

INSIGHTS INTO TIME & PLACE MANAGEMENT

How do the effects of Human Resource Management (HRM) practices differ by age and gender? And, how do the effects of Time & Place Management (TPM) policies compare with those of other HRM policies?

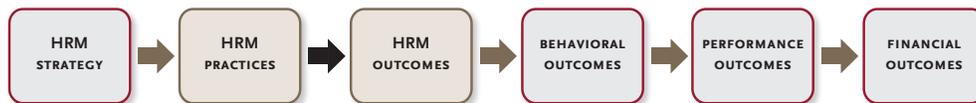
Based on an analysis by Emma Parry, Ph.D., Cranfield School of Management United Kingdom and Jean McCarthy, Ph.D., University of Limerick, Ireland

ABOUT THE STUDY

For much of the twentieth century, many business leaders believed that the secret to success was finding the one best way to do every job, from putting a wheel on a car to typing a letter. Over the past few decades, however, there has been a paradigm shift in how Human Resource Management (HRM) strategy is understood. The best performing organizations do not focus solely on finding the one best way to do each job, but instead invest in providing workers with the skills, motivations, and opportunities to behave in ways consistent with the company's goals.

As shown in Figure 1, effective HRM practices can lead to outcomes, such as increased employee engagement, that in turn lead to positive behavioral (e.g., lower absenteeism), performance (e.g., higher productivity), and financial (such as higher profits) outcomes. An important part in this process is the way that HRM practices translate into HRM outcomes at an individual level. Yet, despite the fact that the reactions of the individual worker to HRM practices is at the core of our assumptions about the “high performance work system,” almost all previous research on this topic has focused on organizational outcomes.

Figure 1. Human Resource Management (HRM) and performance



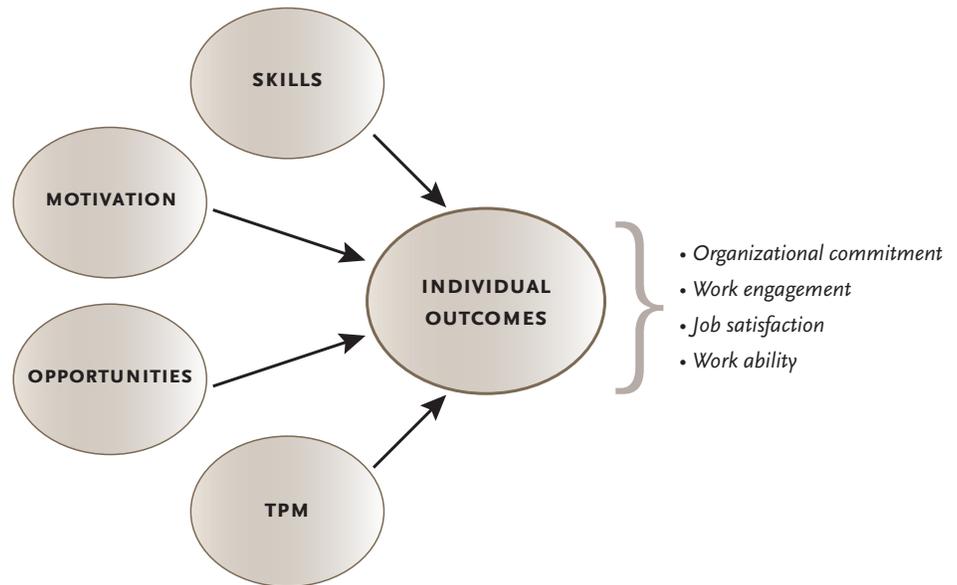
Source: Based on Guest D.E. (1997). Human resource management and performance: a review and research agenda. *International Journal of Human Resource Management*, 8: 263-276.

To address this gap in our understanding (highlighted in Figure 1), Emma Parry (Cranfield School of Management United Kingdom) and Jean McCarthy (University of Limerick, Ireland) used the Generations of Talent data to investigate the effect of HRM practices related to “high performance work systems” — those practices intended to enhance the skills, motivation, and opportunities of workers to act in ways consistent with the goals of their employer — on individual outcomes. The outcomes they considered were:

- organizational commitment (the attachment that employees feel to the organization where they work);
- work engagement (the vigor, dedication, and absorption that people experience on the job);
- job satisfaction (how satisfied people are overall with their jobs); and
- work ability (how capable a worker is of performing his or her job).

