

The rising interest in work related issues is rooted in a number of fundamental social and industrial changes. Nowadays, companies must maintain or enhance productivity with fewer workers, who differ from their predecessors and from each other in terms of values, work ethic, expectations and motives. This must be accomplished at a time when the skills demands of many jobs are increasing; the structure of organisations and the manner in which work is done is undergoing remarkable change; and international competition for workers with the new skills is intensifying (Olgiati & Shapiro, 2002).

## 1. CHANGING DEMOGRAPHICS

The demographic composition of the workforce has changed dramatically in recent years. This workforce now includes more women in general, more dual-earner couples who have responsibility for the care of children or/and elderly dependents, as well as more dual-professional couples where both have careers, not just jobs (Bond, Thompson, Galinsky, & Prottas, 2002). The influx of women in the labour force is desirable and necessary, considering the ageing workforce and, as a consequence, shrinking labour pool :

### ○ Ageing workforce

- The population in general and the workforce is ageing – faster in Europe than in the US (Olgiati & Shapiro, 2002). The percentage of the population that is 65 years or older is rising in all countries and is expected to continue doing so. The number of inactive elderly as a ratio of the numbers in the total labour force is also increasing. These trends have a number of implications for economic growth and welfare.

- **Europe:** Europe: the report of Coomans (2002) denotes the following: according to the latest UN projections, the working age population would decrease by 11% in the 10 candidate countries over the first quarter of century, against a decrease by 3% in the EU15 (→ [figure 1](#)). Italy shows the sharpest decrease, with a labour force that would be reduced by one sixth over the next quarter of century. At the higher end, only Ireland and Luxembourg would show significant growth. By 2025, Portugal, UK and Sweden would be back around that 2000 level. In between, all other Member States show decreases between 3% and 10%, accounting for close to 1% a year (→ [figure 2](#)). The second major problem is the ageing within the working age population. By 2007, the number of young people aged 15-24 will be below the number of people aged 55-64, meaning no possible overall replacement of older working generations by the young incomers (→ [figure 3](#)). While the EU15 as a whole still had 113 young incomers for every 100 close to leaving age in 2000, this is due to show less than 80 by 2020. Germany and Italy end up in 2020 with the most unfavourable figure, below 75 – i.e. less than 3 coming in for every four going out. Austria, Belgium, Spain are by then below 80 – with Spain showing a very fast degradation over the present decade. France, Greece, Luxembourg, the Netherlands, Finland and the UK illustrate also the end of relative abundant entries into the labour market. Only Denmark, Sweden, Portugal and Ireland show a ratio close to parity (→ [figure 4](#)).

**Belgium/Flanders:** By contrast with data from 1970 and 1990, there is a strong increase in the number of older women and men, compared with the number of young people. On January 2004, the group of 60 year olds comprised 24.4% of the total female population and 19.1% of the total male population. For each 100 females younger than 20, there were already more than 109 women over 60 years, whereas for each 100 young males, there were 79 male 60 year olds (Kuppens, Steegmans, Van Aerschot, Poot, & Van Haegendoorn, 2006) (→ [figure 1](#)). The ageing of the population leads to a greater dependence. The department 'Demographics' of the general office of Statistics predicts that - in 2010 - the ratio of 60 year olds with 20 to 59 year olds will amount to 50.0% for women and 38.3% for men. In 2050 it is expected that this proportion will add up to 75.2% for women and 62.7% for men (→ [figure 2](#)).

### ○ Working women

- Throughout the twentieth century, the percentage of workers who were male and married to full-time homemakers fell steadily (Lee, MacDermid, Williams, Buck, & Leiba-O'Sullivan, 2002). A surge in the number of working women – mothers with children, female heads of households, and wives in dual-worker families – is producing economic and social realignments (Women's Bureau, 1992).

- **U.S.:** In 2005, women made up 46.4% of the U.S. paid labour force and 50.6% of managerial, professional and related positions (Catalyst, 2006a). By 2010, the number of women in the U.S. labour force will have increased by almost 10 million, a growth rate almost one-third higher than that for men (Catalyst, 2004b). In 2006, 56.4% of all mothers with children under 3 years were in the labour force. The overall labour force rate of mothers with children under 18 was 70.9% (Bureau of Labor Statistics, 2007).

