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# Creating quality work in a competitive global environment

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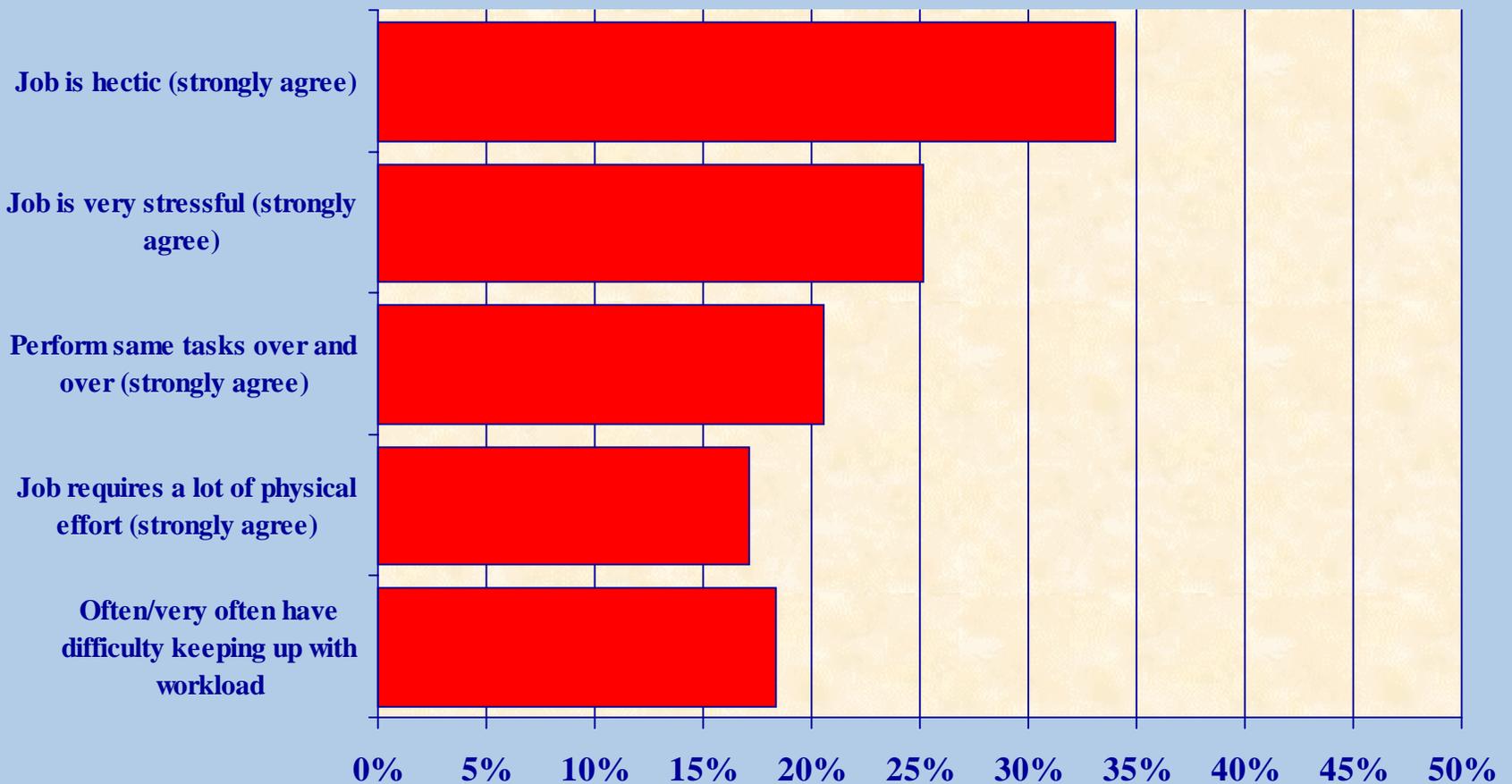
# Why focus on the quality of work?

- Canadians want challenging, interesting work through which they can develop their potential and make a contribution. This is not new.
- The economic restructuring of the past 2 decades deflected attention from the quality of work. This issue was more alive in the 1970s.
- High unemployment and job anxieties in the '90s created a narrow focus on job creation. While important, this side-lined a quality agenda.
- Now a competitive labour market and growing concerns about recruitment and retention are drawing attention to the quality of jobs.
- Improved work quality can benefit individuals, employers, and society as a whole. It is a route to a high-skill economy in which quality of life is seen as the major goal.

