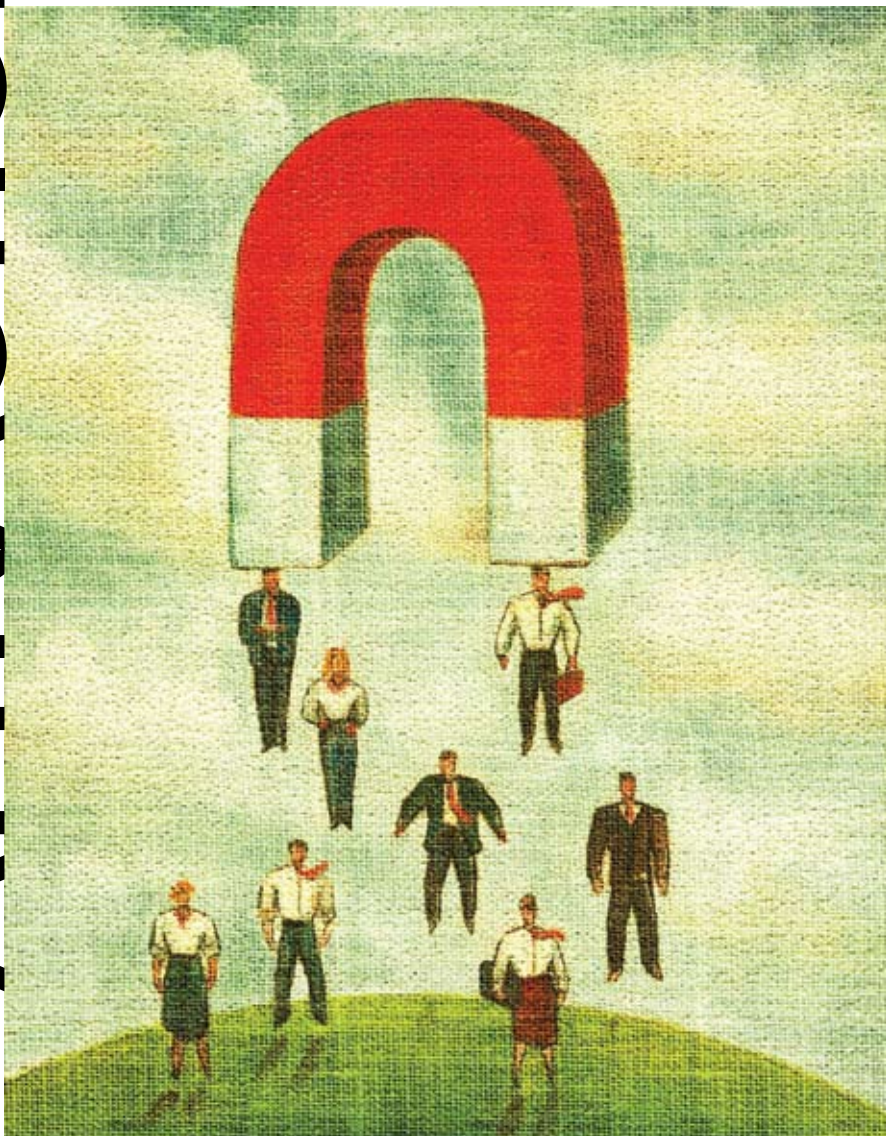


# POSITIVE ATTRACTION



How to capture and keep diverse talent.

BY ESTELLE MORRISON

**W**e all know the workforce is changing. Today it's the most culturally and generationally diverse than any other time in history. It's also the oldest, thanks to the massive post-World War II baby-boom generation whose sheer numbers continue to dominate most industries. In the 2006 Statistics Canada census, the average age of our labour force exceeded 40 years. Workers ages 55 and older accounted for 15.3% of the total workforce, up from 11.7% in 2001. For some sectors—such as healthcare, education, forestry, oil and gas, mining and communication—the figures rise even higher.

