

**Employers-of-Choice in Countries-of-Choice: Are They Minding the Gap?**

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## **Introduction**

This presentation focuses on an urgent question: How can scholars and work–family practitioners update fundamental assumptions about work–family so that our studies as well as practice at the workplace are aligned with and attuned to the needs and preferences of the 21<sup>st</sup> century workforce?

I am going to suggest that the sustainability of a work–family agenda depends on our ability to “Mind the gap.” Those of you who have been to the United Kingdom are familiar with the recording at train stations that remind passengers to “Mind the gap” which refers to the space between the door of the train car and the platform. I will use this metaphor of minding the gap to help us focus on gaps between the “ideal” and “real” that result from the use of work–family paradigms which do not reflect the needs and experiences of the 21<sup>st</sup> century workforce.

One way to mind the gap is to pay serious attention to two of the profound changes affecting today’s workplace: changes in the age composition of the workforce and globalization. If we are not able to update our thinking, the work–family field may well fall victim to the phenomenon of structural lag (Riley, Kahn, Foner, & Mack, 1994).

## **Conceptual Framework**

Different theoretical and conceptual paradigms have guided work–family research and practice, reflecting the fact that scholars from different disciplines have shaped the substance and contours of the work–family field for more than 25 years (Pitt–Catsouphes, Kossek, & Sweet, 2006). Although the continued existence of multiple work–family paradigms will ensure the sustained richness of this area of study, there are advantages associated with “meta–paradigms” that connect work–family issues to a comprehensive quality of employment framework (Lewis, Brookes, Mark, Etherington, 2008; Swanberg & Simmons, 2008). A quality of employment

framework can also help to place the discourse about employees' work-family experiences in the context of the dual agenda which links employees experiences with organizational effectiveness (Rapaport, Bailyn, Fletcher, & Pruitt, 2002).

As suggested by the figure below, the conceptual framework we use has eight dimensions (see discussion in Pitt-Catsouphes et al., 2007).

**Figure 1: Quality of Employment Framework**



Work-family experiences are embedded in each of these dimensions, and work-family outcomes may be affected by them. For instance, using a person-in-environment perspective, it is possible to see that the fit or mismatch between employees' needs in each of these dimensions has the potential to affect work-family outcomes (Pitt-Catsouphes & Swanberg, 2006; Christensen; 2002). Access to needed benefits, such as child care services, can make affect whether an employee is able to participate in the labor force. Similarly, workplace cultures that respect employees as "whole people" are associated with positive work-family outcomes (Koblentz & Campbell, 2000).

Today, I will urge that we consider how the significant social–demographic–economic changes that have emerged at the beginning of the 21<sup>st</sup> century have affected employees' work–family experiences and employers' responses to these experiences. I will focus on two of these trends: changes in the age demographics of the workforce and globalization of talent management.

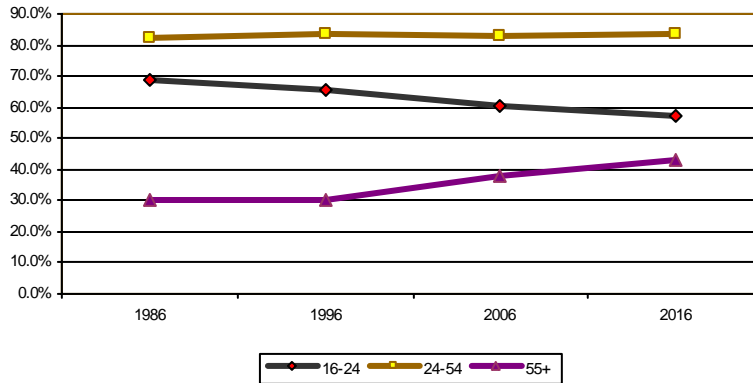
### **Shifts in the Age Composition of the Workforce**

Countries around the world are witnessing changes in the age distribution of their populations. In general, there is a trend toward the aging of the population. According to the United Nations, more people will be over 60 years of age than will be under the age of 15 by the year 2050. Most industrialized countries have already started to witness the aging of their populations and many developing countries will confront the aging of their populations in the coming decades.

One impact of these changing age demographics will be the transformation in the age composition of the workforce. In Europe, between the years 2000 and 2003, there was a 13.9% increase in the percentage of workers ages 55–64 and 12.1% among those 65+ compared to – 0.2% increase among 15–24 year olds and 2.0% among those 25–54 (European Foundation, Quality in Work and Employment, 2006).

