



Today's Workforce Planning: Spanning the Generations

By Steve Boese, Oracle

Introduction

Whether due to the impacts of the ongoing business challenges brought on by a difficult economy, or a by-product of simple demographic changes, today's workforces are typically comprised of representatives of four and even sometimes five different generational groups. It is no longer surprising to see baby boomers and 20-something Millennials sitting side-by-side at a staff meeting, or being called upon to collaborate and skillfully partner on projects. While this diverse workforce can present managerial and interpersonal challenges, it also provides opportunity for smart organizations to leverage the diversity of thought, experience, capability, and the attitudes that the various generations provide.

Organizations that can successfully leverage these opportunities and challenges that the modern, multigenerational workforce presents will likely gain competitive advantage, as the management and deployment of all segments of the workforce will be an essential capability in the coming years. Workforce planning, the systematic identification of workforce capability requirements and the strategies and tactics to deploy the right talent to the locations and roles where and when they are needed, should not only encompass worker skills, but also needs to incorporate elements and characteristics of the multigenerational workforce to fully exploit these inherent opportunities.

Facts, Figures and Fast-Moving Workforces

Here are four data points (among the hundreds we could consider) to keep in mind as your organization approaches workforce planning, particularly in today's multigenerational environment:

1. The proportion of individuals who continue to work after age 55 has reached a record high. Some 40.2 percent of Americans age 55 and older participated in the labor force in 2010, a number that has increased steadily since 1993, when just 29.4 percent of older Americans worked.¹
2. "As younger people enter the labor market, they will demand a very different workplace," says Don

Tapscott, author of *Grown up Digital*. Firms that try to maintain a "generational firewall" will do so at their peril, because for the first time in history, "younger people know more than their elders about the biggest innovation of the day," namely social media. They may also favor practices such as remote working to make jobs greener.²

3. According to the U.S. Bureau of Labor Statistics, Generations X and Y – the two youngest generations in the workforce – constitute 57 percent of the workforce in 2011. These generations have seen the median length of job tenure in the United States for all workers age 16 and older fall from 9.2 years in 1983 to 4.1 years in 2008 (the last complete year for which numbers are available). These employees expect to change companies several times during their careers.
4. America is slowly coming out of the 2007 Recession – only to find itself on a collision course with the future: not enough Americans are completing college. The Georgetown University Center on Education and the Workforce shows that by 2018, we will need 22 million new college degrees – but will fall short of that number by at least 3 million post-secondary degrees, associate's degrees or better.

Taken individually, it is likely that any one of these trends will impact your organization, if not today, then certainly in the near term. Taken together, along with other workforce planning variables like globalization, the increase in contingent and contract labor, and constantly shifting legal and regulatory constraints, it is clear that for Human Resources and business leaders of today – the ability to incorporate or account for the implications of a multigenerational workforce is critical.

Characteristics and Implications

Traditional workforce planning systems and processes have been focused on more quantifiable, and relatively easy to measure worker capabilities, characteristics, and (occasionally) employee career aspirations compared and assessed against organizational talent requirements. Does the organization's strategic plan call for expansion into a new geography or the entry into a new line of business? If so, talent planners can compare the head count, skills, and capabilities needed to execute on these strategies with the currently available supply of talent, determine if and where gaps exist, and develop and deploy strategies to eliminate any skills and capability shortfalls. Of course, like many complex processes in human capital management, it sounds much easier on paper than it is to execute

in the real world. Often, our understanding of our own workforce capabilities is incomplete or out-of-date. Many organizations still struggle with effectively capturing, making easily available, and exposing to the planning process the skills, experience, education, certifications, and other special or unique attributes employees possess, particularly ones that are not directly related to their current role.

