# the future of total rewards



# The World is Flat: Work-Life Trends to Watch

One executive realized she needed to work less when her child brought home a drawing of their family that showed her with her PDA.

ive hundred years ago, it was widely believed the world was flat. Now, author Thomas

Friedman argues, that might actually be the case. The world as we know it is becoming smaller and more compact due to increasing globalization, the outsourcing of work to seemingly far-away places and the business opportunities in countries once thought of as third world. As such, the workplace is changing ... and fast. But what does this mean for human resources and work-life? How will companies respond to the ever-changing workplace?

To answer that question, the Alliance for Work-Life Progress (AWLP) and Accenture hosted a retreat in late 2008, "Catching Up to the Future: Thriving in a Dispersed Work Environment." Thirty experts from a wide variety of fields — including futurists, metrics experts, work-life practitioners, technology gurus and even a Gen-Y, social-media connoisseur — put their heads together to look into the future of the workplace.

"We wanted to put an unexpected mix of people in the room to foster creativity and new ways of thinking about worklife and what's going to happen in the workplace of the future," said Kathie Lingle, AWLP executive director.

By Carrie Clark
WORLDATWORK



This mix of participants discussed and debated what they saw as the most important changes happening in worklife and human resources; the results are discussed briefly in this article.

# **Technology**

From Twitter to Facebook to videoconferencing setups that make it seem like everyone is in the same room, the wide range of new technology and services is enough to make your head spin. But all of this technology can make working in, and managing, a dispersed workforce easier.

Attendees agreed that today's technology enables people to work anywhere and everywhere, but acknowledged the potential challenges to managing work and personal time. Two stories illustrated this tension:

 One attendee told a story about an executive who realized she needed to work less when her child brought home a drawing of their family that showed her with her PDA. She now

# the future of total rewards

One of the ideas proposed at the conference was implementing an internal, Facebook-like site to help employees who may work in different offices, cities or countries get to know their fellow employees.

- locks her PDA in the trunk when she goes home.
- On the other hand, one of the attendees said his PDA helped him spend more time with his family because he is free to leave work at 5 p.m., eat dinner with his family, put his children to bed and then finish his day's work.

But what about online social networking sites? How do those help with a dispersed workforce? One of the ideas proposed at the conference was implementing an internal, Facebook-like site to help employees who may work in different offices, cities or countries get to know their fellow employees.

It was agreed that companies need not be afraid of technology or of the various ways that employees use technology, as long as it's legal and does not put the company at risk. Employees, when encouraged, will think of new uses for existing technology and will embrace new technology. This is especially true of younger employees. While the business application of many new technologies may not be immediately obvious, it's impossible to tell what could be the next big thing in business technology.

# Spirituality

Not to be confused with religion, retreat attendees spent time discussing spirituality and the role it plays in the office. "We're moving from a functional view of the world to a willfulness view of the world," explained presenter Charles Grantham, Ph.D., executive producer at the Work Design Collaborative. "In a functional world, it is about control. Willfulness is spiritual; it is a dedication of one's effort to something larger than one's self."

The discussion centered on the idea that many of today's workers, specifically the younger generations, are looking for something more from companies than just a paycheck.

They are looking for a company that cares about the larger community.

"Our belief structure is changing," continued Grantham. "It's moving from 'more, bigger, better, humans can control it' to 'it's all interconnected and we have a moral responsibility for its stewardship."

"People consciously and unconsciously make trade-offs in their employment decisions," said Diane Gerard of Watson Wyatt. "There is increasingly strong evidence that companies that accommodate the interconnectedness of these trade-offs in the definition and fulfillment of their overall employee value proposition — e.g., pay, benefits, security, career development, culture, work-life balance, etc. — are more successful at attracting and retaining the talent that leads to stronger financial success."

Grantham also talked about a finding from a study he conducted in Colorado where people, when they take 10 hours off of work, will use five of those hours for themselves but use the other five for giving back to the community.

# **Culture and Structure**

Although at first glance, these topics do not seem related, much of the work environment culture is based on the physical office and the proximity of co-workers to one another.

With an increasing number of teleworkers and employees in different cities, states and countries, the physical structures that once defined a business are disappearing. The challenge in

# the future of total rewards

coming years will be to figure out how to maintain and nurture a consistent corporate culture in an environment where employees may not be physically exposed to that culture; or perhaps they are exposed to completely different cultures, such as when an employee moves from an office in Tokyo to an office in New York.

"Culture in a dispersed workplace is becoming more important," said Peter Linkow, president, WFD Consulting. "Dispersed people are disconnected from the corporate culture." Linkow suggested that daily beliefs (or norms) and guiding beliefs (what companies strive to be) are important and should be well-communicated to globally dispersed employees in order to foster a universal organizational culture.

### Measurement

One way to get C-suite buy-in to work-life programs and to the idea that the way business is done is changing is through measurements and data. The difficulty lies in figuring out the best way to measure the benefits provided by these programs. "'What should I measure' is the last question you should ask," said Jac Fitz-enz, founder and CEO of Human Capital Source. "You should be asking 'What are the targets?' and 'How are we going to get there?'"

What needs to be developed are metrics that can be used to show the value of work-life programs. Current metrics are classified as lagging indicators, or metrics of cost, time and quantity, and do not tell anything about the value-added aspect of these programs. Leading indicators would give better information on the value-added aspect and a predictive aspect

What needs
to be developed
are metrics
that can be
used to show
the value of
work-life programs.
Current metrics
do not tell
anything about
the value-added
aspect of these
programs.

to the data. "We need to figure out what does work-life change mean," said Fitz-enz. "From there, we can develop leading indicators to anything."

## **Semantics**

With employees and executives, what you say is just as important as how you say it. In today's workplace, traditional terminology is not the best for conveying the principles as they apply to the emergence of a more dispersed work environment. Words such as "work-life balance," "productivity" and "time" were thought to cause trouble by not adequately reflecting the concepts as employees and employers understand them. Instead, the group agreed that "work-life effectiveness," "performance" and "energy" were better able to convey the principles behind the ideas.

Instead of measuring "productivity," we should measure "performance," which implies attention to the quality and quantity of work rather than the number of projects completed. There are only so many hours in the day in which energy can be created, so perhaps employees should be approached about "managing energy" rather than "managing time." "Work-life balance" suggests a trade-off between the demands of the two, resulting in a see-saw effect; so why not help employees manage "work-life effectiveness"?

A new language also needs to be created to talk about work-life programs with the C-suite. "We don't have the right way to talk about this yet," Lingle said. "We need to show how these concepts fit within organizations."

### Conclusion

The retreat placed an emphasis on just how fast the world of work is changing and how important it is to gain buy-in from the C-suite, as well as the employees in order to effectively attract, motivate and retain in a virtual world.

Perhaps now is the time for total rewards and HR professionals to take a look at how they manage their workforces, especially those in remote locations. With a down economy and an aging workforce playing against advancing technology, it's clear that today is an ideal time to ask if your company is ready for the workplace of the future.

# ABOUT THE AUTHOR

Carrie Clark is a public policy analyst in the Washington, D.C., office of WorldatWork. She can be reached at carrie.clark@worldatwork.org or 202-315-5517.