
A Good Job is Hard to Find

Graham S. Lowe

High-tech glamour jobs? No.

We're shoe salesmen, nurses, carpenters, welders and waiters.

Daniel S. Levine's San Francisco-based on-line magazine, *Disgruntled*, chronicles what he calls the dark side of workplaces. One of Levin's tales is from a letter he received from a former engineer. "One day," writes this engineer, "I was riding down the elevator with an older engineer whom I'll call Joe. Joe was retiring after 30 years with the company. This was his last day. I asked Joe what the highlight of his career was. He stared at me for a solid minute over the box of personal belongings he carried. He looked away. His face got cloudy. As he walked out the door for the very last time, he shook his head and mumbled, 'what a waste, what a waste'."

Joe's story speaks volumes to the wasted human potential in the modern workplace. How many Joe's are there in Alberta's offices, stores, or factories? Collectively, we need to ensure that people are not frustrated in their efforts to contribute their full range of talents to the economy because of narrow job descriptions, dysfunctional bureaucracy, or poorly conceived management systems and decisions. The future of work in Alberta depends on ensuring that people realize their true potential wherever they happen to work.

Alberta crossed the threshold into the 21st century radiating economic optimism. A vibrant economy—high growth, low unemployment, rapid job creation, a huge government surplus—suggests that the province is poised to move out front as a model of the "new economy." Business and political leaders claim that the booming economy is the result of abundant natural resources, low taxes, a balanced budget, minimal business regulations, solid infrastructure—and people. This is the "Alberta Advantage."

However, the people focus of the Alberta Advantage is stronger in rhetoric than in practice. Despite broad agreement that people—human resources—are critical for economic success, the Alberta Advantage fails to put people first. This is especially apparent in workplaces, where innovation, learning, and skill have the most direct impact on productivity, yet where peoples' talents and potential are not effectively used.

Understanding why this is so, and why the workplace needs to become a focal point in a more people-based economic development strategy, invites a much-needed debate about the future of work in the province.

The Alberta government has set the stage for this debate. It heralds the province's workers as the most productive in Canada and among the best-educated in North America. The government's human resource policy, called *People and Prosperity*, states: "Alberta's human resources are the cornerstone of our economy. The development of people and effective human resource practices are key to the ongoing competitiveness of our industries and the continuing vitality of our economy and communities." These ideas resonated with participants at the 1997 Alberta Growth Summit, chaired by Michael Percy, Dean of Business at the University of Alberta. Summit-goers reached a consensus that the top economic priority must be "people development."

With this language of "people and prosperity," Alberta has adopted the human resource model of economic growth. We aren't alone. The link between people and prosperity became the policy mantra of the 1990s throughout the industrialized world. In the US, for example, former Secretary of Labour, Robert Reich, proclaimed in his 1990 book, *The Work of Nations*, that in the global economy, each nation's primary asset is its citizens' talents and skills. Other provinces and the federal government agree with this thinking.

However, people investments alone are not sufficient to create the high-end jobs and businesses that lead in technology, global markets, and innovation. This calls for a reality check: what kinds of jobs are available in the Alberta labour market and do these jobs offer individuals ample opportunities to contribute to, and benefit from, prosperity?

Consider the industries and occupations in which Albertans now work. In December 1999, the five largest industries based on employment were, in this order: retail trade, health care and social assistance, construction, manufacturing, and accommodation and food services. Together, these industries account for 46 per cent of all jobs. What's notable is that lower-tier services (meaning less skilled, less dynamic and innovative areas of the service economy) come first and fifth. And large chunks of the old economy—construction and manufacturing—are still a mainstay.

When it comes to growth rates, the professional, scientific and technical services sector had the strongest showing of any industry in the 1990s. But keep in mind that this sector is still very small, comprising only 6.5 per cent of the workforce, and that the 42,000 new jobs it created in the 1990s accounted for only 14.5 per cent of all new employment. When looking at job growth, it is more useful to examine occupations. The leading job generator during 1988-98 (some 75,400 jobs) was sales and service occupations—hardly a spawning ground for high-skill, high-wage work.

The human resource model also assumes that a skilled and adaptable workforce is critical to meet global competition head-on. Yet, Alberta is a bit player in the global economy. The government's own figures suggest that 18 per cent of the total workforce participate in export-oriented industries. The energy sector, crucial to the province's exports, accounts for a mere 5.6 per cent of all jobs, and has generated relatively few new jobs since the late 1980s. Most of Alberta's workforce is busy providing services or goods locally or to other Canadians.

