

RETAINING AN “OLDER WORKFORCE” WHILE ATTRACTING “ENGAGED, CAREER-DRIVEN YOUTH”

7/30/17 NTI “C” 3:45-5:00 Rackham Auditorium
8/03/17 NTI “O” 8:00-9:30 N. Quad #2255

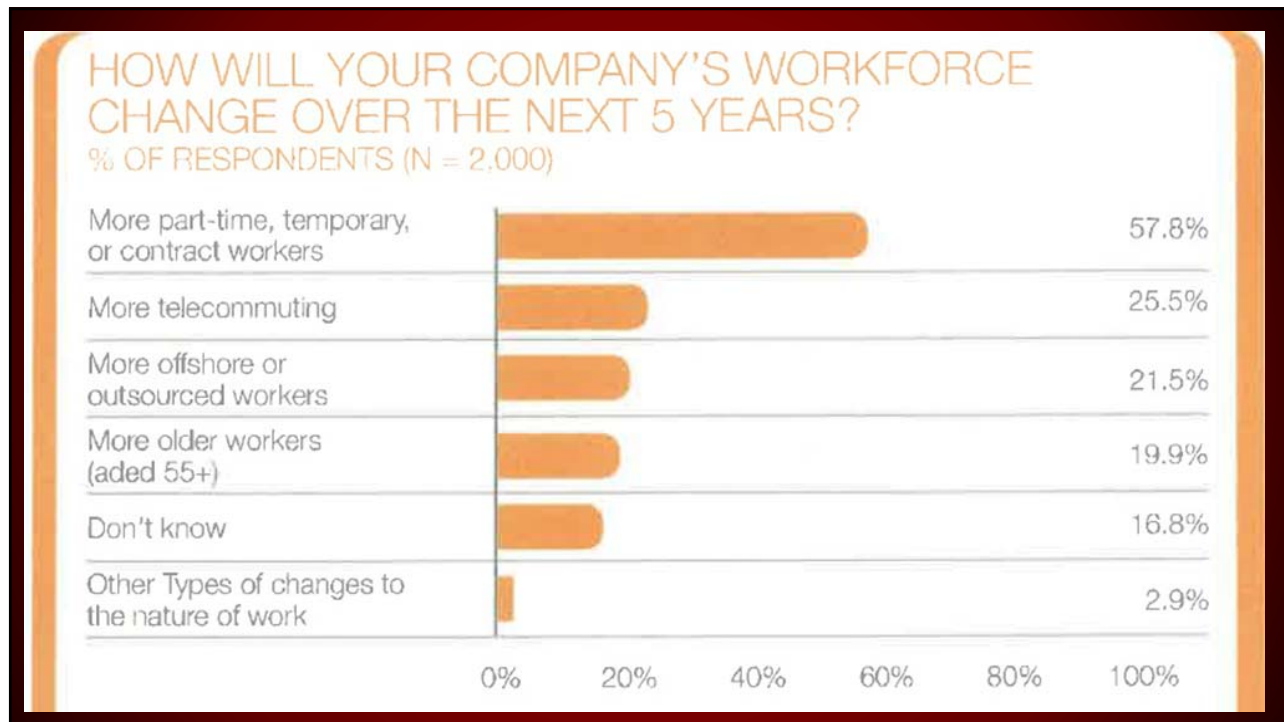
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Executive Director ELECTRI and NECA Director of Research

AS OLDER, SKILLED WORKERS RETIRE, WHERE ARE THE YOUNGER, REPLACEMENT WORKERS TO SUSTAIN SKILLS NEEDED?

- *“The world is on the cusp of entering a new reality in which human potential itself will become the major agent of economic growth.”*
- *“We are entering the era of unparalleled talent scarcity that will put a brake on economic growth around the world, and will fundamentally change the way we approach workforce challenges.”*

– Jeffrey A. Joerres, CEO and
Chairman, Manpower Group

– Jean Charest, Premier of Quebec



WHAT TO DO WITH THE "OLDER WORKFORCE"

- **RETAIN! RETAIN! RETAIN!**
- **What percentage of your current workforce is planning to retire in the next 5 – 10 years?**
- **What impact will their retirement have on your organization?**

POTENTIAL LOSS OF PRODUCTIVITY AND INTELLECTUAL CAPITAL

- Possess the talent needed to be retained by companies
- Have financial flexibility allowing for retirement or downshifting to a more flexible work arrangement
- Employers need to focus on:
 - Slowing the exodus of older workers
 - Valuable source of knowledge and skills
 - Prepare successors for critical roles
 - Learn as much as possible before expert resources leave

WHAT IS THE LARGEST AVAILABLE & UNTAPPED SEGMENT OF THE WORKFORCE?

