

## Section II Trends

by  
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**TREND 1: Talent and knowledge have replaced capital and raw materials as the primary competitive advantage at all levels of society. Future organizations will harness burgeoning technology to deliver necessary and timely information while managing the benefits and challenges of a more flexible and mobile workforce.**

Technology will continue to change us in fundamental ways as the pace of change today is truly exponential. Moore's Law (Gordon Moore, co-founder of Intel) states that computer chips (processors, memory, etc.) double their complexity every 12-24 months at a near constant unit cost. This means that every 15 years, on average, a large number of technical

capabilities (memory, input, output, processing) grow 1,000 times (Smart, 2006/2007). Barriers to worldwide participation (in terms of access, cost and skills required) for 1.6 billion computer users and 3 billion mobile device users, is rapidly approaching zero (Ross, 2009). New portable solar and other 4G technologies will allow many people to work anyplace and anytime with less potential impacts on the environment.

In essence, workers now own the means of production (Pink, 2001). Many workers are now able to bring their infrastructure with them. The tools necessary to do their job are cheaply available and workers do not necessarily need the employer to provide workspace, machines or technology. Workers are able to work and download immediate information and applications instantaneously. Being "at work" will mean working in the office or other business location, in telecommuting hubs, or in associations globally, and virtually, as employees or as contractors. In essence, power is devolving from the organization and emerging within the individual and their personal networks (Pink, 2001).

**Issues to consider:** Distributed/mobile/flexible workforces can save money and reduce workforce support costs by up to 40% (Ware and Grantham, 2008). Using technology to understand, communicate and utilize the disperse nature of suppliers, business partners, customers, distributors and employees, all available through inexpensive virtual video conferencing and mobile communications technologies, will allow organizations to seamlessly recombine teams and work process pathways to efficiently structure and execute work. An ROI analysis of a Future of Work client reveals that "moving to a mobile/distributed workforce (People in the office every day, but none full-time. Employees come and go as their work requires them, and they use "touchdown" spaces and conference rooms when at the office) saved the company about \$8,500,000 in salary and support costs (on a \$52,000,000 salary base) and reduced the support cost per worker by over 26%." This does not include the "equally impressive increase in individual and group productivity, increased workforce engagement, and the significant environmental benefits from the dramatic reduction in miles being driven to and from the corporate office facility" (Ware and Grantham, 2008).

Understanding how to harness the positives of virtual networking and "social hiving" technologies and embrace more virtual work practices will become increasingly important for organizations, especially for attracting and retaining younger and older workers (See Trends 5, 6 and 7)(Ross, 2009). In particular, social networking business applications offer new ways to: provide instant customer service and interaction, manage projects and teams, spy on competition, network/recruit for jobs, market and brand organizations, services and products, as well as coordinate worldwide dispersal of information and action.

### Suggested Readings:

Kelley, K., Moore, B., and Holloway, S. (2007). *The future of attraction, motivation and retention: A literature review*. Scottsdale, AZ: WorldatWork.org.

<http://www.worldatwork.org/waw/adimLink?id=23143>

Pink, D. (2001). *Free agent nation: The future of working for yourself*. New York, NY: Warner Books.

Ware, J. & Grantham, C. (2003). The future of work: Changing patterns of workforce management and their impact on the workplace. *Journal of Facilities Management*, 2(1) May, 142-159.

Future of Work website: <http://thefutureofwork.net/>

Self paced, individualized e-learning and virtual training technologies will also become a dominant necessity for organizations interested in engaging and retaining a malleable workforce. Training will be provided as instant “apps” (small readily accessible virtual modules available instantly and at anytime in the palm of your hand). How will your organization provide growth and learning opportunities in order to retain premium performance of individual knowledge workers? Future organizations will readily harness the burgeoning technology to deliver necessary and timely information while managing the benefits and challenges of a virtually flexible and mobile workforce. In sum, resilient organizations will embrace technology to “move work to people instead of people to work” (Ware and Grantham, 2008).

**TREND 2: Rapid advances in technology and the emergence of more virtual work and business opportunities is shifting the paradigm from organizational standardization to individually customized experiences.**

**Issues to consider:**

Customization of the marketplace and changing technology in the hands of all people will push organizations toward creating more customized experiences, in order to attract and retain human knowledge and capital. As technology provides increased freedom for many workers to move and shift their careers within organizations by participating in different capacities within different business units; organizations that excel must devise ways to keep workers engaged and continually attracted to their current organization.

Our society will also see a shift that allows more non-traditional workers to move in and out of organizations bringing their knowledge, experiences and expertise to the task at hand, while they garner new experiences which they can harness into new opportunities elsewhere (WorldatWork, 2009).

Organizations will also be faced with career, reward, benefit and virtual learning customization. Instead of traditional pathways, workers will work with employers to create customized career latticing, reward systems and benefits allocations. The most forward thinking organizations are incorporating the non-linear life and work paths of workers, and are moving beyond one size fits all career paths, benefit plans and e-learning support structures traditionally designed for a homogenous workforce.

**Suggested Readings and Video:**

Ruddy, A. (2009). Media Player Video: *The future of attraction, motivation and retention: A literature review*. Scottsdale, AZ: WorldatWork worldatwork.org.  
<http://www.futureoftotalrewards.org/>

Benko, C. and Weisberg, A.C. (2007). *Mass career customization: Aligning the workplace with today's nontraditional workforce*. Boston, MA: Harvard Business School Press.