Connections between the aging of the U.S. workforce and expectations for work–family policies and programs at the workplace are beginning to emerge. As indicated by the graph below, labor force economists anticipate a significant increase in the labor force participation rates of older workers.

**Figure 2: Labor Force Participation Rates in the U.S.**



Source: Toosi, 2007.

These trends signal that the work-family needs of employees may also be changing. Consider the findings of the Merrill Lynch Survey that fewer than 10% of older workers in the U.S. see full-time, full-year employment as the ideal employment situation (Merrill Lynch, 2006).

The age composition of the workforce can have an impact on the steps employers take to be an employer-of-choice (Mercer 2006). Given the changing age demographic profiles of the labor force in different countries, employers may need to recalibrate their old notions of quality employment because a particular strategy might be more appropriate for employees of a certain age or career stage than for others (HSBC (b), 2006). The findings of a 2006 survey conducted by Manpower suggest that some employers have begun to adjust their employer-of-choice strategies in recognition of changes in the age composition of the workforce. Globally, an average (mean) of 14% of employers indicated that they did have a strategy for recruiting older workers, but the percentages range from a low of 4% in Sweden to a high of 48% in Singapore. And, whereas 21%

of the employers indicated they had adopted strategies for retaining older workers, the response rate ranges from a low of 6% in Spain to a high of 83% in Japan (Manpower, 2006). Employers in some parts of the world are paying particular attention to their young adult employees. For example, "In Asia, Latin America, Egypt and Saudi Arabia, where there is constant pressure from large groups of young people to get into the workplace, the strong feeling among employers is that older workers who leave are making room for younger workers" (HSBC (a), 2006: 5-7).

### **Multi-National Business Operations and Globalization**

Business executives consistently identify globalization as one of the top business trends that affects core business strategies, including talent management. A recent global survey of executives found that 47% anticipate that the competition for talent will intensify and will become more global and 34% expect that the centers of economic activity will shift both globally and regionally (McKinsey, 2007).

Globalization can affect both employees' expectations about quality employment as well as employers' perspectives about being employers-of-choice who offer quality jobs. A global survey conducted by McKinsey found that "Two-thirds of the executives say that their companies aren't sure of the right organizational response to emerging global trends -but the vast majority believes that responding effectively is critical for competitive advantage" (McKinsey, 2007).

One consequence of globalization is an intensification of the war-for-talent (Michaels, Handfield-Jones & Axelrod, 2001).

Given the variations in the social, economic, political, and cultural situations in different countries, it is not surprising that there are country-by-country differences in employers' assessments of the business concerns that motivate them to adopt employer-of-choice strategies. Employers' perspectives of HR priorities vary by region of the world and country. For instance,

“Skills shortages are a bigger concern in North America, costs are more important in Western Europe” (Mercer, 2007).

### **Focusing on Factors Related to County and Age: One Way to Mind the Gaps between the Ideal and Real Work–Family**

For heuristic purposes, the research we present today focuses on two countries located on different continents, with different historical and economic experiences during the 20<sup>th</sup> century: the Czech Republic and the United States. Clearly, each of these countries has distinctive business traditions, workforce demographics, and approaches to management. Given time constraints, I will focus on two quality of employment dimensions: flexibility, and respect, inclusion and equity. Remembering the importance of the dual agenda, we will consider indicators of employer–supports as well as employees’ assessment of these dimensions of their work experiences.

When I discuss information from employers, I will use data from two sources. The multi-national Cranet Survey is “...the largest and most representative independent survey of HRM policies and practices in the world” (Cranet, 2008).<sup>1</sup> For the U.S. analyses, we supplement the data from the Cranet Survey with information from our Center’s National Study of Business Strategy and Workforce Development (Pitt–Catsouphe, Smyer, Matz–Costa, & Besen, 2007). We draw from three datasets to gain insight about employee’s perspectives: the World Values Survey (1999–2000), the 2002 National Study of the Changing Workforce for the U.S. workforce (Bond, Thompson, Galinsky & Prottas, 2003), and the 2005 European Working Conditions Survey for information about the perspectives of Czech employees.

