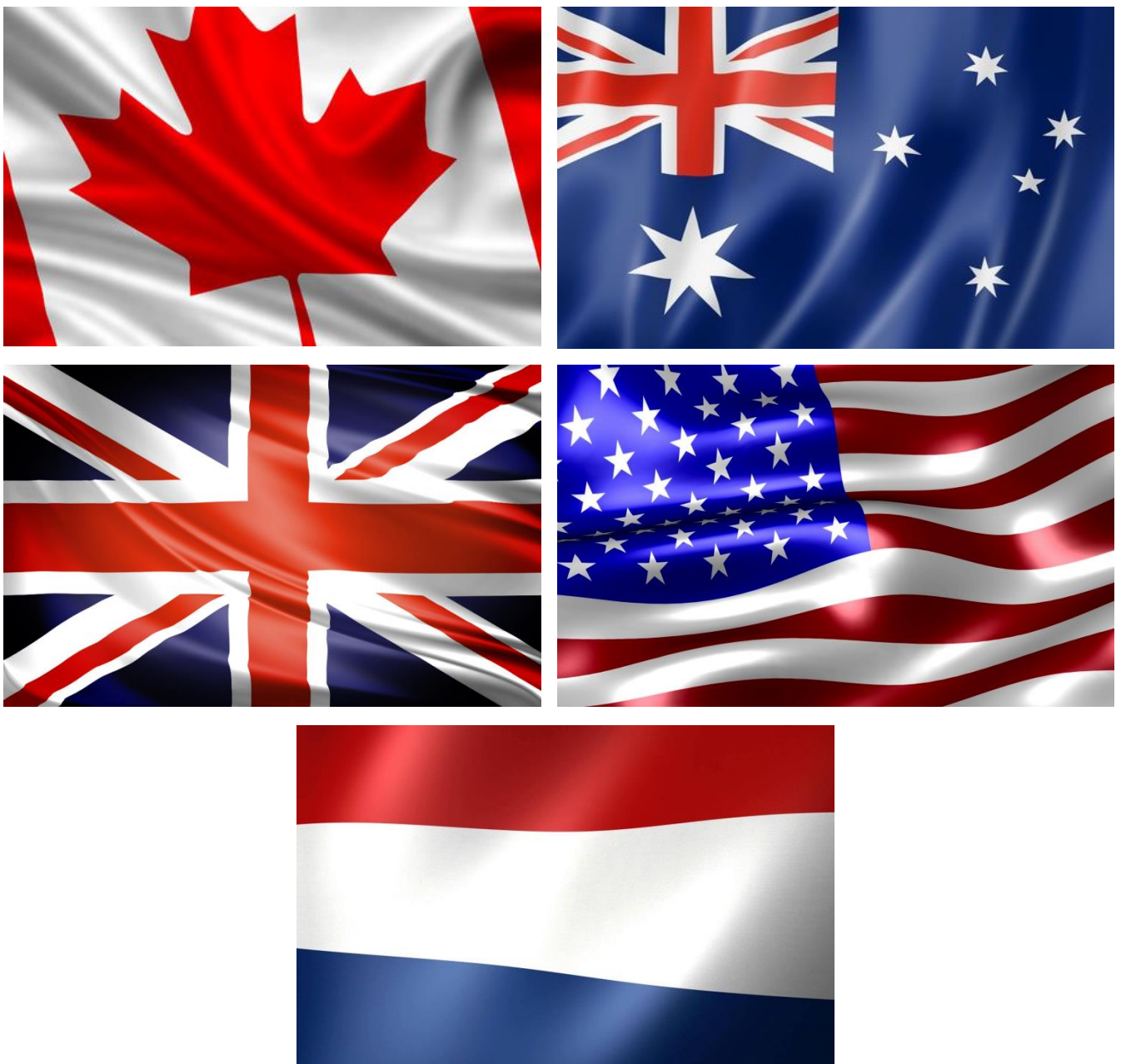# Changing the Ways we Lead and Work

## Part 1

### Future of Work and Leadership in the Social Housing Sector

GEM World Housing Organisation

International Housing Partnership

im communities

# Contents

# Acknowledgements

# Introduction

The GEM World Housing Organisation has undertaken research in collaboration with IHP since 2013. The purpose of the GEM World Housing Organisation is to engage young housing professionals in different countries in understanding and addressing global housing issues; its activities include research, globalisation of the GEM Programme and the formation of a global network of young housing professionals.

Previous research conducted by GEM students for the IHP in 2015 focussed on Generation Y in the workplace. Findings from this research concluded that:

- Generation Y chose a career in housing due to the values and the idea of 'making a difference'.
- Most people hadn't heard of the social housing sector before and therefore a career in housing was never an aspiration.
- Enjoyment of work and salary were the most important elements when considering a job.
- Generation Y would like to have a tangible record of training and qualifications are the way to do this.

We aimed to build on these findings and therefore this year's research focused on 3 main research questions. We have broadened this research to cover employees from all generations in the workplace:

1. **What sort of organisational cultures do Generation Y and Generation Z seek to engage in and disengage from?**

   By answering this question we want to see what factors are important when looking for a job, what attracts people to a vacant position and why people stay in their current roles.

2. **What kind of leadership will they bring as housing's future leaders?**
   A major part of this research has focussed on the future of the workplace and the type of leadership that will be needed to succeed in the future. We also asked if participants felt they had the potential to be a leader of the future.

3. **Are there intergenerational tensions arising between current and future housing leaders?**

   This research covers people working in housing at all ages and we chose to see if this multigenerational working causes conflicts within the workplaces and the motivations of this conflict.

# Executive summary

The purpose of the research was to continue the efforts by the GEM World Housing Organisation in collaboration with the IHP to research the younger generations entering the housing sector and to look at how housing organisations can begin to change their culture to ensure they have a workforce in the future.

