



Swiss Human Relations Barometer

Autumn newsletter 2015

Talent management – what are the key factors determining whether talented employees stay or go?

An analysis based in the Swiss Human Relations Barometer

Nowadays, attracting, fostering and retaining talent is a top priority when it comes to human resource policy, as qualified specialist and management staff are in short supply. There are various reasons for this: first of all, the demographics of the labour market are changing – the number of older people is continuously rising as the number of younger ones declines, new technologies are requiring new skills and there is increasing mobility in the international labour markets. How do talented workers think, operate and act, and what can be done to attract and retain them? The Swiss HR Barometers from 2010 and 2014 offer some answers to these questions.

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Editorial

The Swiss HR Barometer makes a distinction between four different career orientations. When it comes to talent management, the employees who attract the most interest are those who take charge of their own career. These have what is known as an autonomous career orientation. They tend to be younger and better educated than other employees, but they are also more likely to want to hand in their notice and leave. The first of the two articles featured below therefore examines the question of how employees with an autonomous career orientation can be inspired to remain loyal to the company in the longer term.

Younger, talented workers often have young families, which raises the question of how to strike the optimum balance between having children and having a career. That is why companies and public bodies offer childcare

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services. Yet what happens if both companies and the state provide childcare facilities? The second article explores this issue.

The Swiss Human Relations (HR) Barometer is a joint project run by the University of Zurich and ETH Zurich. It is funded by the Swiss National Science Foundation and since 2006 it has been gathering information on how employees in Switzerland experience their work situation. A representative, differentiated survey of workers in Switzerland conducted at regular intervals is used to establish basic organisational/psychological principles for human resources policy. We would be delighted if the information we provide in this newsletter proves helpful to companies in attracting and retaining talented staff.

Gudela Grote & Bruno Staffelbach, editors

How to inspire longer-term company loyalty in employees with an autonomous career orientation?

by Julia Humm

These days, career paths no longer follow as straight a course as they once did some time ago. Workers in previous generations were often employed by the same company throughout their career, gradually working their way up the hierarchy. Modern careers, on the other hand, are characterised by more frequent moves to different employers, industries or even different professi-

ons. This fluidity is also reflected in the career orientations of the employees of today, as shown by the 2014 Swiss HR Barometer. On the whole, in Switzerland a distinction is made between four different career orientations (Gerber, Wittekind, Grote, & Staffelbach, 2009), with traditional security-oriented employees and those with an autonomous career orientation at opposite ends of the spectrum. The number of traditional security-oriented employees, who feel a strong sense of obligation towards the company they work for and place a high value on job security, has fallen in the past few years. Meanwhile, however, there has been a steady rise in the number of autonomously-oriented employees, who feel less tied to their company and like to manage their own career (Grote & Staffelbach, 2014). To illustrate the significance of this increase in autonomously-oriented employees, the analysis below contrasts them with traditional security-oriented employees. Who exactly are these autonomously-oriented employees? What do they expect from their employment (and employer) and what aspects of work organisation are becoming increasingly important in light of their growing presence?