**Career Customization:** Knowledge workers have been building lattice like careers for twenty years by moving in and out of organizations and up and down hierarchies, albeit without the support of their organizations (Deloitte, 2009). Women especially have “opted out” or “dialed down” their careers as alternatives to the “all or nothing approach” to corporate or academic career ladders. Organizations have made the “mistake of viewing and treating these changes in workforce participation as discreet, solitary events, when in fact, they are connected, converging and creating unprecedented pressure on organizations to accelerate the transition from standardization (ladder) to customization (latticing)” (Deloitte, 2009).

**“With an increasingly diverse workforce, no single reward element will be a value driver.” (Kelley, et al, 2007)**

What Deloitte is calling Mass Career Customization (career flexibility or latticing) is happening at the corporate level (examples include: Deloitte, Bon Secours Richmond Health System, Accenture) as well as academia. Universities such as University of California (UC Davis) and the University of Washington, among many others, have developed their own policies and practices necessary to support faculty while honoring their often competing commitments to both family and career (UC Davis, 2009).

Many universities have provided new or enhanced systemic practices to address the “career latticing concern” by providing online policies and tools including suggested language for requesting: 1) leave, 2) modified duties, 3) tenure clock extensions, 4) post tenure deferrals, 5) transitional support for faculty undergoing life transitions, 6) part-time tenure track appointments, and 7) dual career hiring.

**Customization of Rewards and Benefits:** In an economic downturn, organizations are reducing operational expenses or looking to garner more return on their benefit investments while understanding benefits (including

traditional work/life benefits) and the branding of overall organizational culture are the main arrows in the quiver of employee attraction and retention. Forward thinking organizations will use this economic crisis to hone in on what policies, practices, rewards and benefits create an attractive culture and workplace, and may look to move beyond “one size fits all” plans traditionally designed for a homogenous workforce to examine judicious (and federally compliant) customization of benefit and reward structures for different types of workers. “Technology will enable HR to group reward elements and combine them differently depending on the needs of the employee, the employee group, project or work environment. Instead of offering one thing to everyone, technology will allow customized reward experiences that can attract, retain and motivate the best and the brightest” (Anne Ruddy, President, WorldatWork Video).

Organizations may consider cafeteria style rewards or Section 125 benefit plans or in the future, work with government on emerging (yet compliant, nondiscriminatory) customized and flexible benefit plan designs. Currently, approximately 20% of organizations offer cafeteria or flexible benefit plans. These plans provide benefit flexibility allowing employees to pick from a menu of benefit and work/life options that can be limited only by the employers’ imagination. Flex or cafeteria plans allow employers to upgrade and customize the varied choices of benefits offered while maintaining and monitoring total benefit costs.

Flex plans can be simple (paid insurance premiums with pre-tax dollars) to complex models (credits allowing employee choice of type and benefit level on either a pre-tax or post tax basis). For example: using employer benefit credits (or expending additional employee paid credits) to upgrade coverage for extended paid parental leave, child care assistance, paid sabbaticals, wellness (club discounts), legal assistance and estate planning, special needs services for children, concierge services, pet insurance, car insurance, tuition reimbursement, etc. If the desired benefits surpass current employer contributions, money would be withheld. If it is less, the remainder of “credits” is added to taxable take home pay. From a menu of choices, employees in different life situations and stages can re-direct employer benefit contributions to what each individual (or covered dependents) need each year. From a “One Size Fits All” solution to a “My Size Fits Me” solution (Pink, 2001).

Currently, IRS regulations on cafeteria plans are exact and these plans must be nondiscriminatory and compliant in nature. While such plans can provide significant cost advantages for employer and employee, they can also add to a company’s administrative and recordkeeping burdens. Perhaps the future will see an evolution in government regulated benefit and reward plans based on a diverse, emerging and global labor force that allows for customization at the next level.

Excerpt from Working Mother Magazine:  
“100 Best” Issue, October 2008

***100 Best: What’s Next? Big thinking about what the next generation of work/life benefits will look like (and why you should be excited about what’s coming).***

Better Than Platinum Card: Flex Credit

“It’s the year 2020. To keep all generations of workers happy and to help cap expenses, corporations now offer FamilyFlex to employees. Staffers receive FlexCredits each year based on their position or tenure. These credits can be used toward a menu of benefits: pregnancy support (10 credits), child-tutoring programs (2 credits), extra paid time off (5 credits), sabbaticals (20 credits) and assisted-living benefits (50 credits). Employees can adjust their benefits at any time to fit lifestyle changes, and every plan is customized. The upshot for companies? Reining in benefit costs by limiting spending per employee.”

—Lisa Bodell, CEO, futurethink, a research company that helps employers innovate and prepare for tomorrow in Working Mother Magazine, October 2008

## Best Practice: Work/Life Policies

### *Deloitte Mass Career Customization (MCC): Aligning the Workplace with Today's Non-Traditional Workforce.*

*Mass Career Customization* acknowledges today's career is no longer a straight climb up the corporate ladder but rather an undulating journey of climbs, lateral moves, plateaus, and planned descents, like a sine wave. The premise and model provide a framework for attracting talent and strengthening leadership pipelines while providing more varied and self-paced career journeys. This model eliminates one-dimensional flexibility approaches and makes customized careers the norm.

