

DEVELOPING HUMAN RESOURCE BENEFIT PROGRAMS: A PRIORITY FOR U.S. COMPANIES OPERATING IN CANADA

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ABSTRACT

With the passage of the North American Free Trade Agreement (NAFTA), the 1165 U.S. organizations operating in Canada must compete for the best Canadian employees. One way to accomplish this is through cost-effective and supportive family-benefit programs. In this context, a survey measured the use and success of different types of benefits programs in the Canadian workplace. Seventy-one percent of the companies surveyed responded. They reported expanded use of alternative work arrangement (flextime, etc.) and leaves of absence (maternal/paternity, etc); limited use of child-care programs (due to cost, liability); and strong support for health and personal-care programs (EAPs, etc.). Most organizations reported at least moderate success, with these programs reaching intended outcomes. Based on the results, a practical model for human resource professionals in developing comprehensive programs in Canada is offered.

The U.S.-Canadian Free Trade Agreement (as part of the North American Free Trade Agreement [NAFTA]) is expected to greatly affect the economies of both countries by facilitating trade and creating a borderless North America. Already, U.S. and Canadian trade has reached nearly \$190 billion annually [1]. U.S. merchandise exports to Canada grew by \$19 billion from 1988-1992, and U.S. direct investment in Canada rose \$10.6 billion from 1987-1992 [1, p. 30]. These

U.S. investments on Canadian soil have important implications for formulating human resource (HR) policies that affect Canadian workers. Indeed, the United States and Canada can learn much from each other with respect to what constitutes sound employment relations. These two countries have analogous industrial relations systems, comparable legal frameworks, and economic systems that are increasingly interdependent and tightly generated [1]. A good example of this interdependency is the recent General Motors' strike in Canada. If it had not been settled, the Canadian strike could have resulted in major layoffs in a number of plants in the United States [2].

Today, U.S. businesses face a Canadian workforce that shares many of the characteristics of the U.S. workforce but that remains culturally distinct. Similar to what has occurred in the United States, demographic and social changes are having a major impact in the Canadian workforce [3]. However, the Canadian and American workforces cannot be considered interchangeable. One recent study suggests that Canadian managers are less willing to take business risks, have a lower need for achievement, take longer to reach decisions than American managers, and tend to be more theoretical and analytical in their decision making as compared to their American counterparts [4]. These cultural differences have implications for human resource managers who may be functioning with the perception that American and Canadian workers are culturally alike. Such executives may inadvertently be designing HR programs that are not culturally sensitive to Canadian workers. This oversight could be expensive because in the global workplace businesses must compete for the best and the brightest employees in their respective fields. Companies interested in employing and retaining the most talented professionals have to develop policies that are responsive to employees' needs as well as the laws and cultures of the host country [5].

It is clear that U.S. companies operating in Canada and vying for the most talented employees must include the same generous benefits offered to American employees: benefits for the care of children, elderly, or disabled relatives; alternative work arrangements; parental leaves; and employer assistance programs (EAP). The companies with supportive family-benefit programs have a better chance of retaining the most able and qualified professionals [6]. Attracting and retaining talented human capital can give an organization tremendous competitive advantage over its rivals. This is a critical issue for the nearly 1200 U.S. companies now operating in Canada [7]. It may be important to offer cross-cultural sensitivity training for American and Canadian professionals when they have to work together in groups and work teams. Such training could be helpful in minimizing conflicts that may arise due to cultural differences between American and Canadian employees.

The present study addresses these concerns and examines work and family issues in Canada as seen through the eyes of human resource executives working in the Canadian public and private sectors. Based on the results of the survey, a

practical model for developing a benefit package that may serve to attract and retain talented Canadian workers is offered.

LITERATURE REVIEW

Demographics

There has been a tremendous increase in the labor force participation rate of women in both America and Canada. In regard to Canadian demographics, Table 1 shows women twenty-five years of age and older have increased their proportion of the labor force, from 19 percent in 1963 to 38 percent in 1993 [8]. In contrast, the proportion of men over twenty-five years of age in the labor force decreased from about 60 percent in 1963 to 47 percent in 1993 [8].

This increase in working women has led to more dual-income families [9]. The number of two-parent families with only the husband working outside the home dropped from 2.6 million in 1961 to 1.4 million in 1991 [10]. The number in which both husband and wife work outside the home increased from 750,000 to more than three million (see Table 2) [10].

