

Hard Work

Think Piece 5: September 2008



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Summary

What do we really mean by 'hard work'? As the authors of *Accounting for Mother Nature* (Anderson et. al, 2008) note: in the broadest sense, economic activity depends on inputs from only two sources: the wealth of nature and human ingenuity and effort. New Zealanders may be wealthy from sources of nature, but are we wealthy in terms of ingenuity and effort? Is our oft-touted 'Number 8 Wire' innovation a cultural myth? Historically, New Zealand was built on hard work, but what does 'hard work' mean in the context of scarcity of natural resources, an aging and increasingly obese population, increasing cultural diversity and global warming? This think piece explores a changing labour force, and what this means for New Zealand's long-term strategy.

The Thing About Life Is That One Day You'll Be Dead (Shields, 2008) provides the reader with no doubt as to the certainty of the outcome for each of us. It does, however, suggest to the reader that it may be timely to contemplate our existence in terms of humanity. There is considerable debate over when we can count our early predecessors as human; estimates suggest that that point occurred some 50,000 years ago, making the total number of humans who have lived in the vicinity of 100 billion.

In today's terms, 93 billion have died and we represent the nearly 7 billion currently still breathing. In New Zealand, we are part of the 4 billion living on more than US\$2 per day (see *Think Piece 4*). Less than half of this 4 billion are financially and physically independent, meaning that we are part of the 2 billion people that have the time and money to make a difference. Putting it in context, this makes us part of the 2% of the total human population to date that can make a difference now. It is our time to contribute.

As to our location on the evolutionary path, one speaker at the 2008 World Futures Conference discussed the concept that we are entering 'adolescence' – with all the trials and tribulations of facing reality. The time when Mother Earth provided abundantly for our inexhaustible wants and needs is now over, and we are learning that it is our time to make hard choices and learn important lessons about our future – which brings me to the point of this Think Piece – the 'hard work' ahead.

To the rest of the world, New Zealand will increasingly seem to be the bounty in a resource-constrained world. New Zealand is a relatively young country, but a relatively old inclusive democracy

(New Zealand being amongst the first to adopt Universal Suffrage). We are 'natural resources' rich; we have abundant arable land per capita, an extensive coastline, large fishing grounds (EEZ) and territorial sovereignty over an area of Antarctica known as the Ross Dependency (which is 17 times the size of New Zealand). In short, New Zealand benefits from a small population, and a resource-rich territory. We will further explore our natural resources in a report and think piece later this year. To summarise, New Zealand will become increasingly the pearl in the Pacific and the Pacific will increasingly be a sanctuary in a dangerous world.

But we also have internal changes that we must consider and manage. We have an increasingly culturally diverse society (see Figure 1). Extrapolated out, this means by 2058 we could see a reduction in 'European and other' population by 20%, with the reduction being taken up by Asian, Pacific and Māori, in that order. Within this dynamic, we are facing two demographic challenges.

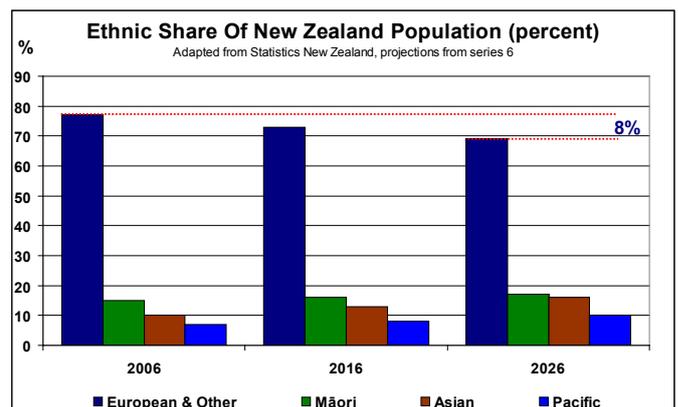


Figure 1: Ethnic Share of New Zealand Population (percent) with projections
Source: Statistics NZ

Firstly, we are getting older. Over the next 50 years our population will increase only slightly but we will be living longer, resulting in a significant increase in our median age from 36 to 44 years of age (see Figure 2 overleaf).

Secondly, we are getting bigger. A staggering 63% of New Zealanders are currently overweight or obese (see Figure 3). An unhealthy, aging population is a serious concern, considering that our workforce sits in the top third of the OECD, in terms of average number of hours worked per week.

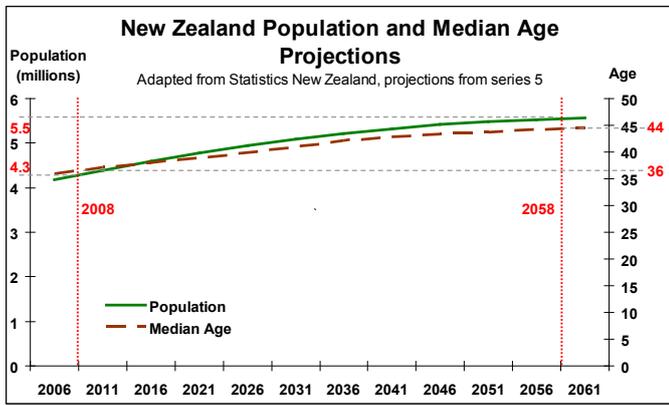


Figure 2: New Zealand Population and Median Age Projections
Source: Adapted from Statistics NZ

Based on the above, we believe New Zealand not only has ‘hard work’ to do, but that the term ‘hard work’ needs to be redefined.