As the workforce becomes increasingly generationally diverse, these gaps or deficiencies in internal talent understanding are further augmented and complicated by the need for talent planners to attempt to understand and, in many cases, overlay these generational implications onto their workforce plans. For example, while it is generally assumed, and is often true, that baby boomers, born roughly between 1946 and 1964, might not be as technically astute as subsequent generations, they are often quite competitive, and identify themselves closely with their professions and organizations. This generation might be better suited to take on projects around organizational brand building, or ones that need unique, specific, and deep familiarity with the organizational DNA in order to succeed. Members of Generation X (born roughly between 1964 and 1981), however, tend to hold a much more cynical and pragmatic view of organizations in general, and might be more motivated when deployed on projects where they perceive a clear opportunity to expand their skills, improve their status and marketability, and projects that provide transferable training and potential career security. Finally, the often discussed, and often unfairly maligned, Gen Y group (born roughly between 1982 and 2001), tends to seek meaning in contributing in a team setting, having the opportunity to have their contributions measured and acknowledged, and to leverage their diverse skill-sets and developmental and educational experiences in the workplace. Some classic Gen Y projects might be related to corporate sustainability or social responsibility or customer and community outreach, where they can clearly see the connection between their frequently held values/worldview and organizational objectives.

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How and When to Incorporate into Workforce Planning

Since effective workforce planning requires solid understanding of individual worker capability, as well as aggregate measures of organizational capacity, strategies to account for the impact of workplace generational influences and differences should be included in the talent planner's tool kit from the outset. Here are some quick ideas to get you started thinking about talent from a generational impact mindset:

1. **Generational Inventory** – The workforce planning process should include, as inputs to the process, aspects of the organization's "generational DNA." Simple data points such as worker age and tenure certainly are the most obvious factors here, but the planning process should also recognize deeper levels of information like, how many more experienced workers have passed "normal" retirement age and might be open to more flexible or even part-time assignments, or the percentage of high-performing Gen X cohort managers that have been "in role" for longer than the company average, and might need an additional developmental challenge to keep them engaged. Simply thinking about generational influence on employee attitudes, actions, and preferences is the important first step.
2. **Manage Internal Movement Purposefully** – Not all workforce planning exercises stem from significant and infrequent business events like major expansion, or merger and acquisition (M&A) activity. Often, the important task of workforce planning is to ensure a steady supply of talent to key functional positions that are simply vital to normal business operations. But, instead of leaving internal movement to chance, talent planners can be more proactive by taking steps to align opportunities with generational attitudes and objectives, to create more opportunities for cross-generational teams to work together and to leverage the set of unique strengths the different cohorts have to offer the organization and each other.
3. **Analytics** – As my colleague, Brian Gaspar, discusses in the August/September 2011 issue of *Workforce Solutions Review*, having access to deep workforce analytics is almost a pre-requisite for a more thorough understanding of how some traditional generation-specific attributes are playing out in your organization. Are talented Gen Y employees leaving too soon due to lack of cross-functional and challenging projects? Are some Gen X middle and senior managers ripe for recruiting by a competitor because you have too many baby boomer executives effectively blocking traditional career paths? Do Gen Y workers truly benefit from increased access to more seasoned mentors? Having the right tools will help HR better assess the impact and opportunities that the multigenerational workforce provides.

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Conclusion

As organizations continue to be constrained by external economic and competitive forces, the need to effectively deploy existing talent to meet current business needs and be properly prepared for tomorrow's challenges has never been more acute. At the same time, the needs, career goals, and work preferences of the employees have to be taken into account in order to ensure high engagement, opportunity for growth, and to help retain top talent. In order for HR organizations to be successful in these workforce planning efforts, a more robust and nuanced view into the effects of generational differences on the workforce is an important and necessary component of the process.

Endnotes

1 "Older Worker Employment Reaches Record High," *U.S. News and World Report*, February 27, 2011. <http://money.usnews.com/money/blogs/planning-to-retire/2011/02/17/older-worker-employment-reaches-record-high>

2 "Got talent? Competing to Hire the Best and Motivate the Rest," *The Economist*, September 10, 2011. <http://www.economist.com/node/21528436>

3 Engaging Gen X and Gen Y Employees – Three Significant Trends in Recognition, 2011. <http://www.achievers.com/sites/default/files/Achievers%20-%20Whitepaper%20-%20Engaging%20Gen%20X%20and%20Gen%20Y%20Employees.pdf>

4 Help Wanted: Projections of Jobs and Education Requirements Through 2018, Georgetown University Center on Education and the Workforce, June 2010. <http://www9.georgetown.edu/grad/gppi/hpi/cew/pdfs/ExecutiveSummary-web.pdf>

About the Author



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