Higher divorce rates have contributed to a rise in the number of single-parent families in Canada. In 1991, there were 220,000 more single parents in the labor force than there had been just six years earlier in 1985 [8]. Although there has been an increase in the number of male-headed, single-parent families, the overwhelming majority (75%) of single parents are women [11].

Over the next fifteen years, Canada will have the highest proportion of people of labor-force age in its history. The number of workers (ages 18 to 64) will increase slowly from the current seventeen million to a peak of twenty-one

Table 1. Labor Force Composition

	1963	1993	2000 (Projected)
Women 25+	19%	38%	46%
Men 25+	60%	47%	42%

Table 2. Family Work Patterns

	1961	1991	2000 (Projected)
Two-parent families— husband works outside home	2.6 million	1.4 million	1.0 million
Husband and wife work outside home	750,000	3 million	4.2 million

million by 2021 [12], but the percentage they form of the total population will fall slowly. As the population grows older, so will the labor force [13].

Social Issues

There is a distinct relationship between employees' family responsibilities and their performance at work. In a survey conducted by The Conference Board of Canada [14], employees identified the difficulties they encounter in their efforts to balance work and family life. Nearly one-third of the employees reported experiencing some degree of negative stress or anxiety as a result of attempting to balance work and family responsibilities. Over 30 percent of employees perceived their family-care responsibilities to have limited their opportunities for advancement in their jobs. A significant proportion of employees indicated they were unable to complete their job to the best of their ability because of responsibilities outside of work. Canadian employees also reported having problems working overtime and long hours, or taking on extra projects.

Based on these facts, there has been a redefinition of what constitutes appropriate roles for men and women both at home and in the workplace. Now that both parents have responsibilities outside of work, organizations that do not establish effective family-benefit programs may face serious employee relations problems. There is a strong link between employees' difficulties in balancing work and family, and the associated turnover, absenteeism, productivity, job satisfaction, and stress in an organization [14-16]. The turnover of valuable employees can be costly for employers. In the Conference Board study, close to 12 percent of the surveyed respondents had left an organization because of conflict between work and family responsibilities. The productivity and efficiency of organizations can be affected when employees are absent from work or when employees spend time at work dealing with family-related issues. The costs to employers for each day's absence are equivalent to one and one-half times the Canadian employees' wage [17]. Employers must evaluate how the challenge of managing a career and family affects employees and their performance and must reform benefits policies to accommodate employees' needs.

Child-Care Issues

The Steelcase Worldwide Office Environment Index, 1991, researched worker attitudes and the office environment in Canada. More than one-third of the office workers indicated that child-care support or facilities are very important to their job satisfaction [18, 19]. However, the *Canadian Business Review* reported licensed spaces are available for only one in ten children who are in need of child care [20]. Implementing child care is a strategic decision. In Canada, several programs have been initiated by companies to help working parents balance the needs of both their employers and their children. And on- or near-site day care facility is a popular but expensive venture. Although most are nonprofit

organizations, the cost of rent, utilities, insurance, and labor are high. Nevertheless, this is the most convenient method for parents.

The Public Service Alliance of Canada (PSAC), which represents most federal public service employees, reported that legislators and policy makers have reacted inappropriately to the changing workplace. For example, subsidies offered for child care are inadequate and benefit the needs only of low-income families. The help working parents of Canada do receive from the government is limited to the period immediately before and after the child's birth or through tax provisions. In 1980, the government initiated its first family-leave package. This package included paternity leave as well as twenty-six weeks leave without pay for the care and nurturing of preschool-aged children and adopted children. Canadian maternity-leave legislation prevents employers from dismissing women who miss work to have a child and ensures the parent a minimum time off, with income continuance through unemployment insurance, before and after the birth of the child [21].

Paternity leave in Canada traditionally has been limited. The Canada Labor Code provides seventeen weeks of maternity leave and another twenty-four weeks of unpaid child-care leave. Provinces vary in their unpaid parental-leave policies. Although new laws and provisions may be supportive of men taking responsibility for children, there is considerable resistance among senior managers to the concept of paternity leave. Men who take paternity leave are often viewed as not being fully committed to their employer [22]. Some of the family issues can be addressed through more innovative job schedules. The *Canadian Manager* reported employees want organizations to be more generous by providing flextime and job sharing, thus giving them more control over their working hours and their jobs [22].

