role expectation, economic orientation and unpaid overtime work.

Work ethics is a concept dealing with an individual’s cognition on the scope of their job duty, which is associated with both one’s personality and task characteristics. Buchanan and Van Wanrooy (2002) provided evidence by illustrating the influences of task characteristics on overtime patterns. For professional and white collar workers, their overtime work will not stop unless a temporary settlement is found. On the other hand, a blue collar’s overtime is usually positively relative to their demand for overtime payment so that unpaid overtime is seldom observed among them. The attitude of keeping work until a settlement is found is not necessarily written in the job requirement. But without it, a worker might fail to reach the performance requirements.

The supervisors and the organizational human resource management policy concerning a worker’s work/ family balance could also shape one’s role expectations. Buchanan and Van Wanrooy (2002) pointed out that a supervisor’s attitude is associated with the number of workers’ work time. So that it might be reasonable to imply that a similar relationship could be found on a worker’s unpaid overtime behavior. Actually, Simon et al. (2004) indicated that the perceived pressure of working paid and unpaid overtime significantly is associated with a worker’s perceived work/family conflict by analyzing questionnaires of 27,603 nurses in 8 European countries. Their research found that if an organization announced that they appreciated workers with good work/family balance; workers might feel less pressure to work on both paid and unpaid overtime.

The economic orientation refers to the workers’ intention to earn more money. Harpaz and Raphael (2003) revealed that a long-time worker’s working hours can be predicted by their economic orientation. The human capital investment theory explains this relationship by saying that one can improve one’s job skills through a richer job experience and longer time work (Campbell and Greem, 2002). The human capital theory is an alternative theory for unpaid overtime, although it is less supported. The less supporting reason is that it failed to find the linkage between unpaid overtime conduct and immediate monetary compensation. As the author reviewed on the section of the social exchange theory, the monetary compensation promotion effect of unpaid overtime is delayed.

The human capital theory might not be able to predict the workers’ wages, however, it might explain their rationale for working for work groups and organizations with unpaid overtime. The more money which workers intend to earn, the higher are the skills required. So far we learned from the auction-bidding for job theory which states that unpaid overtime is a good weapon for improving competitiveness (Bell et al., 2000). In the real work world, workers’ work performance is compensated in various forms. Except for evaluating work performance on an individual level, workers are also evaluated as a member of a work group or organization. Unpaid overtime, as an expression of organizational citizenship behavior, is very likely to enhance the outcome of a performance appraisal based upon the group and organization level and the consequent compensation. Therefore, the higher investment values on work groups and organizations employees perceive, the greater their possibility for work on unpaid overtime.

Cultural embeddedness

Cultural embeddedness refers to the role of collective understanding in shaping economic strategies and goals (Dequech, 2003). Both Japanese and European researchers suggested that moral norms and long-term orientation are associated with unpaid overtime work. In terms of moral norms, Kawahito (1998) and Anger (2005) suggested that general national ethics is possibly related to unpaid overtime conduct. Kawahito (1998) indicated that the Japanese education which overemphasizes the values of industriousness and material success might unintentionally encourage Japanese workers to over-commit in their job complement and compete in a rat race
situation. Anger (2005) showed evidence that the nations in her study (which covered east and west Germany), moderated the influence of unemployment rates on unpaid overtime hours. According to the signaling theory, Anger (2005) implied that there might be some historical differences which encourage east German workers to work more unpaid overtime than west German workers.

Group norms as a source of unpaid overtime embeddedness are suggested by Brower and Abolafia, (1995) reflected that as long as one group member starts a behavior, for instance the resistance behavior in their study, the rest of the members will feel pressure to conduct the same behavior in order to maintain the validity of their membership. They found that the manager’s resistance action is a kind of compliance behavior following the organizational expectation. Workers who have been classified into a coopered group tend to form a close informal group and occasionally discuss how to accomplish the expectations from the out-groups of working loosely and the possibility of no more promotions. This is a case of a company whose employees practiced unpaid overtime for workplace membership rather than for productivity. Such kind of unpaid overtime “Tuskaiz-Zangyo”, this means unpaid overtime for companionship. The virtue of long-time work refers to an organizational culture which highly values workers who devote long working hours rather than promoting effective work habits (Takisawa, 1989; Fuji Institute Corporation Keijyouhou Department ed., 1989). According to Mitani (1995), the virtue of long work hours is probably the result of inappropriate appraisal criterion which defines the length of working hours as a shortcut to job performance.