Other labour market trends in the 1990s also raise concerns about weakening links between people and prosperity. According to Statistics Canada, by 1999, some 20 per cent of the Alberta workforce

was self-employed; 11 per cent of employees were in temporary positions; close to one-quarter worked part-time and of these 21 per cent wanted full-time work; and 38 per cent of employees were in small establishments (fewer than 20 workers). These trends signal a shift away from the "standard job"—a full-time position in a large organization—and, more crucial, the rise of new barriers to skill development and use.

Labour market analysts agree that rising self-employment is one the most important work trends of the past decade in Canada, and Alberta leads the way. Most of the recently self-employed are itinerant freelancers, contract workers, and consultants who roam the new economy in search of a living. This solo self-employed group now comprises 14 per cent of the provincial workforce. Distinguished more than anything by their diversity, they span the continuum from high-paid information technology consultants, to downsized 50-something senior managers looking for an alternative to early retirement, to people selling the latest line of vitamin supplements or providing daycare for neighbourhood kids in their living room.

The self-employed are harbingers of things to come in the new economy: greater extremes in incomes and the quality of work life. We know very little about how the working conditions of self-employed individuals influence their productivity or their overall quality of life. They are on their own when it comes to acquiring new skills.

A related trend is the shrinking size of the workplace. The biggest job losses (some 30,000) during the 1990s occurred in the public sector, where large organizations predominate. Downsizing continues, with the difference being that profitable firms and governments with surpluses do it. Thus as large corporations and governments handle more work with fewer people, small business is a source of job creation, and the contingent workforce—temporary, contract, part-time—grows.

Workplace size is one of the best indicators of an individual's pay, benefits, working conditions, job skill requirements, and access to training and career development opportunities. Despite the allure of becoming an entrepreneur, and high levels of general satisfaction among employees of small businesses, when it comes to skills and learning, small is not beautiful.

When all this labour market restructuring is considered along side the wage freezes or rollbacks in the public sector and parts of the private sector, it comes as no surprise that Albertans haven't seen much improvement in their earnings. In fact, average weekly earnings of employees rose only four per cent (after inflation) between 1989 and 1999. Virtually all of this small gain was at the end of the decade, from 1997 on. What's more, the rise of self employment is not good news for overall living standards, given that self-employed individuals earn about 25 per cent less than the average employee.

These labour market restructuring trends contribute to a mismatch between people's skills and their job requirements. Alberta has a well-educated workforce (two in five have a post-secondary diploma, certificate or degree) and we are among the most computer-savvy people in the country, based on high levels of computer literacy and home-computer ownership. Tomorrow's workforce will be even more highly educated and skilled. However, rates of underemployment—workers reporting that they don't use their education, training and experience in their job—run between 20 and 30 per cent, depending on the group examined.

According to a survey of 1994 graduates from Alberta's universities (part of the provincial government's Key Performance Indicators initiative), several years after graduating, many reported their jobs to be unchallenging. One in four felt they were overqualified for their job, given their education, training and experience. Many jobs did not make good use of graduates' ability to write, solve problems, think creatively, or use computers—essential competencies for building a knowledge-based economy. The result: diminished quality of work life and a loss to the economy of ideas and efforts.

Furthermore, putting life-long learning into practice isn't easy. According to the government's figures, adult participation in credit and non-credit learning declined from 40 per cent in 1993 to 34 per cent in 1997. Early in the 1990s, 17 per cent of employed Albertans received some form of employer support for education and training, compared with 15 per cent nationally. Yet across the country workplace training has become even more exclusive. While overall on-the-job training rates have gone down, well-educated workers in large organizations are getting more training opportunities. And older workers face obstacles to post-secondary education: a shortage of time; combined work and family responsibilities; rising tuition; and programs that weren't designed with their needs in mind.

The vision of an economy driven by knowledge-based industries that exploit cutting edge information technology remains largely that—a vision. The current thinking about people and prosperity has a "field of dreams" aura: create a highly qualified workforce and the good jobs will come.

Typical of this thinking is the claim by Alberta's industry and government leaders that economic development is tied to creating a skilled and flexible workforce. The emphasis has been on "employability skills," evident in the growth of school-business partnerships, high school work experience courses, and targeted funding for engineering and technology programs at the post-secondary level.

Yet we can't assume that talented and educated workers alone will guarantee that high-skill, high-wage business will take root. A wide array of complex factors, many beyond a province's control (energy prices, the strength of the US and Asian economies, interest rates) influence business location and start-up decisions. Furthermore, this policy focuses on the supply of skills available to employers, neglecting the extent to which work environments provide adequate opportunities to actually use and "grow" these skills.