There are many signs that low-quality work is more widespread than commonly thought. Here are selected indicators of poor working conditions...



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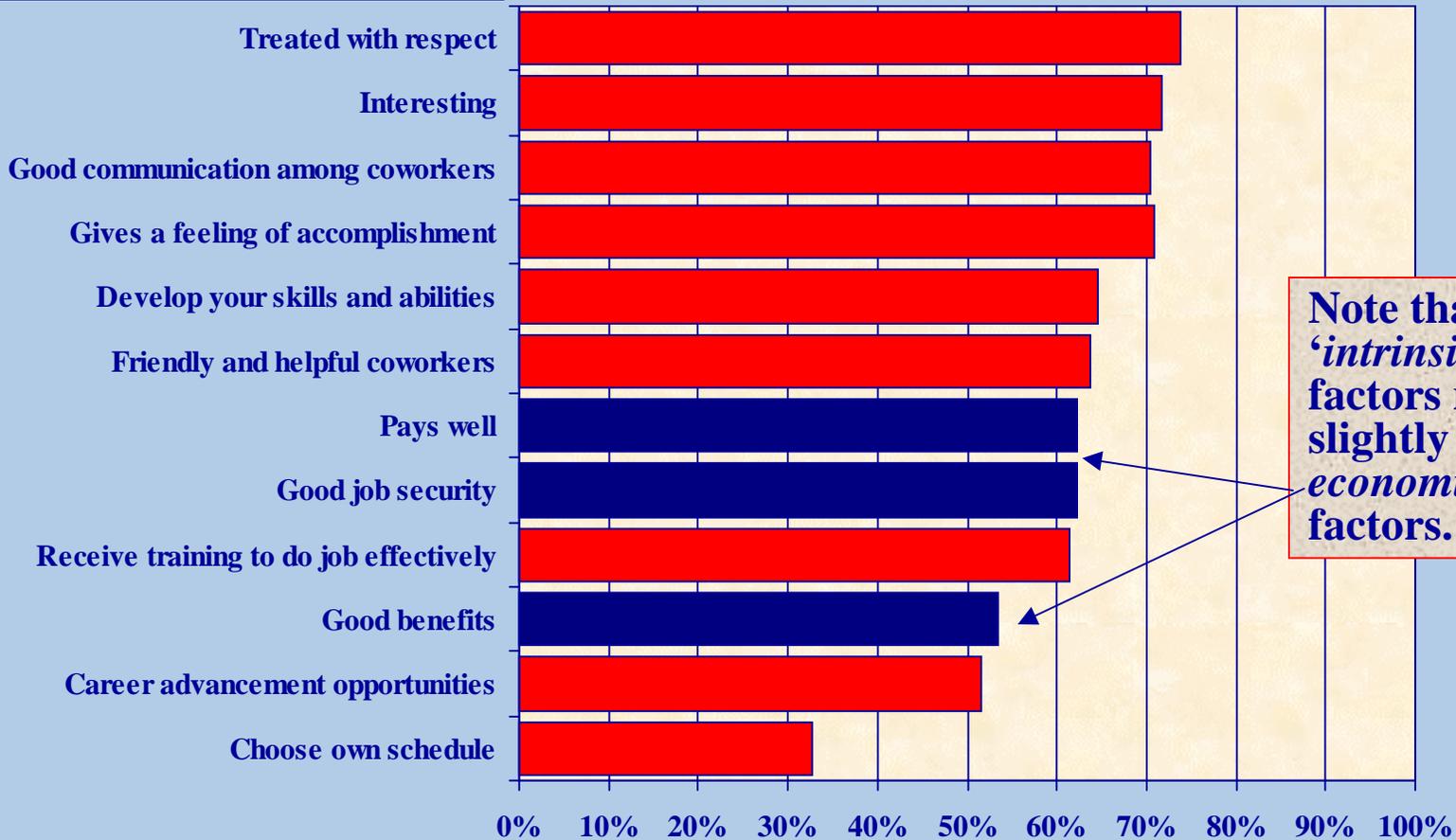


Source: CPRN-Ekos Changing Employment Relationships Survey 2000 (n=2500 employees and self-employed).