Data was collected from across 5 countries by GEM/ Country leads using surveys, focus groups and in depth interviews. The initial research questions were:

1. What sort of organisational cultures do Generation Y and Generation Z seek to engage in and disengage from?

2. What kind of leadership will they bring as housing's future leaders?

3. Are there intergenerational tensions arising between current and future housing leaders?

This piece of research reaffirmed what we already knew about the millennial generation- they look for an employer with values. However, Gen Z are showing signs of being much different. When asked what they want from an employer they put duration of contract, salary and flexible working above employer and societal values.

Across all countries and all generations an increased level of responsibility and increased workload was most apparent when asked about the future of their job roles. People suggested that they would like to see salary increases in line with the increased workload and responsibility but recognised that they would more likely be expected to do more for the same remuneration or less meaning that the psychological contract and wage/effort balance will change.

Technology was a major theme in relation to the future of the workplace. With technological advancements in other sectors and in our personal lives, it is expected that this pattern will follow into the sector in the future. It is suggested that mobile working will be a major part of housing delivery however evidence shows that this is more of an inevitability rather than something that any generation is actually looking for. Gen Z didn't choose mobile working at all when asked what they are looking for in an employer and it was the least selected across all other generations. The influence of technology and the increasing demands from service users could suggest that the future of the housing sector will move to a self service organisation.

Housing professionals were asked to suggest what they believe their service user will be like in the future and what their needs and expectations will be. The majority of responses suggested that the service user wants a better service which includes instantaneous access to information and quick responses. Interestingly, there was a trend suggesting that service users will have more complex needs particularly around mental health, substance abuse and poverty.

Following these findings we can conclude that staff in housing organisation will have to work much more collaboratively with other organisations, particularly health care providers, in order to meet the needs of their future service user.

Technology will also play a huge role in the housing's future. It will have an impact on the future workforce, potentially lowering the necessity for employees, and it will also become a much more important to how housing providers connect with tenants. Social media will be vitally important. Millennials and Gen Z are known as the generations that are constantly connected to the digital world more than any other generation. Gen Z were born into the connected world and therefore it is essential that housing providers adapt their communication methods in order to stay connected their younger customer base.

Findings from Gen Z indicate that this generation is going to be less driven by employer and societal values and more interested in finding a job that can offer them more stability. Gen Z are only just starting to enter the workplace therefore housing providers need to brace themselves for a big culture change. Because of their lack of interest in working for a values driven employer, housing organisations will need to be ready to compete in the job market against some of the top industries and employers. At the minute the housing sector has a unique selling point of being able to fulfil people's desire to work for an employer with societal values. However when this is no longer a factor attractive to an prospective workforce, the  housing sector will need to prepare to compete with other sectors or find a new USP for Gen Z. An increase in salary will not only be for Gen Z. With the expected increased workload housing organisations will need to offer appropriate remuneration for all employees.

# Methodology

In order to deliver a robust piece of research, multiple research methods were used in order to help validate the findings. The 3 methods chosen were:

1) **Online Survey:** One survey went out to only focus group participants (please see point 2 for more information). The other online survey aimed to reach as many housing professionals as possible in order to ensure we reached the maximum number of respondents. The survey was targeted at housing professionals across all hierarchal levels. The survey was designed by Georgina Uttley from the UK and the country leads were responsible for distributing the survey link within their own country using their own networks, social media and organisation networks.

2) **Focus Groups:** Focus groups were made up from participants from different hierarchal levels within case study organisations (at least one from each country). It was the responsibility of the GEM/ country leads to ensure participants attended the appropriate focus group and completed the focus group participant's survey.

3) **Individual Interviews:** At least 5 participants from each of the case study organisation participated in individual structured interviews. These were facilitated by the GEM/ country leads.

Data collection took place over a one month period from mid-July to mid-August 2016. All data was collected electronically in the case of the online surveys. Facilitators of the focus groups and interviews made notes on key points throughout the session of their respondent's answers. All of these notes were then passed to the GEM World Housing Organisation team.

The data collected was inputted to a database by using thematic analysis to draw out key themes. In order to ensure consistency, validity and reliability this part of the process only involved two people: Georgina Uttley and Katie Peel.

This piece of research had a total of:

- 1112 survey responses
- 119 focus group participants
- 54 in depth interviews

Data was collected from across 5 countries – UK, Canada, Australia, USA and Holland

We have split respondents into the following generations:

Generation Z – born after 1995
Millennials/ Generation Y-  born between 1995 and 1981
Generation X- born between 1980 and 1961
Baby Boomer-  born between 1960 and 1945
Traditionalist- born before 1945

# Respondent Demographics

## Average age profile of housing organisations per country

Chart: Average age profile by generation and country

| | Gen Z | Gen Y | Gen X | Baby Boomer | Traditionalist |
|---|---|---|---|---|---|
| UK | 1% | 33% | 50% | 16% | 0% |
| USA | 0% | 33% | 46% | 18% | 1% |
| Australia | 2% | 25% | 45% | 22% | 6% |
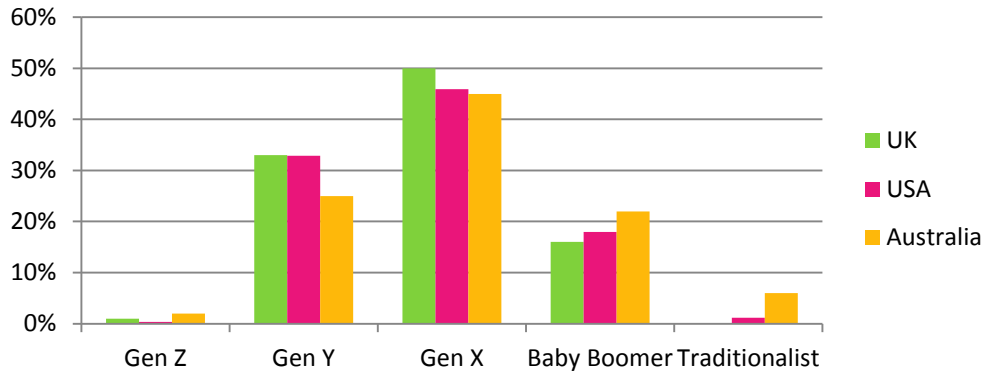
## Average gender profiles per country

