

Job Quality: The Key to Attracting, Developing and Retaining Workers of All Ages

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Presentation outline

- ✓ Pressures to improve the quality of work
- ✓ Quality work is what Canadian workers of all ages value
- ✓ Insights about today's young workers
- ✓ Implications of workforce ageing for recruitment
- ✓ Job quality issues for women, visible minorities, aboriginal workers
- ✓ Closing the job-quality deficit
- ✓ Employment relationships and 'good jobs'
- ✓ HRM strategies for improving the quality of work

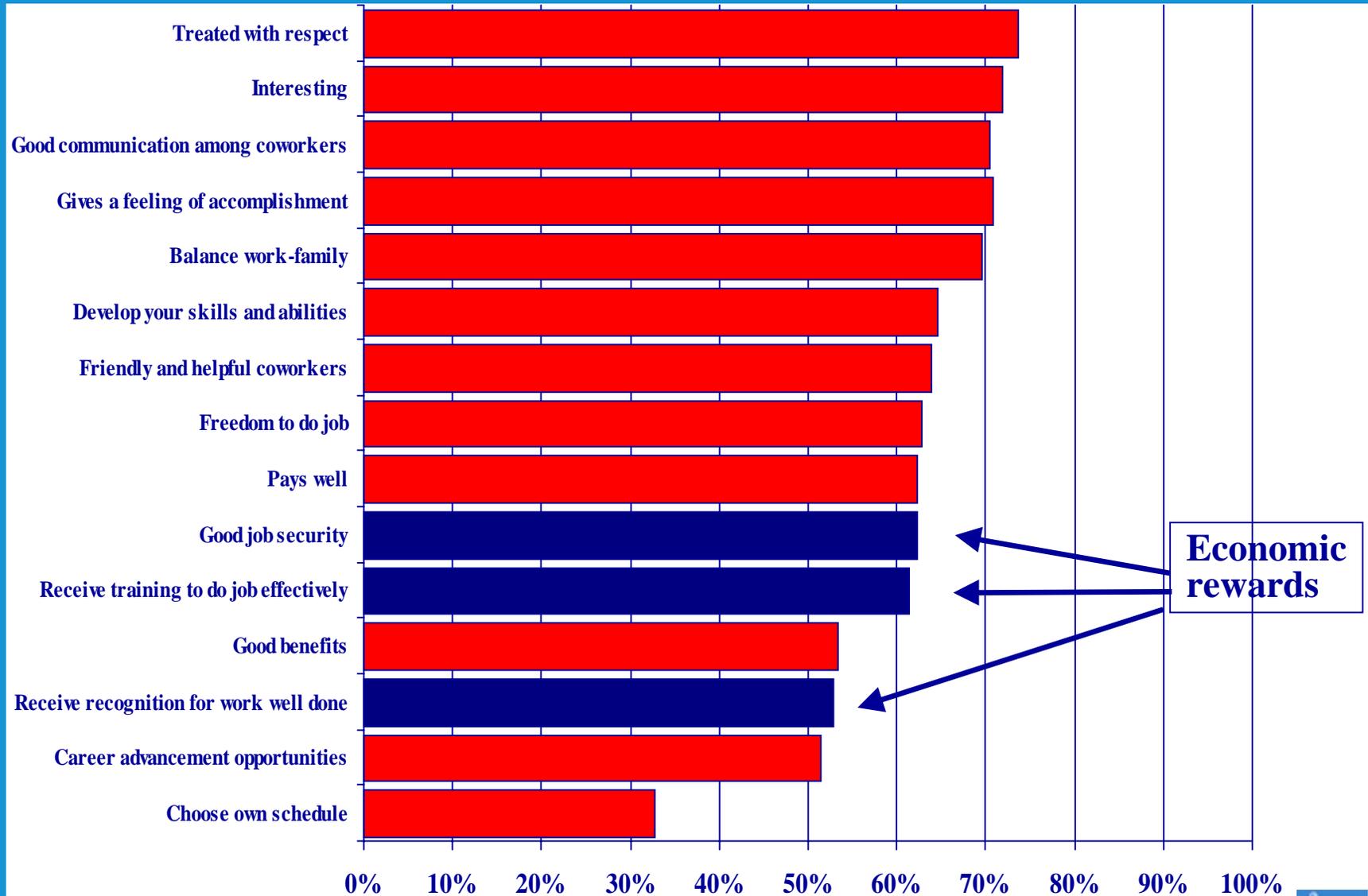


Six trends creating pressures to improve the quality of work

- Global knowledge economy: skills, knowledge, creativity -- 'human capital' -- are the key ingredients for economic prosperity
- Information & communication technology: payoffs from these investments depend on work design and environments
- Education: Canada has the best educated labour force in the world, so we need to ensure that this talent is used
- Life-long learning: what kinds of work contexts support this?
- Demographics: ageing workforce, baby-boom retirements create workforce renewal challenges
- Values: this is what Canadians want



What workers consider “very important” in a job, Canada, 2000



Source: CPRN-Ekos Changing Employment Relationships Survey 2000 (n=2500).



Is the **nEXUS** generation different?

