Generational change, reward and a fair society

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There is much evidence about changing attitudes of the workforce. Salary is still the top job consideration for the digital generation but it is less important to them than to previous generations; and they are much more concerned about interesting and challenging work, career opportunity and culture and less interested in salary. [1]

When millennials were asked to name the factor most likely to lead them to recommend their workplace, easily the most frequent answer was culture. Pay is still important but this is a generation that wants open communication, frequent or continuous feedback and recognition.

This reinforces models of total reward that include non financial elements such as alignment of values between the employer and employee and enabling opportunities for self-actualisation i.e. it is not just about the money.

Richard Murphy, "creator of Corbynomics", proposes a simplified, integrated tax and benefits system based on clearly stated principles and implemented by a reformed infrastructure. A simpler tax regime and a properly resourced HMRC would support social change, reduce poverty and crack down on corporate and individual tax cheats. A citizens' income would replace all benefits (apart from exceptions relating to disability and housing); but the system would also encourage work by means of a fair and progressive tax regime. People would continue to work for both financial reward and for reasons unrelated to money. Employers would be encouraged to invest in development and engagement in order to make work attractive, thereby "achieving the potential of all people in this country". [2]

This seems to me like a total reward approach for society – a structure based on values; balance between financial and non financial factors; fairness in application; alignment of individual and collective goals; and mechanisms designed to deliver the required outcomes.

However, there is a long way to go. Robert Reich has drawn attention to the emergence of a financial elite as earnings diverge. At the top end the average FTSE 100 CEO earned 183 times the average salary in 2014 (compared to 57 times in 1998). At the bottom end 21% of employees in the UK earn less than two-thirds median full-time salary (second only to the USA among developed nations on this measure of inequality).[3]

The importance of intrinsic factors in total reward supports social cohesion e.g. alignment of individual and collective objectives and development of mutually beneficial solutions. Multinationals contribute taxes to our society and use its resources so must have an interest in its sustainability. Engaging them may be the key to avoiding further divergence and maintaining cohesion.

[1] The Digital Generation in the Workplace, PeopleFluent

[2] The Joy of Tax, Richard Murphy

[3] The Observer, 8 Nov. 2015