METHOD AND DATA COLLECTION

To assess the current use and success of family-responsive benefits program, a "Survey of Benefit Programs" (adapted from The Conference Board of Canada [23]) was developed. The sample of companies was drawn from the Conference Board's mailing list in January, 1996. The survey was sent to personnel/human resources executives in seventy-five (small to large size) industrial and seventy-five (small to large size) nonindustrial companies in the Ontario and Quebec provinces. The survey had a response rate of 71 percent and near equal representation from industrial and nonindustrial companies in each size category.

Specifically, four employee-related benefit programs were the focus of this research. These plans were selected as representative of innovative HR practices shown to be effective in increasing productivity, job involvement, job satisfaction, and/or other criteria of worker effectiveness [23]: 1) leaves of absence, 2) alternative work arrangements, 3) dependent-care benefits and

facilities, and 4) health and personal care. Respondents were asked to indicate whether each of the four programs had been put into use. In addition, reasons for use or nonuse of a program and an evaluation of how successful each program had been in accomplishing the objectives for which it was implemented were requested.

RESULTS AND DISCUSSION

Table 3 shows the percentage of companies utilizing each innovative program and the percentage reporting degree of satisfaction.

Table 3.

	Percent of Companies Utilizing HR Programs	Percent of Responding Companies Reporting		
		Not Successful	Moderately Successful	Highly Successful
Leaves of Absences				
Extended maternity	53	24	51	25
Personal sick leave	50	12	68	20
Prematernity	26	15	69	16
Paternity	18	13	71	16
Child-nurturing leave	14	16	69	15
Alternative Work Arrangements				
Flextime	64	4	34	62
Compressed workweek	42	15	30	55
Part-time work with benefits	36	3	22	75
Job sharing	26	4	21	75
Work at home	16	13	35	52
Dependent Care Benefits and Facilities				
Child-care referral service	25	2	17	81
Child-care center on-site	16	4	54	42
Assistance for sick children	18	4	34	62
Elder-care referral services	11	4	35	61
Health and Personal Care				
EAPs	83	4	28	68
Sick days (extended)	82	4	6	90

Leaves of Absence

As reported, approximately half of the responding companies offer extended maternity leave and personal sick leave. A much smaller percentage offer prematernity, paternity, and child-nurturing leave (26, 18, and 14% respectively). Half of all Canadian organizations permit employees to use their personal sick leave for family reasons. On a case-by-case basis, "patterns of informal accommodation" are evolving as a normal part of the interaction among employees in almost every organization, e.g., trading shifts, picking up children from child-care arrangements, checking on child-care arrangements during the workday, etc. Most organizations reported moderate success implementing these leave programs. However, many companies indicated costs would need to be reduced and worker productivity would have to show more substantial gains to continue offering these benefits.

Regarding the degree of reluctance by organizations to adopt progressive leaves-of-absence programs (paternity and child-nurturing), survey findings indicated "resistance to change" and "never been considered" as the most common reasons given. Resistance often arises when companies lack specific information about the change and/or fail to perceive employee needs.

Alternative Work Arrangements

Increased flexibility in working schedules is characteristic of many respondent organizations (over 60%). Work-arrangement flexibility reduces stress by increasing an employee's ability to control, predict, and absorb change in both work and family settings [24]. Canadian organizations surveyed varied in allowing flextime (64%), compressed work weeks (42%), part-time work (36%), job sharing (26%), and work-at-home arrangements (16%). Flextime gives employees control of their working hours and is an effective motivational strategy. Compressed work weeks allow employees to work a full forty-hour work week in fewer than five traditional days. Compressed work weeks allow employees to spend more time with their families and improve attendance at work. Part-time work, job sharing, and arrangements to work at home allow Canadian employees to balance their work and family lives. Most organizations reported that alternative work schedules decreased the stress level in the organization and were highly successful. In addition, flexible work arrangements can help an organization meet employment equity goals by enabling members of designated groups (who may have different cultural and religious practices, family-care responsibilities, or disabilities requiring special arrangements) to participate more fully in the organization.

An innovative solution to the problem of family time constraints is the "weekend worker" provision first negotiated by the Canadian Auto Workers (CAW) at 3M Canada, Inc. The weekend worker concept offers CAW members permanent weekend shifts (12 hours on holidays and vacations). Management at

companies that have this option are pleased with the results: reduced absenteeism, increased productivity, and lower costs. For workers who choose the weekend shifts, it means a shorter work week without a cut in pay. It also allows for a family to have two full-time salaries coming into the house and for someone to always be with the children. Among other organizations offering a flexible work week to its employees are the Bank of Montreal and the Toronto Gold Card Visa Service.