| | Male | Female |
|---|---|---|
| UK | 64% | 36% |
| USA | 42% | 63% |
| Australia | 33% | 66% |
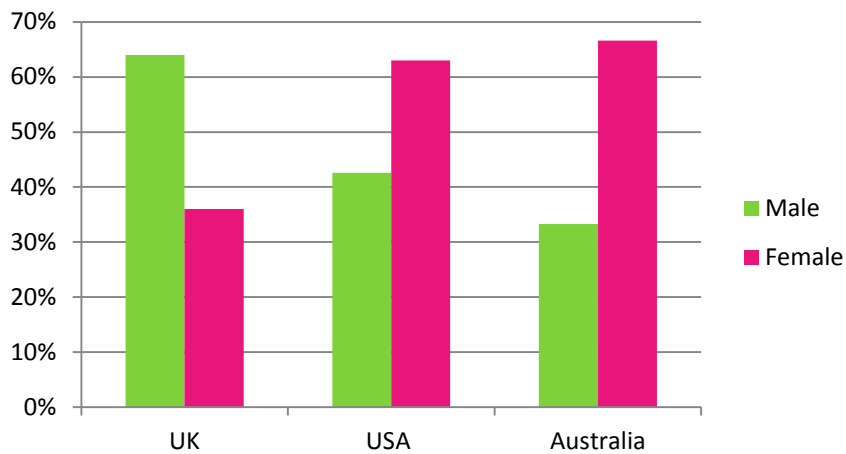
## Job level of respondents

| Senior Management | Middle Management | Front Line/ Officer |
|---|---|---|
| 18% | 28% | 54% |
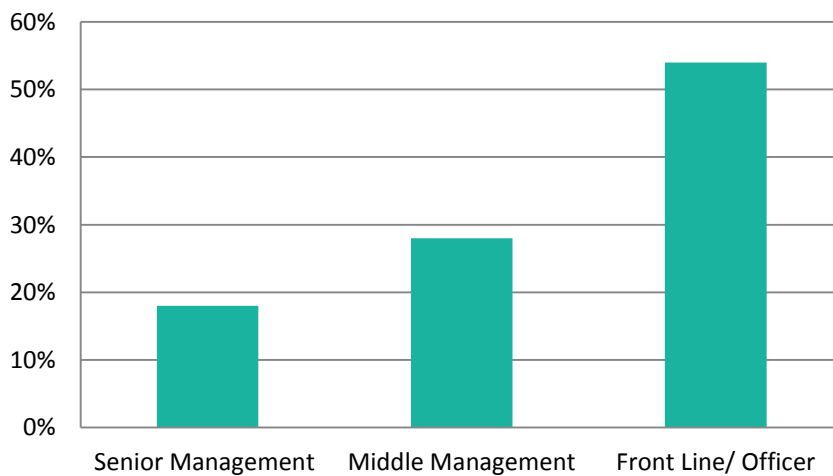
## Number of responses per country
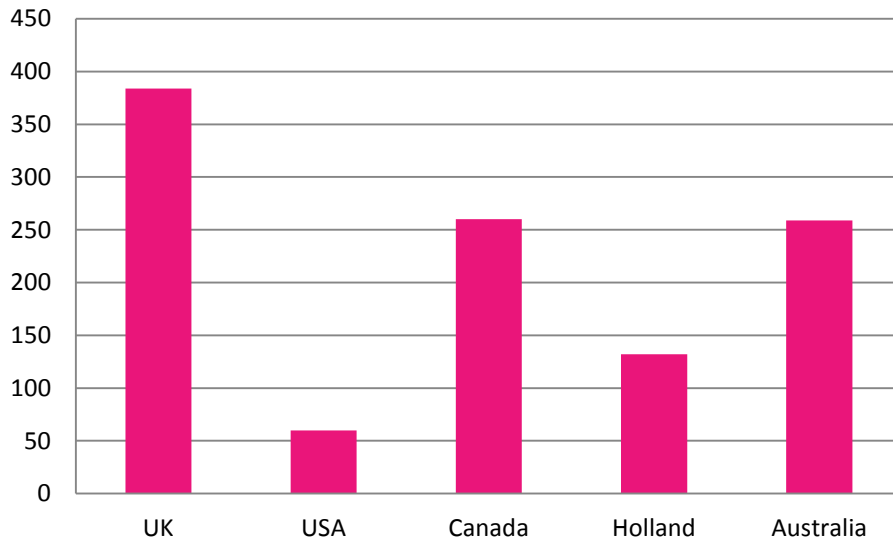


## Age Demographic of Respondents



## Gender of respondents

# Key Themes

The following chapters will cover the 5 key themes:

1. Future Leadership
2. The Future Workforce
3. The Future of Work
4. The Future Customer
5. Conflict

# Theme 1: Future Leadership

From the survey results, overall, **knowledge** was the most desired skill/attribute of the best leader people had experienced.