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



Note that *'intrinsic'* factors rank slightly ahead of *economic* factors.



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## The 'Job Quality Deficit': comparing what workers want in a job with what they actually have

### The largest Job Quality Deficits:

- Advancement opportunities
- Benefits
- Pay
- Flexible schedules
- Work - family balance
- Job security
- Training

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

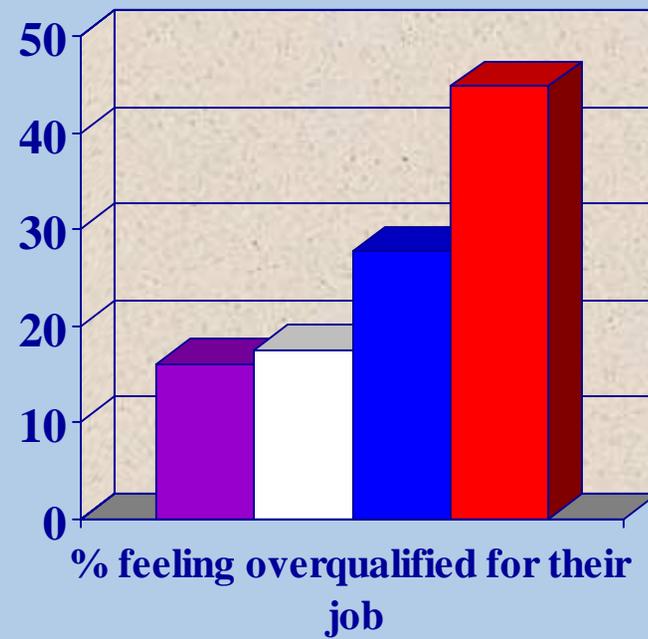
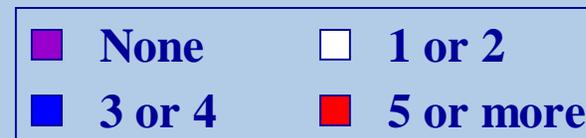
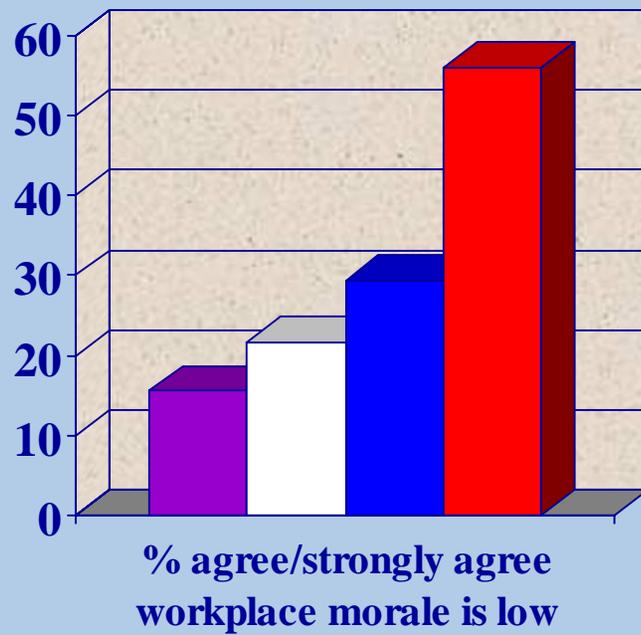
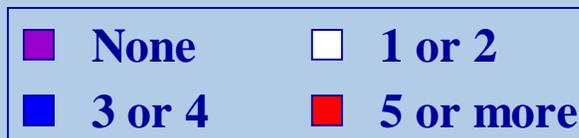
Source: CPRN-Ekos Changing Employment Relationships Survey 2000 (n=2500).



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# Job Quality Deficits and human resource outcomes

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



# Employment relationships are influenced by the quality of work contexts



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- The CPRN-Ekos Changing Employment Relationships Survey examined four dimensions of employment relationships:  
**Trust; Commitment; Communication; Influence**
- An employee's demographic characteristics or structural location in the labour market (e.g., standard or non-standard work) do not account for variations in employment relationships.
- Employment relationships are strongly influenced by the work environment, job content, workplace resources, and organizational restructuring.



