

Generations at Work

Different generations and their different priorities in the working world of the future



All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,128 adults. Fieldwork was undertaken between 7th – 10th May 2019. The survey was carried out online. The figures have been weighted and are representative of all German adults (aged 16+).

Our British colleagues have also evaluated this study – you can access their findings by clicking on the following barcode link:



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1 Work 4.0 – why the hype?

We commissioned a German-British “Generations-at-Work” study and with great interest, we have now considered, analysed and discussed its findings. Evaluations, thesis papers and, not least, the editing of our essays revealed that a number of topics relating to the future working world are perceived very differently by different age groups in both Germany and Great Britain.

This may sound unsurprising and almost banal at first. However, as a result we increasingly asked ourselves whether companies, including Taylor Wessing, pay sufficient attention to age-specific characteristics.

Flexibility seems to be the order of the day but this is not just restricted to the ability to quickly react to changing markets. From an HR point of view, it includes the ability to adapt to the changing circumstances of employees. Young employees are more interested in cool colleagues than in home-based working options, middle-aged people want tandem solutions, older people find job sharing and co-working alien concepts and are more interested in an office parking space than young colleagues, and the list goes on.

We are curious to see whether the future of work will include the “age factor” more predominantly in its concepts. Both the office and the work organization of the future will positively facilitate more individual, flexible solutions without loss of efficiency. We can provide you with legal support for this process at an international level.

Your Taylor Wessing Generations-at-Work Team.

2 Home-based working

From field tests and field studies

In 2020, many employees were assigned new offices: in the kitchen, on the balcony and in the living room. Was this a blessing or a curse?

During a webinar with the digital association Bitkom, the Federal Minister for Employment, Hubertus Heil, described the abrupt exodus of millions of employees to their own four walls as an “unplanned field test”. Still unthinkable a year ago, the coronavirus crisis has brought home-based working out of a niche and clearly into focus.

2.1 Perspectives

Legally and within the politics of personnel management, numerous questions on this swiftly arise pursuant to German law. Home-based working agreements are rarely part of standard provisions under employment law, simply because questions on the balancing of interests quickly arise. With a “right to work from home”, politicians want to simplify the possibilities for working from home. However, these perspectives probably fail to consider the very important question of whether we would actually want to work more from home.

2.2 Questions

About a year before the coronavirus pandemic, we raised this question in our field study. For a clear majority of the study participants, home-based working options were not a particularly important factor when it came to the attractiveness of a job. Only 23% of those surveyed said that remote working opportunities were important to them, slightly more among 31-35 year olds. In the UK, at 29%, the percentage was not much higher. This is interesting because many of today’s discussions in the media and professional circles are already about home-based working solutions for everyone. The debate about “whether” seems to have been decided long ago, even more so due to coronavirus.

2.3 Priorities

The fact that working from home is not at the top of the priority list for employees does not necessarily mean that they do not want to have this option. It may be “nice-to-have”, like participating in a company marathon or table football in the office lounge. However, experience with home-based working does not confirm this. From those of our respondents who already had practical experience with working from home, 32% found it good and 30% bad which is certainly a mixed picture. Our study is not alone with its lukewarm results. A study of the AOK (SZ from 18.09.2019, No. 216) even found in 2019 that home-based working is a burden on health.

2.4 Balance

Field tests and field studies help us to get a realistic picture of the opportunities and risks of working from home. Home-based working does not generally equate to a relaxed working day from a deckchair in Bali, with headphones, a MacBook and your feet up. For some people, working from home is a must, for others the living situation hardly allows it. A lack of working time regulations can increase so-called work-life blending. An individual risk assessment to determine whether working from home is suitable for you, will not take away your right to home-based working.

2.5 Findings

In the autumn of 2020, this right is to be given a concrete form by politicians. The field test with around 43% of the working population in Germany will continue until then. It will be interesting to see the results of the next “Generations at Work” field studies on home-based working as well as the ongoing field test.

The attractiveness of your own workplace

What makes a job attractive? The salary is usually the first thing that comes to mind. The salary not only makes the attractiveness of the job measurable, but also represents an appreciation factor for many people. However, just how attractive your own workplace is actually depending on many different criteria and is often based on subjective perceptions. This study examined what criteria played a role in the choice of job for the respective participants from different federal states, age groups and genders. The aim is to derive from the findings the best possible course of action for companies.