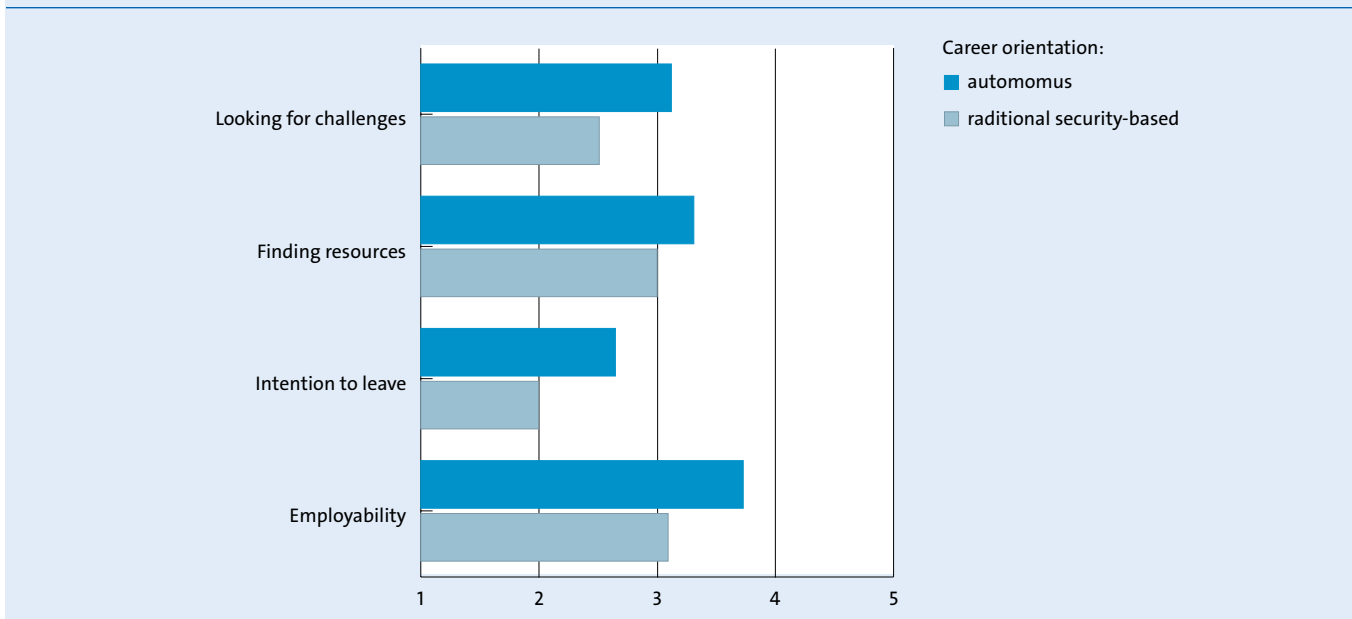
Autonomously-oriented employees

The analyses of the 2014 HR Barometer (Grote & Staffelbach) show that employees with an autonomous career orientation are, on average, younger than other employees. They also tend to be employed full-time and educated to a remarkably high level (Figure 1). However, the average period for which they remain at the company is significantly shorter than that of employees with traditional career orientations.

	Career orientation	
	traditional security-based orientation	autonomous orientation
Average age	45 years	35 years
Average duration of employment	13 years	6 years
Proportion of highly educated employees (with a degree from a university of university of applied sciences)	17 %	37 %
Proportion of employees with an employment level of more than 90%	52 %	74 %

Figure 2

Comparison of job crafting, intention to leave and employability



Autonomously-oriented employees also differ from their more traditional colleagues in terms of their experiences and behaviour in the workplace (Figure 2). They play a much more self-reliant and proactive role in organising the content of their work and their own working conditions through what is known as job crafting (Wrzesniewski & Dutton, 2001). They actively seek out new challenges – by asking for more responsibility, for example – and make an independent effort to tap into work resources – for instance by collecting suggestions from supervisors and colleagues. However, the increase in autonomously-oriented employees also poses certain risks for companies. After all, even though employees with an autonomous career orientation are, on the whole, just as happy with their job as those with a more traditional security-based orientation, they are more likely to want to hand in their notice and leave. They also have a higher estimation of their employability, which means that they tend to assume that they will be able to find a comparable job elsewhere without too much difficulty. So what can companies do to retain these dedicated and highly qualified employees on a longer-term basis?

The expectations of autonomously-oriented employees

To encourage autonomously-oriented employees to remain loyal to a company for longer, it is important to know exactly what they expect. According to the data from the 2014 HR Barometer, on the whole these employees have higher expectations regarding their work or their employer than those with a different career orientation, the most marked contrast being between autonomously-oriented and traditional security-oriented employees (Figure 3).