“Ultimately, the best reward for Nexus employees is what they want most from work: challenge, collaboration, task variety, and greater impact. While keeping compensation current and competitive is part of the equation, employers should spend equal time thinking about how they might recognize Nexus with the next project or opportunity.”

Source: Robert Bernard, Dave Cosgrave and Jennifer Welsh, *Chips and Pop: Decoding the Nexus Generation* (1998: 199)

- True, but these values are not unique to this age group (mid-20s to late 30s) or to a post-modern society.
- Personally rewarding work has long been a core value.

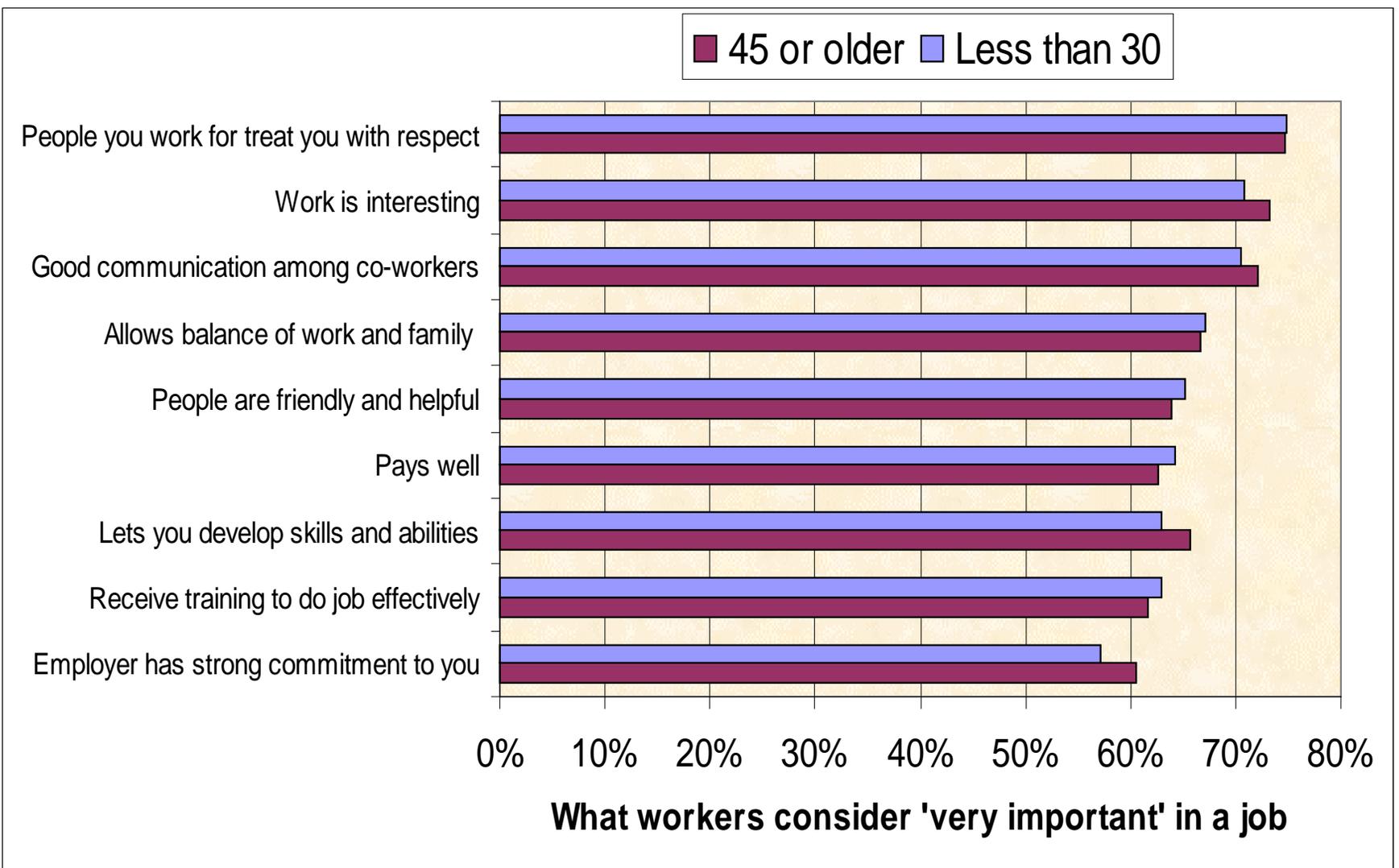


The generations converge on job quality goals

- Job quality problems first seriously raised when baby boomers entered job market in 1970s
 - Needs urgent attention in an era when human resource development and ‘life-long learning’ and ‘knowledge’ really matter
 - The same basic management and organizational barriers exist today as in 1970s
- Work rewards and working conditions that will attract and retain youth also desired by older workers
 - In this respect, there is continuity across the generations
 - However, there’s always been age differences in job expectations and satisfaction, because workers adapt to their changing circumstances and diminishing choices over time as they move through the life course
 - This approach avoids the internal inequities created by emphasizing the needs of one age group over another
- Don’t overlook the work and life needs of the 35, 45 and 55 year olds on your staff



