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The Challenges of Becoming ‘The Employer of Choice’ for Young Workers

Graham S. Lowe

**Canadian Policy Research Networks
& University of Alberta**

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Presentation outline

- ✓ Youth demographic and labour market trends
- ✓ Implications for public service recruitment
- ✓ Work attitudes and aspirations: what's changed?
- ✓ Job experiences of university grads in public administration
- ✓ The challenge of using grads' talents
- ✓ Insights from work histories
- ✓ Job quality as an HRM agenda that cuts across age groups



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The **nexus** generation?

“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)

While generally accurate, this assessment rests on faulty analysis:

- Nexus is a marketing concept that includes several distinct ‘cohorts’
- Simplifies complex demographic and labour market trends
- These work values are not unique to this age group



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Cautions about pop-demography

- Nexus generation born between early 1960s and late 1970s
 - now in their mid-20s to late 30s, comprising 8 million or 25% of population
 - NOTE: Statistics Canada defines baby boom as those born between 1947-1966
 - Derived from Douglas Coupland's novel *Generation X* - good popular culture but bad demography
- This includes several distinct birth cohorts
- Most Nexus made the school-work transition during the economic turbulent '80s and '90s, when labour markets became more competitive and polarized
 - Yet entering the labour market in 1981-5 or 1990-3 very different experience than at the end of each decade
- Differences between sub-groups of Nexus likely as great as between Nexus and Boomers
 - Not a meaningful way to group the labour force for recruitment purposes
 - Important to separate cultural mythology from basic demographic, social and economic forces that shape people's lives



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A closer look at youth demographic trends

Demographics doesn't explain 2/3rds of everything, as David Foot argues, but colliding economic and demographic trends have profound consequences for employers.

- shrinking youth (15-24 years) cohorts in Canada:
 - an 18% decline from a peak in 1981 to 1991
 - a 2% increase in 1990s (the 'Echo generation')
- as % of working-age population (WAP = 15-64 years), the youth population is smaller now than in the 1970s or 1980s
- in 1998, 2 in 10 WAP were youth, down from 3 in 10 in late 1970s
- Statistics Canada projects a continued decline in youth as % of WAP to 2021
- composition of youth has changed: more teenagers now
- provincial variations: youth a growing % of WAP in BC, Alberta
 - **60,000 more youth in BC in 1998 than 1991 (an increase of 13.6%)**
- by 2010, the retiring cohort (54-64 years) will outnumber youth, creating conditions for major labour shortages



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Youth labour market trends

- youth have been getting less work experience and more education in the 1990s
 - % of 17-19 year olds who have never worked for pay increased from 9.2% in 1989 to 26.3% in 1998
- since early 1980s:
 - chronically high youth unemployment, declining relative wages, more contingent work, rising educational enrolments, longer and more difficult transitions
- early 1990s to 1998:
 - declining labour force participation, rising educational costs, greater polarization, growing 'educational premium'
 - university grads the big winners in the job market in the 1990s
- since early 1998:
 - youth participation rates up, unemployment down, but polarization trends persist (less-educated males most at risk)
- 8 in 10 youth work in the service sector, most in lower-tier
 - retail employs 25% of all youth, but more opportunities now in upper-tier (business and professional services, health care, social services)

See: Statistics Canada, *Labour Force Update* (Autumn 1999);
G. Lowe, *The Quality of Work* (2000), chapter 6.

Impact of changing youth labour markets



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- One result is shifts in young people's expectations:
 - they see need for more education (the first 'life-long learners'?)
 - they expect not to achieve parents' living standard
- Tough times for youth raise generational equity issues
 - e.g., debates about Canada/Quebec Pension Plan
- Early paid work experiences in low-quality 'student jobs'
 - teaches young people what they *don't* want in a job
- Young people increasingly seeking volunteer work experience (33% volunteered in 1997, up from 18% in 1987)
- Growing emphasis on 'employability skills' resulted in 'school-business partnerships' and work-experience programs
 - yet, few real benefits from 'work experience' course in high school
 - but university co-op programs are much more effective

Implications for public service recruitment



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- relatively larger youth population as % of WAP could make recruitment easier in BC than in other provinces
 - expect increased competition for young workers around 2010
 - recruit from a broader range of educational programs and be prepared to provide job-specific training
- recognize and support volunteer experiences
- communicate how government jobs are better than those in lower-tier services, especially student jobs (document how they are ‘better’)
 - main competition will be from upper-tier private sector services
- help post-secondary graduates see the relevance and adaptability of their education
 - take advantage of school partnerships, work experience and co-op programs
 - focus on high schools, because occupational goals still forming
- don’t forget that most 25-29 year olds do not have post-secondary credentials
 - how can you support their ‘learning’ and career aspirations?