The *Mass Career Customization* concept is an innovative, transparent, structured approach that identifies four core dimensions of a career: Pace, Workload, Location, and Role. Deloitte employees work with their employer and manager to ensure value and correlate these dimensions to each employee's talents, career aspirations, and evolving personal life circumstances over time, as well as to the enterprise's shifting marketplace strategies and resulting need for talent.

Providing choices that assist Deloitte employees in creating career trajectories that work for individuals in different lifestages, benefits the individual and organization by reducing churn, as well as by increasing productivity, connection and loyalty. It is a model available at all times for every employee.

#### Results:

- Participants report an increase in job satisfaction and productivity, indicating that the MCC framework helps them manage work, career and personal life. MCC also significantly improves the quality of career conversations.
- MCC also builds employee loyalty. Survey findings confirm that respondents who have an effective career-life fit were nearly twice as likely as those who did not to report that they intended to stay for six years or more. Furthermore, 55% of respondents report that upon initial introduction of MCC, the framework positively impacted their continued desire to work at Deloitte.
- Finally, 62% of respondents report that MCC had a positive impact on their likelihood to recommend Deloitte to others as a great place to work.

"Scaling the corporate ladder used to be the very definition of professional success. But organizational hierarchy is not what it used to be, nor is the corporate workforce. A paradigm shift is already underway—one in which the Corporate Ladder is giving way to the Corporate Lattice, and that *Mass Career Customization* is the framework for how work will get done and careers will be built in lattice organizations" (Deloitte, 2009).

Source: Deloitte LLP (2009) – [deloitte.com](http://deloitte.com)

Please see: [http://www.masscareercustomization.com/about\\_mcc.html](http://www.masscareercustomization.com/about_mcc.html) and

<http://www.deloitte.com/dtt/article/0,1002,sid=153749&cid=216046,00.html> for more information.

**TREND 3: Where organizations will look to customize solutions, government will regulate standardization. Newly implemented or proposed federal labor law changes, especially health care reform, may re-position how organizations offer traditional and human capital benefits.**

**Issues to consider:** National labor law changes are occurring or are proposed: President Obama's plan for mandatory retirement (401K) plan participation, national health care reform, COBRA, Employee Free Choice Act, Ledbetter Fair Pay Act, The Serve America Act, and a proposed House bill for paid (accrued leave) FMLA. With these potential changes, organizations and benefits administrators need to prepare for impacts on individual business practices. The current administration's labor policies could impact the breadth and depth of benefits and services offered by organizations, by potentially adding standardization in the areas of union, leave, retirement, and health care participation and coverage.

President Obama's proposed "pay or play" health care reform, if implemented as currently discussed, could substantially change corporate offerings in diverse ways. It is too early to tell what the overall impacts of the Obama administration's proposed plan will have on corporate based health coverage, however organizations must anticipate how they may respond to national mandates and how this change may or may not impact funds available for other benefits and work/life initiatives.

**Suggested Readings:**

Hewitt Associates. (2009). *The road ahead: Emerging health trends 2009*. Lincolnshire, IL: Workforce Management Online. [www.workforce.com](http://www.workforce.com)

For Hewitt Report See: *Challenges for Health Care in Uncertain Times: Hewitt's 10<sup>th</sup> Annual Health Care Report*  
[http://www.hewittassociates.com/\\_MetaBasicCMAssetCache\\_/Assets/Articles/2009/Hewitt\\_2009\\_Emerging\\_Health\\_Trends\\_Survey\\_Report.pdf](http://www.hewittassociates.com/_MetaBasicCMAssetCache_/Assets/Articles/2009/Hewitt_2009_Emerging_Health_Trends_Survey_Report.pdf)

If the national proposed health reform plan is passed and organizations decide to "pay" and no longer offer organization based medical insurance, will they still focus on health and wellness initiatives? Furthermore, with national health plans on parity (through federal mandates); organizations will need to decide how to accent and differentiate their organization from the competition to recruit and retain needed talent. Furthermore, how will compliance with potentially new standardized regulations in retirement, union, health, and leave participation free up or monopolize monies traditionally used for benefits including established work/life benefit policies, practices and plans? Successful organizations will continue to strategically reduce health care and other benefit costs, while preserving long term sustainability, increasing their competitive edge, and driving healthy behavior change (and rewards) among employees.

**TREND 4: Due to the current economic downturn, fewer resources are available for costly benefit administration, programs or pay increases. Organizations will think differently and innovatively about what other low cost benefits and programs of intrinsic value can be offered.**

**Issues to consider:** How can organizations create value and instill positive engagement in an era of downsizing, layoffs, and imposed reduced work schedules? In an age where employee engagement has never been more critical, organizations must find low cost, high touch ways to keep their employees focused on task, develop their people and reduce health, stress and absenteeism costs. Sustaining core values and effective communication during contractive times is critical. Constant communication with employees to use current work/life services provided by the organization and/or vendors, such as: 1) EAP, 2) resource and referral, 3) flexible work options, 4) child care initiatives, 5) preventative health, wellness, stress management, health clubs and assessments, as well as, 6) legal, estate and financial planning is critical during economic uncertainty and will continue to build trust. Organizations that rely on extensive and honest employee communication and use creative flexibility will be best able to weather the current economic storm. High performance organizations will look for ways to build trust, communicate value, recognize success, as well as address the work/life needs of workers in ways that are highly valued and improve morale while being cost neutral or cost negative.

Recently, a new phenomenon is gaining speed. Babies at Work is a low cost, high touch and positive impact program that is garnering attention nationwide as an initiative that can reduce stress and productivity costs.