3.1 Most important job criteria

The year has 365 days, and the average German spends just under 212 days in the office. No wonder, then, that the working environment is becoming more and more important. People who feel comfortable in the office generally work more productively and efficiently. Large corporations such as Google and Facebook have already recognised this and are almost turning the workplace into a wellness oasis or the canteen into a gourmet restaurant. Not every employer has to make the same effort, but it does not hurt to know the preferences and wishes of your employees and react to them.

3.2 In focus: soft factors

As this study shows, it is not the gym or the nearby restaurant that are the deciding factors in the choice of workplace. The emphasis is instead on the soft factors. But what do you understand by "soft factors"? The "soft factors" are defined as non-quantifiable or non-objectively quantifiable factors that have an influence on the success of a company or project. In this case the focus is on the recording of subjective satisfaction of the employee.

The most important job criteria for many of the participants is the work-life balance. However, there is still room for improvement here as well. For example, only 59% of participants, women and men alike, rate their current work-life balance as truly satisfactory. The flexible hourly model is also very popular with participants. So, unlike a few years ago, the balance between job and private life is at the top of the list. However, an ideal work-life balance is not as easy to achieve as demonstrated by the increase in stress disorders. Nonetheless, the success of the company depends heavily on the balance between job and private life of its employees. Loyalty, motivation and performance can only be increased if the employee is not stressed but actively supported.

However, it is interesting to note that the possibility of working from home was rated as less important by all parties equally. This is particularly surprising as there has been much discussion in the media in the past about the necessity of home-based working, not least sparked by the coronavirus pandemic.

3.3 Generations at work

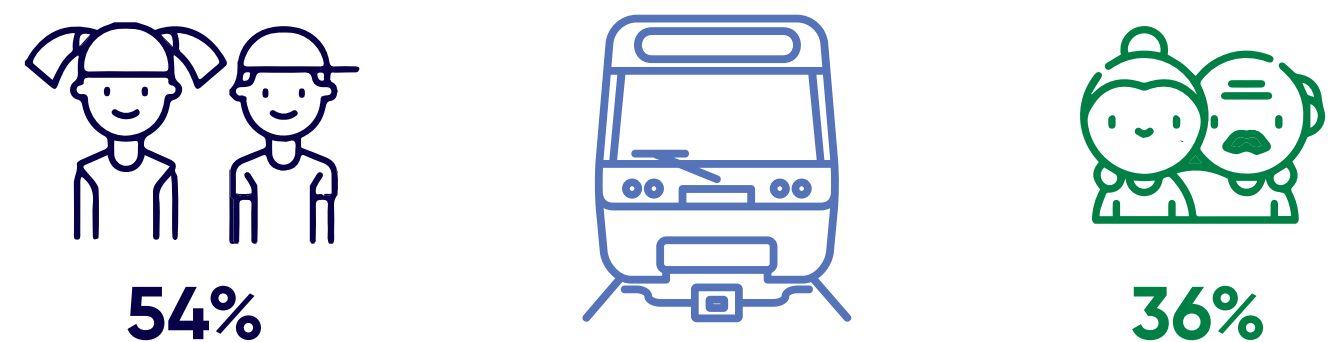
One may assume that age will play a role in the evaluation of the most important job criteria, since Generation Y grew up with completely different values as compared with older generations. It is therefore particularly interesting that there are no great differences across the various age groups in the criteria for the attractiveness of the job in our study and in most cases there is even agreement. The work-life balance is equally important for all age groups and is one of the most important points when it comes to classifying attractiveness in the workplace. A change in the world of work cannot therefore be denied. Different people from different generations expect adapted working conditions. Companies that embrace this change can only emerge as winners.

However, the different generations are less in agreement on the factor of working environment and accessibility. The availability of public transport in the immediate vicinity is particularly important for 54% of the 16-24 age group, while only 36% of 45-54 year olds attach importance to this aspect.

As already explained, the possibility of home-based working does not play a major role in principle, but it is ranked higher (29%) in the 35-44 age group than in the 45-54 age group (only 17%). In conclusion, however, it can be said for this study that the weighting of job attractiveness is not age-dependent.