How have school-work transitions been changing?

- Growing diversity, uncertainty, risk and individualization of transition patterns and experiences
- But still find continuities in how social and economic factors shape the transition
 - influence of gender, social class background, education
 - education has become a more powerful determinant of who succeeds
- Have young people adjusted their work attitudes and expectations as a result of changing school-work transition experiences?



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How different are today's young people from earlier cohorts?

- Much speculation but little solid evidence of cohort differences
- School-Work Transition Study can address this by comparing matched samples of 1985 and 1996 Edmonton high school and university grads
 - SEE: www.ualberta.ca/~glowe/transition
- Recognize that the '80s and '90s encompass several distinct cohorts
- Faced with greater uncertainty, risk, and instability in school-work transitions, how are youth adapting their aspirations and attitudes?
 - Occupational aspirations
 - Characteristics sought in a job
 - Broader orientations to work and education
- Expect persistent social and economic influences in this regard:
 - strong influence of gender, social class background, education

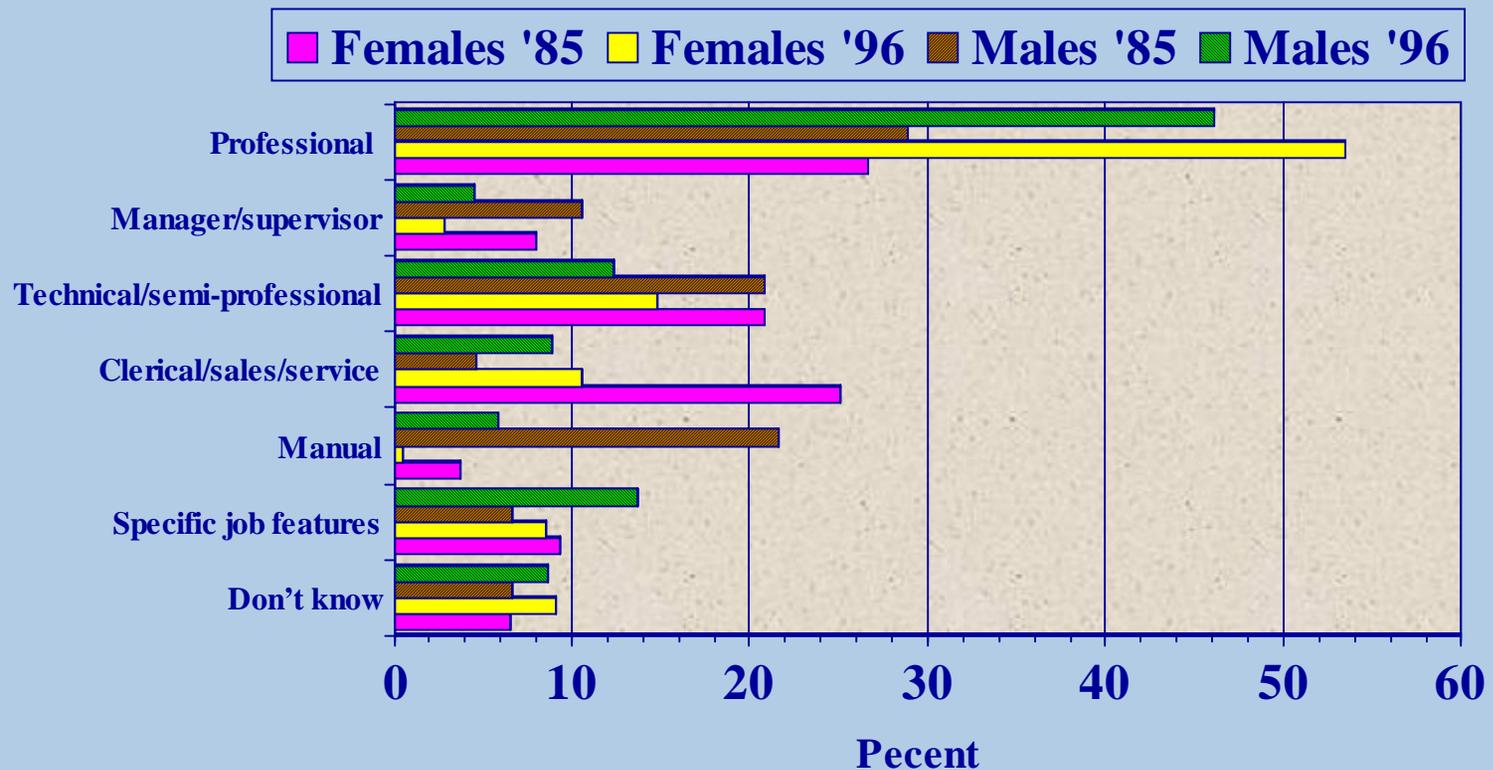