### **Best Practice: Child Care**

#### ***Babies in the Workplace***

During the current economic downturn many companies cannot offer pay increases and are looking for ways to increase loyalty and provide high touch, caring work environments. Parenting in the Workplace or Babies at Work has worked surprisingly well for more than 120 companies with more than 1,400 babies successfully brought to work.

The majority of companies with babies-at-work programs limit the time babies can come to work to approximately 6 to 8 months of age (or crawling, whichever comes first) and set up policies, common courtesies and expectations. Employees who want to take advantage of the program meet with their supervisor, assign two other employees to be caregivers during meetings, and must sign liability agreements. Companies always reserve the right to cancel the program or individual situations.

Participating companies state that they have realized: 1) earlier return to work, 2) increased work hours, 3) greater retention of new parents, 4) greater loyalty, 5) higher morale, 6) attraction of new employees and clients, and 7) moderate productivity (estimated at 70-80% normal capacity.) The program is an incredibly cost-effective solution for organizations because parents provide all of the supplies and equipment for their baby and retain responsibility for their baby's care and well-being. The program is a very attractive option for businesses that cannot afford the liability insurance, regulatory compliance issues, direct costs for dedicated space, and hired care providers necessary with onsite child care.

The Parenting in the Workplace Institute provides consulting services and the following free downloadable documents: 1) notice to the public, 2) detailed business benefits, 3) CDC recommendations, 4) policy template, 5) HR/parent planning list, 6) explanation for personnel, 7) individual parent plan, 8) parent legal waiver, 9) fact sheet, 10) sampling of participating companies, and 11) alternate care provider form.

Sources:

Interview with Carla Moquin, President of Parenting in the Workplace and Babies at Work

Parenting in the Workplace website: <http://www.parentingatwork.org/> and <http://www.babiesatwork.org/>

Marquez, J. (2009, January). Parents discover babies in the workplace gaining acceptance. Workforce Management Online. <http://www.workforce.com/section/02/feature/26/10/54/>

**TREND 5: Baby Boomers and retirees will continue varying degrees of labor force participation due to insufficient financial assets and strong desire to contribute.**

Even if medical technology will be able to create a healthier and longer vital average lifespan, the idea of retirement (a life of relaxation, travel, gardening and golf, etc.) at 65 or even 70 as a reward for 40 or 50 years of hard work is not the future, not the historical norm, and may very well be a infinitesimally sweet and strange blip on the screen of human history.

The Employee Benefit Research Institute reports that half of all workers ages 45-55 have saved less than \$50,000 for retirement excluding the value of their home and any pension funds (Working Mother Magazine, 2008) and many others have seen a massive loss of retirement assets since last fall. The Federal Reserve states, "The average net worth of American families plunged 22.7% during the first 10 months of 2008, battered by the double slam of declining stock prices and home prices. Furthermore, there has been no let up in the erosion of net worth since October 2008" (The Federal Reserve, March, 2009).

Given the paltry savings of many, an unintended 20+ year retirement span (social security design flaw), a current economic disaster in terms of personal savings and assets, and a generation who has changed the rules since their inception; an AARP survey found that nearly 70% of 50 to 70 year olds expect to work in their retirement years, or never retire at all. Furthermore, a recent, February 2009 Towers Perrin Study found that 59% of corporate respondents report that their employees plan to postpone retirement in light of the current economy. "That's good news for employers faced with a shrinking labor pool, since HR experts predict demand for skilled workers to soar by at least 40% by 2012" (Working Mother Magazine, 2008).

Retirees and those about to retire will need to continue to work for fiscal reasons, as well as want, but they will be in the driver's seat and will negotiate their own terms. A MetLife survey found that nearly 70% of Boomers who plan to work in retirement say the desire to stay active, mentally challenged and engaged is the primary reason (Working Mother Magazine, 2008). Older workers will continue to offer their gifts and talents to the labor pool and organizations wise enough to engage them.

**Issues to consider:** Innovative organizations are crafting policies, programs and organizational structures (benefits, flexible work, career planning, work/life services) to meet the needs of older workers. How might a shift to retaining/hiring older employees shift or expand your array of work/life benefits, resources and support? How will it affect paid time off policies and wellness, health and fitness services, as well as eligibility or extension of health benefits? What types of work and career flexibility will older workers require: part-time work, phased retirement, consulting projects and networks, mentoring projects or "intergenerational knowledge transfers" (in person or virtual), on call availability, general schedule flexibility, virtual or telecommuting work, e-learning or virtual training, and/or tuition assistance? Organizations must also be aware and compliant with ADEA regulations and understand impacts on social security. Organizations will need to formally assess and evaluate the needs of older workers and fine tune their benefit packages, especially for part-time or "consulting-type" arrangements, perhaps customizing benefits for this particular group.

**Suggested Readings:**

Pitt-Catsoupes, M. and Matz-Costa, C. (2009, March). *Engaging the 21st Century Multi-Generational Workforce: A Study for the MetLife Mature Market Institute by the Sloan Center on Aging & Work at Boston College.*

See:

<http://www.metlife.com/assets/cao/mmi/publication/studies/MultiGenWorkforceStudy.pdf>

MetLife Mature Market Institute and David DeLong and Associates Case Studies (2009): Cisco Systems, Deloitte LLP, Pitt County Memorial Hospital, and Sodexo Health Care

See:

<http://www.metlife.com/assets/cao/mmi/publication/studies/MultiGenCaseStudies.pdf>

See also: MetLife and Generations United, (2009) *Generations in the Workplace: A Workbook for Engaging the Best Talent of All Ages.*

The Workbook is built around an Assessment of Corporate Intergenerational Systems© (ACIS©). Scores achieved on the Assessment provide action steps, tools and exercises that promote stronger intergenerational performance.