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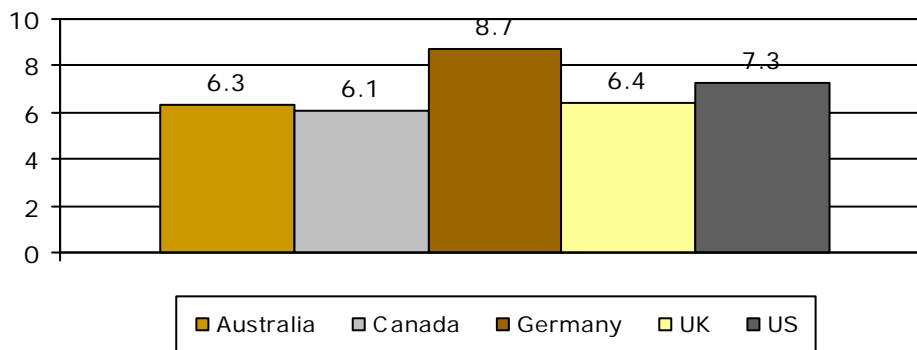
<sup>1</sup> In 2003, a total of 7,914 organizations from 32 countries participated in the survey, and the 2008 survey is currently collecting data in 43 countries. The Cranfield Network uses the same questionnaire to gather information in each of the participating countries, facilitating cross-national comparisons (Parry, Tyson, & Brough, 2006).

## Workplace Flexibility in the United States

1. Employer Perspectives: In 2006, 22.4% of U.S. workplaces indicated that they had established flexible work options “to a great extent” at their workplaces. 22.9% of U.S. workplace reported in 2006 that their organizations offered at least 6 of 15 flexible work options to their employees (Pitt-Catsouphe et al., 2007).

We compared employers’ reports of the utilization of four kinds of flexibility in the U.S. with those in Australia, Canada, Germany, and the United Kingdom.<sup>2</sup> As suggested by the findings presented below, workplaces in the U.S. appear to have a moderate/high proportion of their workforce using flexible work options.

**Figure 3: Cross-National Comparisons. Employer Reports of Utilization of Flexible Work Options**



Source: Parry & McNamara, 2008; Cranet Survey, 2008.

2. Employee Perspectives: When we consider employees’ perspectives of their employment experiences, we compare the assessments made by employees in different age groups, which gives us insight about the extent to which there are smaller or larger gaps between the ideal and real for younger employees, employees at midlife, and older employees. Our analyses found that older adults (60.5%) in the U.S. are less likely to indicate that having good hours are an important characteristic of a good job than young adults (71.9%) or adults at midlife (68.7%) (McNamara,

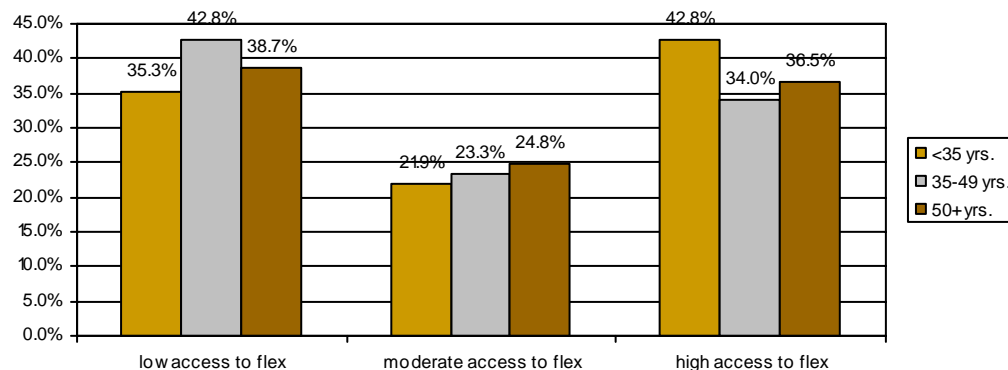
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<sup>2</sup> The organizations that responded to the Cranet survey indicated the estimated percent of their workforces using job sharing, teleworking, flexi time, and compressed work week options, from “not used” to “50% or more of the workforce are using these options. The scores could range from “4” to 24.

2008; 1999–2000 World Values Survey). Furthermore, older adults (30.0%) are less likely to indicate that it is important to have a job with generous holidays than younger adults (42.5%) or adults at midlife (38.4%) (McNamara, 2008; 1999–2000 World Values Survey). Younger employees (29.6%) are more likely than employees at midlife (12.7%) or older employees (8.0%) to want to work at least 5 or more hours per week than they currently do, and employees at midlife (60.5%) are more likely than younger employees (42.4%) or older employees (58.3%) to indicate that they would prefer to work at least 5 hours per week fewer than they currently do (McNamara, 2008; 2002 National Study of the Changing Workforce).

