

Australian Computer Society

**Policy Statement
on**

THE UNCOLLARED WORKFORCE



ICT Professionals Shaping Our Future

www.acs.org.au

May 2006

Extract

The ACS believes that employers should embrace the growth in new communications technologies and the worklife options they facilitate as a means of attracting and retaining the new generation of tech savvy workers.

Growth in wireless communications is rapidly merging office and home environments. Generation Y workers will be the quickest to adapt and integrate this technology to customise their work and home arrangements and will actively seek out those employers who can satisfy their worklife requirements.

Table of Contents

Summary of ACS Position 1

1. INTRODUCTION..... 2

2. BACKGROUND..... 2

3. WORK LIFE BALANCE 4

4. TYPE OF WORK..... 4

5. FLEXIBLE WORK ARRANGEMENTS 5

6. MEETINGS AND COMMITTEES 6

7. WORK LOCATION AND CULTURE 6

8. PERSONALISED WORK ENVIRONMENTS..... 7

9. CONCLUSION 7

REFERENCES..... 8

ACS POLICY STATEMENT ON THE UNCOLLARED WORKFORCE

Summary of ACS Position

Young Australians, Generation Y, aren't considering careers in ICT and this lack of interest is behind decreasing enrolments in ICT courses.

A continuation of this trend will lead to a shortage of young ICT professionals that, in combination with the specific cultural requirements of Generation Y workers and new communication technologies, will have a profound impact on employment conditions and work life options in the ICT sector over the next 10 years.

Growth in wireless communications will merge the office and home environments and provide the means to develop a truly 'uncollared' workforce that integrates technology seamlessly to allow personalisation of work arrangements to fit around other aspects of our lives.

Generation Y workers will be the first to adapt to the work life options made available by new communications technologies and will seek employers who best meet their work life requirements. Generation Y has a strong desire for career mobility, integrating technology into work and home life, to work collaboratively and to customise their work arrangements.

Work life issues for firms to consider in harnessing these preferences and attracting young workers to an ICT career are to:

- Provide a work environment that encourages ongoing skill development and offers options to use these skills.
- Provide flexibility in pay structures and working hours that reward hard work with increased salary, as well as options for reducing salary and number of hours worked for study or family time.
- Break tasks and projects down into smaller components. Many Generation Y workers will move jobs every two years. Three to five year projects will not suit their culture.
- Implement an outcomes-focused, project-based work environment, rather than an hourly-based work or clock watching 'nine to five' culture.
- Implement permission structures and workplace culture that allows workers to exercise work life options and to integrate work with other aspects of their lives.
- Develop roles with fluid job descriptions and flatter work structures, which provide the ability to personalise roles and encourages interaction between levels within the organisation.
- Use multimode communications for meetings and decision making – MMS, SMS, mobile phone and email. You don't have to be in the office to participate in a meeting.
- Allow workers to set up multiple work locations or multiple office spaces and work from home or office as it suits their needs and the projects on which they are working.
- Facilitate greater personalisation of working environments for social development, parenting time and personal development programs.

ACS POLICY STATEMENT ON THE UNCOLLARED WORKFORCE

1. INTRODUCTION

This is the second ACS paper on achieving a better balance between work and home life. It addresses two issues that will shape the Australian workplace in the next 10 years – technology and the next generation of young Australian ICT workers.

As the baby boomers retire, they will leave behind them a labour shortage that will give employees market power for the first time in many years. This has the potential to bring about a significant generational change in approaches to job design, supervision and using technology to achieve more personalised and flexible work arrangements.

We are seeing the emergence of a new business model that will require a change in mind set for employers in the ICT sector if they are going to attract and retain younger workers.

2. BACKGROUND

The ACS Work Life Policy, released in February 2005, provided a practical framework to improve work life balance and career options in the ICT sector.

It covered:

- Employee-friendly working arrangements such as flexible hours, work location options, and job sharing and part time working arrangements;
- Paid parental leave options;
- Promoting healthy lifestyle alternatives through relief from Fringe Benefits Tax on gym and recreational club memberships; and
- Tax deductibility for child care arrangements.

This paper adds to the ACS Work Life Policy and addresses the requirements of Australia's young 'Generation Y' ICT workers.

Perceptions of ICT

ICT has been perceived as a stressful career with long hours and 24 hour customer and technical service roles. While times have changed, this lingering perception is impacting on the ability to attract young people to the Australian ICT sector.