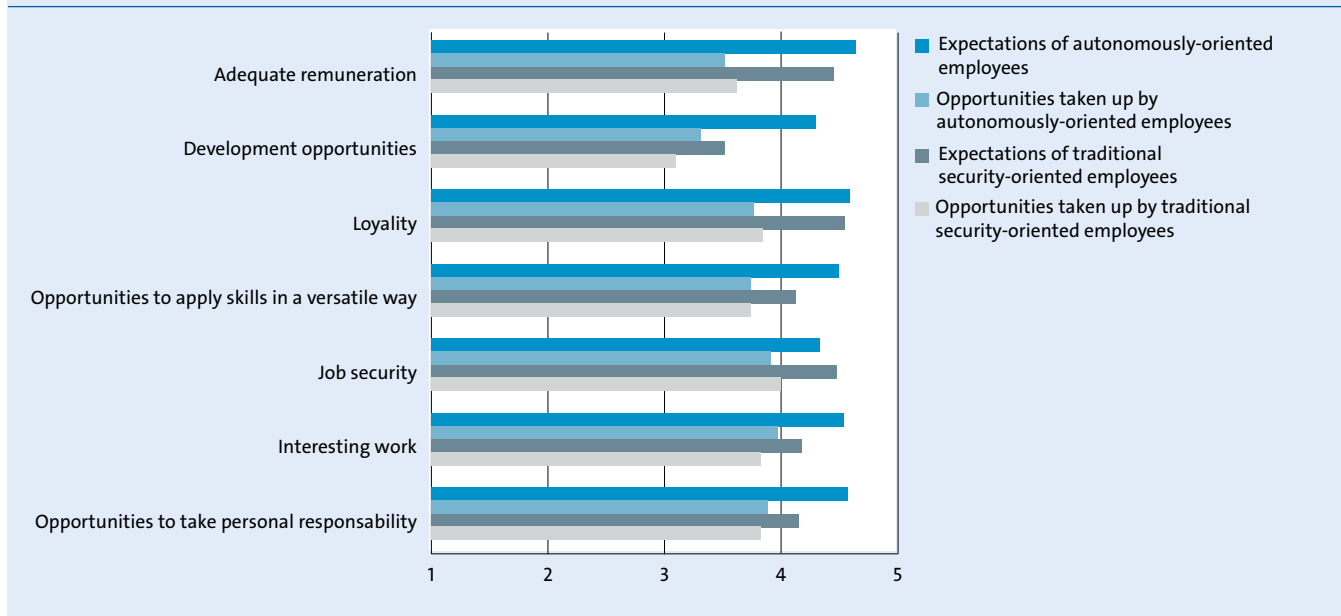
Autonomously-oriented employees expect more interesting work content, greater opportunities to take on personal responsibility and more frequent chances to apply their skills in a versatile way. They also demand considerably more opportunities for development than their traditional safety-oriented colleagues. However, it seems that these higher expectations do not always go hand in hand with a more varied range of activities and a greater effort by employers to accommodate requirements. The biggest discrepancy as far as autonomously-oriented employees are concerned is therefore the disparity between their expectations and the opportunities they take. This poses a problem, as the fulfilment of expectations is one of the influential factors in determining whether or not autonomously-oriented employees decide to leave. This therefore means that meeting the expectations of autonomously-oriented employees to be able to put their skills into practice in a variety of ways can help to reduce the likelihood of them wanting to leave. The more employees feel they are able to make full use of their talent in their work, the less they will think about terminating their employment.

Implications

In future, it is likely that employees with an autonomous career orientation will make up a growing proportion of the labour market. In times of skills shortages, companies will therefore have to make a special effort to retain these highly qualified employees for as long as possible in spite of their low threshold for terminating their employment contracts. These deman-

Figure 3

Expectations and opportunities of employees with an autonomous career orientation compared to those with a traditional security-oriented career orientation



ding yet dedicated workers can be very valuable to companies – provided they meet their requirements. To keep hold of autonomously-oriented employees for longer, companies should offer them the opportunity to work independently on continuously developing their skills Portfolio. They should be given the chance to assume responsibility for various projects encompassing a wide range of tasks, as well as scope to initiate and implement projects on their own initiative. Autonomously-oriented employees may also find it especially interesting to be deployed in various different roles within the company. By taking this approach, companies can ensure that the needs of their autonomously-oriented staff are met on a long-term basis too, so that they don't feel the urge to seek new challenges outside the company. Another important factor for autonomously-oriented employees is the opportunity for further training (particularly in specialist skills). This also gives them the chance to develop their personal skills and thus enhance their own employability. The key to retaining autonomously-oriented employees in the longer term seems to be enable and help them to develop in a way that gives them the means to achieve success outside the company too. At the same time, however, employers need to give these employees enough free scope to realise their career goals without going elsewhere.

When do companies benefit from having their own childcare scheme?

by Anja Feierabend & Bruno Staffelbach

In addition to voluntary childcare services provided through companies, welfare states are investing more and more in ways to reconcile work with family life (Glass & Estes, 1997). With state support being stepped up in many western industrialised nations, the question arises as to whether increasing support for families from the state is leading to unexpected consequences. At first glance, it seems that society as a whole benefits the most when both the state and private companies offer families as much support as possible. For employees with childcare commitments, this may well be true, as having a wide range of services available allows them to choose the best possible option. Yet what impact does a high number of state-subsidised childcare facilities have on companies which invest voluntarily in the same kind of family support services? According to the Swiss HR Barometer from 2010, 17% of employers in Switzerland still provide their own childcare schemes for employees. Normally companies invest in services such as crèches because they expect this to prompt a positive reaction from working parents – based on the principle of mutual give and take (Beauregard & Henry, 2009). If both the state and private companies offer the same childcare services, they become rivals in an (inad-

vertent) competition. This raises the question of whether state childcare undermines the positive reciprocal relationship between working parents and companies with their own childcare scheme.

