

The effects of an aging workforce in corporate america

[Business](#), [Employment](#)



The Effects of an Aging Workforce in Corporate America Recommendations and Possible Solutions for these Growing Issues Prepared For Professor Melanie Brooks Prepared by Boston, MA 02118 June 18, 2012 Executive Summary: Our company is facing many challenges in today's market. The economy is remains slow resulting in unplanned stagnation within the workforce. The current middle and executive management body is aging while the lack of succession planning is non-existent. The inability of younger generations of employees to move up the corporate ladder has huge implications for business, society and long term earning potentials for many generations of workers. The attitude of baby boomers of "working forever" and not allowing the next generation to move up has resulted in a stagnant career ladder. Many high potential employees have expressed frustration with the lack of opportunity, growth, and preparation. Our research has demonstrated the causes of this problem and it provides recommendations to resolve the issues. Our information is based on intensive research of various sources and each topic has been carefully analyzed for relevancy and usefulness. The results obtained from the sources have been used to create a list of suggestions or recommendations that will be used to implement programs to attract and retain key talent. Our team has been able to identify that each generation has attributes to offer and an age diversified workforce is appropriate for the growth and success of the company. We found in our research that employer sponsored benefits can heavily influence employee retention and productivity. The right programs can be used to attract new talent into our company. Our research explains the differences in generations (Baby Boomers, Generation X, and Generation

Y) in eight key areas. How does each generation define Ethic? What is each generation's definition of work? What each generation considers leadership to be? What are the key motivators and rewards that are important for each generation? What is each generation's idea of work life balance? How does each generation view technology? By exploring these key areas we were able to design a program that will work for our company to retain, prepare, and attract talent Building a succession plan that allows our company to retain and prepare young talent or hi-po employees is critical for our long term success. Hi-po employees are high potential; high performing employees based on annual management reviews. Below we have submitted a brief summary of our recommendations to this problem: Identify a group of highly qualified employees that meet the criteria of high potential, high performance. Build a program titled MaSuP (Managerial Succession Plan) which allows the employees to build a portfolio of experience that allows the employee to progress to a senior management role. The employee will spend 3 years in the MaSuP program rotating through the key functional areas of the company. To assist with the MaSuP candidate's career an executive mentor will be assigned. The employee and mentor will be required to meet face to face once a month for an hour. Weekly ½ hour conversations will be required to ensure the mentor is in tune with the challenges the employee faces. Ultimately, the executive mentor works closely with the MaSuP administrators to ensure the growth, and success of the MaSuP candidate. The second part of our recommendation addresses the communication within our company. We offer a solution to involve all employees in the company culture by providing them with tools to show possibilities and

opportunities that exist in our company. The third part of our solution engages the employees in experiences that are similar to their own. Our research shows that employees want to be part of something special and involved them in realistic challenges were they could make a difference. We will provide the employee a platform for long term growth by providing them with the power of today's social media. The portals will be company specific and monitored for compliance, but open to promote the exchange of ideas, experience, and opportunities.

Introduction In today's work place age and generational diversity are more significant than ever, it is common to have all four generations working together (elders, boomers, generation x and generation y). People are the primary resource of success in any corporation and in today's workforce is critical to retain and attract the diversity of these talents. This paper intends to provide recommendations for the problem created by a stagnated growth cycle. We will focus greatly in rewards and strategies to attract and retain highly competitive and motivated multigenerational workforce. New talent needs to be attractive not only in terms of rewards but also in terms of stimulation and future. Companies need to consider the external viewpoints to measure the reach and potential of their employees and recruiting program. While many employees are compensated fairly based on their experience what attracts them the most to new career opportunities are things like company's market position, financial health, modern structure and locations.

Body: It seems that rising life expectancy has caused a problem in the corporate world. The definition and standards of work have changed as an aging workforce is refusing to retire and have created a long-stagnant of the corporate ladder. If the elder

and baby boomers do not retire, generation x and y possibilities are limited in the corporate world. This is very serious problem as companies are running the risk of losing generation x and y to somebody else. Retaining these ready for action workers will not be easy, not while the elders and baby boomers are still around for a few more years as many baby boomers wants to stay put and are comfortable in their positions. Unless alternatives are created for them i. e. staying as consultants or as on a need basis, they will not pass the reigns and provide further opportunity of growth to other generations. In order to understand what drives these generations is important to understand the needs of each generation. Baby Boomers: Are born between 1945-1965, defined themselves thru work, are workaholics that measure success by the hours worked, company loyalty is a standard for this generation, security comes from promotions and seniority, status symbols are important and hard work is their reward. Generation X: Born between 1966-1979, are recognized as the independent generations, are okay with diversity, quality of life is important to them, they work to live and try to achieve a life and work balance, their security comes from being employ, starting to take over the management careers but baby boomers are not retiring quick enough for them, do not want to sacrifice their personal life for the organization Generation Y: Born between 1980 to 2000+, are very technology dependent, used to working at a very young age, income and social status are big part of their lives, need to have career that identify with their own values, does not place a big emphasis on loyalty or traditional work schedule, have a more group and community focus. Different attributes of the generations: Each generation has its own set of values regarding

leadership expectation, development and work environment below is a small description of the knowledge that every group could bring to corporate America based on information provided by Arthur Maxwell a consulting expert in the generational diversity field: Recommendations Ways of retaining talents: Human resources (HR) response to challenges includes everything from recruiting, training, retention and succession planning. The impact of a stagnated workforce on an organization could be measured in areas such as decrease in productivity, lower customer satisfaction, retention and quality deficiencies. A good job is no longer defined by monetary gains for these generations. These generations are forcing companies to think more creatively Below is a list of recommendations to follow: Good working relationship with peers as personal contact is highly regarded to develop a social network within the work environment in which talent and experience could be shared. Less bureaucracy and more open door policies create a culture in which employees are empowered to be effective. A happier and more productive relationship between the employer and the employee helps develop a more rewarding workplace. Opportunity for growth it is important for an employee to have a clear developmental path, a flexible schedule to have the ability to enjoy and participate on their particular nonworking life, this will boost morale and work-life balance. Train, mentor, disclosed and show them the organizational culture as these education oriented generation wants a job well done, give positive or negative feedback constantly but make sure not to just give orders as they would like to add to the company and use their ability to lead and contribute to the bottom line as they need to know that they are making an impact,

while maintaining a sense of control. Coaching is also a powerful motivator and an important tool for retention as it helps with the development of their skills capability and sense of self. Customize career paths as this will provide them with realistic accounts of their progress and the future with the organization as recognition and respect are important attributes. Below you might also find some criteria for evaluating the recommendations mentioned above from an employer perspective: Cost — Yields benefits to the employer that are worth the money or effort Retention — Heightens employee loyalty Attraction — Entices a more desirable candidate pool Ease of implementation — Relatively simple to put into place Diversity of impact — Affects multiple segments of the work force Correlation with engagement priorities — Matches the rewards strategy to appeal to the organization's most important human capital needs Career stage relevance — Engages individuals across career stages Employee health — Aims to improve employee health and well-being, which in turns increases productivity and reduces sick leave Public relations — Positively influences or maintains organization's public messaging Conclusion: Organizations have to be creative and diverse in providing generation X and Y with compelling and rewarding careers, especially if the baby boomers of the organization are not planning to retire any time soon. Corporate America faces the challenges of attracting and retaining employees, the best way to address this challenge is by creating meaningful roles, career progressions and individual progressions.

Employees need to be personally, professionally and financially fulfilled.

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