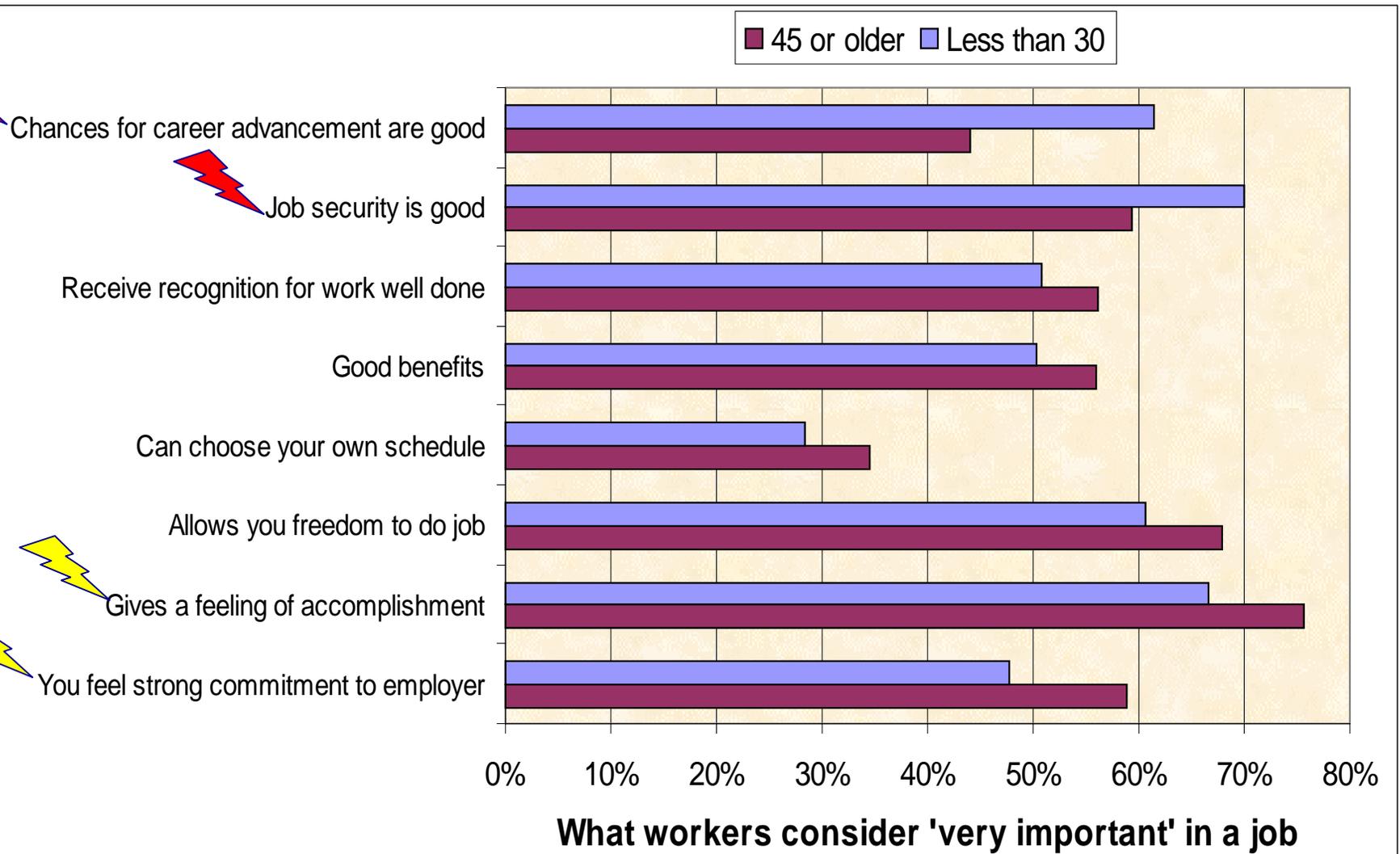
What younger and older workers consider 'very important' in a job: Major Convergence



Source: CPRN-Ekos Changing Employment Relationships Survey, Canada, 2000 (n=2500)



What younger and older workers consider 'very important' in a job: Some Divergence



Source: CPRN-Ekos Changing Employment Relationships Survey, Canada, 2000 (n=2500)



Similar insights from other studies of young, educated workers

- Federal Public Service Commission survey of students in work experience, co-op and internship programs (2000):
 - interesting work, competitive wages, opportunity to work in field of study, balance work-life, long term job security, advancement opportunities were most important in choosing a career
- Ipsos-Reid/Royal Bank survey of university students (2000):
 - vast majority would choose interesting work over a chance to make a lot of money
 - when choosing a place to work, learning opportunities and salary were most important
- Alberta graduate follow-up survey (1997):
 - only 1 in 3 'extensively' used writing, computer, information management skills and 1 in 4 felt overqualified

