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Creating workplaces that appeal across the age spectrum

New Zealand's skill shortage and the challenges it creates for employers have been making headlines in recent months.

One significant contributor to the tightening labour market is the ageing workforce. The latest Hudson New Zealand¹ report shows that by the middle of this century one in four New Zealanders will be 65 or older compared with one in eight today.

But the ageing population does not need to be seen as a problem. As EEO Commissioner at the Human Rights Commission Dr Judy McGregor said in a recent presentation², the ageing of societies is overwhelmingly good news as it is a result of accelerated advances in health and hygiene and improved quality of life.

However, it does create a different employment market. Dr McGregor cites a World Economic Forum report which suggests that older workers, along with women and younger individuals, hold the key to maintaining our standard of living. But it is critical that these three groups of people are encouraged to work and, for older people, this means delaying retirement.

This will require coming up with creative ways of retaining older workers

as well as innovative ways of attracting workers – young and old. Increasingly this demands a more thorough understanding of the workforce so that employers can tailor benefits and conditions to people's needs.

Essentially our workforce is made up of four generations - the Mature Worker (born before 1945), the Baby Boomer (born between 1946 and 1964), Generation X (born between 1965 and 1981) and Generation Y (born 1982 onwards).

While most organisations find that there are a number of commonalities with the work-life balance needs of these groups, there are also a number of differences.

A recent study³ by a US organisation called the Society for Human Resource Management shows that the most important factor in determining the level of job satisfaction across all age groups is the quality of benefits. However, it reports that one area where generations differ is in their attitude to work-life balance, claiming the younger the age group, the more it values balance between work and personal commitments.

Research by the Families and Work Institute in Generation and Gender in the Workplace⁴ agrees. The study found

that Boomers are more likely to be work-centric (or place a higher priority on work than family) than family or dual-centric (those placing the same priority on their job and family). The study found that 22% of Boomers are work-centric, compared with 12 – 13% of other generations. Conversely, 50% of Gen-Y and 52% of Gen-X are family-centric compared with 41% of Boomers.

For this issue of the *Work & Life Bulletin* we talked with three very different workplaces about managing the work-life needs of the different generations within their workforce.

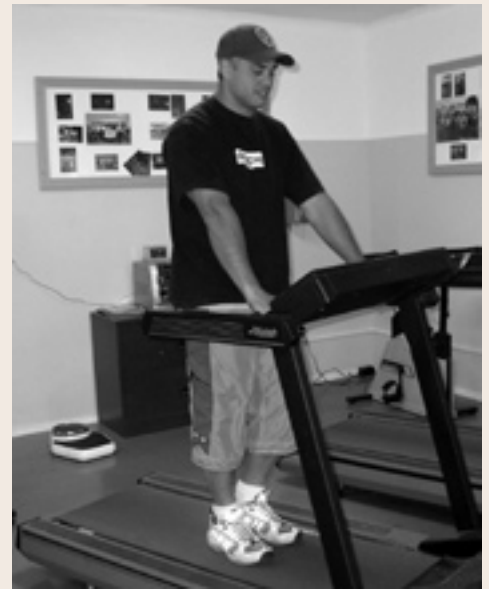
While the management challenges varied for each organisation, all agreed that although the younger generations tended to be more vocal about wanting work-life balance, workplace flexibility was important to everyone regardless of age. There was also consensus on the changing nature of the workforce. All agreed that the ageing workforce and skills shortage was going to require greater leadership and creativity from employers in attracting and retaining workers from across the age spectrum.

¹ Hudson Report: New Zealand July - December 2004. New Zealand Ageing Population - Implications for Employers. <http://nz.hudson.com>

² Go to www.eeotrust.org.nz/new.shtml

³ SHRM Survey: Generations Hold Differing Views on Work/Life Balance. By Stephen Miller, August 2004. www.shrm.org

⁴ Families and Work Institute: Generation and Gender in the Workplace. October 2004. www.familiesandwork.org



Developing leaders to manage diversity

Diversity is the name of the game when it comes to Fletcher Building's workforce according to Peter Merry, Executive General Manager – Human Resources.

Around 8,000 FTEs comprise Fletcher Building's New Zealand workforce but the entire operation includes workforces in Australia, the South Pacific islands, and North and South America. World-wide, Fletcher Building employs over 12,200 people.

Of the organisation's New Zealand workforce, 10% are Mature Workers, 47% Baby Boomers, 38% Generation Xers and 5% Generation Yers.

Mr Merry says the sheer size of the organisation and its range of business units create a challenge when it comes to managing people's work-life needs, but age is just one of the many issues managers face.

"Our aim is to provide a workplace of choice for employees across the entire organisation but we also need to consider the unique characteristics of each business unit when it comes to policies and initiatives," he says.

