Perspectives on Making Work “Work” for Employers, Employees, and Communities

Ellen Galinsky
IESE
June 2008
About Families and Work Institute

Families and Work Institute, based in New York City, is a pre-eminent research organization that studies the changing workforce, changing family and changing community.

FWI conducts…

- the **most comprehensive ongoing nationally representative studies of employers and employees** in the U.S., the *National Study of the Changing Workforce* and the *National Study of Employers*, that identify emerging trends of importance to business leaders.

- a **series of ahead-of-the-curve studies of such topics as talent management globally**, *Leaders in a Global Economy*, that often challenge common wisdom and lead to changes in companies’ talent management strategies.

- a **unique series of studies that investigate how young people see the issues they face growing up**, including *Ask the Children*, and *Youth & Employment*.

- **projects that translate research into action** — on workplace effectiveness and flexibility, *When Work Works*, and on the low-wage workers, the *Supporting Work Project*.
Part I

What We Know from Studies in the U.S.
There Are Four Generations in the Workforce Today

- Gen-Y or Millennials: Under 28 years old
- Gen-X: 28 to 42 years old
- Boomers: 43 to 62 years old
- Matures: Over 62 years old
The Demographics of the Workforce Have Changed Over the Past 25 Years (from 1977 to 2002)

- There are more women (from 42% to 49%)
- There are more people of color (from 12% to 21%)
- There are more employees over 40 years old (from 35% to 56%)
- Women in the U.S. have achieved higher educational levels than men (of those 50 and younger, 32% of women and 23% of men in the U.S. have 4 years of college or more)

Sources: 1977 QES and 2002 NSCW
Work Has Changed Over the Past 25 Years

- Work is more demanding and hectic
- Technology is blurring the lines between work and non-work times
- There is an expectation of instant responses and many interruptions: 56% of employees often or very often have these problems

Sources: 1977 QES, 2002 NSCW and Overwork in America 2005
Family Life Has Changed Over the Past 25 Years

- There are more dual-earner couples (from 66% to 78%)
- More employees have elder care responsibilities (currently 35%)
- More men are involved in the care of their children — from 24% to 30% take as much or more responsibility for the care of their children as their wives, according to their wives

Sources: 1977 QES and 2002 NSCW
Men Spend More Time Caring for Children on Days They Are Working Than They Used to

- Gen-X fathers are leading this trend
- Gen-X fathers (23 to 37 years old in 2002) spend significantly more time doing things and caring for their children than Boomer fathers (38 to 57 years old in 2002) with children of the same ages — an average of 3.4 hours per workday versus an average of 2.2 hours for Boomer fathers
- This is a difference of more than 1 hour

Source: 2002 NSCW
Values Are Shifting

Gen-X and Gen-Y employees are more family-focused than Boomers

<table>
<thead>
<tr>
<th>Relative Priority Placed on Work vs. Family</th>
<th>Gen-Y</th>
<th>Gen-X</th>
<th>Boomer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work-centric</td>
<td>13%</td>
<td>13%</td>
<td>22%</td>
</tr>
<tr>
<td>Dual-centric</td>
<td>37</td>
<td>35</td>
<td>37</td>
</tr>
<tr>
<td>Family-centric</td>
<td>50</td>
<td>52</td>
<td>41</td>
</tr>
</tbody>
</table>

Sources: 2002 NSCW, 2004 Generation & Gender in the Workplace
There Are Repercussions for Employees

• Among college-educated men of Gen-Y, Gen-X and Boomer ages, 68% wanted to move into jobs with more responsibility in 1992 versus only 52% in 2002 — a decline of 16 percentage points

• Among college-educated women of Gen-Y, Gen-X and Boomer ages, 57% wanted to move into jobs with more responsibility in 1992 versus only 36% in 2002 — a decline of 21 percentage points

Sources: 2002 NSCW, 2004 Generation & Gender in the Workplace
Today in the U.S., Among All Employees…

- 39% are not fully engaged in their jobs
- 54% are less than fully satisfied with their jobs
- 38% are somewhat or very likely to make a concerted effort to find a new job in the coming year
- 46% of men and 41% of women are experiencing some or a lot of conflict in their work and family life

Source: 2002 NSCW
Employers are looking for new ways to make work “work” — to create more effective workplaces
We Identified Six Research-Based Criteria for an Effective Workplace in the U.S.