Three new determinants under the long-term orientation dimension are created through the cross-classification method. According to Hofsted (1980), the long-term orientation focuses on the degree the society embraces long-term devotion to traditional, forward-thinking values. A high long-term orientation ranking indicates that the country prescribes to the values of long-term commitments and respect for tradition, which is thought to support a strong work ethic where long-term rewards are expected as a result of today's hard work. In our case, unpaid overtime (labor donation) is found to be rewarded in a long-term period, around five years later (Bell and Freeman, 2001; Campbell and Green, 2001, 2002; Pannenberg, 2002). Therefore, it should be reasonable to infer the long-term orientation of individuals, groups and organizations as a determinant of unpaid overtime.

Structural embeddedness

Structural embeddedness concerns the material quality and structure of ties among participants (Uzzi, 1996). In terms of organizational mechanisms/expectations, the determinants of job design, work flow design and interdependence between cooperation firms are created. Structurally, the job design determines the way workers allocate their working time. Therefore, not only should the job content but also its infrastructure should be taken into consideration. Tomlinson (2002) revealed that office automations, such as computers and e-mail programs, do not reduce the job stress and workloads of Canadian workers, but may in fact increase the related stress. Hübler (2002) also inferred that official automation might increase the individual worker’s workload by increasing daily troubles relative to computer usage or repair, which creates a new responsibility for managers to find the very best solution for their problems. To keep their credit at the workplace, Hübler (2002) indicated that managers tended to work extra unpaid overtime to accomplish these additional work projects.

Evidence for the determinants of work flow design and interdependence between cooperation firms could be found in research on the reduction of working time. From the perspective of industrial engineering, Nakamura (1991) suggested that work flow improvement can help to reduce the unnecessary and non-profitable jobs. The self-contented jobs also help to reduce the working time spent on waiting and data searching. Moreover, the employer’s dependence on cooperation firms will also determine their bargaining power or negotiation over emergency orders and contract changes and the consequent working time input (Fuji Institute Corporation Keijyouhou Department ed., 1989). Please note, the expansion of working time and the over-reduction of employees are reported to the structural reasons for unpaid overtime work (Buchanan and Van Wanrooy, 2002).

Investigating this trend from the perspective of social exchange and signaling/ future investment, the numbers of weak/strong ties of each level are suggested. The strength of ties is an important concept of the network theory, which carries the necessary opportunities and information for survival and growth to be exchanged.

According to the network theory researchers, the weak ties bring more opportunities, information and resources for success (Granovetter, 1985; Uzzi, 1996; Gnyawali and Madhavan, 2001; Uzzi and Gillespie, 2003). On the other hand, strong ties facilitate a participant’s performance in some cases. Behrens and Krackhardt (2000) revealed the importance to identify the industrial environment of the network because they found that it is a strong tie associated to success in the traditional steel industry, instead of the weak ties predicted by the theory.

Strong ties, which are supposed to result in high performance between those who contact each other directly, require participants to achieve frequent and close interactions (Uzzi, 1996). Unpaid overtime as a labor gift can be used to signal their commitment and investment in the relationship of strong ties. Strong ties infer to worker’s supervisors and colleagues within the work group, organization and their close customers. To note, the over-investment in relationships, named as over-embeddedness, is likely to damage a participant’s
performance instead (Uzzi, 1997). The over-embeddedness phenomenon suggests that a non-linear relationship might exist between unpaid overtime hours and job performance.

Although the author estimates that the number of strong ties might be highly associated with workers’ unpaid overtime hours, there are still researches which indicate the possible influence stemming from weak ties. Traditionally, weak ties are much more preferred because they provide workers more diversity of information sources and the consequent higher chances of good job seeking (Granovetter, 1985; Brown and Konrad, 2001). Unlike strong ties which theoretically function in narrow areas of organizations, weak ties are much more valuable in situations where employees play competitive games in a wild domain, such as within the industry or across industries. However, in terms of the development of career success, Higgins and Kram (2001) suggested that sustaining a proper composition of strong and weak ties should contribute to workers’ career success and work satisfaction. Since unpaid overtime can be used as a powerful weapon showing an employee’s good job morals and commitment while seeking a good job, the author would like to keep weak ties on the list of determinants as well.