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Occupational aspirations among grade 12 students

- upward drift in aspirations from manual and ‘pink-collar’ jobs to professional jobs
- fewer want to be managers or supervisors
- very few had no occupational goal
- strong SES, gender and program differences
- shift out of traditional female jobs, into technical and professional jobs

Changes in occupational aspirations, 1985 and 1996 Edmonton grade 12 students



Source: G. Lowe and H. Krahn, 'Work aspirations and attitudes in a era of labour market restructuring.' *Work, Employment and Society* (2000). Also see School-work Transition Study website: www.ualberta.ca/~glowe/transition



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Valued job characteristics among 18 year olds

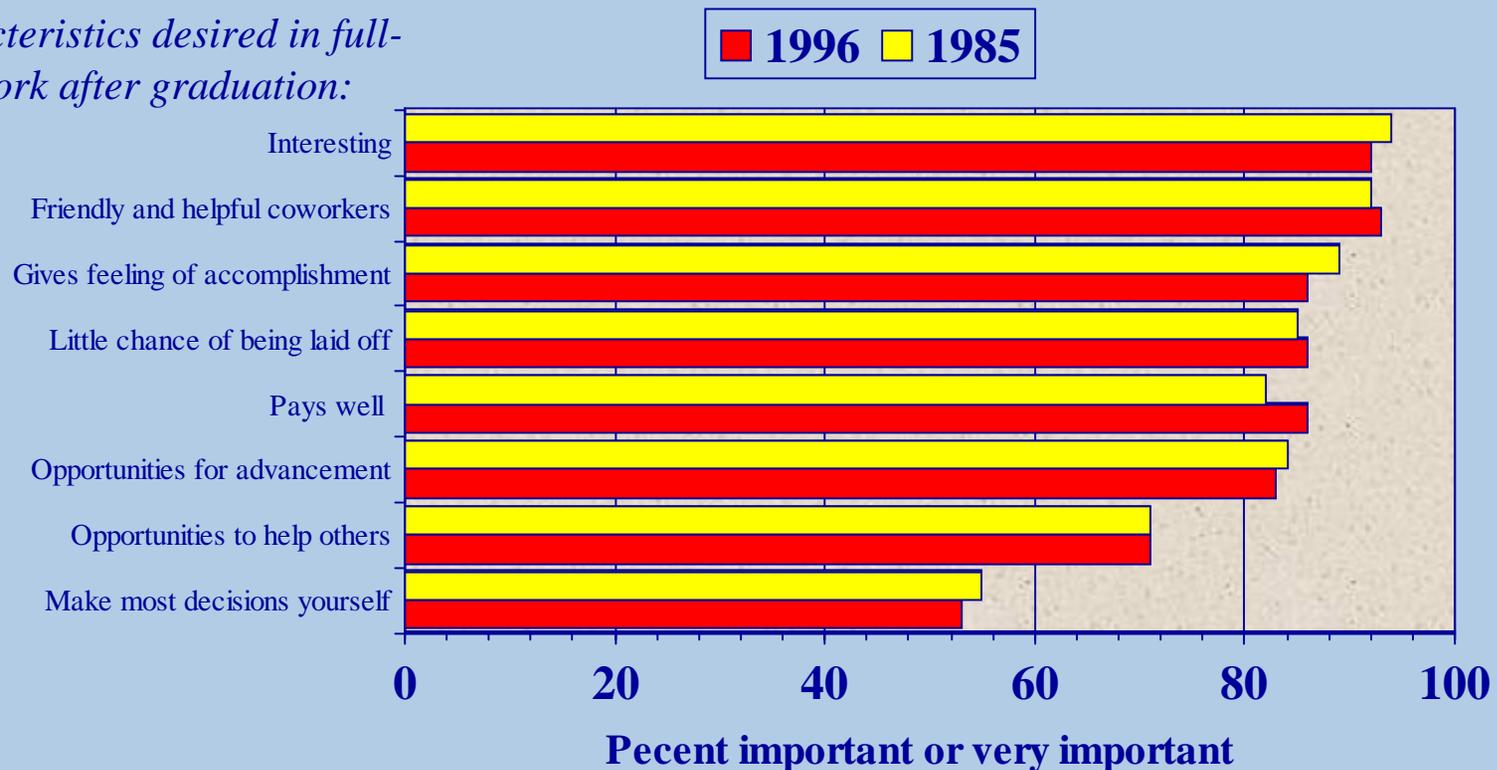
- remarkable consistency in values over 11 years
 - this cohort less exposed to labour market changes
 - work attitudes and aspirations still formative
- want jobs that are interesting, have friendly/helpful coworkers, give feeling of accomplishment
- less concern with autonomy, helping others (big gender difference -- females want to help)
- pay only slightly more important in 1996; no change in security
- also find consistently strong work ethic, education ethic, and sense of entitlement