Method and procedure

To answer this question, data was drawn from the 2010 Swiss HR Barometer, which investigated the family-friendliness of companies from the perspective of employees in Switzerland. The survey responses from 414 working parents from German- and French-speaking Switzerland were used as a basis for this. The people included in the sample for the survey had to be between 16 and 65 years old and in paid employment with an employment level of at least 40%. For the purpose of analysing the interplay between state- and company-run childcare services, the data from the Swiss HR Barometer was supplemented with data from the Swiss Federal Statistical Office. Due to the significant differences in state childcare from canton to canton, it is possible to compare employees in cantons with a high number of state-subsidised childcare facilities with those with a low number. Figure 4 shows the relative number of state-supported childcare facilities per 1,000 children for each canton.

Results

The results indicate that state childcare has a suppressive effect on the positive reciprocal relationship between working parents and companies with their own childcare schemes. Although corporate childcare has a positive influence on working parents – they feel a stronger bond with their company if it provides its own childcare facilities– this beneficial reciprocal effect only exists if there is a limited range of state childcare services available in the area where they live. In regions with a high number of state-run childcare facilities, there is no indication that working parents have a closer connection with companies offering their own childcare (Figure 5). Company-run crèches seem to gain in value for working parents when the state does not offer sufficient alternatives. However, if parents have the opportunity to choose from range of childcare services for their children, those in cantons with a high level of state childcare are less reliant on corporate childcare schemes. This weakens parents' commitment to companies providing their own childcare.

Figure 4

Relative number of state-subsidised childcare facilities per canton

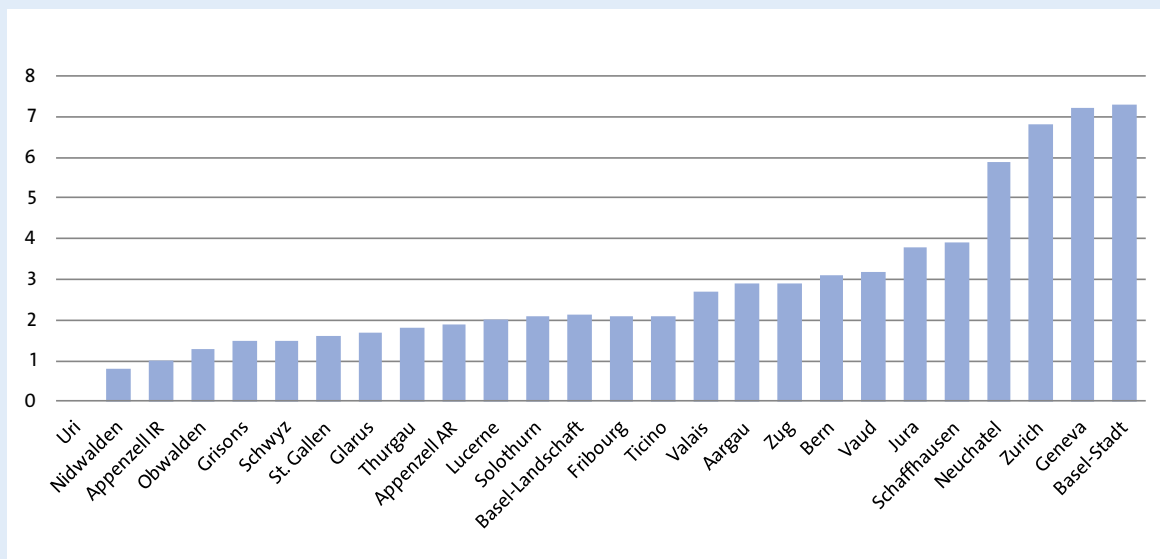
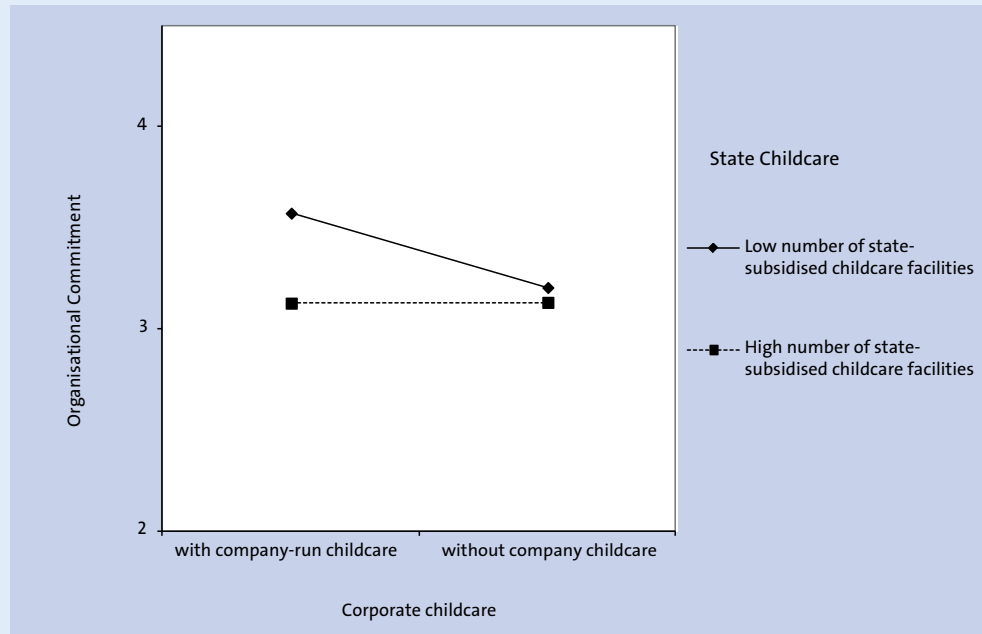


