

# SMALL Business Times

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## A new covenant

*Employers want more but guarantee less; here's how to create stronger bonds*

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**Question: Today's work world is different than the one I started in. Competition is fierce and the old message we gave to employees in which we promised job security and asked for their loyalty in return is dead. Today, we ask our employees for total dedication to our customers. We also ask them to be innovative, fast, and committed to company goals. We tell them we value their ideas, and encourage them to get involved in decision-making. We also remind them that they are expendable and can be fired or laid off at any moment. I don't like this duplicity. We are talking out of both sides of our mouths, and I wonder how it will affect our company over time.**

**Answer:** If there is one issue that I see our clients struggling with these days, it is this one. As our economy has slowed down, we are seeing increasing numbers of employees laid off, downsized, right-sized, or whatever you want to call it when employees are separated from their employers. As you allude to in your question, the employees left behind are being asked to make stronger commitments to customer service while assuming more responsibility. Yet, at the same time, organizations are offering jobs, not careers. In response, individuals are offering skill sets on short-term loan, not a decades-long commitment. This seems to be in keeping with our consumer society - buy it, use it, discard it, get another one, and repeat the process.

Stepping back, we can see that central to this issue is the primary role that work plays in our lives. It is the means by which most of us generate the money we need to survive. Work also provides us with a sense of challenge and a sense of identity. In short, work occupies a good portion of our adult lives. Think about it. We sleep about eight hours per day. We work about eight hours (or more) per day. In

between, we run errands, exercise, socialize, or try to get some more sleep so that we can do some more work.

There can be no denying that work is an important and valuable aspect of life. Some researchers have gone so far as to suggest that being intellectually active may actually add as much as a decade to one's longevity. Psychologists as far back as Freud suggested that work can enrich our lives and postulated that one of our biggest challenges as we age is to synthesize love and work. They argued that in doing so, work, in essence, could become life-sustaining as opposed to life-draining. There are, of course, some specific challenges that confront workers as they pursue this outcome.

For example, in the United States older workers occupy an increasing percentage of the workforce. In fact, in the 1990s they were the fastest growing segment of the workforce. However, many companies see older workers as expensive and less productive. They seek to fire them or replace them with younger workers. In so doing, they engage in age discrimination, an area of labor law that has increased by over 14% in the past decade. So, to be "old" is perhaps to be viewed as expendable.

Women have been working in increasing numbers over the past several decades. It is well established that women work longer hours than do men, and that working mothers work the longest hours of all (because fathers do not participate equally in household chores or primary parenting tasks). Women also earn less than men (an average of about 80 cents earned for every dollar earned by men). So, to be a woman is perhaps to be seen as cheap labor.

Because of the decline in real family income over the past several decades, most women are working because they have to (i.e., their families need the money) and secondarily for issues of self-esteem and personal fulfillment. One important key in this is the extent to which women receive support and cooperation from their partners. As I mentioned above, in general men do not seem to be as involved on the home front as are women. Working mothers, in particular, appear to shoulder a heavy burden. For instance, the percentage of women with children under the age of 18 has increased from 40% in 1960 to 60% today. So to be involved in juggling roles is perhaps to be seen as someone who can be manipulated.

As workers strive to improve, they see advancement within the

company as a tangible sign that progress is being made. And, while more and more minority individuals are accessing executive, managerial, and board-level roles, the relative number of women and minorities who fill these roles remains very small. Progress needs to be made in areas such as equal pay for equal work, opportunities for leadership roles, developmental programs, organizational culture, and such. So, to be cast as “outsider” is perhaps to be perpetually bumping against ceilings that have been built to exclude you.

In all of this, what comes to my mind is the need for organizations to move beyond the *quid pro quo* that has become the norm of the implied contract between employer and employee toward a broader, more personal contract that says, in essence, “We care about you. We will do well by you so that you may do well by us.” A major tenet underscoring this philosophy is a stronger commitment to achieving personal/professional balance through child, family, and elder-care support programs. Additionally, recognizing that work is a major source of stress that contributes to negative health outcomes, a stronger commitment to

stress management, fitness, and wellness programs is warranted.

There is ample data-based evidence that demonstrates the efficacy of these efforts. Organizations that have committed to these efforts have realized improved general health among employees, decreased health-care costs, improved employee morale, increased job performance and productivity, and reduced turnover/absenteeism. In pursuing these kinds of programs, individual satisfaction (e.g., psychological commitment to the employer), organizational satisfaction (e.g., the productivity realized from employees), and individual-organizational satisfaction (e.g., strength and duration of relationship) can all be improved.

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