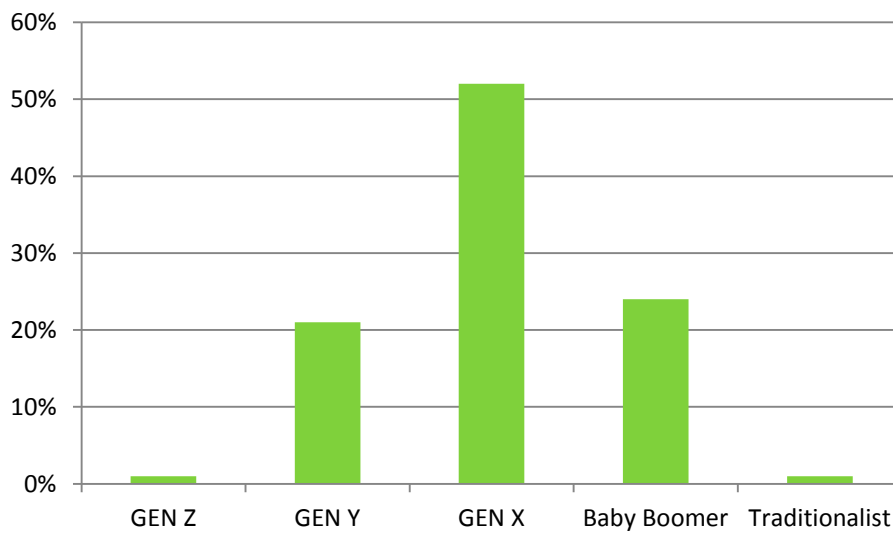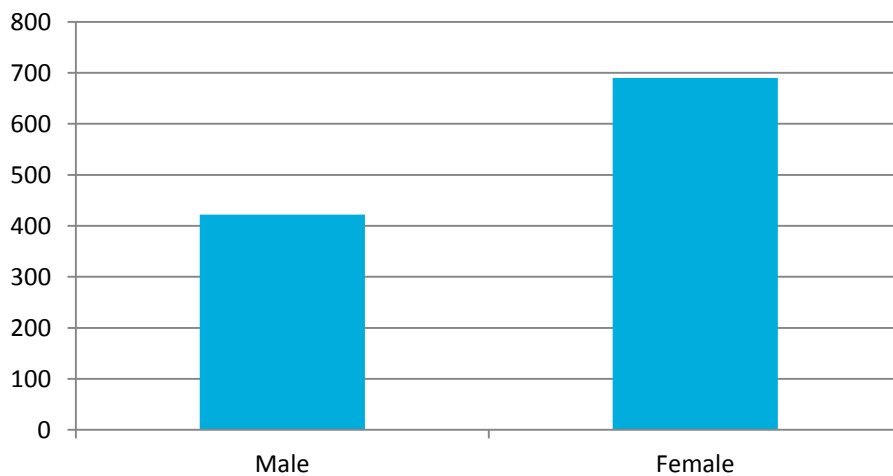|  | Gen Z | Gen Y | Gen X | Baby Boomer | Traditionalist |
|---|---|---|---|---|---|
| **Best** | Organised | Supportive | Knowledge | Knowledge | Organised |
| **Future** | Organised | Open to Change | Open to Change | Knowledge | Organised |

When asked about the future leader, **open to change** was selected as the most desirable attribute for Gen Y and Gen X. Baby Boomers and Traditionalists selected characteristics from a more traditional style of leadership – someone who is very **organised** with **knowledge about the sector and their role**. Gen Z also selected **organisation** as a key skill for a future leader and this could be that they have little experience in the work place and look to leadership for support and guidance in the workplace and therefore their best leader needs to be organised so they can support the newer members of their team.

|  | UK | Australia | Canada | Holland | USA |
|---|---|---|---|---|---|
| **Best** | Knowledge | Supportive | Knowledge | Motivational | Empowering |
| **Future** | Open to Change | Open to Change | Innovative | Open to Change | Empowering |

When data is looked at across the 5 different countries involved, it is evident that the housing sector is expected to go through a period of change and uncertainty globally and that future leaders will need to be flexible and open to change in order to lead their organisations.

However, when we looked at the context in which people were basing their best leader, 32% did not select someone from the workplace. Generation Z were the most likely to select a leader from outside the workplace and this could be because they have the least amount of experience of leadership being relatively new to employment.

**Percentage of survey respondents who selected a leader from outside the workplace.**
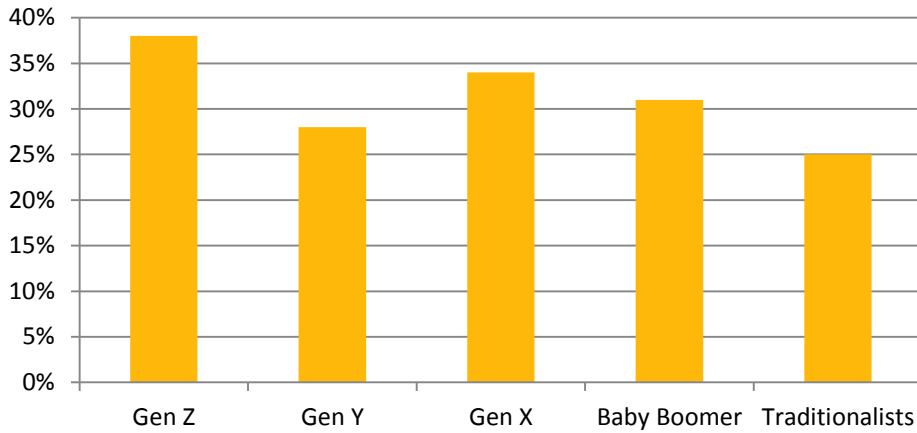


**Percentage of survey respondents who selected a leader from outside the workplace.**
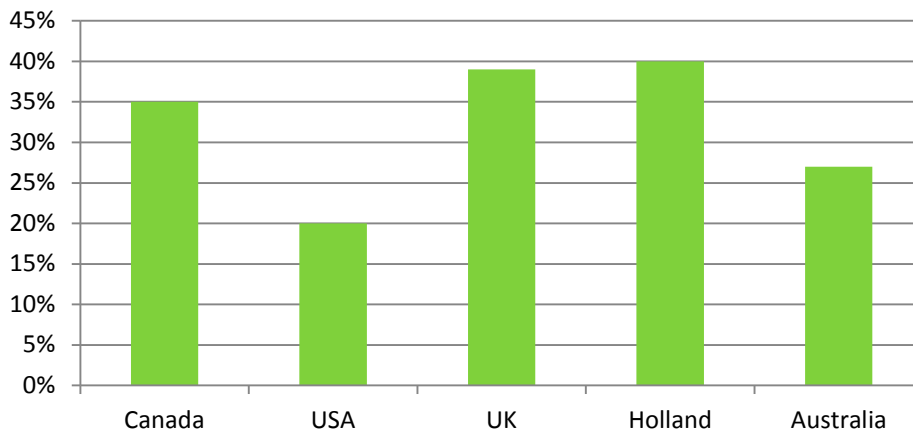


Data also suggests that the **USA has the best leadership** with 4 out of 5 respondents selecting their best leader from the workplace.