Figure 5

Organisational commitment depending on the availability of state and corporate childcare



Discussion

To sum up, the study demonstrates the hidden difficulties that come with implementing a widespread state-run family support system. A high number of state-subsidised childcare facilities has a negative impact on family-friendly companies which voluntarily provide childcare schemes of their own. The commitment of working parents to companies offering their own childcare is weaker if they live in a region where there are a lot of public childcare services available. This finding has practical implications for employers. From their perspective, it indicates that the state-run childcare facilities on offer in the local area should be taken into account when it comes to investing in a childcare service. In regions with a high proportion of state childcare, companies cannot rely on benefiting from a positive reciprocal relationship with working parents if they offer their own childcare scheme. Investing in one could therefore end up proving more costly than it is actually worth. To avoid going into competition with the state in regions with a high concentration of state-run childcare facilities, companies would benefit more by not investing in rival services for employees and focusing instead on alternative forms of family support (e.g. allowing employees to work from home, offering them flexible working hours or granting them extended maternity or paternity leave). Services of this kind would not be in competition with those provided by the state. However, the findings from the study have practical implications at political level too. Handing over full

responsibility for childcare to the state could cause companies to lose interest in making voluntary investments in family-friendly services. If the state crowds out voluntary corporate investments in childcare completely, it will end up having to bear the majority of childcare costs itself. The overall conclusion that can be drawn from the study is that well-intentioned interventions, such as providing support services to help balance work and family life, are not easy to accomplish, with dynamic between the private sector and the state proving to be extremely complex. It would be worth conducting further research and more in-depth analyses in this area.

Further information and details can be found in:

Feierabend, A. & Staffelbach, B. (in press). Crowding Out Reciprocity between Working Parents and Companies with Corporate Childcare. *Human Resource Management*. 10.1002/hrm.21689. (<http://onlinelibrary.wiley.com/doi/10.1002/hrm.21689/full>)

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News

- The theme for next year's 2016 Swiss HR Barometer will be "Loyalty and Cynicism". The report will be available to download free of charge next year at www.hr-barometer.uzh.ch / www.hr-barometer.ethz.ch.
- The Swiss National Science Foundation will be extending its infrastructure funding for the Swiss HR Barometer into 2016.

Tip

- WEKA-Verlag has started publishing a new newsletter on labour legislation which contains clearly comprehensible commentaries on the latest court rulings and cases. If you are interested, see www.weka.ch for further details.
- University of Zurich's Executive MBA offers upper level executives a general management training whereby modules are taught in Zurich and abroad, for example at Yale University (US). The next class starts in August 2016 - we are looking forward to your application (www.emba.uzh.ch, info@emba.uzh.ch).

Publishing notes

The newsletter of the Swiss Human Resources Barometer has been published every six months since 2013. It provides information on current research projects based on the data of the HR Barometer. You can subscribe to the newsletter free of charge or download it from the website www.hr-barometer.uzh.ch / www.hr-barometer.ethz.ch.

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