Over the past few years, there's been a tremendous amount written about an

impending talent crisis that will be caused by the departure of thousands of retiring boomers and a shrinking talent pool from which to replace them. The recession knocked this issue off the front page for several months, but with a recovering economy the talent crisis headlines are looming once again.

"During the last year and a half, employers weren't hiring and tended to lay off younger workers," says Karen Hall, vice-president and consulting actuary with Aon Consulting in Vancouver and author of *Risk Management Strategies for an Aging Workforce*. "Older workers had seniority and the institutional knowledge that allowed them to take on more work. In addition, many older employees saw their investments

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take a pounding, forcing them to temporarily shelve any retirement plans.”

According to Hall, 1959 was the year the boomer generation peaked, so the majority of retirements will happen over the coming decade. And since the majority of senior managers tend to be in their 50s and 60s, many organizations are about to experience significant losses in their leadership teams.

“Organizations should already have succession plans firmly in place to deal with this imminent exodus of experience,” says Hall. “People plan their retirements for many years so they won’t change their minds—the recession only delayed their plans, not cancelled them.”

### A New Deal

Many industry experts disagree, pointing to another enormous demographic—generation Y, the children of the boomers. The argument is that this cohort should make up—in numbers anyway—for some of the staggering number of retiring employees organizations are starting to face and will continue to battle in the coming years. However, that doesn’t seem to be the case. Why? Primarily because there are not enough gen Ys choosing to enter the fields most desperate for new recruits, and it will be years before these twentysomethings reach the necessary level of experience and seniority to fill critical and/or senior roles.

The reality is that organizations face a two-pronged dilemma: attracting and retaining qualified young talent to bolster the ranks and skilled mature employees to meet or fill key and/or senior organizational needs.

Complicating this dilemma is the fact that the traditional employment contract has changed. According to the Towers Watson 2010 *Global Workforce Study*, “the recession has driven a final wedge into the social contract, or ‘deal,’ that has traditionally underpinned the employment relationship. That traditional unspoken deal of ‘perform well, stay with the organization and you’ll be rewarded and promoted’ has evolved into something more conditional and dependent on the demands of an ever-changing business environment.”

In other words, there is a growing gap between what employees want and expect

from this shifting relationship and what employers can afford to deliver. “If this ‘relationship gap’ continues to widen,” says the report, “it could compromise employers’ abilities to retain top talent, sustain workforce productivity and shift their focus from recovery to growth.”

“Employees are more cautious,” says Keri Alletson, a consultant with Towers Watson in Toronto and a member of the study team. “Employees of all ages now want, above all else, security and stability. Younger workers especially want ‘career monogamy’—to stay with one company and to advance within that company.”

While this may surprise some employers, Wharton School of Business Professor Peter Cappelli says that recruiting these young workers is still challenging. “Employers face new and more difficult challenges in recruiting and hiring than ever before, but not so much because of a shortfall of workers caused by demographic shifts. Rather, these challenges have more to do with changes in the employment relationship that increase retention problems.”

The solutions, according to Cappelli, author of *The New Deal at Work: Managing the Market-driven Workforce*, don’t lie in public policy interventions designed to raise the overall supply of labour. Instead, employers need to refocus on their own HR strategies.

“What companies have been doing is, whenever they need talent, they look outside the organization and hire it,” he says. “This approach has [become] a lot more expensive and a lot more difficult because with fewer and fewer companies developing talent, it’s harder to find the right people.”

Yet training and development is the key to attracting and retaining top talent of any age—but especially gen Ys.

“Many organizations think it’s a waste of time training gen Ys because as soon as they’ve got some experience, they’ll leave,” says Jason Dorsey, author of *Y-size Your Business*. “This isn’t the case. They’ll leave because you’re not training them.”

Older workers face a similar bias—many organizations think spending money on training employees over age 50 is a waste because they’re going to retire. Again,

the reverse is true, says Cappelli. They’ll leave because they’re no longer receiving development opportunities.

Dorsey also agrees with the Towers Watson report, adding that gen Ys want to see a clear career path within a company and opportunities for personal growth.