The data tells us that housing needs to have more role model leaders, particularly leaders who are open to change. Almost one third of respondents based their 'best leader' from outside of the workplace and from the 68% who selected a leader in the workplace- 32% of them selected someone who had never been their line manager. This indicates that across all 5 countries housing organisations are lacking role model leadership.

# Theme 2: The Future Workforce

When asked how housing professionals see their job roles changing in the future, the top answer, across all countries and generations, was that there would be an increased workload. People also suggested that they would like to see a salary increase however, in reality they expected a salary decrease or the need to do more work for the same amount of remuneration.

Housing organisations must recognise that this added pressure on staff is likely to decrease staff morale and could lead to people seeking employment from other sectors.

When asked what factors people look for in an employer when looking for a job, Generation Z were the least likely to be looking for an employer with societal values. **What were more important to them were a good salary and the duration of their contract.** This could mean that as the new generation begin to enter workforce they could look to other sectors who offer more security and financial stability.

Across generations, the older you were the less important contract duration was with the exception of the Traditionalists which could be because they fear if they were to reach the end of their contract they may struggle to find employment.

Higher salary expectations could be due to the increasing amount of qualifications young people have. UCAS [3] stated that over half a million students started university in the UK in 2015 – a 3.1% rise on 2014. As more and more young people are moving on to higher education it may be that entry level roles on low pay may not be as appealing as a graduate salary.

The combined risks of more work and less remuneration with the competition of other sectors attracting Generation Z, the future of the housing workforce could be at risk.

The cost of employing people who are seeking out the housing sector will be at an increased cost for housing organisation. Technology may be able to find a good balance by reducing the necessity for a human workforce meaning housing organisations could employ less people and pay them higher salaries whilst meeting the challenges of an increased workload.

**Case Study: Junior GEM, Incommunities, UK**

Incommunities recognised the need to promote career opportunities within the housing sector to Generation Z and set up the Junior GEM Programme which targeted 16- 17 year old students from the local schools.

Students were taught the CIH Level 3 qualification and given work experience within Incommunities. Incommunities covers one of the highest areas of deprivation in England were university prospects are lower than average.

The aim of the programme was to allow young people to see the housing sector with the objective of them finishing their studies and returning to the sector as an alternative to university.

However, out of the 36 students who joined the programme, 35 out of 36 of the students have stated that they will continue on to university.

Even with tuition fees rising young people are feeling that they need a degree in order to compete in the job market and therefore housing organisations need to e prepared to pay a competitive salary to get the right people.

# Theme 3: The Future of Work

## Technology

When we asked participants about how their job role would change in the future, technology was one of the main themes that came across.

**How will your job role change in the future?**
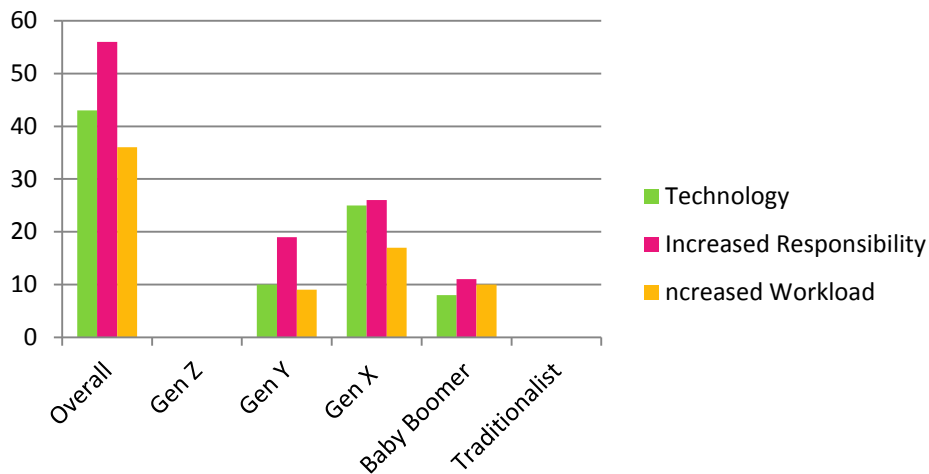


**Number of responses per generation for how the way you work with colleagues will change**
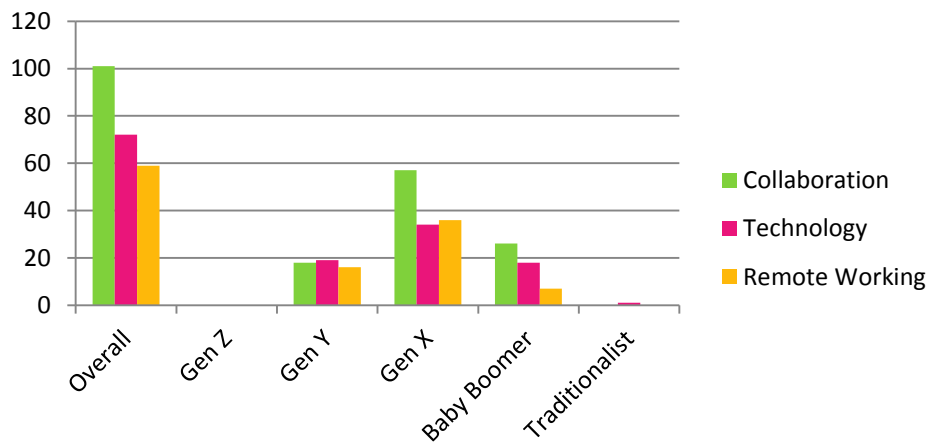


With the technological advancements that are already happening in other sectors and in other aspects of our lives it seems only natural that housing will be following suit sooner rather than later.