Fletcher Building's approach is to run the business in a decentralised fashion. This means that group policies, applicable to all, set the broad parameters of how

a business unit should operate, with the organisation's values serving as cornerstones. General managers of the separate business units are then given discretion to create additional policies that are specific to their area.

"We have a number of work-life policies that are universal to the organisation but we also need to recognise that employees in different businesses are going to have varying needs regardless of what generation they're part of," Mr Merry says. "When it comes to recognising the diverse needs of our people, whether age related or not, having the right leaders is fundamental."

He says the key to creating some of these policies is recognising the reality of family situations whether it is the pressure of a dual income household, the challenges for a single parent family or the strains of caring for ageing relatives.

"We have a purpose-built childcare facility in Auckland to help with this burden and try to take a flexible approach to parental leave so it can apply to a number of family scenarios."

Fletcher Building also offers a School Holiday Programme for employees' children aged between five and thirteen years.

One of Fletcher Building's other areas of concern is the wellness of employees.

Mr Merry says the ageing nature of their workforce adds further weight to this issue, saying examples of this being addressed at business unit level can be seen within Firth Industries and the Laminex Group in Taupo.

"Both businesses employ a number of people in highly physical jobs many of whom are from the older generations." Firth's "Move @ Work" programme is aimed at employees who work as truck drivers, masonry and premix operators and quarry workers. The programme provides participants with insights on how to address the effects of ageing on bodily stress. Certified physiotherapists facilitate the programme and workshops have been held throughout the country.

Since the roll-out of the Move @ Work programme in September 2001, more than 300 employees of all shapes, sizes and ages have participated.

The Firth workplace wellness programme also provides nutritional advice to employees to promote physical health through sensible eating and drinking.

At the Laminex Group site in Taupo, there is a fully functional gym which

employees and their families can use at a subsidised rate. Other initiatives include a quit smoking programme and a weight loss competition which a good number of employees entered.

Mr Merry says flexibility is something all employees at Fletcher Building want but the younger generations and graduate employees seem to be more forceful in articulating their needs in this area.

“Younger people tend to have a different perspective on work than the older generations who are often more prepared to put in long hours.”

But he says that age is not necessarily always the defining factor when it comes

to work-life balance. For instance, some of the factory workers may not put working flexible hours at the top of their list but value extra curricular activities like inter-business unit sports activities.

Mr Merry says retaining the skills of the ageing workforce is a challenge for Fletcher Building which tends to address people’s needs on a case by case basis. “For instance, we have a number of semi retired people consulting back to the organisation on specific projects or providing mentoring to the younger workers. This is a great way to retain their expertise.”

Ultimately though Mr Merry says addressing the needs of its varying workforce requires creative leadership - which means being open and flexible, and considering each individual’s needs separately.

He says age does not necessarily have any bearing on how flexible and open a manager might be. “Some of our most forward thinking managers are those in the older age groups,” he says. “Ultimately a manager’s ability to think creatively about managing diversity in their people comes down to their own experiences and personal qualities.”

Palmerston North City Council and the ‘age old issue’

Managing the diverse needs of the different generations within its workforce is a pressing issue for Palmerston North City Council (PNCC) according to its Capability Development Advisor Kelly Hoskins.

In fact, the generational makeup of the Council’s workforce is very much a reflection of New Zealand’s ageing population.

Of the Council’s 500 full and part-time employees, 65% were born on or before 1964, making the average age 44-years-old with Generation Xers and Yers comprising only 35% of the workforce.

Ms Hoskins says the disproportionate number of Baby Boomers (those born 1946 – 1964) and Mature Workers (those born before 1945) is influenced by a number of factors including New Zealand’s ageing workforce but also the Council’s average tenure of 10 years. She says people tend to work longer in their workplace for a number of reasons.

“With local government you get strong commitment from staff. They often join because of a sense of community duty rather than seeing it just as a job. Also, the Baby Boomers and Mature

Workers tend to want security and to join an employer for life,” she says.

Flexibility appeals to all

In addition Ms Hoskins says the Council has made a point of not putting barriers in place when employing people over 55.

“A lot of that age group are semi-retiring and are in the process of downgrading their careers. So often we’ll employ skilled people like engineers who want a total change in their career to work as a traffic warden for instance,” she says.

When it comes to characterising the Council’s different generations and their work-life needs, Ms Hoskins says there are definitely some commonalities but there are also marked differences. She says flexibility is important across all generations but for very different reasons.

“For those under 30, flexibility is highly prized and they are looking for work to fulfill more than just income needs,” she says.

“This group tends to also be looking for social connections in the workplace and often the expectation is that the employer will organise this fun. By contrast the

Boomers still want to make friends at work but are less reliant on the employer to make those social connections.”