Political embeddedness

Political embeddedness is the manner in which economic institutions and decisions are shaped by a power struggle that involves economic factors and non-market institutions (Dequech, 2003). Power embeddedness, which drives workers to work on unpaid overtime, is reflected in the determinants of a supervisor’s influence, group cohesiveness and industrial relations. Although the supervisor’s attitude as a cognitive embeddedness could possibly enhance a worker’s unpaid overtime behavior, the extent of a supervisor’s influence should be discussed again from the aspect of power embeddedness, because it creates an appropriate situation for daily learning and consensus interpretation (Coutu and Willmott, 2003). Similarly, in terms of organizational politics, the power relation within the work group can also influence the worker’s intention to work on unpaid overtime by defining the influence of group norms (Brower and Abolafia, 1995; Coutu and Willmott, 2003).

The industrial relations refer to the power relations between the employer and the trade union. Support of this determinant is Bell et al. (2001) who have once suggested future research to apply the union membership as a determinant to predict worker’s unpaid overtime hours in his study on unpaid overtime in the UK and Germany.

In terms of future investments, a positive relationship between the unemployment rate, organizational politics, composition of the workforce and unpaid overtime behavior can be drawn. Anger (2005) has provided evidence to support the hypothesis of the positive relationship between the unemployment rate and hours of unpaid overtime.

The organizational politics is a newly created group level determinant. Organizational politics refer to the extent workers accomplish their goals through influencing strategies or resource arrangement. While the auction-bidding for job theory investigated by Bell et al. (2000) predicts a positive relationship between unpaid overtime usage and job wins, it also reveals the room for worker to use the other influencing strategies for resource gathering in the meantime.

The final determinant is the composition of the workforce supported by Engellandt and Riphahn (2003) and the rat-race theory. Engellandt and Riphahn (2003) found that an employer’s employment strategy of driving workers into two groups (that is, the long-term workers and temporary contractors) successfully improve a temporary worker’s intention of an unpaid overtime donation. This strategy works while employers provide temporary contractors a promotion chance of been improved into long-term contracts. The author proposes that the ratio of workforce composition, which reflects the competition level among temporary workers, can predict their intention to conduct unpaid overtime.

CONTRIBUTIONS, LIMITATIONS AND FUTURE DIRECTIONS

Contributions

In this paper, the author tried to answer the question of what causes workers to work on unpaid overtime projects. The present research began with a simple question: is unpaid overtime an organizational driven behavior or a self-serving behavior? After reviewing the contradictory research results from Europe and Japan, the author applied the Embeddedness Theory to make up for the theoretical gaps and created twelve determinants to illustrate the complicated nature of unpaid overtime.

The first contribution of the present research is to propose an academic emphasis on the unpaid overtime issue and to conduct a literature review to substantiate my findings for future researchers. Please note, that the relevant Japanese studies covering the organizational mechanism are primarily written by Japanese researchers. The author devoted myself in collecting relevant English and Japanese research and organized them into this paper; which is the first review paper to cover the topic of unpaid overtime.

Rethinking the unpaid overtime issue from the perspective of the Embeddedness Theory is the second contribution. The embeddedness theory provides a realistic view for economic decision making in the real workplace. Since the worker’s decision making mindset is
built and shaped during the interactive process with their environment (Beckert, 2003), therefore it is irrational to attribute the unpaid overtime behavior separately to a single worker or organization.

Moreover, the embeddedness theory might help to solve the motivation dilemma of unpaid overtime workers. If the organizations drove workers to work on unpaid overtime, then it is the organization that is to be blamed. In contrast, if the employees worked on unpaid overtime voluntarily, then the employee who made the decision should bear the blame. The unpaid overtime issue thereby becomes a political and untouchable issue for employers, employees and the government. The embeddedness theory implores us to explore an institution’s solution focusing on the interaction of workers and the organizational environment.

Finally, the author explored twelve determinants for future empirical studies. So that we can possibly deduce the organizational consequence of unpaid overtime from the other Embeddedness Theory study that was never mentioned in the previous unpaid overtime research (i.e. the nonlinear relationship between performance and unpaid overtime hours) (Uzzi, 1996, 1997), lower voluntary turnover (Mitchell et al., 2001) for the individual level; more competitive resources and better chances for the organization to survive (Gnyawali and Madhavan, 2001), ease to build and sustain the job routine system and further delivery of the organizational culture to members/newcomers (Andersen, 2003) for the organizational level.