As previously discussed, the technological advancements could suggest that the human workforce is removed be it partially or completely within the housing sector. If the future service user is demanding better service, quicker responses and 24 hour access as the data suggests then technology may be the most viable solution.

Mobile working combined with collaboration amongst teams could be seen as human solution to have a permanently accessible workforce without the need for ultimate reliance on technology. Mobile working would allow housing professionals to work from any location at any time and more collaboration and sharing of the workload could mean that the human element of housing can remain.

Although technology can help the housing sector move forward and better the service we offer to service users, housing will need that human element. As we discuss on page 20, it is expected the needs and expectations of the service user will change. The changing expectations of the service user can be met throughout technological advances however it has been suggested that they will have much more complexity needs and this will most likely require the human competencies that can't be replicated by artificial technology such as empathy.

## Mobile Working

Mobile working is something that is becoming more and more popular. As technology becomes more efficient and reliable and people are striving to achieve a better work life balance- mobile working, in theory sounds like a mutually beneficial situation. But is it really what people want?

Research showed that across all countries and all generations that mobile working is the least desirable and sought after benefit when looking for a job.

**What are people looking for when seeking employment**
**- per country**
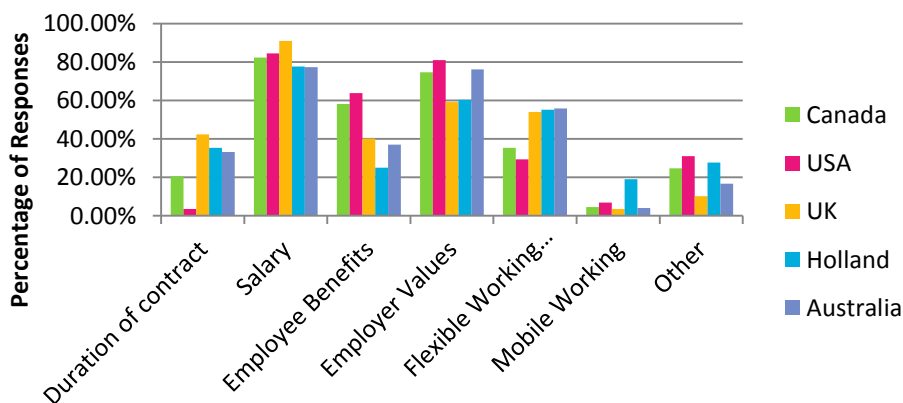


Interestingly, when we looked at the data across the generations it seems the older you are the more desirable mobile working is. Gen Z didn't select mobile working at all as something they look for when seeking employment. This could be because the older you are the more personal commitments you have for example, children, ageing parents etc. This means that the ability to work from any location and not do the daily commute into the office could be more desirable.

**The percentage of respondents who selected mobile working when seeking employment**
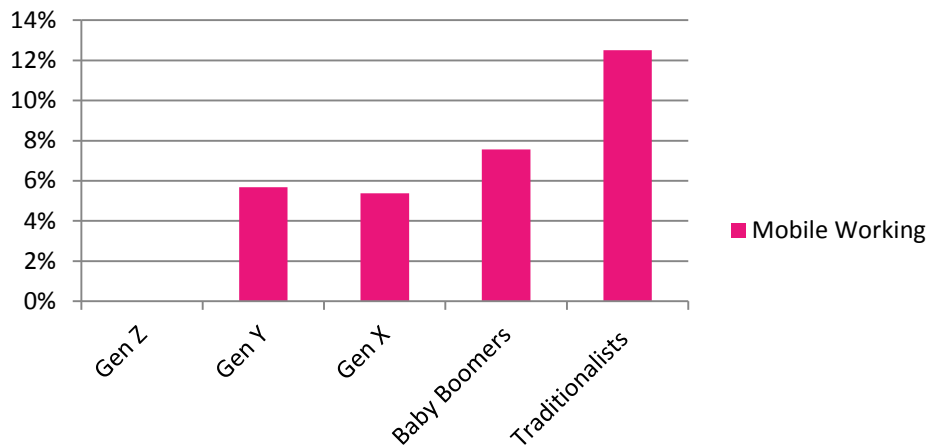


But as the older generations leave the workforce and the younger generations take their first steps onto the career ladder – is mobile working going to be desirable to Gen Z and Gen Y? Probably not.

Although the Traditionalists prefer mobile working over the other generations it was their least selected option when asked what they look for when seeking employment.

When asked how they see the way they work with colleagues changing, the 3rd most popular answer was mobile. This condradicts what people are actually looking for and therefore this could mean that mobile working is seen as something of an inevitability rather than something the housing workforce wants in the future. The financial benefits of remote working could work in favour of he organisation hence why it is seen as an inevitability, but people of all ages like a workplace environment.