Figure 2 shows the model that they tested. They considered variation in the effects of three bundles of HRM practice (skills-enhancing, motivation-enhancing, and opportunity-enhancing) by age and gender. Employees must have the skills, the motivation, and the opportunity to excel at work.

Figure 2. High Performance Work Systems



Source: Based on Parry and McCarthy, under review.

- Employees need the skills appropriate to their jobs.
- HR policies targeting skills include training and development programs.
- Employees need to feel motivated to perform well, in ways that go beyond monetary compensation.
- HR policies targeting motivation include benefits and promotion activities.
- Employees need opportunities to contribute to the organization.
- Opportunity-enhancing HR practices include policies designed to promote coworker relationships.

Time & Place Management (TPM) policies “give employees greater options and control over where, when, how, and how much work gets done.”

Parry and McCarthy also took into account the potential effect of Time & Place Management (TPM) policies. TPM policies seem to intersect with the bundles of HRM practices in complex ways. However, almost no research has looked at how the effects of TPM policies compare with the effects of high performance HRM policies.

Key Insights

1. **High performance work systems can positively affect employee outcomes, but the effect of each type of HRM policy (skill, motivation, or opportunity-enhancing practices) affects different outcomes.**

Parry and McCarthy found that while all three bundles of HR practice led to higher organizational commitment and job satisfaction, skill-enhancing (e.g., training) and opportunity-enhancing (e.g., workplace relationships) practices led to higher work engagement and work ability.

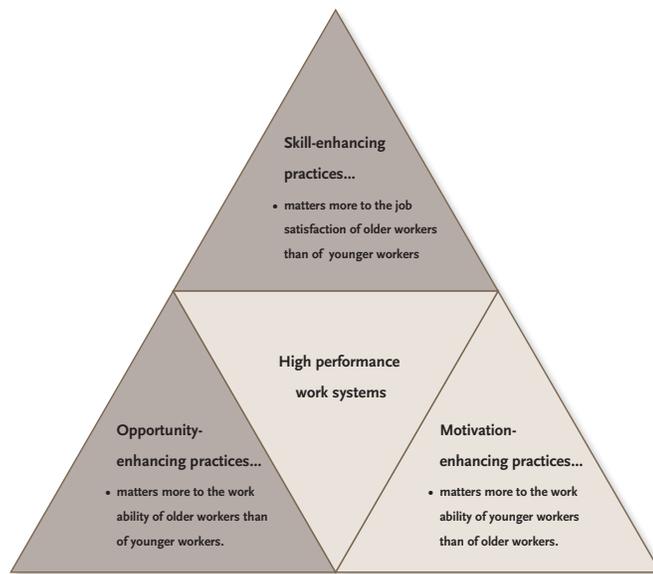
2. **Older and younger workers experience HR policies in different ways.**

As shown in Figure 3, Parry and McCarthy provided some evidence that older workers respond strongly to skill-enhancing and opportunity-enhancing

practices. Conversely, they found some evidence that younger workers respond more strongly to motivation-enhancing practices, at least in terms of work ability.

From a practical perspective, their findings show that the importance of HRM policies change as a worker ages. Over their entire life course, all types of HRM policies may be important, but some policies address key issues and problems at particular ages or career stages. For instance, as skills become obsolete over time, skill-enhancing policies (e.g., training) might become more important with age.

Figure 3. What matters to workers of different ages?



Source: Based on Parry and McCarthy, under review.

3. TPM policies alone do not necessarily have positive effects.

While a substantial amount of research shows that TPM policies have positive effects for workers, Parry and McCarthy are not alone in their finding that TPM does not always have completely positive effects. TPM policies can actually make work more intense if the policies are not well managed. For instance, allowing employees to work at home might indirectly lead them to work longer hours because they are always available. TPM needs to go beyond simply offering flexible work options to employees and their supervisors. In order to be successful, the implementation of these policies need to be actively managed.

The Bottom Line

While most human resource policies can be beneficial to workers of all ages, the relative importance of each type of policy can increase or decrease with worker age.

ABOUT THE SLOAN CENTER ON AGING & WORK

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Since our founding, we have conducted more than 20 studies in collaboration with employers: for example, studies on “Age & Generations,” “Talent Management,” and “Generations of Talent.” Studies under way are “Assessing the Impact of Time and Place Management” and “Engaged as We Age.”

The Sloan Center on Aging & Work is grateful for the continued support of the Alfred P. Sloan Foundation.

Sloan Center publications are sponsored in part by CVS Caremark.



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