Ms Hoskins says that because the Council has such a large proportion of older workers, it is particularly conscious that it needs to make the younger generations feel more connected with each other, particularly those who come from outside Palmerston North.

She says that, not surprisingly, those in their 30’s who often have young families also place a real priority on flexibility.

“Whereas this group may want time to look after young children, Boomers are showing an increasing interest in outside hobbies and grandchildren. For those workers who are 65-plus, flexibility is also an issue because they are tending to wind down and to look for part-time or job sharing options.”

Benefits for diverse needs

Ms Hoskins says the biggest issue for managing these different generations is being able to provide benefits that reflect their diverse needs in a way which is affordable for the Council.

“Those over 44 for instance might want benefits such as superannuation or eye care whereas the Gen Y and Xers will want to focus more on things like travel, career breaks and learning and development opportunities,” she says.

She says PNCC’s answer has been to offer a smorgasbord of benefits which staff can select from to meet their needs at a certain dollar value.

Other policies in place have more universal appeal such as “24/7”. This flexible work hours policy allows workers who are on contract for a 40-hour week, for instance, to work their 40 hours any time within that working week provided they don’t compromise their job and customer requirements.

Ms Hoskins says the Council has protocols in place to ensure that people don’t end up working excessive hours.

It is able to monitor this through a time recording system which observes the hours people are working.

The Council’s wellness policy also seeks to address the varying needs of the diverse generations. This includes unlimited sick leave to allow people to take time off at their discretion to care for their partners, children and dependants. For older workers, for example, this might mean looking after their ailing parents or relatives.

Countering skills loss

Another policy that aims to cater for both ends of the spectrum is the Council’s new graduate development programme, due to be implemented in February. This policy was partly brought in to address the Council’s concern over an ageing

workforce and loss of skills which has been identified as a real risk area.

The programme also aims to attract younger generations to the Council and accordingly is focused heavily on learning, development and mentoring opportunities.

The role of mentor is offered to staff who are planning to retire and they can carry it out while working flexible hours.

The benefit for the Council is that they get to introduce new skills and retain the valuable intellectual property carried by the older generations of workers.

Ms Hoskins says that because the Council cannot offer remuneration at the top end of the market it ultimately has to be creative on what it offers its workers and all the more conscious of their differing needs and motivations.

Managing the generational work-life needs of a voluntary workforce

Responding to the work-life balance needs of a voluntary workforce requires a unique approach according to Chief Executive of Parents Centres, Viv Gurrey.

Parents Centres is a community based not-for-profit organisation set up by parents for parents which has been in operation since 1952. It has 52 centres throughout the country covering antenatal childbirth education, adult parenting education, parent support and education, and advocacy and lobbying.

The work involves coordinating 1,845 volunteers who make up the majority of its workforce. Parent Centres’ national office employs seven paid staff. In addition, the infrastructure includes a team of 11 regional coordinators; trainers; a childbirth advisor; a financial advisor and constitutional advisor; and the Chief Executive Officer.

Its voluntary workforce is comprised mainly of women, 70% of whom are Generation X and Yers. While this is not representative of the New Zealand workforce generally Ms Gurrey says the generational make-up stands to reason.

“It’s no wonder we mainly attract this age group because they’re more typically parents themselves and volunteer to work on behalf of our organisation having experienced delivery of our services.”

Feeding the passion

She says that when it comes to attracting and retaining volunteers it is not as simple as providing the work-life benefits and workplace conditions that commercial operations can offer.

“We work on the premise that volunteers join us because of their passion for what we do and we have



Parents Centres’ Chief Executive Viv Gurrey

to work hard to feed this passion in different ways," she says.

This may take different forms depending on the different age groups.

"Volunteering is about fuelling a personal need and motivation. The younger generation for instance may see this as personal development, growth and training, especially when they are likely to return to or enter the work force at some stage. The more mature generations by comparison appear to experience greater motivation through giving. They appreciate the opportunity to share their expertise, knowledge and experience."

Ms Gurrey says one thing all generations of volunteers appear to have in common is a desire to make a difference to the communities in which they live and to society as a whole.

She says Parents Centres' approach to managing the work-life balance needs of its volunteers is to try and provide the infrastructure and systems that make their lives as easy as possible and support their choice to volunteer.

"As we're competing for our volunteers' time, our aim is to make their jobs as manageable as possible so that they can juggle work with home commitments."

Supporting effective workers

She says that because the organisation's focus is on parenting, it is crucial that it supports its workers to be as effective as possible on this front. "This means providing all the systems and infrastructure that make their jobs more efficient and includes networks through our strategic partners Naturo Pharm, Kimberly Clarke through the Huggies brand and Watties who provide access to further resources, information and knowledge."