1. Providing job autonomy
2. Creating learning opportunities and challenges on the job — where employees can grow, learn and advance
3. Developing environments where supervisors support employees in being successful on the job
4. Developing environments where coworkers support each other for job success
5. Involving employees in management decision making
6. Creating flexible workplaces
There Are Positive Outcomes for Employees in Effective Workplaces

<table>
<thead>
<tr>
<th></th>
<th>L</th>
<th>M</th>
<th>H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engagement</td>
<td>3</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>2</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Retention</td>
<td>9</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Mental Health</td>
<td>15</td>
<td></td>
<td>49</td>
</tr>
<tr>
<td></td>
<td></td>
<td>36%</td>
<td></td>
</tr>
</tbody>
</table>

82% 81% 77% 49%

Sources: 2002 NSCW, 2004 When Work Works
Part II

What We Know from Global Strategies in Talent Management
Study Questions: A 2008 Study by Catalyst and FWI

What are the drivers of leadership engagement?

Do these drivers differ for men and women, leaders of different ages, for pipeline and senior leaders, or for leaders in different regions of the world?

Source: Galinsky, Carter, and Bond, Leaders in a Global Economy, 2008
Conceptual Model

Source: Galinsky, Carter, and Bond, Leaders in a Global Economy, 2008
Sponsors/Participants

- BP
- Citigroup
- Fluor
- Henkel
- IBM Corporation
- Infosys
- Johnson & Johnson
- JPMorgan Chase
- Total
- Wal-Mart
Study Sample

Nearly 8000 participants in 27 countries

### Gender by Leadership Level

<table>
<thead>
<tr>
<th></th>
<th>Senior Leaders</th>
<th>Pipeline Leaders</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total sample</strong></td>
<td>19%</td>
<td>81%</td>
</tr>
<tr>
<td>Men</td>
<td>76%</td>
<td>61%</td>
</tr>
<tr>
<td>Women</td>
<td>24%</td>
<td>39%</td>
</tr>
</tbody>
</table>

### Leaders by Region and Cultural Context

- Anglo North America 23%
- Anglo Europe 11%
- Latin Europe 16%
- Germanic Europe 25%
- Asia 25%
A New Definition of an Effective Workplace Emerged

• Having a Challenging Job:
  – Continuing to grow and learn in my work
  – Doing work that is challenging and stretches me
  – Having a say about how my job gets done

• Having a Supportive Work Environment:
  – Working for supervisors I trust
  – Working in a company where I feel comfortable and a sense of belonging
  – Working for a supervisor who supports me to do my best
A New Definition of an Effective Workplace Emerged (continued)

• Working at a Company that Has High Values
  – Working at a company where I am proud of its values
  – Doing work that makes a positive difference in the lives of others
  – Knowing that my work affects my company’s success
A New Definition of an Effective Workplace Emerged (continued)

• Having a Good Fit between Life On and Off the Job
  – Having the right fit or balance between my work and personal or family life
  – Having the workplace flexibility to manage my work and personal or family life
  – Having the time to focus on what’s most important to do at work
A New Definition of an Effective Workplace Emerged (continued)

- Having the Opportunity for High Achievement
  - Achieving a higher position for myself within the company
  - Being able to influence important business decisions on my company
  - Getting recognition for my achievements within my company

- Being Well Compensated
  - Achieving a high level of compensation
  - Feeling financially secure
Common Wisdom: Men and women value different aspects of an effective workplace