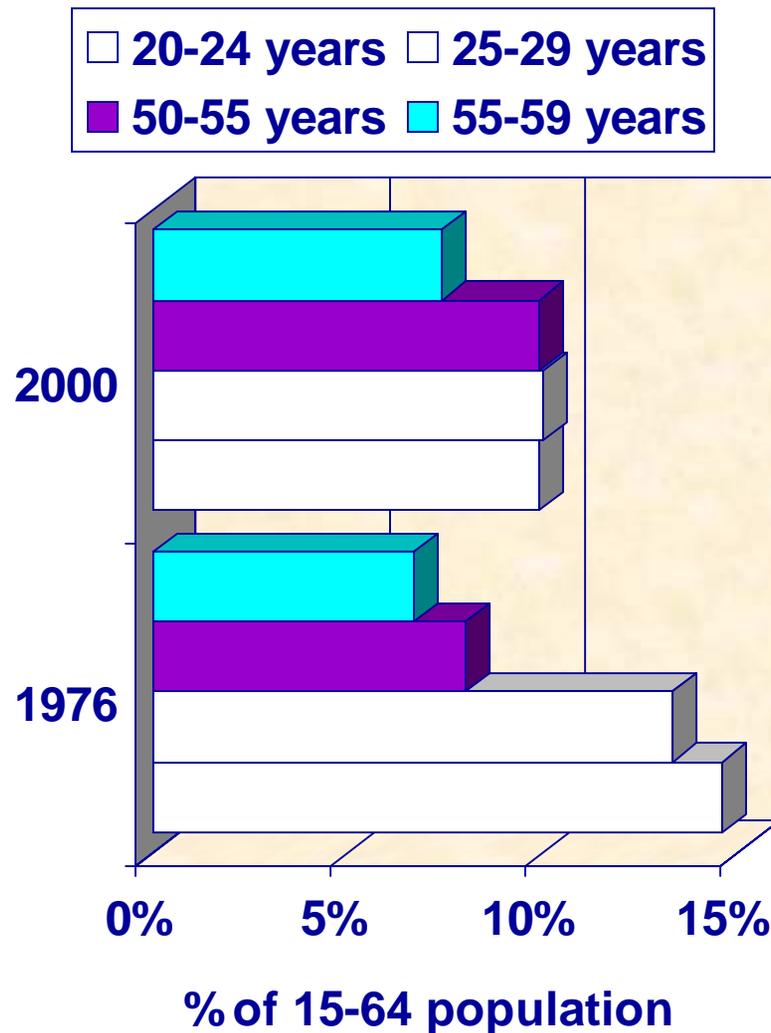


Impact of education and labour market trends on youth

- Greater variety of 'school-work transition' patterns
- Shifting expectations
 - youth see need for more education (the first 'life-long learners'?)
 - many expect not to achieve parents' living standard
- Rising student debt loads upon graduation
 - this partly explains the emphasis on security and pay
- Youth better educated, so job-education fit, learning, and skill use are key issues
- Young people increasingly seeking volunteer work experience
 - 33% volunteered in 1997, up from 18% in 1987
- Emphasis on 'employability skills' means more school-business partnerships, co-op, internship and work-experience programs
 - governments must be be actively involved in all these



Canada's ageing population means fewer youth



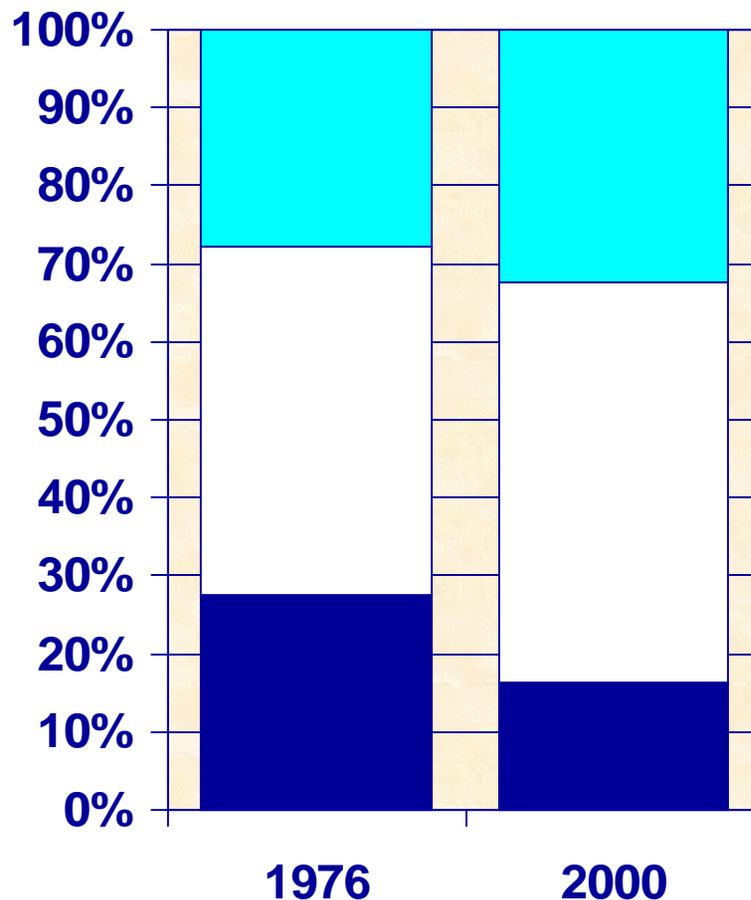
Source: Calculated from Statistics Canada, Labour Force Survey

- Population ageing is due to more older people AND fewer youth
- The real crunch begins in 2006, when the front end of the Baby Boom cohort reaches 60 years of age
- By 2010, the retiring cohort (54-64 years) will outnumber youth, creating conditions for major labour shortages
- The average retirement age is declining and is around 58 in government
- What factors might raise the average retirement age (a trend emerging in the US)?