Dependent Care Benefits and Facilities

Dependent care refers to child care and the care of elderly or disabled relatives. An increase in life expectancy in Canada and the aging of its population have highlighted the need for care of an aged relative. So little is being done at the moment to address this issue that some HR executives discuss it informally as an "impending crisis" in elder care.

Organizations must provide their employees with additional access to dependent care benefits and facilities. The most frequently mentioned forms of employer support for employees with children were child-care information or referral services (25%), assistance to employees with sick children (18%), on-site child-care centers (16%), and elder-care information or referral services (11%). Benefits, policies, and facilities that address the needs of employees with children are new to Canadian organizations. Although companies recognize the need for child-care services, they have to evaluate the benefits of these expensive programs. Those organizations reporting highly successful implementation of these programs commented that although child care centers may be expensive, the benefits will add to the bottom line of the organization. But clearly, the on-site center remains a mixed bag because of the costs, liability insurance, and availability of trained professionals to manage it. Among these organizations reluctant to adopt additional child-care and elder-care benefits and facilities, respondents indicated a "long start-up time" and "are an unknown quantity" as barriers to implementation.

One example of an innovative approach to child care is the effort Canada's chartered banks are making to help their employees balance work and family life. The National Bank of Canada's Pippin Apple Centre has a total staff of eleven to look after sixty children. It is open from 7 A.M. to 6 P.M. to accommodate employees during the normal work day. The Toronto-Dominion Bank offers its employees a telephone counseling service, named TD Day Care Helpline.

Health and Personal Care

Employer-sponsored medical plans in Canada are supplementary to a government primary plan. A reported 82 percent of the organizations provide a program that gives employees additional sick days. A significant number of employers

offer a variety of additional services to employees through Employee Assistance Programs (EAPs; 83%).

Originally designed to address workplace substance abuse problems, EAP's are evolving into broader mandates, encompassing a range of difficulties employees may be experiencing at home or work. For example, the types of supports offered to employees include counseling for alcohol and drug abuse, retirement and financial counseling, and physical fitness programs. Many organizations also extend at least some of the services to the families of employees. Also important from the work and family perspective, some companies offer employees counseling on marital or stress-related problems. These, Employee and Family Assistance Programs (EFAPs) are relatively new to the Canadian landscape. In most cases, use of the program is on a voluntary, confidential basis. For example, The Bank of Nova Scotia uses an employee and family assistance program to help parents deal with family problems. Nearly all organizations recognize the advantage this particular benefit creates for recruitment, retention, and productivity.

In summary, the survey findings indicate responding Canadian companies are successfully implementing health and personal care programs. The survey also indicates that the implementation of Alternative Work Schedules has been highly successful and is perceived to directly affect worker satisfaction by decreasing stress levels. In the area of leave programs, responding companies report moderate success in implementation and indicate further development of these programs depends on whether a stronger link can be established between leave programs and their impact on worker satisfaction as measured through improved productivity. The survey indicates that the development of dependent-care benefits and facilities is new to Canadian business and responding companies utilizing these programs report a high level of success.

DEVELOPING A MODEL FOR SUCCESSFUL BENEFITS PROGRAMS

U.S. companies in Canada can utilize employee benefit programs to attract Canadian workers by offering a flexible and comprehensive benefit package that addresses the diverse needs of the changing Canadian workforce. Canadian companies are successfully implementing health and personal-care programs and alternative work schedules. Companies responding to the survey expressed satisfaction with the gains realized through improved employee productivity linked to these programs. It is recommended that HR managers designing benefit programs in Canada continue to utilize these types of benefits. In regard to leaves, the survey indicates these programs are moderately successful. However, further study of the correlation between leave programs and worker productivity is recommended prior to investing significant resources in the development of such programs.

Based on the survey results, it is recommended that HR managers interested in attracting Canadian workers focus their efforts on developing dependent-care benefits and facilities. These programs are new to Canadian business and were reported to be implemented by only a small percentage of the companies responding to the survey. Companies who utilized these programs reported them to be highly successful. Canadian companies offering dependent care and facilities as an integral part of the company's benefits package may be able to enhance the company's recruitment efforts and improve employee satisfaction, productivity, and retention.