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Changes in work values, 1985 and 1996 Edmonton high school graduates

Characteristics desired in full-time work after graduation:



Source: G. Lowe and H. Krahn, 'Work aspirations and attitudes in a era of labour market restructuring.' *Work, Employment and Society* (2000). Also see School-work Transition Study website: www.ualberta.ca/~glowe/transition



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Valued job characteristics among university grads

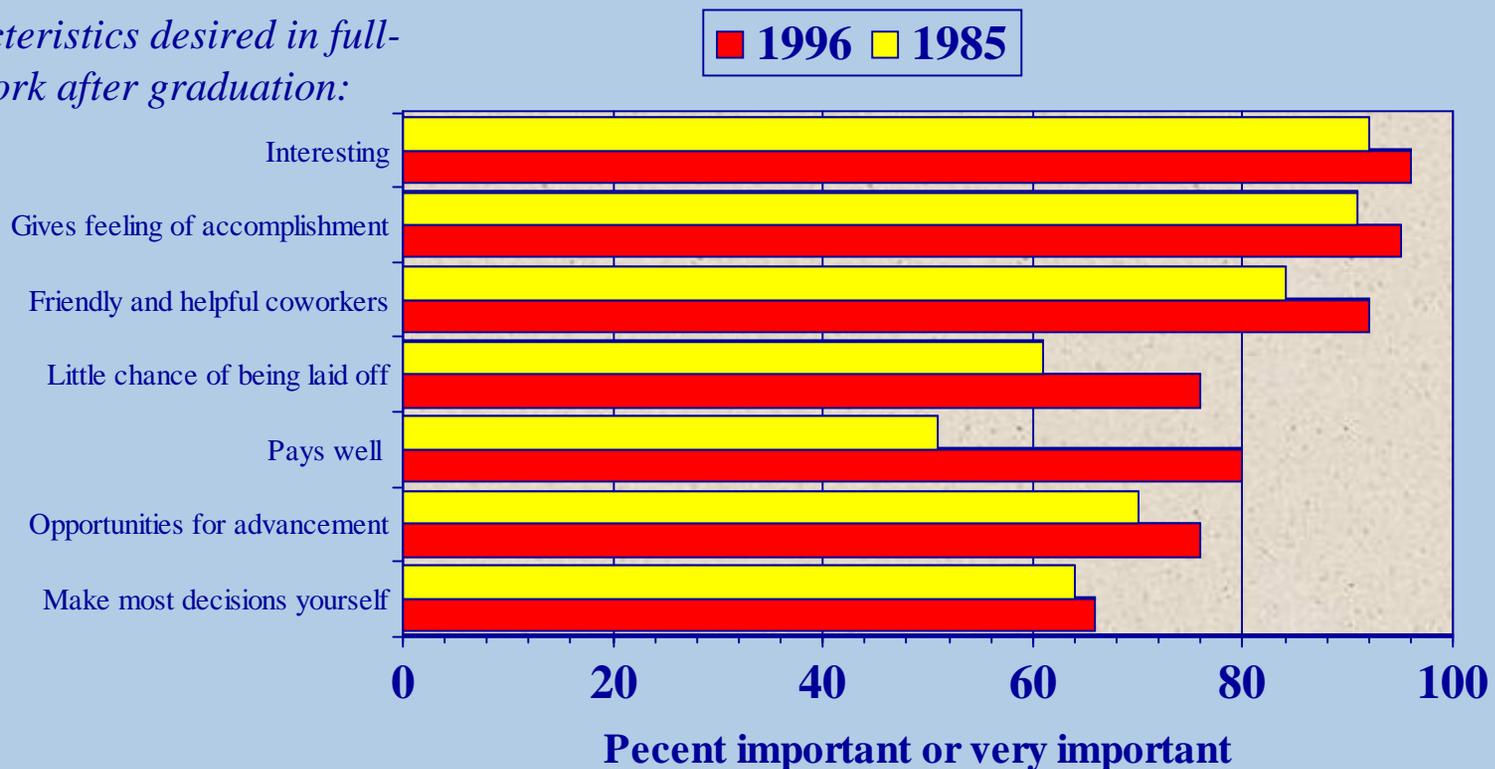
- more change than among high school grads over 11 years
 - this reflects longer and broader exposure to changing labour market and economic conditions
- still, grads want jobs that are interesting, give feeling of accomplishment, have friendly/helpful coworkers
- big increase in importance placed on pay and security
- decision making more important than for younger cohort
 - but expect this to increase with age and work experience