Increasing competition for a shrinking youth labour supply

■ 15-24 yrs □ 25-44 yrs ■ 45+ yrs

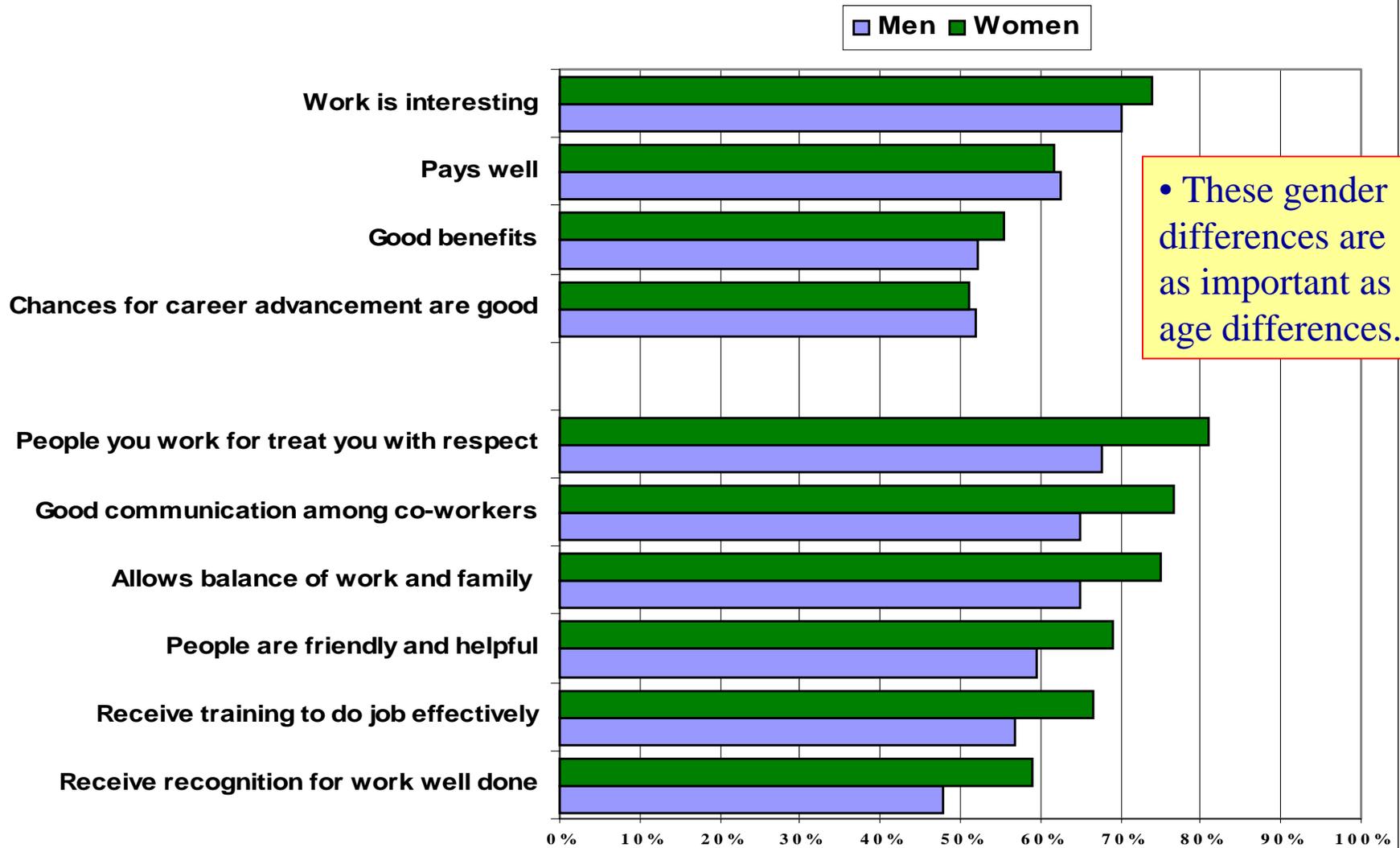


Source: Calculated from Statistics Canada, Labour Force Survey

- The youth labour force is shrinking so competition for grads will rise
- Consider experienced workers, non-traditional career and education paths
- Older workers are a growing labour pool
- Of all 5-year age cohorts, the 60-64 cohort is the only one with a downward trend in labour force participation
- Rethink 'retirement': lots of healthy, skilled older workers
- Can 'life-long learning' help workers over 30 acquire the skills you will need?



What men and women consider "very important" in a job, Canada 2000



• These gender differences are as important as age differences.



Visible minorities and aboriginal workers

- By comparing visible minority and aboriginal workers with other workers, we can gain insights for recruitment and retention, and about work environment issues of specific relevance for employment equity
- Offering skilled jobs (good 'fit' with education and experience) with opportunities for skill development and career advancement will be an attraction, especially for visible minorities and aboriginals



Visible minority and aboriginal workers are less likely than other workers to...

