

# EXECUTIVE BRIEFING SERIES

**In this Issue:**

The rising cost of health care benefits and the business need to increase employee productivity has sparked employers' growing concern about the health and wellness of employees. More employers are adopting health management and consumer-directed health care benefit programs to help control costs, and some are encouraging employee involvement in health care decision-making. In addition, work stress and overwork contribute to unhealthy behaviors such as smoking, obesity and substance abuse, while healthier employees can reduce costs by needing fewer medical interventions. Healthy employees are sick or absent less often, are more productive, and have greater employment longevity. (Families and Work Institute, *When Work Works, 2004*; US DHHS, NIOSH, *The Changing Organization of Work and the Safety and Health of Working People, 2002*)

### **Wellness and Health Trends:**

- **Rising health care benefit costs** are the most critical economic trend for HR practitioners. (SHRM, *2004-2005 Workplace Forecast: A Strategic Outlook*)
- **Increasing stress levels** are consistently linked with higher health care benefit costs and lower job satisfaction. (Families and Work Institute, *Overwork in America, 2004*).
- **Emphasizing employee productivity** is a method to offset the costs of health care benefits according to HR professionals. (SHRM, *Weekly Online Survey: Health Care and How Organizations Plan to Adjust to Increased Costs, 2005*)
- **Providing workplace supports** is a strategy for: managing stress and increasing health and wellness, engagement, job satisfaction, commitment and performance. The focus can be changing work culture and work redesign as well as offering health education programs and other interventions. (Snow, 2004; Anderson, Coffey and Byerly, 2002; Allen, 2001; Thompson, Beauvais and Lyness, 1999; Kossek and Ozeki, 1998; Meyer and Allen, 1997)

It is important to understand that each element of health and wellness has different organizational outcomes. For example, while physical or mental morbidity may contribute to increased health care costs and time off, low well-being can contribute to inefficiency and compromised individual performance. Work/Life professionals need to build programs that target the ele-



## EXPANSION OF DIVERSITY

*“Managing diversity means creating an environment that enables all participants to pursue organizational goals. With this approach, companies can move beyond race and gender issues and look at how all differences—age, tenure, lifestyle, managerial level, development and sexual orientation—affect working relationships.”*

– Roosevelt Thomas, from Personnel Journal, April 1993 Vol. 72, No. 4, by Shari Caudron, “Valuing Differences Isn’t the Same as Managing Diversity.”

*“What prompted us to investigate multigenerational programs is simply that we looked at our demographics and noticed how generationally diverse the company is. We want to improve workforce effectiveness by raising managers’ awareness, and to educate them to become better coaches and mentors of diverse age employees.”*

– Annette Byrd, GlaxoSmithKline, US Manager, Work-Life Solutions

## **WORKING WITH AN AGING WORKFORCE**

Employers will be impacted by a labor force shortage not only when large numbers of baby boomers retire (76 million individuals born between 1946 and 1964), but as the generations following them are smaller. The challenge is how to respond to the older worker's variety of needs and interests and how to offer career growth, advancement and transition at different life stages so that they stay engaged at work.

Additional impacts on employers include: care giving responsibilities for older relatives, spouses and partners, and children; as well as, health care benefits and other workforce costs of an older workforce, especially with people working into their retirement years.

### **Aging Workforce Trends:**

-

## AGING WORKFORCE

*Continued from previous page*

very important to older workers and research indicates that they are more “work-centric” rather than “dual-centric” (oriented to both work and family), or “family-centric.” (Families and Work Institute, *Generation and Gender in the Workplace*, 2004)

### **Ways that Work/Life Can Collaborate on the Aging Workforce Issue:**

- Provide strategies to recruit and retain older workers in order to curtail the “brain drain” and ensure that the pipeline is secure.
- Offer employer-sponsored financial education to encourage saving and benefit participation, especially for low-income employees.
- Create multigenerational team experiences to build a more supportive workplace.
- Devise career transition options and flexible work arrangements to retain employees.

<b>BUSINESS STRATEGIES</b>			
<b>Aging Workforce</b>			
<b>Strategy</b>	<b>Goal</b>	<b>Company Practice</b>	<b>Partners/Links</b>
<b>Multi-generational management; targeted issue communications</b>	Foster intergenerational communication, teamwork, and understanding	<b>Marriott:</b> Generational Diversity workshop for managers; newsletter for 50+.	<b>Internal:</b> Workforce Effectiveness; Diversity; Work/Life; Regional Businesses
<b>Multi-generational management; employee engagement</b>	Attract and retain resilient multigenerational workforce; manager education; enhance work effectiveness	<b>GlaxoSmithKline:</b> workshops; expanded elder R&R, assessments, discounts and reimbursements; elder support group.	<b>Internal:</b> Human Resources; Employee Health; Work/Life <b>External:</b> Mature Worker Researcher; EAP
<b>Action Steps:</b> Fill the pipeline by engaging older workers: provide training, financial planning; offer flexible career options.			

## FLEXIBLE WORK CULTURE

### **What Makes an Effective Workplace?**

An effective workplace has a flexible work culture with “family-friendly” policies and practices, supervisor support and an alignment between work and family needs. However, if an employee views the policies as unfair because they are not available to everyone, then the organization may be viewed as unsupportive. (Allen, 2001; Kossek, 2004; Thompson et al., 1999)

### **Six Factors for Workplace Effectiveness:**

- Job autonomy
- Flexible work options
- Supervisor support
- Coworker and team support

See *FLEXIBLE WORK CULTURE*, next page



## SUMMARY

As demonstrated by the trends discussed in this Briefing, it is clear that Work/Life has expanded to include nearly every aspect of a person's working life. Initiatives such as employee recruitment, benefits, health care plans, job design, career advancement, employee transfers, travel policies, leave taking, career paths, the composition of work teams, and evolving corporate cultures can be found under the Work/Life umbrella. Indeed, Work/Life today encompasses the needs of all types of employees at all levels of the organization - young, aging, males, and females, exempt, non-exempt, and managerial.

In moving from programs to organizational culture change and in partnering with other Human Resources functions, Work/Life links to strategic business goals of increasing employee commitment, job satisfaction, and career satisfaction, in addition to decreasing turnover, absenteeism, job strain, and health care costs. For example, **Prudential Financial** went from a fully dedicated Work/Life area with a 3.5 headcount to partial time from 4 employees across two functions (Health & Wellness and Diversity) for a total of 1.3 employee time. This reallocation brought together disparate areas of expertise (strategy, analysis and metrics, employee assistance, child care, wellness, diversity, communications, and vendor and contract management) plus a full array of business and professional contacts. The new team is a model for successful resource sharing in their Corporate HR Department, with an annual cost savings estimated to be \$350,000 per year.

Employers invest heavily in their workforces to keep employees engaged, productive.

22 emanag0 TiTDovs.5 710.11ginalth &u

A Publication of the Boston College  
Center for Work & Family

### About this Series



### About the Center



The Boston College Center  
for Work & Family  
22 Stone Avenue  
Chestnut Hill, MA 02467  
Ph: (617) 552-2844  
Fax: (617) 552-2859  
<http://www.bc.edu/cwf>