As indicated below, younger employees (42.8%) are more likely than employees at midlife (34.0%) or older employees (36.5%) to report that they have access to more flexibility at work.<sup>3</sup>

**Figure 4: U.S. Employee Access to Flexible Work Options by Age Group**



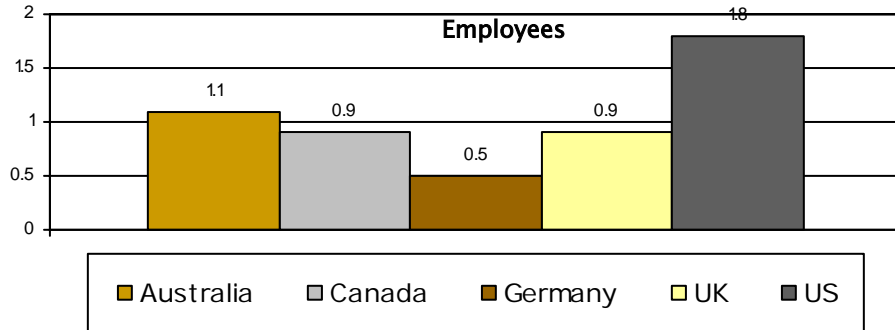
Source: McNamara, 2008; 2003 National Study of the Changing Workforce.

## Respect, Inclusion and Equity in the United States

<sup>3</sup> This item is based on the 2002 National Study of the Changing Workforce. A scale was constructed from the sum of “Difficulty taking time during day for personal/family matters” (coded 0 very hard to 3 not at all hard), “Can choose own starting/quitting times” (coded 1 for yes), “Can change start/quit time daily” (coded 1 for yes), “Could arrange full time or part time in current position if wanted” (coded 1 for yes), “Could arrange to work part year” (coded 1 for yes), and “Allowed to work a compressed work week some of the time” (coded 1 for yes). The resulting scale ranged from 1 to 8, and was categorized as 1 through 4 (low score), 5 (medium score), and 6 through 8 (high score).

1. The Cranet Survey asks employers whether they have “action programmes” for specific groups of employees, including women, people with disabilities, and older workers. In comparison to the countries listed below, on average, workplaces in the United States have a moderate/high number of such programs.<sup>4</sup>

**Figure 5: Cross-National Comparisons. Access to Action Programs for Less Advantaged**

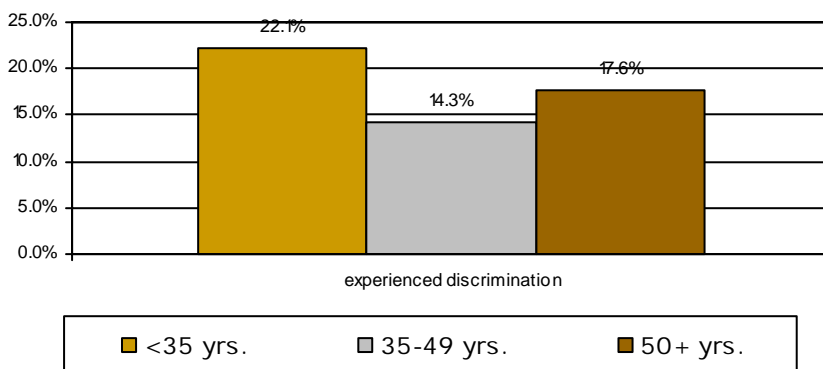


Source: Parry & McNamara, 2008; Cranet Survey.

2. Employee Perspectives

Our analyses of the National Study of the Changing Workforce indicate that employees at midlife are less likely than younger employees or older employees to report that they have experienced discrimination, such as gender discrimination or age discrimination.<sup>5</sup>

**Figure 6: U.S. Employee Experiences of Discrimination by Age Group**



<sup>4</sup> This is the sum of four items: Whether the organization has action programs for older workers, minority ethnic, people with disabilities, and women. Missing values are recoded to 0 for a given program, yielding a “count” of the number of verified programs.

<sup>5</sup> Percent of workers reporting race, gender, or age discrimination on their current job.