**Europe:** In the EU-25, the rate of employed women increased from 51.1% in 1997 and 53.6% in 2000 to 57.3% in 2006. For the EU-15, employment rates averaged 50.8% in 1997, 54.1% in 2000 and 58.4% in 2006 (→ [figure](#)) (Eurostat, 2007).

**Belgium/Flanders:** In the year 2005, 57.8% of Flemish women of working age (between 15 and 64 years old) had a paid job, up from 52.7% in 1999. In the same period, the feminine labour force, which comprises both employed and job-seeking women, rose from 56.8% to 61.7% (Leyman et al., 2006). In Belgium, the employment rate of women with children under 3 was 62% in 2003 (Aliaga, 2005). It is expected that these figures will continue to rise in the next years because of the generation-effect: each young generation of women participates more actively in the work force than the older generations (Leyman et al., 2006). Notwithstanding the former, there are still great differences in the positions that men and women fulfil. Horizontal segregation refers to the fact that women and men concentrate in different jobs and sectors (→ [table 1 and 2](#)). Besides horizontal segregation, vertical segregation exist: women are underrepresented in management functions (→ [table 3](#)).

### ○ Dual-earner couples

- The proportion of married wage and salaried employees who live in dual-earner couples had increased substantially over the past 25 years.

- **U.S.:** In 2005, 51.3% of married couples were dual-career couples, up from 44% in 1967 and 50.7% in 2004 (Bureau of Labor Statistics, 2005c). According to Catalyst, the proportion of married wage and salaried employees who live in dual-earner couples has increased from 66% in 1977 to 78% percent in 2002 (Catalyst, 2005c). Dual-earner couples work long hours, with combined weekly work hours rising to 91 in 2002, up from 84 hours a decade earlier (Bond et al., 2002).

**Europe/Belgium:** the 'dual participant' households have become the dominant form in most EU Member States among households with two people of working age. In all 10 Member States for which data were available, there was an increase in the importance of dual participant households over the 1990s (→ *see figures*). The growth was particularly pronounced in Belgium: in 2003 68% of couples aged 20-49 were dual participant households, up from 67% of couples in 2000 (aged 20-59) and 58% of couples in 1992 (aged 20-59) (Aliaga, 2005; Franco & Winqvist, 2002). In Belgium, the most common form of dual participant households (60.6%) is one where both participants work fulltime (Aliaga, 2005).

- Educational levels

- Over the past 25 years, women have achieved increasingly higher educational levels – such that today women employees are significantly better educated than men (Bond et al., 2002). Companies that recruit, and advance women will benefit from tapping an important and growing source of talent.

- **U.S.:** In 2001, women earned 57.3% of all Bachelor's degrees in the U.S., 58.5% of all Master's degrees, 44.9% of all doctorates, and 47.3% of all law degrees. By 2012, women are projected to earn 56.7% of all advanced degrees in the U.S. (Catalyst, 2004b).

In 2005, 18.7% of women in their 20s have bachelor's degrees, compared to 14.3% of men in the same age range. Likewise, 23.1% of women in their 30s have a bachelor's degrees, compared to 20.3% of men in the same age range (Digest of Education Statistics, 2005).

**Europe:** over the last 30 years, disparities in educational attainment levels between the sexes have been reduced and even reversed throughout the EU, such that women have generally overtaken men in terms of the average qualifications they obtain. Throughout almost the entire EU, they are slightly more women than men in tertiary education. In the EU-25, the share of women among tertiary students has increased from 52.7% in 1998 to 54.8% in 2004 (Eurostat, 2007) (→ *figure*).

**Belgium/Flanders:** In the late 1950's, for every 100 men who entered university, there were only 20 women who did the same. Nowadays there are 120 women for every 100 men who attend the university (Geurts & Van Woensel, 2005). In 2005, the share of highly skilled female 25 to 34 year olds was remarkably higher than that of males in the same age group, namely 47% versus 37% (→ *figure*). If the advance of young women compared to men continues, within 40 years the overall picture regarding educational level will be altered drastically in favour of women (Leyman et al., 2006).