Finding One: Men and women are almost identical on how they value the features of an effective workplace
However, women place significantly greater emphasis on:

1. Having a supportive workplace;
2. Having a challenging job; and
3. Having a good fit between life on and off the job
Common Wisdom: Men are employed in jobs and workplaces that are more closely aligned with their values

Finding Two: This is true. Male leaders are more likely to experience congruence between their values and the realities of their jobs and workplaces in four respects:

1. values of their company;
2. degree of support they have in their work environments;
3. extent of challenge in their jobs; and
4. fit between their life on and off the job
**Common Wisdom:** The personal values of leaders should not be front and center in talent management strategies because they are unrelated to the bottom line.

**Finding Three:** When the values of leaders are not realized in their jobs and workplaces, engagement suffers; and when engagement suffers, the bottom line can suffer.

---

**Relationships between Measures of Engagement and Measures of the Match between What Leaders Value and What They Have:**

<table>
<thead>
<tr>
<th>Match between What Leaders Want and What They Have</th>
<th>Likely Retention</th>
<th>Positive View of Job</th>
<th>Positive View of Company</th>
<th>Commitment to Doing Good Job</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Challenge</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Workplace Support</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Company with High Values</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Good Fit between Life On and Off Job</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>ns</td>
</tr>
<tr>
<td>Opportunities for High Achievement</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>ns</td>
</tr>
<tr>
<td>Good Compensation</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>ns</td>
</tr>
</tbody>
</table>

"+" = Significant Positive Relationships; "ns" = Non-significant (but Positive) Relationships
Common Wisdom: Women leaders are more likely than men to plan to leave their employers

Finding Four: Indeed, women leaders are significantly more likely than their male counterparts to say that they plan to leave their current employers

But this occurs only when they characteristics of their jobs and workplaces do not match their values
• The bottom line is that if women’s values are as well realized in their jobs and workplaces as men’s, they would be just as likely as men to stay with their employers.
• The same pattern holds for pipeline versus senior leaders and for leaders in different parts of the world.
The Most Important Finding of This Study Is:

- When we statistically control for differences between values and the realities of jobs and workplaces, the differences in likely retention between men and women, between senior and pipeline leaders, and between leaders from different regions disappear.
Part III

What It Takes to Be in the Top Tier of Companies
To Be in the Top Tier Today, It Takes…

• A data-driven understanding of the business issue

• A new definition — the initiative must work for both the employer and the employees

• A foundation of policies and programs that includes how supervisors manage and how the culture promotes new ways to work

• A “branded” innovative solution

• A commitment to collect data on the results of how the initiative impacts both business and employees’ personal and family lives

• A focus on sustainable communities
Some “Best Practice” Initiatives Are Corporate-Wide Programs That Address Workforce Demographic Issues

Recruiting the new generation of employees

- Merrill Lynch - Recruitment
- Deloitte - Deloitte Career Connections
- IBM - Reverse Mentoring
- Marriott - Generations at Work
Corporate-Wide Initiatives That Address Demographic Issues

Retention among women and men, especially at mid-levels

- Accenture - Future Leave
- ARUP - Compressed Workweek
- Johnson & Johnson - Women’s Leadership Initiative
- Lehman Brothers - Encore
Corporate-Wide Initiatives That Address Demographic Issues

Retention and advancement among women of color
  • PepsiCo - Power Pairs

Advancement and engagement
  • Merck - Global Constituency process

Retention among the aging workforce
  • Bon Secours - Culture of Aging
Corporate-Wide Initiatives That Address Economic and Societal Issues

24/7 economy/technology/work pressure

- GlaxoSmithKline - Team Resilience

Talent management over the life cycle

- Deloitte - Mass Career Customization
Problems Solving Initiatives That Affect Sustainable Communities

Transportation Congestion

- City of Houston - Flex in the City
What’s Next?

Making work “work” for employers, employees, and communities