- Older workers – will soon gain importance on the corporate agenda because they are the largest available untapped workforce segment
- Most of the workers in this category are still healthy and able to contribute long after they retire
- Employers/companies must:
 - Provide the kind of jobs mature adults want
 - Keep mature adults engaged by continuing to treat them as valued team members
 - REMEMBER – one size *will not* fit all – therefore a “plug and play” view of employment options will not be successful



**BOTH THE EMPLOYER AND THE OLDER
EMPLOYEE WILL FIND THE FUTURE WORLD OF
WORK TO BE A DIFFICULT TRANSITION**

Both are still thinking very traditionally about the latter years of employment. Employers still tend to view upcoming retirements as cost-saving opportunities – dangerous and short-sighted...

NO ROOM FOR WASTED TALENT

**THERE WILL BE NO ROOM FOR WASTED TALENT
IN TOMORROW'S NIMBLE AND TALENT-POOR
ORGANIZATIONS, SO THERE CAN BE
NO ONE WHOSE SKILLS OF KNOWLEDGE
ARE ALLOWED TO BECOME OBSOLETE.**

KEYS TO RECRUITING “SEASONED WORKERS”

WORKPLACE FLEXIBILITY

- Flexible schedules
- Flexible work options
- Flexible retirement options

HELPS KEEP THEM FUNCTIONAL AND PRODUCTIVE

- Encourages their full engagement in the workplace
- Appeals to those who no longer wish to work traditional full-time schedules
- Many desire to extend their work life, but also desire to move away from standard 9to5, five-day work week

“AN IMPORTANT BENEFIT OF FLEXIBLE WORK ARRANGEMENTS IS THAT IT ENABLES EMPLOYEES TO EXTEND THEIR CAREERS WITH THE SAME EMPLOYER, OCCUPATION OR INDUSTRY INSTEAD OF MOVING TO DIFFERENT OCCUPATIONS WHERE PART-TIME WORK IS MORE COMMON.”

Eyster, Johnson and Toder

- **Optimize talent flow by ensuring alignment of employees' skills with needs of the business**

- *Strategic recruitment*
- *Ongoing assessment of skills*
- *Assess interests and abilities at regular intervals*
- *Make life-long learning a priority*
- *Develop innovative ways of retaining these critically important contributors as long as possible*

PROVIDE PART-TIME JOBS!!

The employer who wins the competitive war for talent will be the one who determines how to make plenty of

PART-TIME JOBS available

to attract older workers, and who determines how to redesign existing jobs into part-time roles in order to retain current staff a few years longer.

**A SUSTAINABLE AND GROWING
ECONOMY *WILL NOT* BE POSSIBLE IN
THE TALENT-POOR FUTURE WITHOUT A
STRONG AND VIBRANT LABOR MARKET
THAT INCLUDES OLDER WORKERS.**

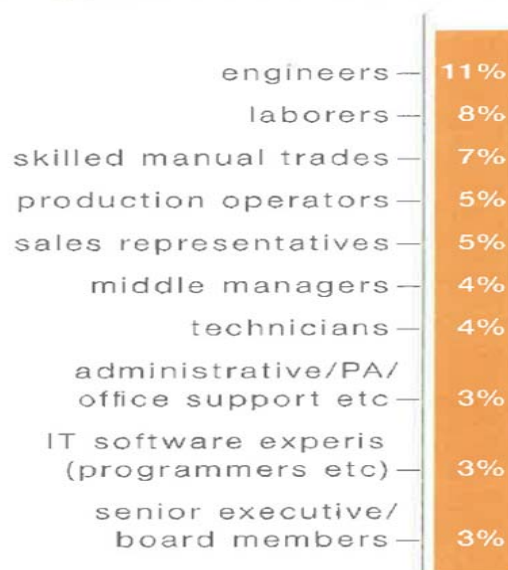
Solving this puzzle of aligning the interests and abilities of mature adults with the interests and requirements of employers must take a high priority for governments and employers alike.