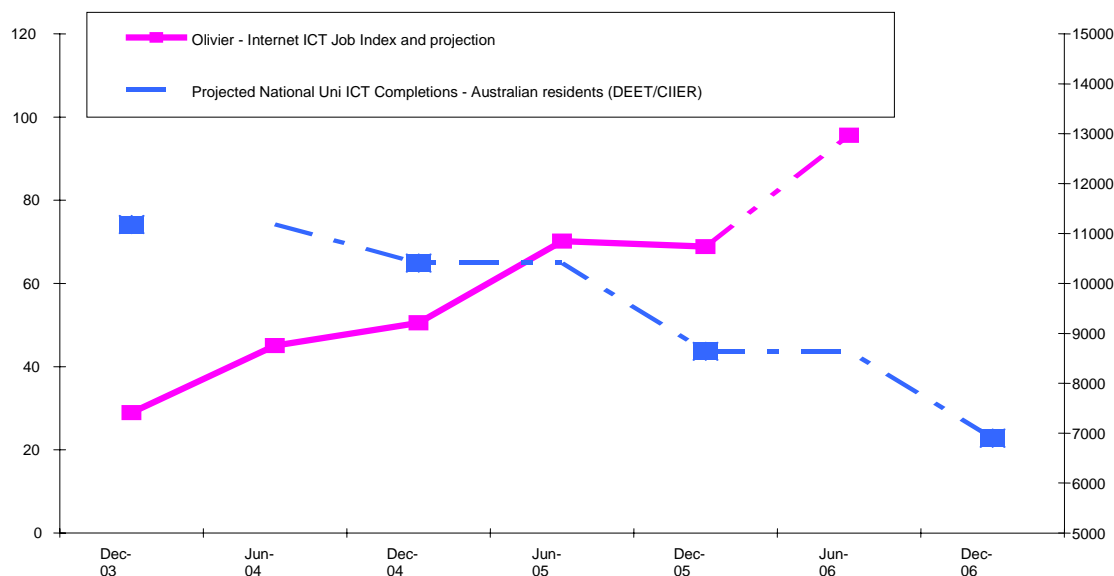
After the dot com bust in particular, parents and students developed the attitude that ICT was not a worthwhile career – however nothing could be further from the truth. ICT is ubiquitous and now underpins virtually every other sector in our economy – from simple desktop environments, right through to high tech robotic systems and super computers used in weather forecasting, economic modelling, and heavy manufacturing. Our view of what ICT encompasses and what ICT professionals do must become much broader than it has been in the past.

A disinterest in ICT higher education courses by young Australians, coupled with a reduction in places imposed upon Universities and the pressure to maximise international full fee paying student participation in these reduced quotas, has led to a significant reduction in enrolments in ICT courses over the past few years.

A continuation of this trend of decreasing enrolments in courses will leave a shortage of young ICT professionals and the necessary talent to develop and maintain a dynamic Australian ICT sector – an essential part of our economy that facilitates productivity gains and underpins growth. Our 'clever country' status will become increasingly difficult to maintain. The graph below, ICT Industry Jobs Growth Projections vs National Supply of Graduates, clearly indicates a shortfall.

ACS POLICY STATEMENT ON THE UNCOLLARED WORKFORCE

ICT Industry Jobs Growth Projections v National Supply of Graduates



The ACS recommends that all students completing tertiary education courses should consider including ICT subjects in their degree. All professionals should have an understanding of technology systems and their applications. No manager or company director should be oblivious to information systems theory and practice, considering how heavily they rely on a high quality decision support infrastructure to carry out their statutory duties.

Technology

Continued growth in the implementation of true broadband (10–20mb/s), development of new wireless communications and devices and improved security will see all Australian workplaces with unwired and mobile capabilities. The office environment will extend to the home, boat, park, Internet café, farm or any other remote location, provided adequate communications services are available.

Communications technology will provide the means to develop a truly 'uncollared' workforce and our young workers will be the first to embrace the options provided by new technologies.

Skill Shortages

New communications and other technologies in themselves will not provide the final impetus to achieving an uncollared workforce. It will be the combination of technology and impending skill shortages that will bring about workplace changes.

Fewer people entering the ICT sector will give employees market power and create fierce competition for the best talent. Firms will need strong incentives to attract young workers who will choose to work for those firms that provide work life options that best suit their needs.

Generation Y

Generation Y, born after 1980, has grown up in a society that is highly consumerist, personalised and where the boundaries between work and home life are becoming increasingly blurred.

ACS POLICY STATEMENT ON THE UNCOLLARED WORKFORCE

They are the first global generation to use technology to breakdown geographical and cultural boundaries. Technology is seen not only as a tool to use, but with which to create, enhance and extend social contacts. Meetings, friendships and relationships are as likely to be on a virtual basis with people on the other side of the world as they are with the people down the end of the street.

A key element to achieving work satisfaction with Generation Y is to harness their comfort with technology, desire to work collaboratively and to provide the flexibility and ability for them to control and to customise their working arrangements with other aspects of their lives.