# Theme 4: The Future Customer

The research looked at the future of work and service users will play a major part in that for housing organisations. The respondents from the research were all housing professionals. When asked what how the way they work with colleagues would change, the most common themes were:

**How will the way you work with colleagues change?**
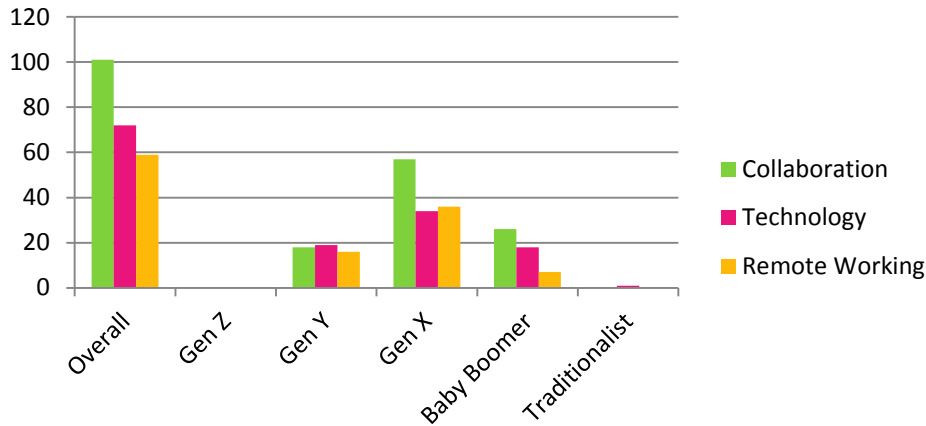


When asked how the future service user will change the main responses were:

**How will the needs and expectations of your service user change?**
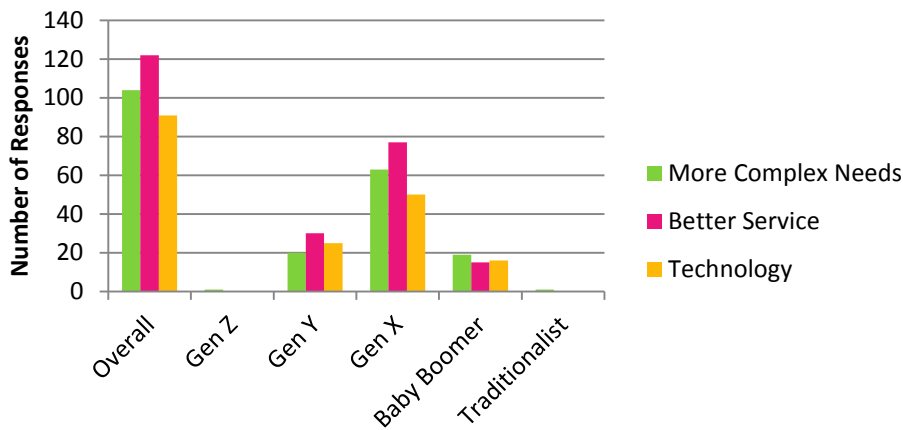


The most common theme that occurred throughout the responses was that the future service user would have more complex needs particularly in relation to mental health, substance abuse and poverty.

Mental health issues are becoming more frequent, particularly as the stigma around mental health becomes less apparent. The Mental Health Foundation [2] suggests that 1 in 4 people will be diagnosed with a mental illness at some point during their lifetime. As stigma diminishes and more people seek treatment this figure is sure the rise. In the UK mental

health services are accessible free of charge, however in countries such as the USA where health care comes at a cost, housing providers may be the next line of support for vulnerable tenants suffering with their mental health.

Increasingly high levels of substance abuse were also marked as a concern about the future customer. If more tenants are spending money on drugs and alcohol this could potentially impact the income for housing providers if people were to spend money on substance misuse over rent. Shatterproof [1] state that 1 in 6 people out of employment misuse drugs and alcohol in the USA. The unemployment cycle increases the chances of people misusing drugs and alcohol. In the current global economic climate, particularly in the UK with the uncertainty of 'Brexit' a poor jobs market could see an increase in the number of service users turning to drugs and alcohol. Housing providers could pre-empt this spiral by focusing on employment pathways for tenants. See Case Study 1 for an example of how a UK housing provider has been working with an organisation to help prevent this situation.

Housing providers often act as the first line of support for many vulnerable and this is something that we can expect to become even for apparent in the future. In the UK, social housing has suffered massive budget reductions from the government which has meant reducing the services we offer to tenants such as employability training.

Collaboration with external partners may be a way organisations can work holistically for the benefits of housing's service users. When asked how housing professionals saw the way they work with colleagues changing in the future, more collaboration was the most popular answer. This includes people working together within their organisations and working with other organisations to achieve a mutual goal.

**Case Study: Project STAY, SGCH, Australia**

SGCH developed Project STAY (Sustaining Tenancies Around Youth) to assist six young people (18 to 25 years) at risk of homelessness in Bankstown (located in Sydney's South West) to find and maintain a private rental lease. The pilot project was funded by a $40,000 grant from the Mercy Foundation under the Grants to End Homelessness Program. The pilot project was based on a Housing-First approach to use stable housing with wrap around support to assist young people to transition to independence. Once housed, the young person was linked to support, training and employment services. Six young people (aged 1825) and three children were housed in five homes. Their rent was subsidised for six months by 40%, then 25% once employed.

Strong collaboration between specialist services was key to the delivery of the project. SGCH, The Mercy Foundation, local support organisations and the private rental market worked together to provide wrap around services to support young people.  Support workers and service managers from local youth and disability organisations assisted participants to develop a goal plan and support to access education, training and employment services. SGCH brokered with real estate agents to support households to find appropriate, affordable private market tenancies.

An evaluation of Project STAY was completed in 2015 found that stakeholders universally regarded STAY as having the potential to fill a critical gap in service provision between the supported housing system and the private rental market.

The evaluation also found the following outcomes for the participants
- Three young people found employment while housed
- Two participants were supported to address mental health and physical health issues during the tenure period
- One participant was able to finish a business course and apply for a University degree, and another participant progressed towards a childcare career
- Five of the six tenancies lasted over six months.

Extensive learnings from the project are now being used to develop enhanced housing products and services for young people.

## Theme 5: Conflict

One of our research questions was based on intergenerational conflict in the housing sector. 86% of survey respondents work in multigenerational teams, most commonly made up of 3 different generations.

From our survey responses, 58% of the housing professionals surveyed had had conflict in the workplace. However, only 1.16% of those respondents put age difference as the reason for that conflict. Interestingly, 75% of the respondents that had selected age to be the cause were from Gen Y.