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Changes in work values, 1985 and 1996 University of Alberta graduates

Characteristics desired in full-time work after graduation:



Source: S. Rollings-Magnusson, H. Krahn and G. Lowe, *Does a Decade Make a Difference? Education and Work among 1985 and 1996 University Graduates*. School-Work Transitions Project Report 99-1. University of Alberta, 1999.



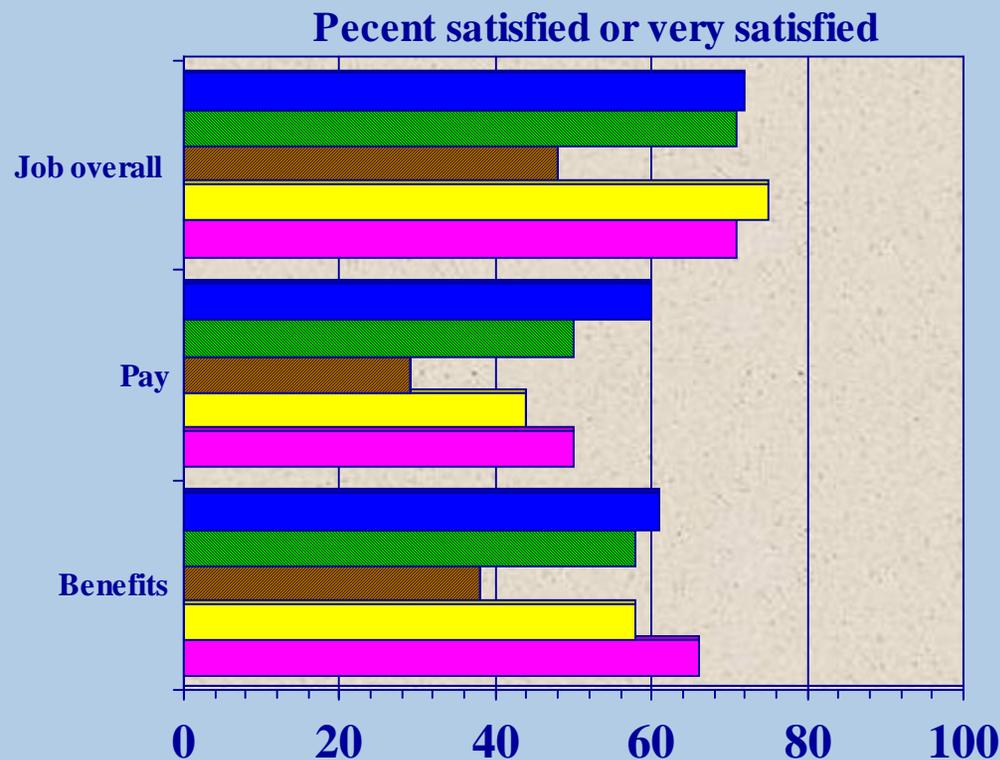
Job experiences of 1990s university grads in public administration