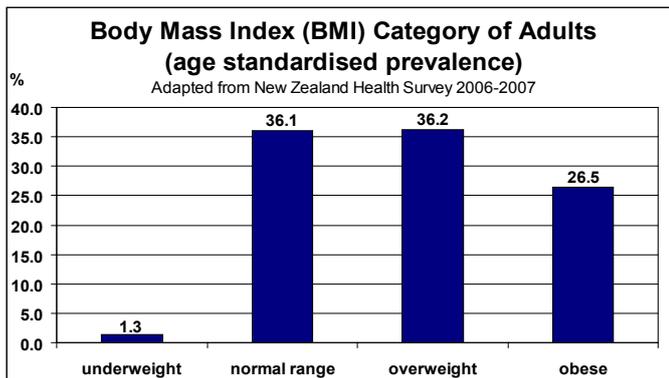


Figure 3: Body Mass Index Category of Adults in New Zealand
Source: New Zealand Health Survey (2006-2007)

Hard work will no longer be about the sweat on the brow, the long day’s work or the number of gadgets produced. It will increasingly be about tackling hard complex issues, standing up for rights, supporting those that do not accept the mediocre – such as the whistle blower, identifying diverse options, creating space for dialogue, being patient, adopting principles such as the polluter pays rather than making rules, policing rigorously, demanding transparency and doing what is best for the country – now and in the future.

From a human resources point of view, the challenges for employers and, more precisely, the human resources profession is to select, employ and improve ‘ingenuity and effort’ in the workplace. To this end, we support the joint New Zealand Council of Trade Unions and Business New Zealand project ‘Te Huarahi mo ngā Kaimahi’ which explores a vision of the future workplace—one that is high-wage, high-value, highly skilled and sustainable. See the presentation made by Helen Kelly at Seven Directions, the third session of the 7x7 Ideas Forum.

Redefining hard work and improving employment practices is a global problem: one that is brilliantly articulated by Malcolm Gladwell (author of *The Tipping Point* and *Blink*) at *The New Yorker* ‘Stories from the Near Future’ Conference held in May 2008. Gladwell provides a very entertaining talk on this issue, discussing the ‘mismatch’ between the skills we use to hire and the skills that are necessary to complete the job. In other words, an effective policeman may not be a fit, tough, strong guy, but a quiet thinker

who communicates well. Similarly, Stephen R. Covey argues in ‘Leading in The Knowledge Worker Age’ (in *The Leader of the Future 2*, 2006) that our management practices have changed little since the Industrial Age, with people still being viewed as expense within the Profit and Loss Account and machines being assets in the Balance Sheet. Our challenge seems to increasingly be on the need for people: people with attitude, people with confidence, people with patience, people that care, people that can listen, people that can think and people that communicate.

What that means in practice is that we need to ensure that the skills we use to hire fit the current and future needs. For example, the move from an oil company to an energy company means that to be effective they need staff that can work in teams, can communicate with a wide range of stakeholders, are skilled at analysing complex issues, capable of exploring innovative solutions, are flexible to move between large numbers of alternative energy sources and have the ethics and clarity of purpose to do all of the above in the public interest.

This is clearly a challenge for business, due to the responsibilities that are perceived by many as beyond their duty – but others like William R. Blackburn who in his recent book, *The Sustainability Handbook* (2007), argues that because the three overarching areas of sustainability have both internal and external aspects, the survival of organisations is dependent upon the long-term survival of the communities in which they operate. According to Blackburn, it is vital for organisations to move beyond their internal silos to understand, be part of, and help improve the external world upon which they depend. This means a move from the internal to the external as reflected by the dotted line in Figure 4 below.

| TBL Component | 2R’s Component | Internal (Company) Aspect | External (Societal) Aspect |
|---------------|--------------------------------|---|---|
| Economic | Wise use of economic resources | Achieving economic success of company | Achieving economic prosperity of society |
| Environmental | Wise use of natural resources | Leaving enough resources to meet current and future needs of company | Leaving enough resources to meet current and future needs of society |
| | Respect for living things | Treating things with respect within company operations (e.g., respecting animal rights) | Protecting ecosystems so living things can survive in the environment |
| | | Preventing and controlling pollution within company property (sometimes considered social sustainability) | Preventing controlling pollution of the external environment |
| Social | Respect for people | Respecting the needs of people inside the company | Respecting the needs of people outside the company |

Figure 4: Examples of Internal and External Aspects of Sustainability
Source: Blackburn William R. *The Sustainability Handbook* (2007). Cornwall: Earthscan, p.28. (Dotted line added).

New Zealand will increasingly be faced with high levels of complexity and uncertainty. In our view, this can be countered by ensuring New Zealand develops more clarity and certainty over its long-term goals and objectives. At the McGuinness Institute, we believe this can only be obtained through a national strategy – which is not a plan, but a way of developing consensus about who we are, what we do not want, what we want and how we think we should get there. Regardless of whether people work independently or together, as long as we are all working towards the same goals, we believe we can make a great country exceptional.

This think piece was prepared to accompany a presentation made by Wendy McGuinness at the Human Resources Institute New Zealand Conference, 4 September, 2008. For more information, visit our website: www.mcguinnessinstitute.org



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