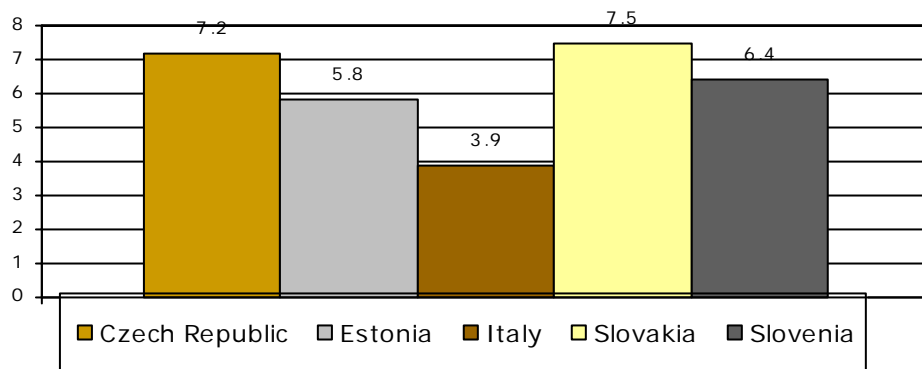
Source: McNamara, 2008; 2003 National Study of the Changing Workforce.

### Flexibility in the Czech Republic

#### 1. Employer Perspectives:

We compared employers' reports of the utilization of four kinds of flexibility (job sharing, teleworking, flexi time, and compressed work week) in the Czech Republic with those of employers in Estonia, Italy, Slovakia and Slovenia. As suggested by Figure 7 below, utilization appears moderate/high compared to the other countries.<sup>6</sup> The scores are very similar to those in the U.S.

**Figure 7: Cross-National Comparisons. Employer Reports of Utilization of Flexible Work Options**



Source: Parry & McNamara, 2008. 2003 Cranet Survey.

#### 2. Employee Perspectives

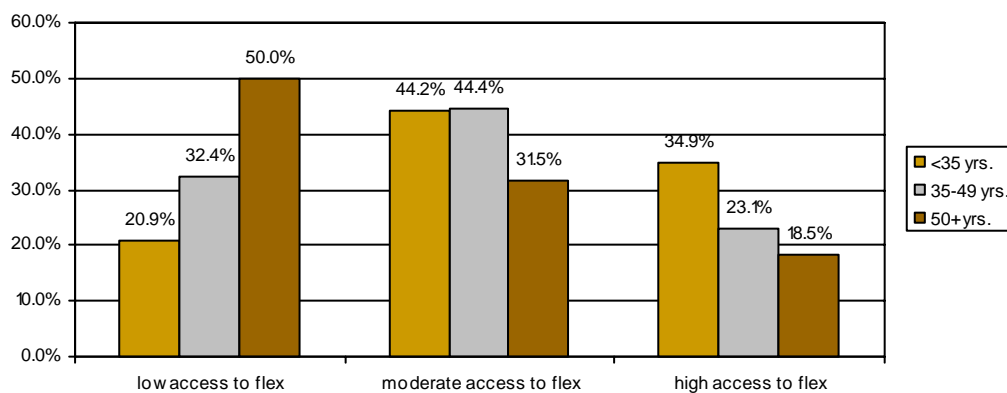
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<sup>6</sup> The organizations that responded to the Cranet survey indicated the estimated percent of their workforces using each of these options, from “not used” to “50% or more of the workforce are using these options. The scores could range from “4” to 24.).

Older adults in the Czech Republic are less likely to report that either “good hours” or “generous holidays” are important/very important characteristics of a good job (McNamara, 2008; 1999–2000 World Values Survey).<sup>7</sup>

Analyses of the European Working Conditions Survey suggest that younger workers report more access to flexible working conditions than workers at midlife or older workers.<sup>8</sup>

**Figure 8: Czech Employee Access to Workplace Flexibility by Age Groups**



Source: McNamara, 2008; European Working Conditions Survey 2005.

## Culture of Respect, Inclusion and Equity in the Czech Republic

### 1. Employer Perspectives

The Cranet Survey asks employers whether they have “action programmes” for specific groups of employees, including women, people with disabilities, and older workers.<sup>9</sup> In comparison to