HR managers in Canada should develop sound benefits packages that reflect their sensitivity to the cultural diversity that exists between the United States and Canada. Planning should include an appreciation for the issues of equity that may arise when attempting to satisfy cross-national legal systems and a recognition of the highly unionized Canadian labor market. In addition, the HR manager should carefully assess the needs of the company's employees in regard to benefits programs and prioritize them in light of the company's budgetary constraints. It is recommended that the benefits program be developed using a highly participatory strategy in order to incorporate these important considerations. The model offered can greatly facilitate this process. Figure 1 depicts how a human resource manager can develop a sound benefits program.

The six phases illustrate a team approach to program development, which is intended to enhance the integration of a benefits package into the workplace.

Phase 1 encourages employees to participate in designing benefits programs. The assessment phase helps insure management is moving in the direction of addressing employee needs and provides management with insight into the needs of Canadian workers that may differ from American workers. The participatory style provides Canadian employees with an opportunity to thoughtfully reflect on all available information and provides Canadian and American workers with the opportunity to address cultural differences regarding management authority and power. In addition, Canada's highly unionized workforce warrants the inclusion of union representatives on any teams planning HR benefits packages in Canada. The true measure of a successful benefits program is the degree of trust, understanding, and appreciation gained from the employee.

Part of a firm's needs assessment should include research into appropriate industries and competitors to insure that its own benefits program are meeting the objectives of recruitment of talented employees, their long-term retention in the company, and high productivity. Planning teams should also identify creative and innovative HR programs such as the family-based benefits described in this article that are being successfully used in Canadian firms and use them as a benchmark for their own program development effort.

Having gathered the relevant information in *Phase 1*, a cross-functional team (headed by the HR manager) is developed to identify employee needs which the company benefits package should address, prioritize those needs, and make

Phase 1: Assessment	In this early planning stage, employee needs, company resources, and business environment are assessed.
Phase 2: Cross-Functional Teams	A cross-functional team is formed to identify and prioritize information gathered in Phase 1 and to make recommendations for amendments/changes to the current HR package.
Phase 3: Design	Human resource professionals utilize information and recommendations to create a cost-effective and flexible benefits package that focuses on meeting the needs of its employees.
Phase 4: Panel Review	The cross-functional team formed in Phase 2 now reviews the proposed benefits package before it is finalized.
Phase 5: Communication Channels	The benefits package is communicated to all employees.
Phase 6: Feedback	Controls are created to monitor the effectiveness of the benefits package and to continue assessment.

Figure 1. Six phases of designing culturally sensitive HR programs.

recommendations for developing a benefit package. *Phase 2* (cross-functional teams) continues to use the participatory approach by drawing on representatives of constituent groups within the organization. The team is responsible for generating viable alternatives that should be considered for inclusion in the company's benefits package.

Benefits packages developed by U.S. companies in Canada need to be written with regard to labor laws of both the U.S. and Canada. The labor laws of the two neighboring countries, while similar in some fundamental ways, diverge considerably in important details. The laws differ in the level of benefits required and the degree of legal protection. The laws also provide varying degrees of legal protection to employees in similar situations. Further, HR managers in Canada must be aware of Canadian labor laws as they apply to U.S. citizens working there and/or working for subsidiaries of U.S. parent companies as well as U.S. labor laws regarding U.S. citizens working on foreign soil or for foreign companies. These legal parameters may necessitate creating different benefit

packages for employees with differing legal status and will certainly require HR managers to consider the issues of equity that may arise as HR packages are developed for Canadian workers (union and nonunion) and American workers in Canada. Human resources specialists can make a major contribution to the management of benefit programs by being sensitive to these and other issues of equity. It is particularly important that differences in benefits among groups of employees be justifiable and readily explained [25].

The cross-cultural team is also of critical importance in tailoring a cost-effective benefit program that will attract talented Canadian employees. A poorly planned package that has to be discontinued after being offered often creates negative effects which may exceed the positive effects that may have accrued from providing it.

In *Phase 3* of the model (design), management designs the benefit package utilizing the input from *Phases 1* and *2*. The design phase should also include explanations of the impact the planned benefit package is expected to have on the quality of the employees' work lives. Since Canadians may be less achievement-oriented than American workers, employee benefits which constitute an indirect form of compensation that is not primarily achievement-based may prove to have a significant impact on employee morale, cooperation, and productivity.