- Alberta data on over 6000 provincial university grads (1994, surveyed in 1997) show favourable comparisons between public admin and private sector on pay, benefits, job satisfaction, skill use
- career goals for most grads do not focus on a specific industry, but mainly on on occupations
- underutilization of skills a problem -- employers must address this
- students need more information on opportunities offered in public admin
 - give equal emphasis to internal opportunities for learning and development, and as a career stepping stone
 - lateral careers and project or team based work can meet expectations
- many don't know how to assess their employability skills
 - so would be unable to judge their suitability for public admin



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Overall job satisfaction and satisfaction with pay and benefits in 1997 job by industry, nonstudents, 1994 Alberta university graduates



Industry:



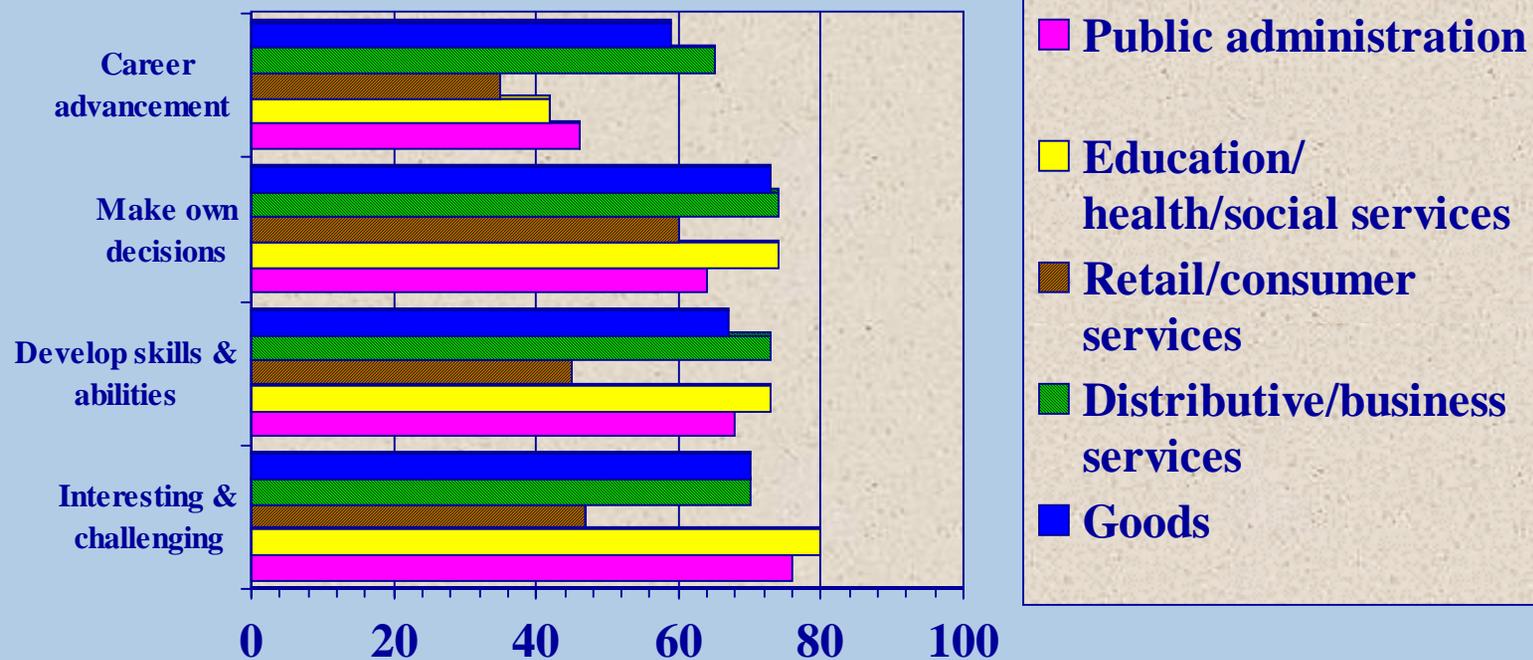


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Satisfaction with intrinsic job characteristics in 1997 job by industry, nonstudents, 194 Alberta university graduates