- Family structure

- During the last 15 years, the average family structure has changed. This change reflects the increasing incidence of divorces, heightened marital separations, and a growing number of women establishing families without marrying (Sachs, 1994).

- **U.S.:** Data from the U.S. Department of Labour revealed that in 1992, 12 million families were maintained by women – a figure that has more than doubled since 1970.

**Belgium/Flanders:** In Belgium, single parenthood for women rose from 7.3% in 1991 to 9.5% in 2005. For men, the increase was even more pronounced: from 1.8% in 1991 to 3.6% in 2005. In all, the group of single parents has increased by 62.2% since 1991 (Kuppens et al., 2006).

- Dependant care

- There is the growing problem of senior dependent care, in combination with child care. Women are marrying at later ages, increasing the likelihood of caring for younger children and parents at the same time. Because of the high divorce rates, there will be fewer spouses to provide care for each other, and adult children may be faced caring for divorced parents living in separate locations (Singleton, 2000). In 2002, more than one-third of the work force had elder care responsibilities (U.S. Census, 1994, in Bond et al., 2002; Kossek, Barber, & Winters, 1999). Forty percent of those caring for parents and grandparents have child-care responsibilities too (Lewison, 2006). This demographic sector is likely to increase with the aging population.

→ *The nature of the work force is changing, as are the needs of their employees. Traditional models of work require people to devote the majority of their time and energy to employment at the same time they are bearing and raising children. These models are being re-evaluated. Dual-career (two-earner) families and single-parent families are most likely to experience how inappropriate traditional models of work can be for today's families (Sachs, 1994).*

## 2. CHANGES IN LABOUR ETHICS

Along with population demographic, employees' expectations are changing as well. Today's workers want employers to offer more than just a job. They want to work for a socially responsible company that recognizes (even values) the importance of home, family and personal time (Kossek & Grace, 1990).

- A shift in values

- Values have been moving away from materialistic goals toward concern with the “Quality of Life”. Perhaps not surprisingly, workers have become more vocal about their wishes for a greater sense of balance between their work and nonworking lives (Lee et al., 2002). Quality of life has taken a front seat to financial compensation. In the 1980s employees focused on work, work and more work to increase their buying power. However in the 1990s, we witnessed a shift in values, with employees wanting satisfying careers that allow them to balance the responsibilities of work with those of home and family (Ewing, 2002).
- **U.S.:** An American study, performed among 1200 professionals born between 1964 and 1975, indicated that these so-called “Generation X professionals” want programs and policies to help them navigate their advancement and manage their work and personal commitments (Catalyst, 2005b). In a survey of 649 law associates, men and women associates, both junior and senior, cited work-life balance factors (“an environment more supportive of my family and personal commitments” and “more control over my work schedules”) as more important in choosing to work at another firm than other factors – ranging from increased compensation to pursuing more intellectually challenging work (Catalyst, 2005a). The National Study of the changing workforce 2002 (including about 3500 wage and salaried employees and self-employed workers in the U.S.) pointed out that – despite somewhat increased work-life supports on the job – employees with families report significantly higher levels of interference between their jobs and their family lives than employees 25 years ago (45% versus 34% report this “some” or “a lot”). Men with families report higher levels of interference between their jobs and their family lives than women in the same situation (Bond et al., 2002).
  - Europe:** the survey entitled ‘Gender, Employment and Working Time Preferences in Europe’ of the European Foundation found that the number of hours currently worked by many people in the European workforce is not in line with their working time preferences: 45% would prefer to work fewer hours in exchange for lower earnings, while 12% would prefer to work longer hours. On average, men prefer a 37-hour week and women a 30-hour week (European Foundation, 2001, in Arthur, 2002).
  - Belgium/Flanders:** In 2005, the dutch SCV-survey (Sociaal-culturele verschuivingen in Vlaanderen) assessed the work orientations of the Flemish population in a sample of 1500 persons between 18 and 85 years. The survey found that the Fleming wants more time for leisure activities (64.8%), family (54%) and friends (50.6%). These figures are higher for highly skilled respondents than for shortly skilled respondents. Only one in four respondents wishes for more time for household activities and less than one in six would like to have more time for paid work. Almost one in three Flemings wants to spend less time on the job (Vanweddingen, 2006).
- A change in work ethics
  - A Dutch study among a representative sample of 15 to 65 year old people, investigated the change in work ethics between 1985 and 1996. Two questions about norms and values on labour were especially interesting to take in consideration: “there are more important things in life than working” and “work always has to come first, even if this means less leisure time”. During these eleven years, work received a less central position in people’s lives. Interestingly, women and men barely differed in their opinion: both in 1985 and 1996 the average scores of women and men were at the same level. There was however a distinct correlation with educational level: the higher the educational level, the less working was considered as an important issue. The anticipated increase in highly skilled workers taken into account, it can be expected that the importance of labour will decrease even further (van Hoof, 2001).
 