See:

<http://www.metlife.com/assets/cao/mmi/publication/studies/MultiGenWorkforceWorkbook.pdf>

Elder care will become an increasingly demanding issue for older workers as daily elder care or fiscal responsibility for an elderly or sick loved one is a concern for these workers, requiring innovative policy in addressing these needs. The future trend for employee elder care assistance is likely to dwarf the push for child care assistance for working women when first implemented in the 1980s.

Financial and life cycle assistance in the form of: 1) elder care subsidies, 2) financial and legal planning, 3) resource and referral services, and 4) in-home assessments, evaluation and home visitation programs may substantially increase. Organizations that cater to the workplace flexibility wants, as well as age specific needs of older workers will reap tremendous benefits as the looming labor pool shortage continues to be a concern across many industries.

### **Best Practice: Work/Life Policies**

#### ***Bright Horizons Back-Up Elder Care Services***

The Bright Horizons Back-Up Care Advantage Program provides access to back-up care for children, both well and mildly ill, as well as elders and adults through a nationwide network of quality, licensed child care centers, including hundreds of Bright Horizons child care centers, as well as in-home care provided by trained, licensed home health care professionals.

Results from *The Lasting Impact of Employer-Sponsored Back-Up Care*, a 2008 Bright Horizons study of approximately 100 users of the elder care back-up component found:

Participants using elder back-up care overwhelmingly state that program availability reduces stress, increases loyalty and retention, reduces absenteeism, and increases productivity. Employees who used this service report a positive impact on: 1) concentration (97%), 2) job performance (87%), 3) ability to meet the demands at work by providing good customer service (83%), 4) working longer hours (75%), 5) pursuing or accepting a higher position (65%), 6) continuing work for employer (63%) and 7) more likely to recommend employer to others (62%). Participants were also able to work an average of 10 days that they would have otherwise not been able to over the past six months because of access to adult/elder care.

Who uses the service?

- More than half were professionals, management, or in leadership/ executive positions. More than a quarter was administrative and support staff. In addition, 73% had been with their organization for five years or longer, 36% were older than 50, and 57% were between 36 and 50 years of age.
- Sixty-two percent used back-up care for a parent and 8% used the program to support a spouse or partner.
- Care was provided for adults whose normal care arrangement was: 1) Independent/cares for self (33%), 2) care by a family member (24%), 3) caregiver comes to the home (24%), 4) assisted living facility/nursing home (10%), 5) other (5%), 6) hospice care (3%), and 7) adult day care/senior/community center (1%).

Prevalence: According to the Wall Street Journal (2006), backup adult-care benefits are offered mainly by large companies with more than 500 employees. The Society for Human Resource Management survey, *Benefits Survey Report* (2008) found that 20% of employers offered elder care referral services, and 5% offered backup elder care services. Organizations that contract with Bright Horizons for emergency elder care pay an annual fee based on employee utilization. Companies might offer the service to employees for free, or charge a co-payment, typically about \$4 an hour. By comparison, private agencies that provide such backup care may charge about \$15 an hour (varies across country).

ROI: Why should companies consider back-up elder care a best practice? Because lack of quality alternatives for dependent care impacts an organizations' productivity and bottom line. The 2006 MetLife Caregiving Cost Study found that absenteeism due to dependent care issues cost U.S. employers more than \$5 billion (at \$320 per employee) on an annual basis. Partial absenteeism racked up a bill of nearly \$2 billion (at \$121 per employee). Crises due to elder care issues accounted for a \$3.8 billion loss (at \$283 per employee). Finally, AARP estimates that stress from adult/elder care responsibilities impacts productivity at a \$2,110 loss for every full-time working caregiver annually.

Sources:

Bright Horizons, executive interview and website: <http://www.brighthorizons.com/programs/backupcare.aspx>

McQueen, M.P. (2006, July 27). *Employers expand elder-care benefits*. Wall Street Journal. Accessed at: <http://www.post-gazette.com/pg/06208/709069-28.stm>

Society for Human Resource Management. (2008) *Benefits Survey Report*

**TREND 6: Younger workers desire employment with “socially conscious” organizations and work that includes “service opportunities.”**

Research shows that Generation Y wants and expects to work for companies and organizations that are socially conscious and this generation, more than the others, wants the opportunity to volunteer and give back to their communities and the world.

An online study of 1,800 young people by Cone Inc. and AMP Insights suggests this generation is comprised of “the most socially conscious and civic minded consumers to date”, as 61% of 13 to 25 year olds feel personally responsible for making a difference in the world. This report (2006 Cone Millennial Cause Study) states that: 1) 81% have volunteered in the past year, 2) 69% consider a company's social and environmental commitment when deciding where to shop, and 3) 83% will trust a company more if it is socially/environmentally responsible. Furthermore, of the 28% of respondents employed full-time: a) 79% want to work for a company that cares about how it affects or contributes to society, b) 69% are aware of their employer's commitment to social/environmental causes, c) 64% say their company's social/environmental activities make them feel loyal to that company, and d) 56% would refuse to work for an irresponsible corporation (coneinc.com). Furthermore, a 2005 survey of 263,710 students at 385 U.S. colleges and universities (conducted by the Higher Education Research Institute at the University of California at Los Angeles) found that, “two-thirds of college freshmen (66%) believe it's essential or very important to help others in difficulty.” This report found feelings of social and civic responsibility among entering freshmen at the highest level in 25 years (heri.ucla.edu). As this young and capable workforce enters the workplace they will seek to transfer their personal commitment to social good into positive work experiences.