29% in the 35-44 age group favour working from home whilst only 17% in the 45-54 age group are interested in home-based working.



54% of the 16-24 age group consider the availability of public transport in the immediate vicinity as particularly important whilst only 36% of 45-54 year olds find this significant.

3.4 Attractiveness of the workplace – the working environment

In the previous section, the soft criteria such as work-life balance, hourly model and home-based working were examined in relation to the attractiveness of the workplace. But what impact does the environment have on the attractiveness of employment? This study shows that for German employees, a short distance to the workplace is by far the most important job criterion with regard to the working environment, closely followed by the practical aspects of commuting, such as the accessibility of train stations and the existence of parking garages in the vicinity.

3.5 Special regional features

However, there are differences between the regions. The possibility of using public transport to get to work is particularly important to the survey participants from Berlin (approx. 53%). Berliners even attach 21% more importance to this means of transport than participants from Bavaria. For Berliners, one possible reason for this could be the size and vastness of the city. The distances between the individual city districts are generally much greater than the distances in Munich for example.

In the German federal states of Hessen, Bavaria, Rhineland-Pfalz as well as Saarland, it seems to be particularly important for employees to have a parking space close to their work according to the survey results, while the Berliners consider this to be rather incidental. The secondary weighting of the parking space could be an indication that in Berlin public transport is used preferentially for the journey to work, unlike in the other federal states.

However, leisure activities in connection with the immediate working environment play a rather minor role across all federal states. Proximity to bars, fitness studios or shopping facilities are therefore only important for very few participants.

3.6 Practical tips

The results of this study give rise to the following recommendations for action and practical tips for employers.

The most important criteria for the attractiveness of the workplace – across all age groups – is the work-life balance and the accessibility of the workplace. It is interesting to note that both criteria influence each other. The shorter the distance between work and home, the more free and usable time is granted.

As mentioned above, companies must therefore adapt to change and not just focus on a job/life balance in order to retain their employees in the long term and to have high-performing and motivated employees. When choosing suitable office space, accessibility by public transport should also be taken into account.

A good work-life balance can also be ensured, for example, by a flexible hourly model, which is of similar importance for the majority of participants. The greater the distance between the workplace and home, the greater the importance of home-based working. In the long term, flexible hourly models and home-based working could also lead to a reduction in the overall amount of office space required, thus reducing companies' costs for office space or increasing the importance of flexible workplaces, such as co-working. This will lead to satisfied employees and companies that are successful in the long term. A win-win situation for both sides.



Mobility: "Car Country" of Southern Germany vs. Smart Mobility in Berlin

Having your own car is losing its appeal. In densely populated cities, traffic flows are increasingly congested and particulate matter pollution is also extremely high. However, in the so-called "Car Country" of Southern Germany, where a large proportion of car manufacturers are based, driving your own car is still the most popular means of transport. According to Auto Motor Sport, in 2017 Munich alone was stuck in traffic jams for a full 51 hours during rush hours. However, there are many other environmentally friendly options available today that not only avoid the annoying traffic jams, but also offer Mother Nature some respite. This is where smart mobility comes into play. However, what does smart mobility actually mean? "Smart mobility" refers to the increased networking of different means of transportation. This involves optimizing existing offers through the use of information and communication technologies. Forms of smart mobility include car sharing, bicycle rental systems, e-scooters, smart parking and the like. This results in a constantly changing attitude towards mobility, in which the car as the sole means of transport is pushed further and further into the background.

4.1 Mobility of the future

Mobility is a basic human need. Advancing digitization and increased networking are laying the foundations for smart mobility. However, smart mobility is still a long way from being as far advanced as many of us would like. State-of-the-art broadband networks are indispensable in this context. The world's population will continue to grow, and to achieve this the state must be able to transport the masses from one place to another. It is therefore essential that the infrastructure and mobility offers in densely populated areas change completely. However, the road is long. To achieve networked mobility in the future, the state and business will have to work more closely together in order to create a broad concept for all modes of transport and the corresponding framework conditions.

Additional funds will also have to be invested to drive forward standardization and define the corresponding legal framework. Equally important is the constant raising of awareness of this topic amongst the population in order to make the range of offers even more visible.