In another Dutch graduate survey, the expectations of near-graduate students with regard to labour and employers were examined. Above traditional career goals such as obtaining a management position, working in an international context and receiving a satisfying pay check, finding a balance between work and family lives is the most important. According to the researchers of this survey, we are witnessing an amazing development as more and more young persons value a reconciliation of between work and family life (van Hoof, 2001).

Research among 120 young persons (mainly employed) in Leiden revealed that the majority of respondents already doubts whether they will continue to work fulltime until their pension. Different motives lie at the root of this: traditional family motives, disappointing work experiences and the desire to develop one’s personality, talents, abilities, .... The last motive is particularly applicable to highly skilled employees (van Hoof, 2001).
- Not just a women’s problem
  - In the past, work-life balance has been considered a women’s issue; recent studies indicate that men are as likely as women to have difficulty managing work-family demands (Hill, Hawkins, Ferris, & Weitzman, 2001). Well over half of working men have wives working full or part-time (Women’s Bureau, 1992). Catalyst’s study among Generation X professionals (born between 1964 and 1975) revealed a remarkable level of similarity between women and men in the workplace. They join and leave their organisations for similar reasons and want access to many of the same programs and policies (Catalyst, 2005b). The American study of the changing workforce (Bond et al., 2002) stated that the roles of fathers in the home have expanded. Since 1977, fathers have increased the time they spend on workdays doing household chores by approximately 42 minutes, while mothers have reduced their time by the same amount, although they still do more than fathers. Catalyst research finds that men increasingly experience difficulty navigating busy professional and personal lives. For example, more than one-half of men (56%) and women (58%) in financial services and more than two-thirds of male law graduates (66%) and female law graduates (68%) report difficulty balancing work and personal demands. Of MBA graduates, one in three women and one in four men are not satisfied with their work/life balance (Catalyst, 2003). One study even found that men with families reported higher levels of interference between their jobs and their family lives than women in the same situation (Bond et al., 2002).

→ *The search for a balancing act between paid work and home responsibilities is an important matter, not just for women and dual earner couples with children but also for men, childless dual earners and singles. Many employees are putting their personal lives first, which means that a company might loose an employee if they don’t offer substitute solutions to the traditional working schedule (Kuehn, 2004).*

### 3. COMPETITIVE POSITION OF COMPANIES

For management the question arises of how a company can gain sufficient flexibility to cope with the challenge of rapid environmental

development. The pressure on firms to act quickly and to be responsive to customer needs and competitor threats is growing (Kauffeld, Jonas, & Frey, 2004). Many companies now seek to differentiate themselves on the basis of added value, high quality and a unique value proposition for customers, rather than low costs. This highlights the importance of attracting, developing and retaining a skilled and committed workforce (Olgiati & Shapiro, 2002):