**Issues to consider:** Members of this generation are eager to be a part of innovative companies that leverage their resources to make a significant impact through corporate social responsibility. They are interested in working for companies that have branded themselves as socially responsible and not just “talk the talk, but walk the walk.” Younger workers are looking for companies and organizations that offer leave for volunteer service and especially paid volunteer leadership opportunities.

The newly signed (April 2009) Serve America Act is intended to improve opportunities for people of all ages to serve and volunteer. The program has been expanded to encourage young people to serve early in life and to “put more and more youth on a path of lifetime service.”

The Serve America Act is also intended to encourage employers to let employees serve by establishing employer tax incentives to allow employees to take paid leave for full time service. It also has established the “Volunteers for Prosperity” program, which will organize and coordinate short-term international service opportunities for skilled professionals to serve in developing nations.

**Best Practice: Leave, Flexibility and Volunteerism and Service**

***IBM Service Corps.***

This innovative model engages IBM employees to volunteer their time and expertise internationally to struggling organizations located in countries and emerging markets where IBM plans to develop a stronger footprint. Other companies are doing similar work, but IBM is the first to combine international community service and team leadership development in one program. Over the next three years, IBM will donate \$250 million of time and services to this initiative.

In 2008, the competitive program selected 600 applicants for work on six one month-long teams from a pool of 5,500 applicants. The program encourages IBM employees to volunteer in a way that provides meaningful impact, but it also reinforces IBM's commitment to international volunteerism. The teams are working together and garnering invaluable leadership and problem solving experiences in Brazil, China, Ghana, Malaysia, Romania, Tanzania, The Philippines, South Africa, Turkey and Vietnam.

Source: Hymowitz, C. (2008, August 4). *IBM creates volunteer teams to cultivate emerging markets*. New York, NY: Wall Street Journal. Accessed: <http://online.wsj.com/article/SB121779236200008095.html>

IBM website: <https://www-146.ibm.com/corporateservicecorps/>

**TREND 7: Flexibility will continue to be highly desired by employees of all age groups. Resilient organizations will continue to push the boundaries of flexibility by fundamentally restructuring work.**

**Issues to consider:** Even during a very tough recession, flexible work practices continue to grow in popularity among users, potential users and organizations. According to the 2009 *Annual Work+Life Fit™* Reality Check (a telephone survey of a national probability sample of 757 full-time employed adults, sponsored by Work+Life Fit, Inc. and conducted by Opinion Research Corporation March 26 – 30, 2009), most companies continue to offer the same or an increased amount of flexible work opportunities, and most employees report their flexibility use has either increased (19%) or stayed the same (66%) during the past year. “Regardless of economic boom or doom, work/life flexibility is here to stay,” states Cali Williams Yost, CEO, Work+Life Fit, Inc. “Now we have to figure out how to use flexibility to help manage our businesses and our lives, both of which are forever changed by this recession.”

The truth is organizations are looking at flexible work practices as a way to cut operating costs during this economic downturn and employees are willing to oblige. According to the 2009 *Annual Work+Life Fit™* Reality Check Survey, “In order to save their jobs and help their employers reduce costs, nearly 8 in 10 employees are willing to work a compressed work week, while nearly 60% would take additional unpaid vacation days or furloughs (several weeks off without pay). Nearly half would share their jobs with colleagues (48%), or take a cut in both pay and hours (47%). A little more than 4 in 10 would take a pay cut but work the same amount of hours or switch to a project-based, contractor employment status (41%). Just under a third report they would take a month or more unpaid sabbatical” (Yost, 2009). One caution with flexibility is “flexibility for whom?” Research shows that the lowest wage jobs are the most flexible, from the employer point of view. They are least flexible, from the employee point of view (See Flexibility Discussion in Section 1).

With the current economic downturn, many businesses are implementing or forcing flexibility to reduce costs, but there is a silver lining. Companies that have used flexibility during down times may experience less future resistance from managers, having experienced, and successfully managed flexibility during difficult climates. After the recession, it is likely that those working flex schedules during the recession may still request and garner flexible options going forward. The good news is organizations may begin to stretch the boundaries of flexibility and inclusiveness even more and reward employees with new ways to work during the upcoming good times.

Some organizations have taken the next step beyond flexible schedules to re-structuring work itself. Many of today’s flexible work practices are essentially topical applications patching the emerging holes in the underlying assumptions and structures built for yesterday’s homogenous workforce. The need to move beyond these band-aid solutions is extremely difficult, yet vital. Restructuring work to create nimble and resilient organizations in this Millennium requires deep re-thinking, undoing of current or old assumptions and orthodoxy, re-examination of required processes and outputs, commitment to inclusiveness and a fundamental understanding of the next potential labor and economic shifts, as well as business imperatives.

**Suggested Readings:**

Two very recent publications provide extensive resources and company profiles and are a must read for practitioners looking for new ideas or how to implement flexibility in their organization:

Galinsky, E., Eby, S. and Peer, S.L. (2008). *2008 Guide to bold new ideas for making work work*. New York, NY: Families and Work Institute: 85 pages. Provides approximately 70 pages of recent profiles and case studies on flexibility.