She says their strategic partners also provide very necessary funding to ensure that services to volunteers can be maintained.

Parents Centres has a heavy emphasis on training and provides every volunteer with an opportunity to experience full induction and training programmes plus many varied opportunities for personal development.

Amongst its paid workers the focus is very much on providing flexibility with a great deal of their team splitting their work time between home and the office.

Although the paid workforce is small, flexible hours are important for a raft of different reasons.

Ms Gurrey is not disturbed about the effect of the ageing workforce on her workplace. Rather, she sees it as an opportunity. "More than ever we're keen to attract volunteers who come from either ends of the spectrum - teenagers on the one hand and 'mature workers' on the other."

She says Parents Centres needs young parents to provide role models to other teenage parents but at the same time she sees the depth of experience and knowledge semi-retired and retired people can provide as invaluable.

"The issue ultimately is appealing to both these groups - making older people feel valued for their contribution whilst providing teenagers with lots of opportunity for self development."

She says she is fed up with seeing New Zealand's ageing population reported as a negative rather than an opportunity to tap into. "What a magical equation if you have those that want to share their knowledge on the one hand and those that want to get it on the other," she says.



Please read on...

It's about time

This publication is the New Zealand Council of Trade Union's (NZCTU) guide to work-life balance. It examines how unions define the issue and discusses the NZCTU's position on the role of unions, government and employers with respect to work-life balance.

The booklet also serves as a practical resource for union organisers wanting to develop work-life policies in their workplace and as a more general resource for employers, workers and any other parties involved in employment relationships.

www.nzctu.org.nz/policy/109996693920232.html

Working Time and Workers' Preferences in Industrialised Countries: Finding the Balance

This is a new book produced by the International Labour Organisation and edited by Jon Messenger. It includes studies from five experts on the issue of working time in Australia, the European Union, Japan, New Zealand and the United States.

The study found that New Zealand workers put in the second-longest hours in the Western world. Among the findings are also that 20% of the New Zealand workforce work at least 50 hours a week, compared with less than 20% in most European countries. www.ilo.org/public/english/protection/condtrav/publ/wtwo-jm-04.htm

The future of work within households: Understanding household-level changes in the distribution of hours of paid work

In keeping with the latest International Labour Organisation figures, Paul Callister's study shows that New

Zealand was first equal with the United States for working hours by couples among other Western nations.

Overall the findings suggest that "overwork" tended to show up more strongly in data related to couples (including couples raising children) than in data for individuals.

Couples who were well-qualified tended to work the longest average hours of work combined in 2001. For example, couples aged 25-59 that both had a qualification were working an average of 74 hours a week compared to those with no qualifications between them who averaged a 68 hour week.

Similarly the couples with the highest combined income tended to put in the longest combined hours. Couples aged 25-59, in the top percent income bracket worked in 2001 on average just over 81 hours per week compared to those in the bottom 10% who worked 55 hours. www.dol.govt.nz/pdfs/fow-changes-in-working-hours.pdf

Generation and Gender in the Workplace

A new study conducted by the Families and Work Institute (FWI) reports that the new generation of US workers are more likely to be "family centric" or "dual centric" (equally prioritising career and family) than "work centric" when compared to earlier generations.

The study also found that in the period between 1992 and 2002 the proportion of male and female workers saying they wanted to move to jobs with more responsibility had dropped dramatically. www.familiesandwork.org/eproducts/genandgender.pdf

The Ageing Population: Implications for the Australian Workforce

This report commissioned by Hudson provides insight into the opportunities and issues Australian employers face around the ageing population and what it means for the workforce

culture. It also discusses potential solutions to addressing this issue. [www.au.hudson.com/documents/ Ageing_WhitepaperFINAL.pdf](http://www.au.hudson.com/documents/Ageing_WhitepaperFINAL.pdf)

Snippets

Changes to New Zealand's paid parental leave policy

A number of changes have been made to parental leave entitlements which came into effect on December 1, 2004. The changes apply to employees whose baby is due or born on or after December 1, or who start caring for a child they adopt on or after December 1. They include:

- Employees can access parental leave, if they have worked for the same employer for the immediately preceding six months or immediately preceding 12 months before the expected date of delivery or adoption of a child for: an average of at least 10 hours per week, including at least one hour in every week or at least 40 hours in every month.
- The duration of parental leave payments is set to increase from 12 weeks to 13 weeks
- One week's partners/paternity leave is available for employees who have worked for the same employer for the immediately preceding six months
- Teachers employed by school boards of trustees and eligible junior doctors will be entitled to count certain multiple employments as a single employment in determining eligibility

www.ers.govt.nz/factsheets/parental_leave_2004.html