**Limitations**

In this paper, the author discussed the determinants of unpaid overtime from the perspective of the Embeddedness Theory and focused on the interaction effect between employees and their surrounding environments. Therefore, the individual attributions which are relatively independent from the environment are deliberately removed from my analysis domain. For instance, the author put aside the discussion about the worker’s inner characteristics which have been considered longitudinally stable (that is, the need for achievement, conscientiousness, type A, internal attribution). These personalities are well known regarding their tight association with job performance and they may partially influence the workers’ unpaid overtime work intention.

The author might have overlooked the perception change which workers may experience during work and the application of the embeddedness theory. According to the job characteristic model, we can easily predict that the freedom to work on unpaid overtime projects will stimulate a worker’s perception of autonomy, the experienced responsibility for outcomes of the work and the consequent extra work effort, and unpaid overtime (Hackman and Oldman, 1980).

**Future directions**

In this paper, the author suggested that it is important to recognize the phenomenon of unpaid overtime from the perspective of embeddedness. A determinant of unpaid overtime norms is constructed waiting for future empirical studies to examine. Also in terms of a timing norms study, Lawrence (2001) has raised three advanced questions to be answered. Firstly, to what extent have the unpaid overtime norms been separately recognized will it become a timing norm of the organization level. Secondly, since there are theoretical possibilities for employees to conduct unpaid overtime in their own free will, the origins of an unpaid overtime norms is worthy for investigation. And finally, the effects of unpaid overtime norms can be explored in more detail.

Specifically, the author would like to remind the importance of the unpaid overtime issue and its possible influences. Psychological influences, such as those affecting job stress and job attitudes, and physical influences, such as those related to labor productivity and human resource management activities, are topics awaiting further investigation.

Finally, a serious problem derived from the embedded unpaid overtime issue is the validity of the concept of working time (i.e. the “reasonable hours” campaign launched by the Australian Council of Trade Unions during 2001 to 2004). For decades, we set up the working time regulation to regulate the cooperation competition and protection of the worker’s quality of life. So far we devoted much effort to monitor the involuntary unpaid work abuse. However, we seldom discussed our position on voluntary unpaid overtime. Based on the assumption of free will, we allow individuals to allocate their own time as a labor investment. But we might need to reconsider this freedom if they become a custom of the work world. Further discussion on the proper definition and quantitative regulation of working time might be needed because few unpaid overtime workers have ever voiced for their employer’s breaking of work time regulation because they did not recognize it as a crime. The unpaid overtime issue might be the biggest obstacle while promoting the quality work life (Hyman et al., 2005).

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**REFERENCES**


Appendix

The U.S. department of labor announced 119 million in back wages related to overtime regulation violations for over 189,000 employees in the fiscal year of 2005 (U.S. Department of Labor Employment Standards Administration Wage and Hour Division, 2006). In Canada, it was estimated that half of the employees had worked on unpaid overtime at a frequency of five hours per week (Tomlinson, 2002; Higgins and Duxbury, 2002). According to the results of the German Socio-Economic Panel, one third of white collar workers had reported doing unpaid overtime (Pannenberg, 2002).

In the European Union, according to the results of the Labour force survey, the European Committee reported that around 9.5% of female employees and 10% of male employees had worked on unpaid overtime in 2001 (European Union, 2004). Among them, the average proportion of unpaid overtime and total overtime hours in the United Kingdom was 19.4% and 7.4 h per week. This is at the top level (Trade Union Congress, 2005).

The phenomenon of unpaid overtime is readily observed in Asia, as well. Trade unions in Australia and Japan applied their own questionnaire surveys and announced their findings that 47% of full-time employees in Australia had worked 7.9 h of unpaid overtime (Australian Council of Trade Unions, 2002) and 51.2% of Japanese employees had worked 2.2 h of unpaid overtime per week in 2002 (Japanese Trade Union Confederation-Rengo, 2002). In fact, there are general economic reports of China, Taiwan, Korea and Vietnam which refer to unpaid overtime work (Chan and Ross, 2003; Minns and Tierney, 2003; Lee, 2003; U.S. Department of Labor Bureau of International Labor Affairs and U.S. Embassy Hanoi, 2002).