Simply put, our thinking about human resource development has been outpaced by labour market changes. Old notions of people and prosperity, based on providing individuals access to education and training, need updating. While this goal remains important, there is a quantum leap from traditional on-the-job training and classroom education to workplaces organized around the principles of continuous learning, knowledge, and innovation. These three principles must be adapted to a labour market in which more people work on their own or in small workplaces.

The vision for the future is a knowledge-based economy in which continuous learning and skill development contribute to a better quality of life. Productivity, workplace learning, workers' skills, and the quality of work life are linked. In other words, the more that workers are empowered to creatively apply and build on their existing knowledge, the more likely that a work site will be productive, generate new ideas, and be a desirable and rewarding place to work.

A knowledge-based economy must draw on the talents of all workers in all industrial sectors—not just the educated elite of information workers. If indeed people are the most valued resource, then we must find more effective ways of unleashing their creative potential. If we don't, essential skills such as literacy and numeracy can atrophy over time—as Canadian research using the International Adult Literacy Survey suggests.

The missing piece of the people and prosperity puzzle is the workplace, especially the systems used to organize and manage how individuals do their work. This is the black box of human resource development. A close look inside many workplaces reveals deeply rooted barriers to skill use and learning. These range from narrow job designs that limit workers' use of their knowledge, command-and-control management systems that do not involve workers in decision-making or in the change process, and organizational cultures that do not truly value learning.

The solution lies in better ways to support people in doing their work. This will require a shift in policy emphasis, away from job creation as a numbers exercise—a game Alberta has scored well in—toward the quality of existing and new jobs. The new policy focus must be on the diverse contexts in which people work. Workplace change is the new challenge, so that we can strike the right balance between creating more skill-intensive jobs on one hand, and on the other hand, ensuring that individuals have the education and training required to perform these jobs.

A central issue is how to design jobs so that workers' abilities are put to fuller use. This requires identifying workplace contexts and management practices that improve the quality of work life *and* make the organization more innovative and productive. As the Organization for Economic Cooperation and Development has documented, people-centred work practices contribute to improved performance and profits. There is no "one best way" for achieving these goals. Yet evidence suggests that a "bundle" of changes—self-directed teams, information sharing throughout the organization, an emphasis on flexible use of skills, support for learning and training, worker involvement in decision making, a healthy and family-friendly work environment—strengthens the link between people and prosperity.

Individuals will welcome this, given that most of us desire work that is a source of personal fulfillment and growth. Improving the quality of work life surely is a compelling reason to create more opportunities for learning, personal development and skill use in workplaces. This objective tends to get overlooked in current human resource development policy, whether in Alberta or elsewhere.

Some Alberta employers do place a high priority on people development. For example, Syncrude is recognized for its extensive commitment to training. In the high-tech sector, some managers seek greater contributions from workers. "My responsibility is the empowerment of people," states a Calgary-based Nortel manager, describing his firm's human resource management philosophy. And in various unionized workplaces, from municipalities and school boards to petro-chemical plants, workers and management have jointly designed better ways of working, to the benefit of both.

However, across wide swaths of the economy, especially the lower-tier of the service sector, a "skilled" worker is someone who is reliable, has a pleasant personality and clean appearance. Thus one place to focus efforts is on the 60 per cent of workers who have not gone to trade school, college or university, and figure out how to make their jobs more skill-intensive. The majority of young people do not go directly into post-secondary education, and many will never graduate from

college or university. These individuals are the backbone of the economy. Their ability to learn and develop new skills, then to apply them in their jobs, is the raw material for future economic productivity.

The newly created Alberta Human Resources and Employment has as one of its goals creating a skilled and competitive workforce. The department would be taking a major step forward by promoting teamwork, labour-management cooperation, employee participation, other innovative approaches to organizing work, and overall improvements in the quality of work-life as prerequisites for its goal of people development. The department can facilitate this in three ways: by documenting and widely communicating innovative people-first workplace practices; by putting these practices into place within the government work sites; and by assisting the contingent workers, self-employed individuals and small firms who lack the resources to adopt high-skill, learning-based work systems.

Furthermore, while governments can't legislate productive work environments, they can provide incentives. For example, a one per cent payroll training tax would create a training fund that would benefit the economy by enabling all workers to engage in training. Firms that already invest adequately in training would be exempt.

Ultimately, business has to take the lead in improving their own human resource management practices and workplace organization. This is a shared responsibility: workers, unions and professional associations all must have a voice in how to place people at the centre of a prosperity strategy. In any workplace, the first question to ask of workers is: what changes are needed to ensure that you are able to better contribute and grow?

"People and prosperity" is a neat turn of phrase that has done little more than fit people into existing work structures. The needs of all citizens would be better served if we challenged ourselves to think of prosperity as something created by and for people. The future of work in Alberta may well depend on this bolder vision.

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