Young workers are choosing jobs that give them these options. It's about being able to personalise work arrangements so that they can take advantage of the diverse range of activities on offer to young people today. Restrictive internet and other technology use policies are considered a strong turn off by young workers.

The culture and values of an organisation are viewed as critically important in choosing an employer.

3. WORK LIFE BALANCE

Generation Y individuals are working towards having a life, not just a career. They have a strong sense of entitlement, but little sense of work ethic or organisational loyalty. They want to be able to modify working arrangements and circumstances as career and home needs change.

Technology is increasingly allowing workers to perform many of their tasks from outside the office and outside standard office hours. Technology-assisted collaboration tools provide unprecedented access to experts and peers, reducing reliance on direct contact and direct oversight by management.

For young workers, it's not about being in the office for 12 hours a day just to fit the corporate culture and climb the corporate ladder. It's about working productively and flexibly to achieve KPIs and required outcomes.

This approach to work is fundamentally at odds with the direct oversight management model.

It conflicts with the practice of measuring employee value by the number of hours worked and supervising inputs rather than simply focusing on output and allowing employees to achieve the desired outputs in a way that best suits them.

4. TYPE OF WORK

Today's young workers do not subscribe to the baby boomer work ethic of 'having to pay your dues' before you can get a decent salary, promotion or partnership. They believe it should be achieved on merit and ability with a salary paid commensurate to the work they are doing and value created for their employer. In other words, they want a more challenging job now and will leave if the opportunities and rewards are not provided.

Generation Y is challenging the traditional "charge per hour" business model on which much of the ICT and professional services sector is based. **They have a strong resistance to being forced to work to meet billable hour quotas.** Rather, their work preference is task oriented and outcomes focused. They demand to be paid for the work they do on the same basis as more senior workers. If they are doing the same work they believe they should receive the same level of pay.

ACS POLICY STATEMENT ON THE UNCOLLARED WORKFORCE

They seek collaborative and social work roles and structures where they have the respect of their peers and managers. Roles that provide a constant stream of new projects and assignments with commensurate responsibility and regular opportunities to change roles and career direction are highly regarded.

Successive rounds of large redundancies had an impact on young people, who saw their parents work long hours and give high levels of loyalty to their firms only to lose their jobs. As a consequence, firm loyalty is not a high priority and many only intend to stay with firms for two years or so. This presents a challenge for many ICT firms that regularly implement projects of three to five years duration. Projects will have to be broken down into smaller components to accommodate this different approach to work.

5. FLEXIBLE WORK ARRANGEMENTS

Flexibility in work arrangements is, by and large, expected, although it is not the end goal. Appropriate permission structures must also be in place.

Many organisations provide benefits such as flex time, gyms, coffee shops and cool down rooms, but without appropriate permission structures and an underlying culture of acceptance, no one gets to use them.

While it's one thing to provide facilities and benefits, it's another to be allowed the flexibility to use them when needed. Companies and roles that provide this type of flexibility are being targeted by Generation Y and providing this type of flexibility is crucial to attracting and retaining Generation Y workers. **It must be a fun place to work.**

Work arrangements Generation Y looks for include:

- Arrangements and roles that allow for strong social contact – virtually and in person.
- Environments that encourage skill development, creativity and entrepreneurial flair.
- Access to state of the art training and technology.
- Fluid job descriptions – an ability to create their role.
- Permission and work structures and culture that allow and encourage integration of work and other aspects of life.
- Flat, non-hierarchical work structures that encourage interaction between all levels within the organisation.
- Acknowledgement of their contribution and a focus on performance results and rewards.
- Feedback, coaching and access to development opportunities.
- Clearly defined expectations, required outputs and timeframes.

Importantly, significant changes to workplace culture will be needed to attract young women to the ICT sector. A 2005 report in NetworkWorld indicated that young mothers are looking for changes in the workplace:

- 90 per cent would take a pay cut to spend more time with their children;
- 75 per cent want flexible work schedules;
- 60 per cent want extended parental leave;
- 59 per cent want family friendly work hours – between 9am to 3pm; and
- 49 per cent want onsite child minding facilities.

ACS POLICY STATEMENT ON THE UNCOLLARED WORKFORCE

These issues were addressed in the ACS Work Life Policy released in February 2005. With Australia on the verge of a second baby boom, these will be important issues for employers to consider and adopt as part of their employee incentive programs.

6. MEETINGS AND COMMITTEES

Young workers have a strong preference for multi-mode communications – SMS, email, mobiles and MMS – and see these as equally valid as face to face communication. This means firms should be investigating using technology solutions to allow workers to participate in meetings from multiple locations.