See: <http://familiesandwork.org/3w//boldideas.pdf>

Roundtree, L. and Lingle, K. (2008). *Workplace flexibility: Innovation in action*. Scottsdale, AZ: WorldatWork and AWLP. 61 pages. In depth discussion of the traditional flexibility spectrum and options, organizational drivers, business case data, how to build a culture of flexibility, and numerous flexibility profiles. Provides a thorough discussion of the special needs and considerations of academia in regards to flexibility, tenure, leave polices, and culture.

See: <http://www.worldatwork.org/waw/adimLink?id>.

## Best Practice: Restructuring Work

### *ROWE and Best Buy Results Only Work Environment*

ROWE is revolutionary thinking in redesigning and transforming the industrial model to a truly energized and self managed workforce. True workplace innovators and revolutionaries, Cali Ressler and Jody Thompson created ROWE through their experience with Best Buy and their consulting group CultureRX. ROWE (Results Only Work Environment) is a radical ideology which aspires to reshape the workplace by redefining the very assumptions and nature (place and time) of work itself. In ROWE divisions, the assumptions about work, hours and traditional norms are turned upside down or discarded providing workers with unparalleled opportunities to manage their work and personal lives.

From the CultureRX website:

“ROWE is a bold, cultural transformation that permeates the attitudes and operating style of an entire workplace, leveling the playing field and giving people complete autonomy, as long as the work gets done.”

With ROWE:

- There is no need for schedules or mandatory meetings
- Nobody feels overworked, stressed out or guilty
- People are where they need to be, when they need to be there
- People at all levels stop wasting the company's time and money
- Teamwork, morale, and engagement soar
- There's no judgment on how people spend their time

“ROWE is all about results. No results, no job. It's that simple.”

Basically, we're rewiring people's brains, getting rid of an old belief system from the 1950s that is no longer relevant to the technologically advanced business world we have now,"

Thompson says. "We want people to stop thinking of work as someplace you go to, five days a week from 8 to 5, and start thinking of work as something you do." (Thompson in Kiger)

**Metric results:** ROWE's focus is not on face-time or appearances but on inclusiveness, outcomes and results! Since Best Buy began switching to ROWE in 2002 on a division-by-division basis, 60% (2,400 of the 4,000 people at its headquarters campus) have converted to this results based way of working.

ROWE demonstrates significant impacts. Employees in divisions that converted to ROWE report that they have better relationships with family and friends, feel more loyal to the company, and feel more focused and energized about their work. ROWE teams, such as those at Best Buy, have improved workforce productivity (up to 41%) and reduced voluntary turnover rates (as much as 90%), saving these companies millions.

The per-employee cost of turnover at Best Buy is \$102,000, and ROWE teams have 3.2% less voluntary turnover than non-ROWE teams. Once Best Buy's 4,000-person headquarters is completely converted to ROWE, the company estimates saving about \$13 million a year in replacement costs.

Sources:

Ressler & Thompson, [www.culturerx.com](http://www.culturerx.com)

Kiger, P.J. *Throwing out the Rules of Work*. Workforce Management Online.

See: <http://www.workforce.com/section/09/feature/24/54/28/index.html>

In a ROWE, people do whatever they want, whenever they want, as long as the work gets done.

In the park, in a coffee shop, in the shower.  
At midnight or 3 a.m. or on Sunday.

Whenever and wherever.

Even receptionists? You bet.

Even retail associates? YES!

Hospitality workers? Why not?

Jobs traditionally driven by the time-clock?

YES!

The clock doesn't control you, you control the clock! Management can stop monitoring the hallways, and focus its energy on the business.

**TREND 8: “Greening” the workplace. Sustainable green technology will be used to re-design conventional workspaces to employee driven, cost effective, flexible, virtual work-share spaces.**

**Issues to consider:** Organizations are re-thinking the way employees use space by focusing on *how* and *when* space could be used rather than allocating *how much space* is “needed” or designated for certain employees (especially related to hierarchical status). “Poorly designed workspace has a direct impact on employee retention” (Costello, 2007) and cutting costs reigns supreme in an economic downturn.

**Suggested Reading:**

Costello, M.R. (September/October 2007). Staying on: Employee retention by design. *The Leader: Real Estate Management*. CoreNet.

According to the 2007 CoreNet Global survey, the physical location of employee work has become so fluid that 65% of responding Fortune 500 firms indicate they have eliminated assigning work space to at least 10% of their workforce. Furthermore, 73% of these Fortune 500 firms indicate they have introduced desk sharing or unassigned workstations, and 60% introduced or increased “hoteling or “hot desking” concepts” or “drop in spaces” for employees (Costello, 2007). The future trend will be to design employee driven, cost effective, flexible, virtual work-share spaces. How can your organizational space be best utilized for creativity, collaboration, renewal and attraction and retention? Resilient companies are creating: 1) “open area, open thought” spaces, 2) informal satellite offices, 3) hoteling and hot desking practices, 4) idea labs, 5) virtual spaces, and other grassroots solutions. Again, successful organizations will consider how to “move work to people instead of people to work” (Ware and Grantham, 2003).

Another big push will be in making these spaces green (environmentally conscious) and flexible using renewable or energy efficient technology. Private offices and cubicles for employees and managers are relics of the old ways. “Plug and play” technology will need to be available in ways that can be adapted to new and malleable physical configurations. Organizations will also need to consider how to create workplace environments that can leverage talent and engagement using location independent strategies.