- Be in jobs that require high skills
- Have opportunities to develop their skills and abilities
- Have opportunities for career advancement
- Perceive their pay to be good
- Perceive their work environment to be healthy, safe
- To be self-employed

They are more likely to...

- Feel overqualified for their job*
- Want to join a union (non-union workers only)*

* *multi-variate results*



Visible minorities and aboriginal workers are similar to other workers in terms of ...

- Permanent vs. temporary employment
- Workplace size
- Job security
- Being treated with respect by their employer
- Receiving 'good' benefits
- Commitment to their employer
- Commitment to their kind of work
- Job satisfaction
- Expectation that they can find another job as good as their present one



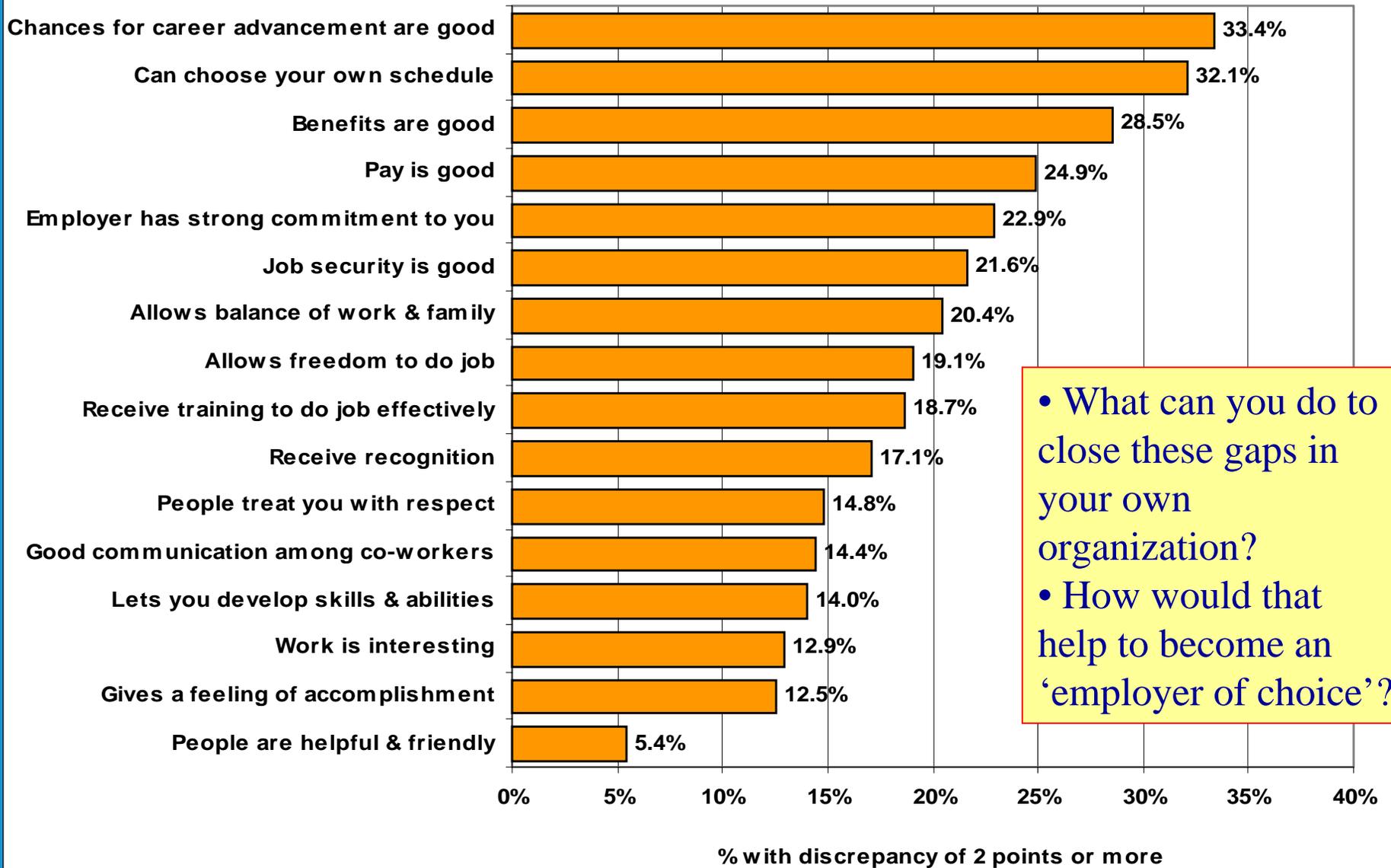
The 'Job Quality Deficit'

- Developed for CPRN's new Quality of Employment Indicators Project
- *CPRN-Ekos Changing Employment Relationships Survey, 2000* (n=2500)
- Respondents were asked how strongly they agreed or disagreed (5-point Likert scale) that each statement *described* their current job
- Also asked to indicate how *important* (5-point 'not at all important - very important' Likert scale) each aspect would be if they were looking for a new job today
- Subtracting the "importance" scale from the "description" scale provides a discrepancy score -- the Job Quality Deficit
- This is the gap between what workers want and what they have

Coming this fall: www.jobquality.ca
CPRN's employment quality indicators website



Per cent of employees with a large 'job quality deficit' (discrepancy between their actual and desired job characteristics), Canada 2000