# The strength of employment relationships matter for workers and employers

## For individuals:

- Strongly related to job satisfaction; skill and career development opportunities

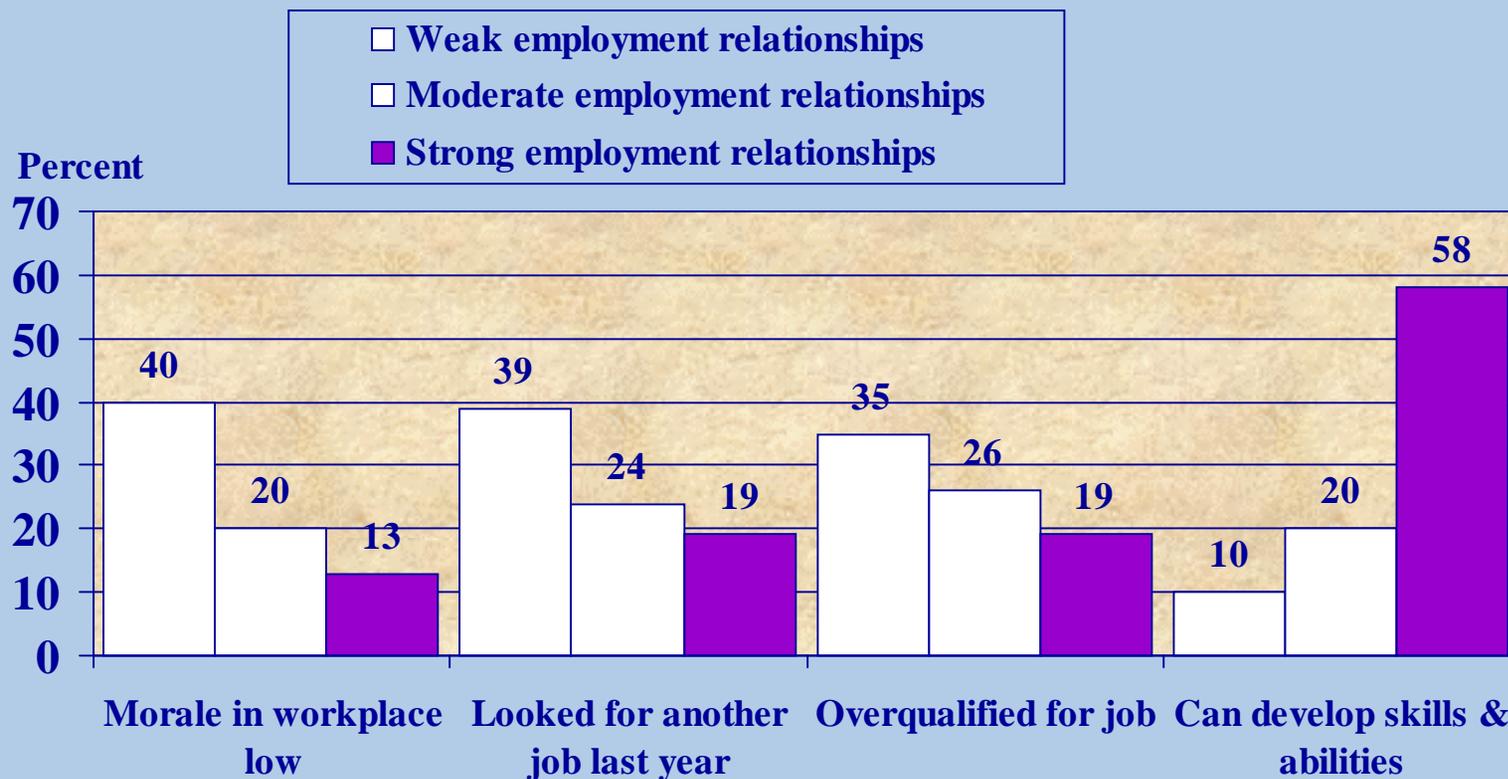
## For organizations:

- Strongly related to absenteeism, turnover, workplace morale; skill utilization

## Implications:

- Employment relationships are embedded in the psychological, social and physical work environment.
- They influence the quality of work life and firm performance.
- Conditions contributing to strong employment relationships are consistent with 'high performance' workplace models that treat employees as assets, central to overall business strategies.