Before finalizing the benefit package, the HR manager presents the benefits package to the team, which then reviews the details of the package (*Phase 4—panel review*). The team also evaluates the informational material presented during this session and makes recommendations for improvement of the package and/or the informational materials used. This process provides the HR manager with an opportunity to make adjustments in the package and in the presentation/documentation before disseminating the information throughout the organization. *Phase 3* is an important step in manager's ability to communicate benefits information so that employees can understand what each plan will or will not provide.

The communication of the benefits package is an essential step (*Phase 5*). The sheer volume of materials covering employee benefits necessitates this step. In Canada, all official communications from U.S. management should be made in both French and English because both cultures exist in Canadian society and both cultures hold equal status in the Canadian legal system. Canadians are sensitive to any remarks, policies, or even attitudes that may seem to show favor to one culture over the other [26, 27].

Phase 6 (feedback) focuses on the need for management to assess its own process by building in mechanisms for feedback. Employee questionnaires, quality circles, and exit interviews can provide important information. To plan ahead, however, management must research appropriate industries and competitors to insure its benefits programs are meeting the objectives of recruitment

of talented employees, their long-term retention in the company, and high productivity.

Phase 6 recognizes that employee benefits programs must reflect the changes that continually occur in a society. Working families may have needs for pregnancy and maternal/paternal leaves and child-care allowances. Rather than use a health insurance program that duplicates their spouse's coverage, a working family member may be offered more life insurance, time off, or cash. Employers can modify their employee benefits by allowing choice through cafeteria and self-designed plans. *Phase 6* also calls for providing flexibility in program offerings due to changing demographics, lifestyles, and family roles.

CONCLUSION

The traditional family with a husband working full time and serving as the sole breadwinner while the wife works at home and looks after the children is no longer realistic in either the American or Canadian society. There is a developing societal expectation in North America that since family responsibilities affect both parents, they should be managed jointly with the support and cooperation of the employing organizations. Organizations should start to view attractive benefits packages that address these emerging employee needs as important components in a strategy to gain a competitive advantage over their rivals. Indeed, in the global marketplace of labor, organizations that can attract and retain the best employees will have the brightest future.

The results of our survey of HR executives indicate that companies are responding to these concerns and are allowing employees to take time off for family reasons in the form of maternity/paternity leaves and personal sick leaves. Also, a significant number of employers offer a variety of services in the area of health and personal care. Canadian organizations are expanding work arrangements to include flextime, compressed work needs, part-time work, job sharing, and work at home. Compared to the United States, average work weeks tend to be shorter in Canada and periods of time off are longer.

Our survey also revealed that many benefits, policies, and practices that address the specific needs of employees with children have been effectively implemented. However, on-site centers for children are still quite limited. Further, organizations have yet to effectively address the need for elder care, which is expected to rise dramatically. In the near future, most attempts to help employees deal with elder-care responsibilities will probably be based on work-time and workplace flexibility and on new leave policies.

Most organizations reported that family-responsive programs have been successful in assisting them in managing their human resources more effectively. Generally, the majority of employers that offer an array of benefits programs

perceived them to be an effective mechanism in the recruitment and retention of highly qualified employees. Many of these programs have also been instrumental in the reduction of absenteeism among employees.

Just as is true in the United States, for Canadian organizations the primary goal is to increase the success of the benefits programs while controlling the costs. For example, flexible benefits have been a growing trend in the United States because they allow employers to manage benefit costs, particularly health-care expenditures. In Canada, experience with flexible-benefit programs is in the early stages, yet it is clearly positioned as a major answer to the question of how to maintain benefits during a period of cost squeeze—and how to cope with changing employee demographics. In planning benefits packages, HR managers should remain cognizant of and sensitive to the cultural differences that exist between Canadian and American employees, as well as the labor laws governing a multinational workforce.

The proposed model is the result of an assessment of the Canadian labor force (demographics) and anticipated employee demands (work and family issues). Organizations can respond to this assessment by creating appropriate benefits programs to match the attitudes, lifestyles, and issues prevalent in society. The model takes into account important factors for any modern business planning for change: to set clear objectives, to open the process for employees' input, to communicate benefits information, to control costs, to modify benefits through flexibility, and to measure intended outcomes through a monitor-and-review process. The model based on the survey provides a framework for organizations that want to respond effectively to the challenges of employee demands for increased and better benefits in the future.

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