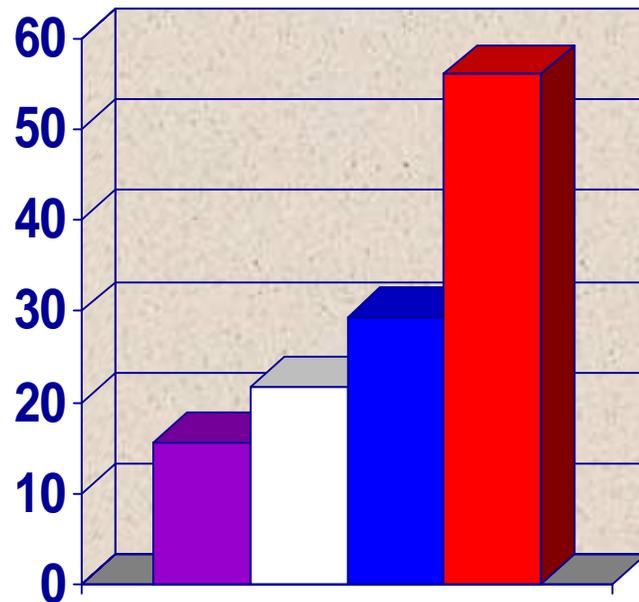
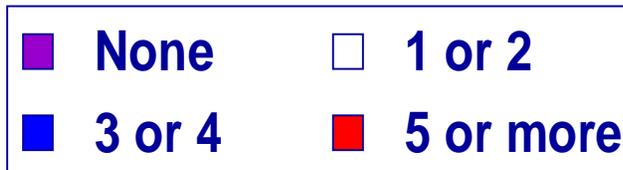


- What can you do to close these gaps in your own organization?
- How would that help to become an 'employer of choice'?

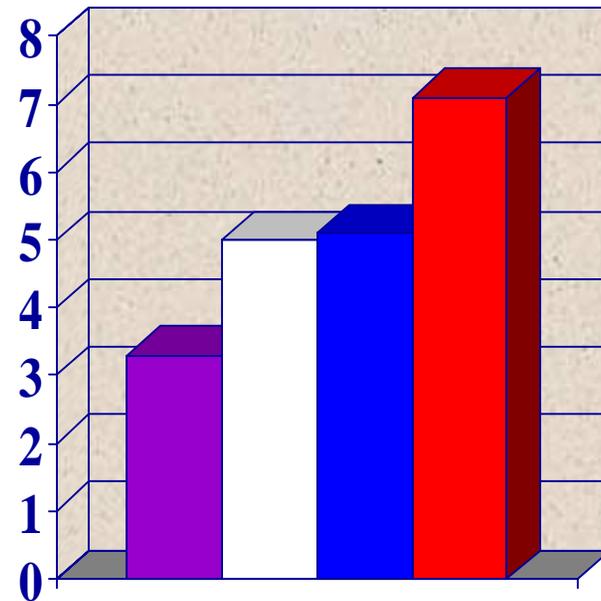
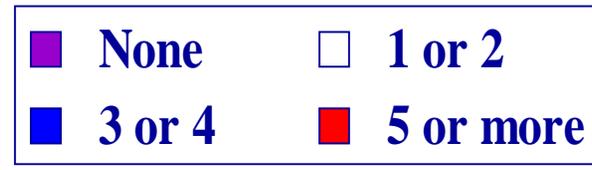


Job Quality Deficits cost employers

of Job Items on Which Respondent Reported a Large Job Quality Deficit



% agree/strongly agree
workplace morale is low



Average # days absent
for illness/injury last yr.



Reducing the job quality deficit

- **High quality work must provide decent benefits and pay**
- **But also crucial, ‘intrinsic’ job rewards that provide personal fulfillment are most important to Canadians**
- **Human resource management policies and practices must address both sets of needs**



Employment relationships define a 'good job'

- CPRN's *Changing Employment Relationships Project* identifies four underlying dimensions of employment relationships:
 - ✓ trust
 - ✓ commitment
 - ✓ communication
 - ✓ influence
- the social and psychological underpinnings of work
- expand our understanding of what defines a 'good job'
- linked to staff retention and development

See: G. Lowe and G. Schellenberg, *What's A Good Job? The Importance of Employment Relationships*. CPRN Research Report, 2001.



Work environments and organizational change shape employment relationships

- Demographic characteristics or location in the labour market (e.g., standard or non-standard work) do not account for variations in employment relationships.
- Strong employment relationships depend on :
 - a healthy and supportive work environment
 - interesting work
 - receiving the needed training
 - having the tools and resources to do the job
 - job security
- Organizational change also affects employment relationships.
 - downsizing reduces commitment and trust
 - ‘restructuring’ negatively affects communication

