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The Changing Workforce

Abstract
[Excerpt] As the world is always changing and the need for talent is more competitive than ever, businesses are finding themselves in need of attracting and retaining key talent that will drive growth domestically and internationally. As a part of any talent management strategy, companies should look at offering various ways to do work for their employees, especially their high performers. The advantages of part-time and non-permanent workers can be fully realized only if HR has the right people and policies in place to use these workers in the appropriate way.

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THE CHANGING WORKFORCE

Lisa Chen

As the world is always changing and the need for talent is more competitive than ever, businesses are finding themselves in need of attracting and retaining key talent that will drive growth domestically and internationally. As a part of any talent management strategy, companies should look at offering various ways to do work for their employees, especially their high performers. The advantages of part-time and non-permanent workers can be fully realized only if HR has the right people and policies in place to use these workers in the appropriate way.

Before undertaking part-time and non-permanent workers, a company needs to understand why this approach to a different workforce can be a competitive advantage or a major downfall. If a company has talent needs that can be fulfilled through a part-time and non-permanent workforce, and the non-permanent and part-time workers are fully content with their worker status, then this new workforce can be a win-win situation. In certain industries and professions, many workers wish to give up the perks of being a full-time employee for various reasons. Some have family obligations and are not able to commit to a full work schedule. Others have jobs, hobbies, and interests outside of their daily work and prefer the flexibility of being a non-permanent or part-time worker. As long as both parties understand the pros and cons of their work situation, and no one is being taken advantage of, this unique workforce is a viable solution as part of a larger talent strategy.

Advantages of a Flexible Workforce

Part-time work is a great way to allow talented employees to flex with their work as their lives change. If the goal of a company is to attract and retain top talent, work-life balance is key, especially in today’s society where both men and women have responsibilities and obligations outside of work. The idea of allowing full-time employees to take on part-time roles and then flex up again at a later time falls in line with not only work-life balance initiatives but also diversity and inclusion initiatives as well. The flexibility of a career path does allow women and men that have family obligations to ramp down and eventually back up again when they are ready. This career ladder flexibility can promote the idea of women not feeling the pressure to choose a career or a family, but allows them to shift their focus as their lives change. Having flexible options for all employees can foster a culture of work-life balance, diversity and inclusion, and will not force top talent to choose their job or outside obligations.

Non-permanent workers are also a viable source of talent for companies. As stated above, there are certain professions that prefer a flexible work schedule. Creative and technical
professionals usually come to mind, as many prefer to be an independent contractor, which allows them to take on projects they are truly interested in, instead of committing to a job and a company that might stifle them. In order for companies to create the best product or service, the talent of non-permanent workers might be just the right kind of talent they need.

A flexible workforce does not just mean flexibility for employees. Employers can also greatly benefit from a flexible workforce. A part-time and non-permanent workforce will also allow businesses to become more fluid and change direction quickly. As business needs change, having a flexible workforce that is based on part-time work or on contracts allows a business to ramp up or down in different regions, functions, and lines of businesses with ease. Non-permanent workers, such as contractors and temp workers are also more mobile for the duration of short assignments, which can be a solution for talent shortages in various areas.

**HR Implications**

The benefits of part-time and non-permanent workers do come at a cost. The company needs to understand how to properly utilize this unique workforce, which represents a big investment in HR. HR will need the capability to monitor the part-time and transient workforce, enforce policies that safeguard the company from legal issues, and manage the impact of this unique workforce to the company culture.

Although monitoring and processing part-time and non-permanent headcount is not a glamorous job, it is a necessary one. Too many organizations let non-permanent workers run rampant while turning a blind eye—that is, until they get taken to court. There have been many cases in the past where non-permanent workers are treated as full-time employees but are not given any benefits. The legal implications of not knowing how long non-permanent employees have been in their roles and also the ethical issue of not fully compensating someone for doing the same job as a full-time employee can be costly.

This leads to the policies that are required by HR and management to enforce. Turning a blind eye to a large non-permanent workforce will eventually catch up to the company one way or another. The important policies should be around understanding how part-time and non-permanent headcount impact overall labor costs and headcount for the company, the legalities of having a non-permanent workforce, and security of company assets and intellectual property with a transient workforce. Once the policies are created and implemented, the big task is to enforce said policies. Enforcement can be hard, depending on the company culture, but if a company wants to avoid the legal issues that are very closely tied to a non-permanent workforce, enforcement is key.

Lastly, having a transient workforce also has various impacts to a company culture. HR needs to understand how transient employees and flexible career ladders will impact their current culture before implementation. Although there is a lot of work ahead for HR when it comes to properly managing a part-time and non-permanent workforce, the
advantages of having top talent and flexibility for a company can far outweigh the costs, as long as they are utilizing their workforce appropriately.

Lisa Chen is a student at Cornell University, pursuing an MILR at the School of Industrial & Labor Relations. She is president of Cornell’s Human Capital Association and serves on the editorial board of the Cornell HR Review. Hailing from Los Angeles, California, Ms. Chen held HR roles at The Walt Disney Company and Macy’s prior to matriculating at Cornell. This essay received an honorable mention in the Cornell HR Review 2011 Essay Competition.