We are at the end of the “age of oil” and new economy organizations will implement more virtual work and tele-work opportunities, using new palm held and laptop videoconferencing technologies. It is estimated that the future will see many corporate “headquarters” disappear or shrink dramatically in size. Decentralized and smaller corporate or organizational workplaces, as well as more and more telecommuting will be the norm. Currently, for example, the Minneapolis Urban Partnership is working with local corporations to expand the use of the ROWE program, (among other initiatives) to assist corporations in implementing telecommuting to reduce traffic emissions and congestion. The region is home to over 20 Fortune 500 companies and 33 Fortune 1000 companies. The goal is to reduce 500 daily peak period trips through the region’s main traffic corridor (Minneapolis Urban Partnership, 2009).

**Innovative & Green Workspace Design Ideas:**

- Lightweight, portable, comfortable and ergonomic furniture
- Day lighting – floor to ceiling windows, sunlights
- “Plug and play” technology for evolving physical configurations (paneled wall, columns, ceiling or under floor mounted access)
- WiFi or wireless– internet connectivity for laptops, phones, and printers
- Cellular reception
- VoIP (voice over internet protocol) technology  
Example: Skype.
- Home like atmospheres and attractive artwork
- Pleasing colors and textures
- Energy efficient and ecologically sound products and technology
- Low-tox or no-tox materials
- Outdoor views
- High indoor air quality and ventilation (HVAC)
- Noise and temperature control
- Portable solar tech applications when available

Nimble organizations will facilitate and integrate agile human capital management, human resources, facilities management, IT practices and urban planning together to create nimble, virtual, resilient and workable workspaces.

**TREND 9: Community matters both at the micro and macro levels. As the world becomes more virtually connected, humans will reach out for the smaller and more intimate definition of community, and will choose “where to live” over “where to work.” Understanding what different generations are looking for in their lifecycle and providing those services is critical to attracting workers, families and business opportunities. Beyond creating corporate branding of community, becoming a “community of choice” or “best place to live” environment will be the new catch phrase and desired status for both organizations and regional economies.**

From the micro level – a community of colleagues, to community within physical work buildings, to community within organization – all the way to the regional economy where people work and live ...community matters! As the world becomes more virtually connected, humans will reach out for the smaller and more intimate definition of community. Beyond creating corporate branding of community, becoming a “community of choice” will be the new catch phrase and desired status for regional economies. Gen X and Gen Y will continue to choose community over work. They already are doing so. The younger generations are choosing where to live first, and then choosing employment or work opportunities where they reside or virtually (Future of Work, 2009).

**Issues to consider:** Businesses (and academia) have been branding their communities for employees and customers (students) for decades. The focus has been on branding their organizations as “great places to work”, or “100 best”; aspiring to create and welcome employees and (students) into innovative and inspiring workplaces where workers (and students) want to work and stay. Traditional work/life benefits have been an integral part of creating this community. However, community is now moving to the macro level as well. Community development and economic planners would be wise to pay attention to this trend and look beyond the physical attributes of their region (weather, recreation, cleanliness, livability), as well as infrastructure (internet access, roads, schools, hospitals, airports, services, security, retail and cultural attractions) to other “best places to live” qualities such as the availability of community work centers, the “third places” where work gets done (coffee shops, book stores, airports, suburban or HOA community centers, conference centers or local “hourly rented” client meeting space) that are attractive to workers and their families.

“It is a bit of ‘if you build it they will come’ – meaning if your community is attractive to talented folks, they’ll come, settle down, raise their kids, bring their work with them, and drive local economic growth just by being there (they’ll import revenue by exporting their work, and then spend their income locally).”

(Grantham, C. and Ware, J., *Closing the Talent Gap: Companies and Communities Team up* in Real Estate Management, September/October 2007 )

The old economic development model focused on providing financial incentives to corporations to locate their business in the target region isn’t enough or appropriate anymore. In our information based, talent driven, virtual service economy, local communities must become attractive to talent and families! Understanding what different generations are looking for in their lifecycle and providing those invaluable services (for example: quality child care and elder care) is critical (Israel and Warner, 2008). Research indicates that non-boomers are choosing smaller cities and quality of life environments over the big cities (Future of Work, 2009).

“Retirees” are also now looking for great places to start their next phase in life and in work. Smaller cities and communities that are recognized as “great places to live” will see growth in potential worker populations. Workers, young and old, will choose to live where they feel they can exercise autonomy, feel part of a meaningful sense of community and where the quality of life or psychology of the region melds with their culture and current life stage. Communities that are designed to meet needs across the lifecycle will be the most resilient.

**Conclusion:**

The current economic downturn has had a substantial impact on the innovation of new work/life policies, programs and practices; limiting the development of new ideas and solutions as many organizations are currently faced with cutting operational costs, imposing reduced schedules and are in the mode of just trying to survive.

However, some new ideas have trickled up during these difficult and unstable times. A convergence of unprecedented factors and trends outlined in this paper, is positioning our society to overturn old industrial modes of working and to embrace new innovations and structures that are fluid, emerging, resilient, renewable. The challenge is to develop practices that promote flexibility for employer and employee, and enable workers to be both caregivers and workers (Gornick and Meyers 2003). Strong communities are the basis for a prosperous economy. The economy needs employers who recognize their role in enabling an integration of work, family and community life.