# Evidence of how employment relationships matter: selected outcomes by strength of employment relationships\*



\* Measured using the Employment Relationships Summary Scale, which combines the four dimensions in slide 7.  
 Source: CPRN-Ekos Changing Employment Relationships Survey.

# Learning as a cornerstone of the 'new' economy...



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- Learning and knowledge are concepts that for decades have been linked with economic development and competitiveness.
- Marshall McLuhan observed in the 1960s: 'The future of work consists of learning a living in the automation age.'
- At the same time, Peter Drucker talked about the rise of knowledge workers as signaling a shift to a post-industrial economy.
- The current expression of these ideas is found in the federal government's 1999 throne speech: 'To ensure Canada has a leading knowledge-based economy in the 21<sup>st</sup> Century, the government will work with its partners to *help Canadians increase their skills and knowledge.*'

**Work environments are a weak link in achieving this policy goal.**

# Human resource development fallacies



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- The dominant policy discourse on human resource development emphasizes education, training, skills and competencies as worker and labour force attributes
- However, skills are characteristics of individuals *and* jobs
- Needed is a comprehensive perspective that examines the complex links between supply and demand within workplaces
- This is why the quality of jobs and the overall work environment are so important for achieving organizational goals



# Shifting our focus to work contexts: job skills from the demand side

## This is not a new issue....

- ‘... if employers are unable to increase the challenge or the skill requirements in the jobs they offer, they may simply have to pay more to have the dull work done.’
- ‘Looking to the future, the evidence suggests that the pressures on Canadian employers to make jobs interesting and rewarding are likely to become more acute than ever.’

SOURCE: Economic Council of Canada. People and Jobs. (1976): 32, 185

## Today, the pressures for workplace reform are even more intense....

- An increasingly well-educated workforce
- Concerns about skill shortages and rapidly changing skill requirements
- Yet there’s a large gap between available skills and their use (evidence that 20% - 25% of workers experience mismatch, skill under-utilization)
- Rising social and economic costs of *not* promoting the fuller use and development of workers’ capabilities



# Reframing the basic human resource policy question...

- **Good question:**

“What are the barriers and incentives to training?”

- **Better question:**

“What are the barriers and incentives to workplace innovations that support a learning culture and high-skilled work?”

**Shift in focus from training activities to learning contexts**



The new work paradigm: innovative workplaces improve the quality of work and productivity

*The high performance workplace model is also called a 'high-trust - high-skills', 'high involvement', 'flexible' model:*