“A lot of companies think that if they just offer high salaries they’ll get great talent, but that’s not necessarily the case with gen Y,” says Dorsey. “We define success differently. It’s not about big paycheques and grand titles. It’s about being happy. We want interesting and challenging work [and] to be a valued part of the team and to know that our contributions matter—even if we’re in an entry-level job.”

### Attracting the New

So what attracts gen Ys to a company? It begins with electronic media, says Dorsey. “We’re not [as] tech-savvy as many keep professing. We are, however, tech-dependent. We have no idea how this stuff works; we just know we can’t live without it!”

So reaching this plugged-in generation needs a plugged-in approach.

Employers need to emphasize that continual learning and development is part of the organizational culture, and prospective employees need to see pictures of people of all ages in online and print materials. Companies need to send a clear message that all employees are worth the investment.

“Highly skilled gen Ys are in demand, so we can, to a point, choose where we want to work,” he says. “And we want to see ourselves reflected in that organization. That means pictures of our contemporaries on the website and what career opportunities they’ve had with that company.”

Recruiters need to remember that this is a generation that wants to make a difference and wants to work for a company that’s making a difference. So corporate social responsibility programs should be prominently featured online.

Dorsey also recommends a Facebook page and testimonials from younger employees on YouTube that reinforce a company’s commitment to developing talent, as well as its social responsibility

philosophy and activities.

“It may sound elementary, but ask gen Ys what they want in an employer,” he says. “Conduct exit interviews and find out why a gen Y has turned down a job offer—it’s probably totally different from what you’re thinking.”

### Attracting Experience

According to Cappelli, many organizations make the mistake of “shopping in the same store” or considering only younger workers.

“There is complete discrimination against older people in today’s workforce,” he says. “People think they don’t discriminate, but they do. It’s subtle and systemic—from how job ads and interview questions are worded, to a lack of training and career advancement opportunities. But organizations are missing opportunities to acquire experience, industry knowledge, creativity and wisdom.”

The Canadian Supply Chain Sector Council (CSCSC) is one body that actively encourages members to recruit older workers.

“The supply chain sector involves about 745,000 workers from a wide variety of occupations and industries,” says executive director Kevin Maynard of the CSCSC in Mississauga, Ont. “Whether it’s manual

labour, IT, procurement, customer support, analysis or high-level executives, we’re finding it harder and harder to fill jobs, yet our industry is growing. We can’t recruit in the same way we’ve always done. We have to aggressively look to other groups if we’re to meet our needs.”

Those other groups include newcomers to Canada, First Nations and Aboriginal peoples, older workers or those in a career transition and under-represented groups such as women and the disabled. The CSCSC has developed a retention tool kit for trainers to help integrate these groups into their traditionally male-dominated workforces.

“Many organizations are overlooking workers in transition,” says Maynard. “There are a lot of older workers who’ve been laid off from manufacturing jobs who are desperate to find employment, and there are little government-funded retraining programs for the over-45 worker. But these are people who are motivated to learn new skills and are seeking stable employment. Plus, they know the meaning of hard work.”

Maynard admits that the supply chain sector may not pay the wages of a General Motors or Ford, but it does offer stability—something today’s workers are looking for,

according to the Towers Watson report.

And finally, offering career development and advancement is worthless if companies don’t develop what Alletson calls a “career architecture.”

“The No. 1 reason why people leave their jobs or don’t accept a job is a lack of career advancement opportunities,” she says. “But managers are often reluctant to let their top performers go—many even block any movement. But imagine having a boss who told you what you needed to know or do to get to that next level.”

Managers should have incentives to finding and bringing talent to the organization as a whole, and they should be equipped to enable transfers within departments, she suggests. They should also be rewarded for producing star talent that will benefit the organization as a whole.

“Creating an internal structure that encourages internal mobility not only retains top talent but also attracts the best and the brightest to your organization,” says Alletson. “We need to focus on the fact that in this new economy, we need talent—not bodies.” **BC**

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