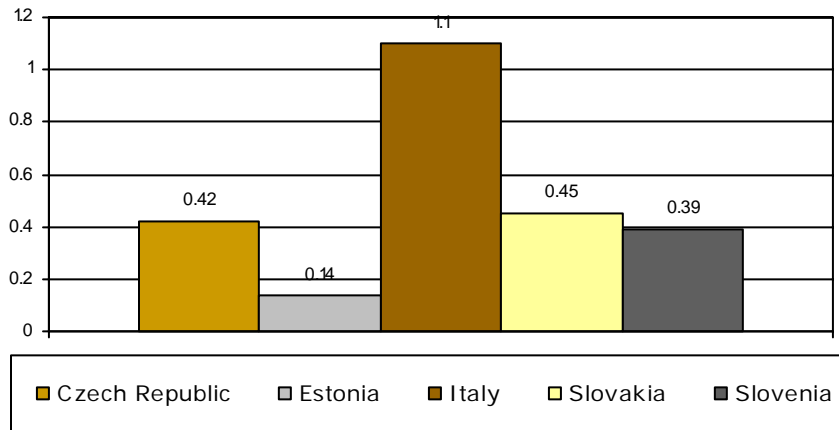
<sup>7</sup> 22.2% of younger adults, 20.2% of adults at midlife compared to 11.0% of older adults agreed that “generous holidays” are important/very important ( $p < 0.001$ ) and 38.2%, 33.9% and 25.6% agreed that “good hours” are important/very important ( $p < 0.001$ ).

<sup>8</sup> This item is based on the 2005 European Working Condition Survey. One point is assigned for each of the following conditions: Respondent does not work the same number of hours every day, respondents does not work the same number of days every week, respondent does not have fixed starting and finishing times, respondent works shifts, respondent works alternating or rotating shifts, respondent can take their break when they wish, respondent can often or almost always take holidays off, respondent can choose their schedule to some extent, and respondent spends 25% of more of their time teleworking. A low score was considered 0 through 1, and a high score was considered 4 through 8.

<sup>9</sup> This is the sum of four items: Whether the organization has action programs for older workers, ethnic minorities, people with disabilities, and women. Missing values are recoded to 0 for a given program, yielding a “count” of the number of verified programs.

the countries listed below, on average, workplaces in the Czech Republic have a low/moderate number of such programs.

**Figure 9: Cross-National Comparisons. Access to Action Programs for Less Advantaged**



Source: Parry & McNamara, 2008. 2003 Cranet Survey

## 2. Employee Perspectives

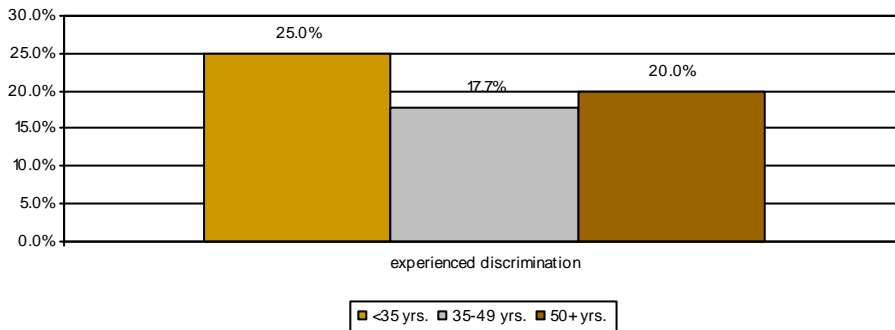
Approximately one-third of all adults in the Czech republic report that having a “respected job” is important/very important (with the differences between age groups not statistically significant) (McNamara, 2008; 1999–2000 World Values Survey).

Data from the European Working Conditions Survey found that the differences reported by employees of different age groups are not statistically significant.<sup>10</sup>

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<sup>10</sup> This item is based on the 2005 European Working Condition Survey. Respondents were asked whether they have personally been subjected at work to twelve situations over the past 12 months, and the scale is sum of twelve dichotomous scales, where 0 indicates no experience and 1 indicates one or more experience(s) (recorded): “threats of physical violence,” “physical violence from people your workplace,” “physical violence from other people,” “bullying/harassment,” “sexual discrimination linked to gender,” “unwanted sexual attention,” “age discrimination,” “discrimination linked to nationality,” “discrimination linked to religion,” “discrimination linked to disability,” and “discrimination linked to sexual orientation”.

**Figure 10: Czech Republic Employee Experiences of Discrimination by Age Group**



### **Concluding Remarks**

Embedding work-family issues into a quality of employment framework helps us to consider whether trends, such as changes in the age composition of the workforce and globalization, have exacerbated the gaps between employees' needs and preferences and the resources that they may be able to access work-family supports at workplaces around the world. Today, I have stressed the importance of updating our work-family paradigms so that we do not suffer from structural lag: a gap between the "ideal" and what currently exists.

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