Percent satisfied or very satisfied

Industry:



Untapped talents: a big HRM challenge



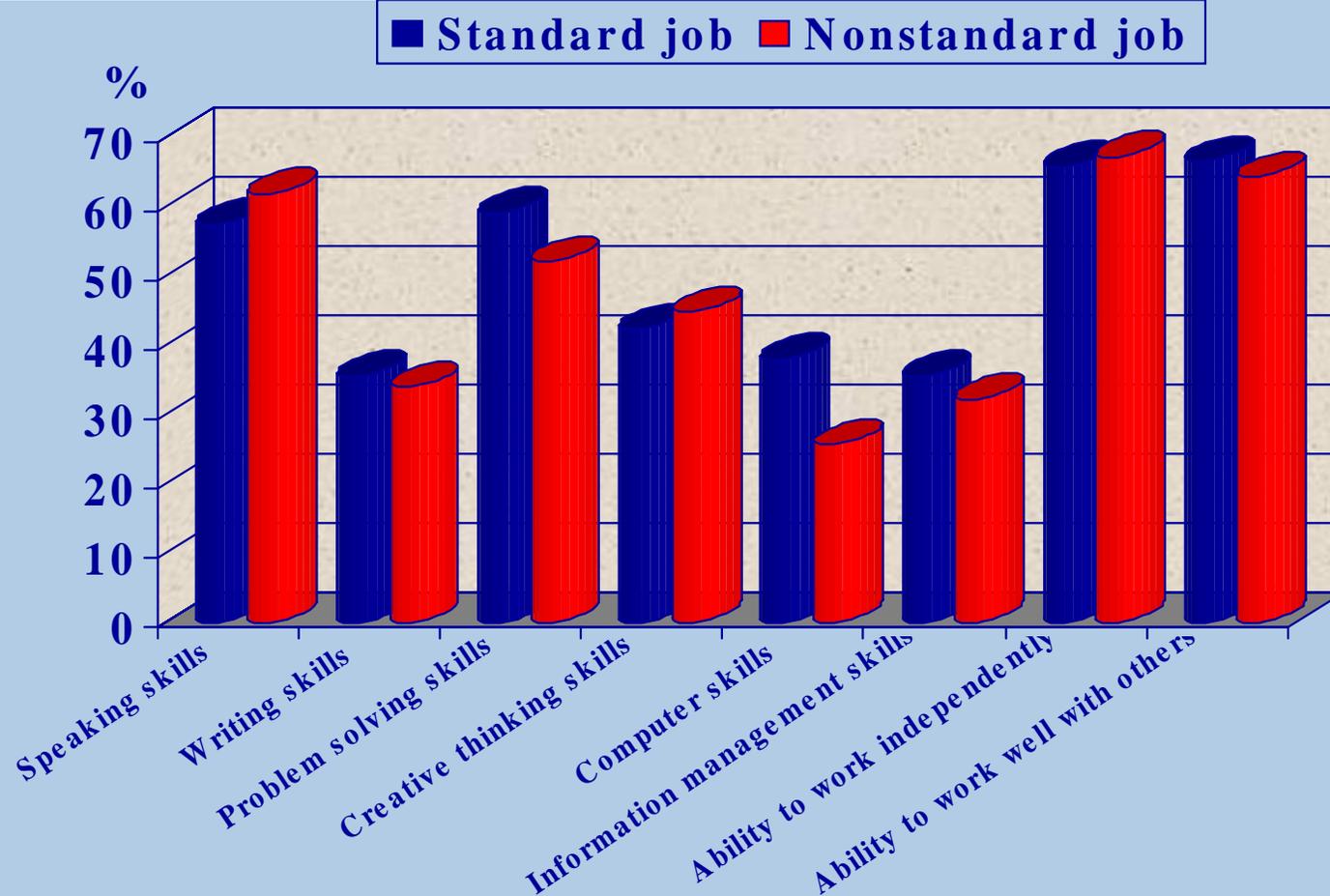
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- 1997 survey of 1994 Alberta university grads
- Economy booming, low unemployment
- By most indicators, grads “successful”
- But essential knowledge, skills and abilities not well utilized: only 1 in 3 ‘extensively’ used writing, computer, information management skills
- Working independently and with others are most widely used abilities, but don’t require a degree
- 1 in 4 felt overqualified, as in other studies