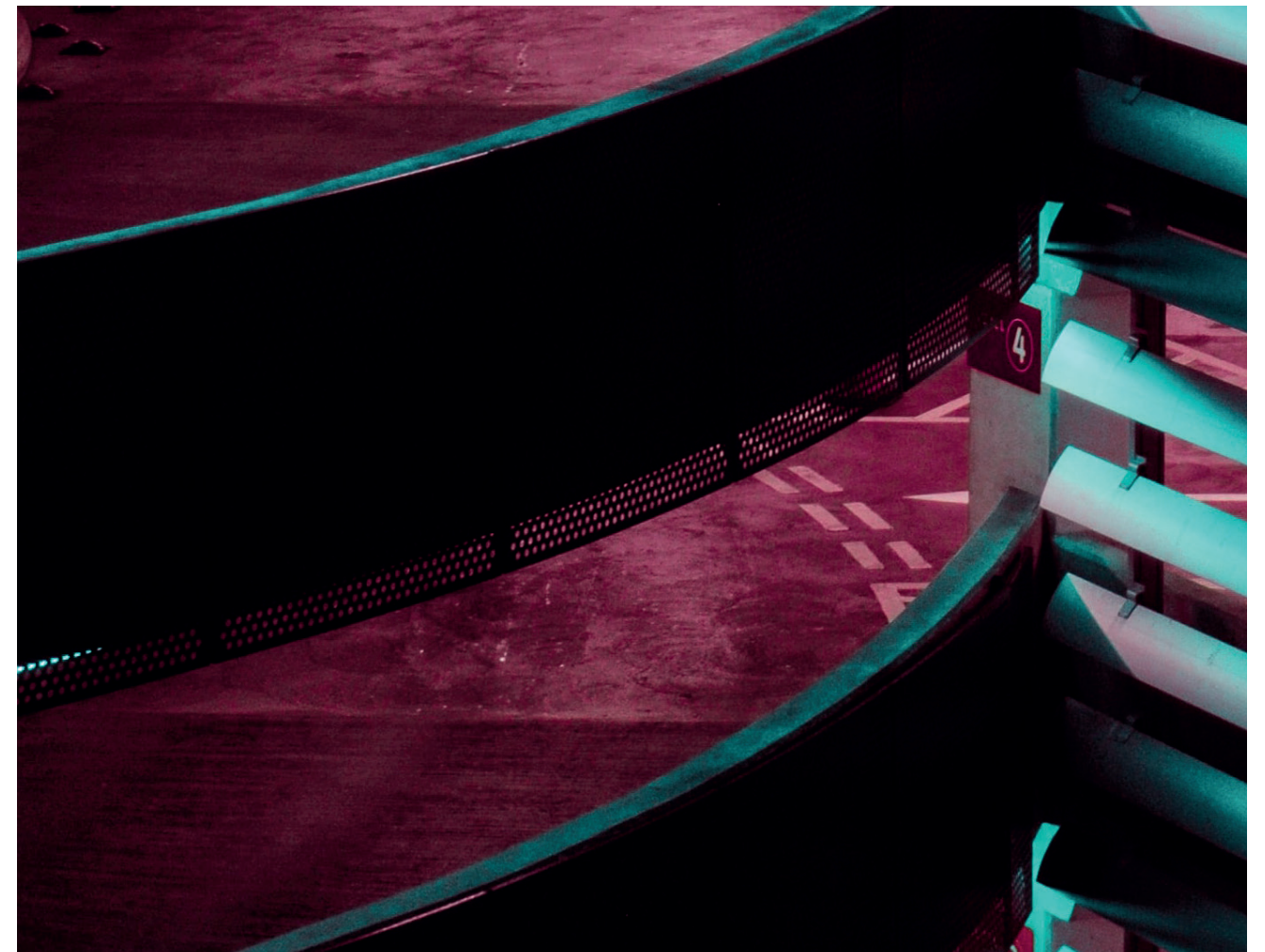
Electric cars and car sharing in particular will be a strong component of future mobility. In Germany, interest in car sharing has been comparatively high for some time now. Car pooling, a new trend for car sharing, is also turning the car into a public transport system. In Hamburg, the ride sharing service MOIA is already gaining ground, which connects people with similar destinations in smaller buses and brings them to their destinations. This makes it clear that although the car will not be replaced as a means of transport in the future, the number of cars on the road can be greatly reduced through smart mobility.