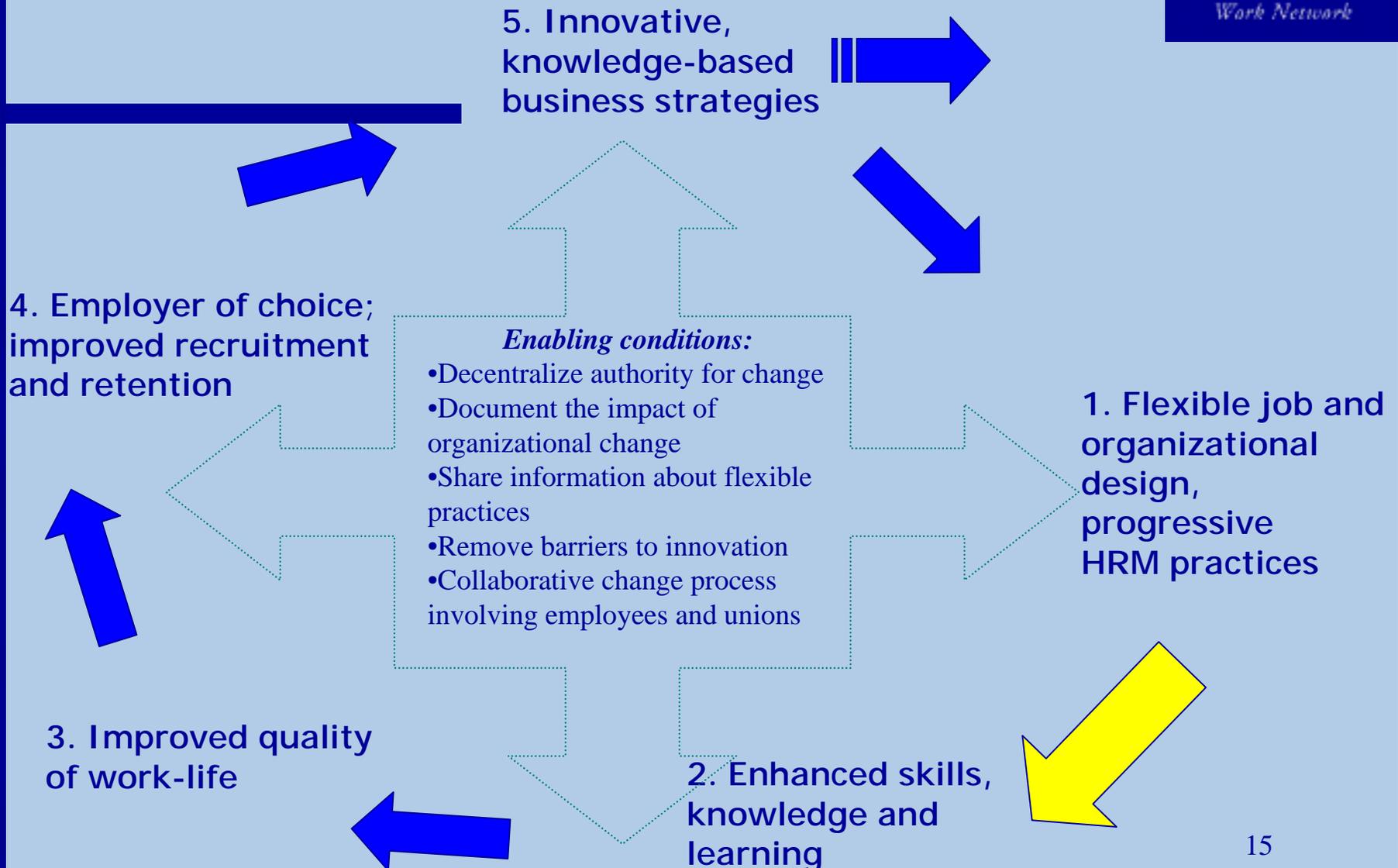
- flat organization
- team-based work
- flexible job design
- commitment to training and learning
- employee participation
- sharing of rewards and information
- promote health, well-being, work-family balance
- supportive supervisors

**Research links 'bundles' of these factors to quality of work life and productivity.**

# The virtuous circle of workplace innovation



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Source: Adapted from G. Lowe, *Employer of Choice: Workplace Innovation in Government*, CPRN, January 2001.

# However, workplace reform is a slow and uneven process



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- Most firms still have traditional job designs, make low investments in people, are authoritarian, and don't respond to employees' personal needs
  - A conclusion from: G. Betcherman et al., *The Canadian Workplace in Transition*, 1994, p. 58
- This comment is still accurate
- Barriers to workplace innovation include:
  - mind-set that employees are costs, not assets
  - lack of information about alternatives
  - no perceived problem
  - resistance from front-line managers
  - centralized control stifles risk-taking lower down
  - union resistance (yet some of the most innovative workplaces are unionized)



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## Key labour market trends also present barriers to achieving higher quality work

- rapid job creation in self-employment, small businesses
- growth of contingent work force
- polarized work hours and rewards
- decentralization of work locations
- double-edge of information technology
- doing more with less: time-crunch, stress, work-family conflict
- continued restructuring and downsizing
- new employment relationships that weaken trust and commitment

# Four pillars of quality work that support sustainable economic growth and development

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- Fulfilling and meaningful work
- Decent standard of living
- Health, well-being and balance
- Rights

# Creating higher quality work: a checklist of goals



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## How does your job and organization measure up?

- ✓ Basic right to work that provides a decent living standard and economic security
- ✓ Mutual trust among employers and workers
- ✓ Opportunities for all workers to participate in decision making on how, when and under what conditions they do their work
- ✓ A culture of openness regarding information and resources to use this information
- ✓ Healthy and safe work environments, developed collaboratively
- ✓ Work environments supportive of a balanced life
- ✓ Encouragement of innovation based on workers' initiative and creativity
- ✓ Opportunities to use and develop skills, knowledge and abilities while working

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



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