Can government provide a better match between grads’ skills and job requirements? This would benefit workers and citizens.



Extensive use of skills, knowledge, and abilities in current job, nonstudents in 1997 by type of job, 1994 Alberta university graduates





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Does public service have an image problem among university grads?

- Informative in this regard is the Public Policy Forum's survey of a non-representative sample of university students in fall 1997.
- PPF found that only 1 in 4 of the university students surveyed would prefer to work for either the federal or a provincial government.
- About two-thirds stated a preference for the private sector.
- Downsizing and workplace restructuring in both public and private sectors have been widely reported in the media. In fact, public admin lost more jobs than any other industry in the 1990s.
- However, declining public confidence in governments generally, reinforced in some quarters by an anti-civil servant bias in the rhetoric surrounding deficit reduction, may have turned students away from public service careers.

Source: Jennifer L. Smith and Susan Snider, *Facing the Challenge: Recruiting the Next Generation of University Graduates to the Public Service* (Ottawa: Public Policy Forum / Public Service Commission of Canada, 1998).



The “Classes of ‘85” in 1999

- Insights from the employment histories of the Edmonton high school and university classes of '85.
- Over half of the high school sample and 41% of the university sample had completely switched careers since 1985.
- Typically, respondents had 4 to 5 different employers (not counting student jobs or self-employment).
- Approximately 1 in 3 had been self-employed at some point.
- Sizeable numbers also had been unemployed during this 13-year period (58% of the high school sample and 44% of the university sample).
- Just over 1 in 3 had taken time out of the labour market, mainly to have children.
- Close to 90% in both samples were employed at the time of the 1999 follow-up survey.
- Self-employment was more common than either part-time or temporary work, but still lower than labour force average. This refutes one of the myths about this generation.

Recruiting must acknowledge the change and diversity in work histories, looking for the strengths it provides. These young workers may expect lots of career variety.

Source: School-Work Transition Study, 1999 follow-up survey.

Looking Back into the Future



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Recurrent concerns about young people's work prospects...

- “It is not that youth is unwilling to work...It is simply that they have rejected the tightly circumscribed environment that the older worker has come to accept...younger people seek more creative roles...”

Canadian Chamber of Commerce, 1973.

- “If young people are willing to adapt and to accept the values of the hierarchical work situation...we can be assured that little attention will be given to restructuring work.”

*H. Sheppard and N. Herrick,
Where Have All the Robots Gone?, 1972.*

The generations converge on job quality goals



- Job quality problems first seriously raised when baby boomers entering 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
- **KEY IMPLICATION:** 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 (e.g., youth are more ‘critical’)
 - Also, the desire for participation increases with age
 - This approach avoids the internal inequities created by emphasizing the needs of one age group over another

DON'T FORGET WORK AND LIFE NEEDS OF 35, 45 AND 55 YEAR OLDS!



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What this means for becoming the ‘employer of choice’

- Design a variety of programs for high school students to acquaint them with public service work opportunities and the importance of this work
- Make extensive use of post-secondary coop and work-study programs
- Use all student placements as an opportunity to educate about public service careers
- For students, you are already very competitive: governments don’t pay minimum wages
- Set as a clear HRM goal providing young people from diverse educational backgrounds jobs that are meaningful, challenging, and offer learning opportunities, even for short periods (e.g., summer or temporary jobs)
- This may require a redesign of entry-level positions to place priority on these ‘job quality’ objectives, more use of mentors, horizontal and vertical teams, more project-based assignments, a new approach to human resource development planning



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