4.2 Generations at work

Commuters of all ages are particularly affected by traffic jams and delays as well as packed buses and trains. Nevertheless, the smart mobility providers are still mainly used by the younger generation. People between the ages of 34 and 45 are the primary car-sharing users. These generations have largely grown up with digitalization. Accordingly, it can be assumed that the younger generation will continue to make greater use of the corresponding offer. Older generations often find it difficult to understand the ongoing digitization and app applications that must be used primarily to take advantage of the service. Nevertheless, it can be expected that in the long term and with the arrival of subsequent generations, the shift to smart mobility will continue to increase steadily. Topics such as the environment and resource conservation, which have a direct influence on the use of smart mobility services, are also becoming increasingly important, as younger generations are taking to the streets for these values.

4.3 Practical tips

The above mentioned implications for Smart Mobility or even Smart Cities have a direct impact on employees and commuters. The future of mobility will change fundamentally in terms of its perspectives and this will have an impact on journeys to work. Less congestion and better air quality will also have a positive impact on the well-being of commuters and employees. In the future, it may even make sense for larger companies to set up their own car sharing pools, not only to set an example for environmentally friendly progress, but also to make the workplace more attractive for employees. As the study shows, the proximity and accessibility of the workplace is particularly important to the participants. If the employer provides subsidies for car sharing tools, e-scooters or similar means of transport in the smart mobility world, this can have a positive effect on its image as an employer.



5 (S)he works hard(er) for the money (?)

Generations at work on equal rights, discrimination and pay

Gender, sexual orientation, ethnic background, social milieu – the debate about discrimination in the workplace touches on a wide range of issues. Common to them are the questions of how given personal characteristics influence careers and how employees experience this.

Every third German employee experiences discrimination on the job. Discrimination on the basis of gender takes first place with 24%¹. In an international comparison, Germany is thus in a better position than Great Britain and the USA, where discrimination in the workplace seems to be much more widespread (61% and 55%)². However, the reason for the significantly lower figures in Germany could also be a lack of awareness of discrimination in the workplace³. In addition, the workforces of German companies are less diverse (62%) than in the USA (77%) or Great Britain (75%), for example.

Irrespective of national characteristics, the topic is a cross-generational concern. For 44% of those we surveyed, equality in the workplace is more important than their own career progress (33%). Equal rights are seen as almost twice as important as the possibility of working from home. Linked to this, equal pay for men and women is also a top priority for 39% when it comes to evaluating jobs in terms of equality and discrimination. Equal treatment and equal pay is more important for the women surveyed in our study than for men.

We do not talk about salaries, but we do talk about gender-specific salary differences. Men are more satisfied with their current salary (41%) than women (31%), at least with regard to the question whether the current salary is sufficient to lead a fulfilled life. A

similar picture emerges regarding the assessment of whether one will earn enough in the future (surveyed men: 45%, women: 32%). Cautious optimism prevails across all genders as to whether the employer is doing enough to counteract the pay gap. 46% of respondents are confident that their employer has taken measures to ensure that men and women are paid equally. Only 14% do not agree with this, but 23% are undecided about how they should evaluate the issue.

Not surprisingly, there are regional differences in Germany. In the Berlin metropolitan region, the centre of many diversity initiatives, the importance of "Equal Pay" is considered to be the highest compared to all other German states: for more than every second study participant from Berlin, it is important that there is no gender pay gap. In the eastern German states, employees across gender and generational boundaries consider themselves to be underpaid and are pessimistic about their salary development. In Brandenburg, Mecklenburg-Western Pomerania and Saxony-Anhalt, these figures are particularly low. According to our survey, only 6% of people there are very satisfied or 13% are satisfied with their earnings to date – in comparison, on average 11% of all German employees are very satisfied and 26% are satisfied with their current salary.

The topics of gender discrimination and unequal pay have already received a great deal of attention in recent years. It will be interesting to see at which levels the subject of unequal treatment will be addressed in the context of employment.

¹ Glassdoor Survey "Diversity & Inclusion" 2019

² ibid

³ Felix Altmann, employment market expert at Glassdoor, Horizont dated 23.10.2019

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