May you be employed so long that you have the opportunity to be a victim of age discrimination.



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JOBS MOST FREQUENTLY USING FOREIGN TALENT



job categories utilizing foreign talent

OUR WORKFORCE IS MISSING YOUNGER REPLACEMENTS

As older, skilled workers retire, there are not enough younger workers in the pipeline to sustain the skills base needed for growing business opportunities.

CHALLENGES TO EMPLOYING A “YOUNGER” WORKFORCE

Younger people have difficulty in the labor market due to identifiable – remediable – deficits:

Lack of information, networks and connections

have no clue what the world of work is like, have not examined career choices, do not know how to navigate relevant training sources

Lack of skills relevant to workplace

need to creatively improve skills to cooperate, communicate and think

Lack of credentials and skills

developed social skills and work ethics will lead to productivity/advancement

Lack of available jobs

geographically speaking, a severe shortage of entry-level jobs keep young people from finding meaningful careers

TALENT MISMATCH: FINDING THE RIGHT EMPLOYEE

Teachable Fit

- *What capabilities are essential to performing the job?*
- *Which skills and competencies are teachable in an efficient way?*
- *Is there adequate time and money to develop these capabilities in the candidate?*
- *Do candidates have the capacity (motivation and capacity) to develop them?*

REALIZING THE POTENTIAL OF YOUNG WORKERS

Young workers represent an
asset to firms in their capacities as:

- *consumers*
- *influencers*
- *innovators*
- *tech-savvy*

MILLENNIALS AND GEN-EXERS “CONSUMERS”

- influence each other greatly while shopping
- they publicize their opinions and decisions in real-time
- can broaden the sale-ability OR unpopularity of a brand or product
- provide businesses with direct insight into tastes and preferences with peers, promoting employers' products/services

MILLENNIALS AND GEN-EXERS “INFLUENCERS”

- employers should proactively manage their reputations online and with social media
- becoming more attractive and challenging as a workplace for younger workforce
- the reputation of a company is affected as millennials/exers report their experiences through social and communication networks

MILLENNIALS AND GEN-EXERS “INNOVATORS”

- innovation is a key driver of business success
- recent report showed top 3 innovative companies: Apple, Facebook and Google – Amazon will likely replace one of those
- all enjoy unprecedented financial performance
- Average employee age: Apple, 33; Facebook, 26; Google, 31

MILLENNIALS AND GEN-EXERS “TECH-SAVVY”

- future workforce requires media literacy and virtual collaboration
- M&G-ers were first generations raised with TOTAL immersion in new technology
- if used effectively, online video technology, blogs, podcasts and collaborative software enhance productivity



SOLUTIONS FOR HIRING YOUNG PEOPLE MUST BE BUSINESS-DRIVEN

*Businesses must partner with government, educators,
civil society, and young people themselves*

BUSINESSES MUST INVEST TO IMPROVE INFORMATION RESOURCES

- high quality career guidance leads to better informed decisions about academic/vocational programs, completing high school, and education and work
- guidance programs suffer from poor funding, under-qualified counselors, and a lack of access to relevant labor market information
- guidance needs to begin in lower-secondary level (13-15)
- employers must partner with schools to improve quality and delivery of career services

BUSINESSES MUST UTILIZE INTERNET, MOBILE DEVICES AND SOCIAL NETWORKS

- **must reach beyond “jobs boards”**
- **access through mobile phones/texting and smart phone based applications**
- **provide transparency to qualifications, skills and experiences needed for pursuing careers**

BUSINESSES MUST PROMOTE POSITIVE IMAGE OF SKILLS EDUCATION

- **begin by “re-branding” vocational education to skills education**
- **build skilled workers into leaders through mentoring, promoting their education with certified credentials, and using former effective employees as consulting mentors**
- **involve yourselves with local schools to align curriculum offerings with needs of business community**

BUSINESSES MUST OFFER ACCESS TO WORK EXPERIENCES

- **success – acquiring skills and demonstrating capability of applying those skills to practical business tasks**
- **provide short-term work experiences – internships, project work, temp work, summer work**
- **helping to build a portfolio of progressively challenging work experiences is a highly effective way of building skills and employability over time**

HOW WILL YOUR COMPANY'S WORKFORCE CHANGE OVER THE NEXT 5 YEARS?

% OF RESPONDENTS (N = 2,000)