The most popular reasons for conflict was working attitudes (48%) and conflicting opinions (40%). It could be that working attitudes and opinions change with age and therefore indirectly causing intergenerational conflict.

Overall, conflict in the workplace isn't often directly related to age and therefore multigenerational teams can be seen as a positive as the older generations can learn new skills from the younger generations and the younger generations can learn from the experience of the older generations.

# Key Findings and Summary

## Key Findings

- On average, almost 40% of respondents failed to select their 'best leader' from the workplace meaning that the housing sector is lacking inspirational leadership.
- In the future there will be changes to the psychological contract across all countries. The wage/effort balance will change meaning that employees will be expected to do more work for the same level of remuneration.
- Generation Z are the least likely to seek employers with values when seeking employment. For them duration of contract was more important.
- Mobile working is more of an expectation of the future as people assume employers will look at making financial savings. However it is the least sought when looking for a new job by all generations and across all countries.
- Technology will play an important part in ensuring the housing sector can reach the growing demands from the service user. Service users will expect a better service with more flexibility, instant responses and access to information 24/7.
- Service users will also expect to have increased and more complex needs particularly around mental health, substance abuse and poverty.
- Indirect intergenerational conflict exists in almost half of respondents' teams.

## Summary

1. **What sort of organisational cultures do Generation Y and Generation Z seek to engage in and disengage from?**

    Generation Y are still looking for organisations with societal values whereas Gen Z were the least likely to select this. For Gen Z duration of contract was the most important thing they looked for from an employer, and salary was important for both Gen Y and Z. This suggests that with the new generation entering the workforce, the psychological contract could change and housing could lose it's unique selling point of being an employer with societal values as this will no longer be a priority when choosing a job.

    Mobile Working was the least selected for Gen Y and wasn't selected at all by Gen Z. All generations want a 'workplace' albeit with more flexibility in working hours.

2. **What kind of leadership will they bring as housing's future leaders?**

    Gen Z is looking for supportive leadership. Not only emotionally supportive but also someone who is organised and has the traditional leadership qualities such as knowledge and organisation. 100% of Gen Z respondents felt that had these qualities.

    Gen Y is looking for a leader who is supportive but also someone who is open to change. 83% of respondents could see the skills of a future leader in themselves now

and from the 17% who couldn't, 97% felt they had the potential to develop these skills.

3. **Are there intergenerational tensions arising between current and future housing leaders?**

86% of respondents work in multigenerational teams. But only 1.16% respondents cited age as the reason for conflict in their teams. Therefore it is fair the say that although conflict occurs in most multi generational teams, age difference is not the direct cause of it.

However, working attitudes (48% of respondents) and conflicting opinions (40% of respondents) were the most popular reasons for the conflict. Both of which could have implications with age. For example, opinions change with age and experience and attitudes change as people mature. Therefore it could be suggested that 57% of respondent had experience intergenerational conflict in the workplace.

When we asked about divides with the team, 27% of respondents said there was a divide in the team and 15.5% of respondents selected age as the route of that divide within the team. More commonly job role was the main cause of a divide with 81% of respondent selecting this.

## Conclusions

This research can conclude that the future workforce of the housing sector is going to change. As Generation Z enters the workforce, housing organisations should consider finding a new USP in order to attract young talent. Gen Z will choose a job based on the duration of the contract and salary over employer values. This means that how Generation Y are actively seeking employers with values and are looking to the housing sector for employment; housing won't be able to rely on this in order to get young people in the workplace. Generation Z are focussing more on their own stability which means that employers will need to be the ones to show their loyalty to the employee by offering them the stability and security that they want.

For all generations, salary was important. The workload is expected to significantly increase and therefore the psychological contract and wage/effort balance changes. It is expected that service users will have more complex need, particularly around mental health, poverty and substance abuse whilst also demanding a better service from housing providers. Housing organisations need to recognise the increasingly demanding workload and find ways to offer suitable remuneration to their employees.

More collaborative working and partnerships with external organisations could be solution to ease the workload on housing professionals. By working with employability agencies or health care providers could help service users get the specialist support they need whilst decreasing the workload for employees.

Technology will help housing achieve a 24 hour service for service users. The development of new apps and other user friendly technology will help service users become more self serving. As technology becomes more prominent in every other sector and in our personal lives, service user's expectations will increase and they will expect quicker responses and instant access to information. Technology may be one way housing can meet these expectations without adding to the workload of its employees.

As more people demand flexible working hours and technology makes remote working a viable option for most employees, it would be easy to think that remote working is an easy solution. However, although this is an expectation of the future it was the least selected option by all countries and generations when asked what people are seeking when looking for a job. Therefore, remote working can be seen as inevitable rather than something that people want. From this we can conclude that people actually like having a workplace. It may be that employers offer remote working to employees but give them the option to come into the workplace when they want to.

Within the workplace, teams are most commonly made up of 3 different generations with over half of respondents experiencing conflict in the workplace which could be considered intergenerational conflict as the most common reason for the conflict was working attitudes.

Overall all, further research into Gen Z is needed to support our findings. The data we have is representative of the age profile of housing now but as Gen Z are just entering the workforce the next few years will see more young people entering the workforce. From the data we have found it is fair to say that the future workforce will have different aspirations when seeking employment, something that housing must recognise. Technology will have a

major impact on the housing sector and although it can take us far we must keep a human element of the workforce as our service users will have more complex needs that require emotions that artificial intelligence can't replicate. Financial challenges across the globe will have an impact on the workload which will mean that the psychological contact and wage/effort balance will change for the housing sector.

# References

[1] Shatterproof 2016 http://www.shatterproof.org/blog/entry/the-vicious-cycle-of-drug-abuse-and-unemployment

[2] Mental Health Foundation (2016) https://www.mentalhealth.org.uk/

[3] UCAS (2015) https://www.ucas.com/corporate/news-and-key-documents/news/record-numbers-students-accepted-uk-universities-and-colleges