- Recruitment
  - Recent economic growth launched a “war for talent” by boosting the demand for workers just as growth of the labour force slowed. By one estimate, the number of jobs to be filled in the next decade will grow about 40% again as fast as the number of job seekers (Judy & D’Amico, 1997, in Lee et al., 2002). With a shrinking labour pool and a thriving service sector economy, women’s employment needs are becoming increasingly important in recruitment, productivity and other bottom-line considerations (Women’s Bureau, 1992). If companies are unable to retain high-talent women, they are wasting the experience and talent of half the population.
- Retention
  - Because workers want more balance between work and personal life and are increasingly willing to change employers to get it, organisations must work harder than before to sustain worker loyalty (Stroh & Reilly, 1997). A study among 649 law associates, found that associates’ ratings of their firms work-life cultures were significantly related to the number of years they intended to stay with these firms. This finding was true even after considering differences among associates due to gender, level, marital status and other characteristics (Catalyst, 2005a). Companies invest significant time and money in recruitment and training, and when high-talent professionals leave, the firm suffers a reduction in productivity and client-service continuity (Hooks, 1996). Although multiple studies and debates exist around the topic of measuring turnover, an accepted number for the cost of a professional or manager leaving a company is a minimum of one’s year’s worth of salary and benefits. Between 93% and 150% of a departing employee’s annual salary – and up to 200% of salary for a highly skilled or senior person – is considered the typical costs of replacing a worker. This formula measures the combined cost of termination, replacement, vacancy, and learning curve productivity loss (Catalyst, 2006b; Johnson, 1995). Turnover costs become increasingly important as traditional retention strategies are eroded by diminished loyalty and job commitment (Friedman, 1991).
- Image
  - An organisation with a primarily homogenous work force, can acquire an anti-female image. This image can disturb the relationships with stakeholders, mainly customers, future employees, the neighbourhood, etc. (Doyen, Lamberts, & Janssens, 2002). In a study, performed among 1200 professionals born between 1964 and 1975, 77% of the respondents reported that the organization’s reputation was important in choosing their current employer (Catalyst, 2005b).
- Consumers
  - Through their growing employment, the economic power of women increases. As a result, the company that leverages its female talent internally, is assumed to be better able to develop products and services that could appeal to its external customers (Catalyst, 2004a). For the automotive sector, women comprise an important and growing customer group. Data from the RDC-data centre (Dutch information provider for the automotive sector), reveal that the share of feminine car buyers is growing. In the first half of 2006, 33.6% of all new private cars were bought by women, up from 31.7% last year. The most popular car bought by women is the Toyota Aygo, followed by the Toyota Yaris, the Suzuki Swift, Volkswagen Fox and finally Kia Picanto (RDC datacenter, 2006).
- Performance
  - Although the impact on performance is difficult to assess, it is reasonable to assume that more satisfied and committed employees – due to a positive diversity climate – will lead to increased performance measures. In a study of 353 companies, Catalyst found that the group of companies with the highest representation of women on their top management teams experienced better financial performance than the group of companies with the lowest women’s representation. This finding held for both financial measures analyzed: Return on Equity, which was 35.1% higher, and Total Return to Shareholders, which was 34.0% higher (Catalyst, 2004a). These results have to be interpreted with caution as it concerns only one study. While discussing the different gender friendly work measures, the effect studies regarding productivity will be included.
- Creativity
  - A more diverse work force has more diverse views. Research on group behaviour demonstrates that diverse groups, when properly managed, make more innovative business decisions than non-diverse groups (Tsui & Gutek, 1999, in Catalyst, 2004a).

→ *Companies are cautious about adding programs or establishing policies that might increase costs or decrease productivity because they are struggling to compete in a global and volatile economy. However, as population demographics continue to change rapidly and organisations strive to compete globally, organisations are compelled to develop strategies to adapt to the needs of the workforce (Sachs, 1994). The business case for recruiting, developing, and advancing women maintains that companies that have diversity and manage it properly make better decisions, produce better products, and retain several key business advantages over more homogenous companies (Catalyst, 2004a). The financial benefits of retaining staff who might otherwise leave due to lack of career development or due to the desire to combine a career with family must be stressed, as is the image of the organisation as a ‘good’ employer and hence its attractiveness to all members of society as its customers.*