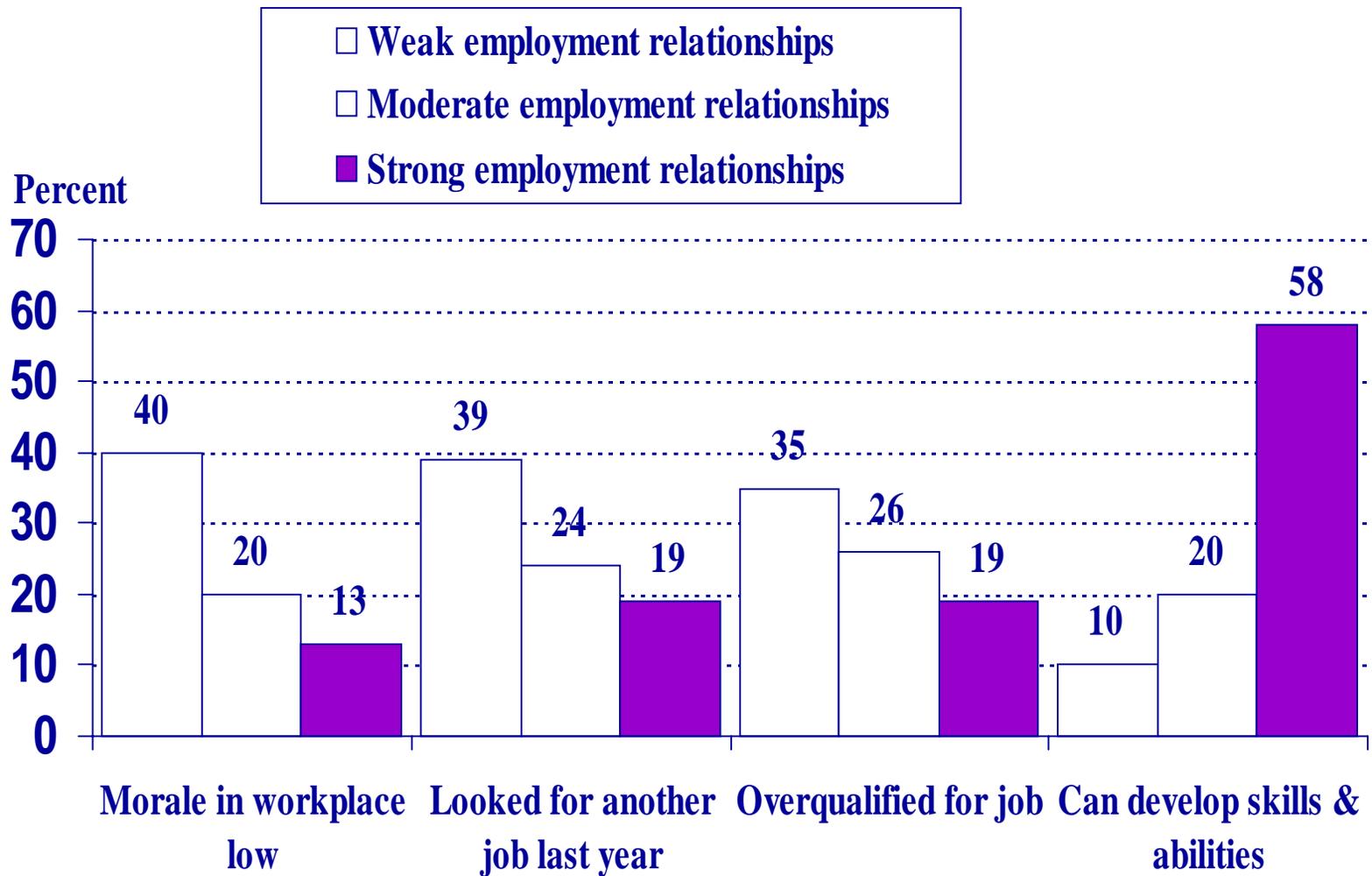


Strong employment relationships matter for employees AND employers

- **Individuals with strong employment relationships have significantly higher levels of job satisfaction (after taking into account a range of other possible influences)**
- **Weak employment relationships are linked to turnover, absenteeism, low workplace morale, and lack of skill development and use (after taking into account a range of other possible influences)**



How employment relationships matter: selected outcomes by strength of employment relationships



Improving job quality through workplace innovation

The high performance workplace model addresses what workers' value, the job quality deficit, and employment relationships:

- flat organization
- team-based work
- flexible job design
- commitment to training and learning
- employee participation
- sharing of rewards and information
- promote health, well-being, work-family balance
- supportive supervisors

Research suggests that 'bundles' of these factors are linked to quality of work life and productivity, which in turn contributes to attraction, development and retention goals.



A checklist of quality-work goals

- ✓ Decent living standard and economic security
- ✓ Mutual trust among employers and workers
- ✓ Participation in decision making
- ✓ Culture of openness regarding information
- ✓ Healthy and safe work environment
- ✓ Work-life balance
- ✓ Encourages initiative and creativity
- ✓ Opportunities to use and develop skills

Source: G. Lowe, *The Quality of Work: A People-Centred Agenda* (Oxford University Press, 2000).



Moving from insights to action

- ✓ **Benchmark your organizations' job quality**
- ✓ **Diagnose areas of strength and weakness**
- ✓ **Use strengths to 'brand' your workplace in recruitment**
- ✓ **Build quality work environment goals into HRM strategies and practices, targeting weaknesses**
- ✓ **Evaluate the impact of any innovations on HR and service quality**
- ✓ **Communicate to public and politicians how high quality work environments improve the quality of public services**



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