For example, video conferencing and online discussion forums provide valid alternatives to long, drawn out meetings and facilitate instant analysis and decisions without compromising work requirements or employee options.

7. WORK LOCATION AND CULTURE

Supervising employees has, by and large, been on the basis of ‘if you can’t see a worker then they must not be working’. Generation Y is looking for roles that give individuals the opportunity to customise their work style and location with their lifestyle. They are looking for empowerment and trust from management and an ability to work in a manner that best suits them and enables them to work to their highest ability.

However, while freedom and independence are important, Generation Y also likes and needs direction and support from managers and senior co workers. It is important to strike a balance by providing young workers with the freedom to get the task done in their own way using their own creativity within the set boundaries of timelines and organisational goals and requirements.

Managers must be able to lead by clearly communicating organisational direction and core values, required outcomes and timeframes so that Generation Y workers can make their decisions and apply their skills in line with business goals, which in turn gives a sense of accomplishment.

Having grown up with electronic transactions as the norm, young people are accustomed to the idea that you can do anything at anytime from anywhere. Having to conform to a corporate work culture that requires working from a certain location for a certain period of time every day does not sit well with their work life philosophy. Organisations that adopt teleworking or telecottaging, timeshifting and multiple work locations will recruit and retain younger workers more easily than those that don’t.

Work location options that Generation Y workers are choosing include:

- Jobs that provide multiple locations or the ability to set up multiple office spaces – ability to work from home, satellite office or main office environment as it suits their needs and the projects on which they are working.
- Personalisation of work spaces that allow for privacy but also encourage socialisation.
- Opportunities for lateral moves between departments.
- Organisations that encourage diversity and individuality.
- Organisations that have developed organisational values and participate in and sponsor socially responsible activities.

Hot desking and other semi permanent location options that do not allow for personalisation of work environments or a sense of ownership are universally rejected by Generation Y workers.

8. PERSONALISED WORK ENVIRONMENTS

Work place arrangements that support personal development and other activities of employees will be important in positioning the ICT industry to attract and retain young workers. Humanising offices and approaching work as an integrated part of life rather than separating one from the other are very much part of the Generation Y trend.

This enables workers to own their work space and integrate facets of their life into their work environment. They are looking to create fun work environments.

Issues for consideration in developing more personalised working environments include:

- Opportunities for creative personal development programs.
- Acknowledging individual contributions.
- Encouraging employees and implementing permission structures that allow them to pursue individual interests and other activities in balance with work and organisational priorities and goals.
- Organisational social development that connects with personal and social development.
- Outcomes-focused, project-based work environments rather than hourly based work or a clock watching 'nine to five' work culture.
- Parenting time and ability to work around family commitments.

9. CONCLUSION

Falling enrolments and a lack of interest in ICT by young Australians are a wake up call to the Australian ICT sector. For an industry that is increasingly young and vibrant, it will continue to struggle to attract and retain young workers unless it changes its business model and working environment.

To do this, the ICT sector needs to provide work environments that are flexible and humanised while encouraging personal ownership of roles and integration of work with other life activities. The ICT sector needs to embrace and facilitate the development of the uncollared worker and implement permission structures that facilitate a strong work life culture.

Generation Y has grown up with rapid change and will be looking for workplaces where change is the norm, adoption of new technology and workplace efficiencies is part of the organisational culture and a career is a means to a rich and full life rather than an end unto itself.

ACS POLICY STATEMENT ON THE UNCOLLARED WORKFORCE

REFERENCES

The ACS wishes to acknowledge the contribution of Peter Sheehan in sharing his insights into Generation Y.

1. Carroll, J., "Integrating Gen-Y into the Workplace", www.jimcarroll.com/articles/assoc-12.html
2. Hacker, CA., "Recruiting and Retaining Generation Y and X Employees", <http://chartcourse.com/article/genxhacker.html>
3. Henry, A. "How to Attract, Motivate, Manage and Retain Different Generations at Work", AH Revelations, 2004.
www.freehills.com.au/files/HowToAttractMotivateandRetainGenXandGenY.pdf
4. Horin, A., "Gen Y Work Towards a Life, Not a Career", Sydney Morning Herald, 4 June 2005
5. Hoffman, Lynette "Gen Y Here and Now", Weekend Australian, 20-21 August 2005
6. Multimedia Victoria, "Attitudes to ICT Careers and Study Among 17-19 Year Old Victorians", 2004. www.mmv.vic.gov.au
7. Schurr, Amy "Moms and the Workplace", NetworkWorld 10 June 2004
www.networkworld.com/weblogs/careers/005051.html

The term "Uncollared Workforce" was coined by Edward Mandla, ACS President 2004 – 2005.