

Tamara Erickson



RETIRE RETIREMENT: Beat the coming shortage of skills and talent

BY HEATHER CONN

Share tips on how to maximize your senior talent pool with **Tamara Erickson**, a keynote speaker on May 9 at BC HRMA Conference 2007.

MANY OF TODAY'S MANAGERS STILL encourage mature employees to retire early, despite looming job shortages and a vastly shifting workforce. Such a blinkered approach poses a huge strategic error, warns Tamara Erickson, a Boston-based expert on the changing workforce and a featured speaker at BC HRMA's conference in May 2007.

Older workers, particularly those between

55 and 64, represent the fastest-growing employee group, says Erickson, and over the next decade, retirees will possibly represent the richest potential talent pool. "Companies are going to be short of talent if they don't keep on more people between ages 65 and 70," said Erickson in a telephone interview from Boston. She cited two ends of the workforce spectrum as the most vulnerable to a loss of retirement-age workers: highly specialized fields, such as petroleum or

aerospace engineering, and the retail sector.

"The first and most important thing to do is to make sure nothing stands in the way of a talented individual who wants to work past traditional retirement age in your firm," writes this award-winning author in the August 2006 report *New Models of Work: Avoiding the Coming Crisis of the Changing Workforce*, published by The Concours Group. (Erickson is president of The Concours Institute, the research and education arm of The Concours Group, a professional service firm that supports senior executives.) "Review all policies and practices, rewrite your pension plans, if necessary, and make way to welcome individuals of all ages into the workforce."

Number of B.C. seniors to double by 2031

Currently, Canada, like southern Europe, is suffering a declining birth rate, says Erickson: "Your workforce is shrinking by definition and you're not replacing yourselves right now." In B.C. alone, the provincial government predicts that British Columbia will be short 100,000 new workers, particularly in service and retail, by 2014.

By then, the United States is expected to

face a shortage of roughly 8 million workers, say Erickson and co-authors Robert Morison, executive vice-president of The Concours Group, and Ken Dychtwald, of *Workforce Crisis: How to Avoid the Coming Shortage of Skills and Talent* (Harvard Business School

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Press, 2006). By 2014, more than 25 million Americans will be between the ages of 65 to 74, most of them already retired.

By 2031, British Columbia will have 1.3 million residents over age 65 – double today's number, according to *The Vancouver*

Sun. This "silver tsunami" will mean that one-quarter of B.C.'s population will be over age 65 within 24 years. Legislation is expected to be introduced soon to end mandatory retirement in B.C.; this province remains one of the last in Canada to eliminate mandatory retirement.

Erickson's powerful proposition "It's time to retire retirement" served as the basis of a thought-provoking article in the March 2004 issue of *Harvard Business Review*, which earned her that year's McKinsey Prize. She says now: "After that came out, I got so many emails from HR people saying: 'Thank goodness. I now have an article I can throw down in front of this guy [my boss] and let him know that this is a big problem and we need to take it seriously.'"

Erickson writes in *New Models of Work*, "By retiring the concept of retirement, corporations will open themselves up to attract and retain a wealth of talented individuals in the future." She adds, by telephone: "Already 34 per cent of the U.S. workforce, of all ages, says that they never plan to retire."

Erickson reveals that this century's workforce will have more limited availability;

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Knowledge workers will form the mainstay of tomorrow's workforce in a diverse array of job arrangements.

a higher age; a lack of key skills; a global, and therefore virtual makeup; and a high level of diversity in almost every dimension. With this in mind, what can HR professionals do to address B.C.'s current labour shortage and prepare employers for future losses of skills and talent?

Six steps to handle workforce challenges

Erickson and Morison advocate following these steps, taken from a November 2006 article in *American Executive*:

1. Create a variety of work options. This can include flexible schedules, contract arrangements, and virtual teams. Knowledge workers will form the mainstay of tomorrow's workforce in a diverse array of job arrangements, from part-time and cyclical (alternating work periods) to employees and contract-based.

2. Recruit from a wide variety of sources. Develop recruiting strategies and unconventional talent pipelines (from the golf course to other countries) that tap into additional rich pools of talent, from retirees to professional women at home with children.

3. Fight "middlescence": employee restlessness and disengagement. Develop capabilities today that will enable you to keep mid-career workers refreshed and committed and to re-recruit younger employees. For example, rekindle someone's job passion with a fresh assignment that offers variety and challenge and stimulates skills development.

4. Prepare to educate. Since you won't be able to hire enough people with the skill sets you want, you will have to hire less-qualified people and train them in the skills you need. Education is the most powerful anecdote to middlescence and the attrition of younger workers.

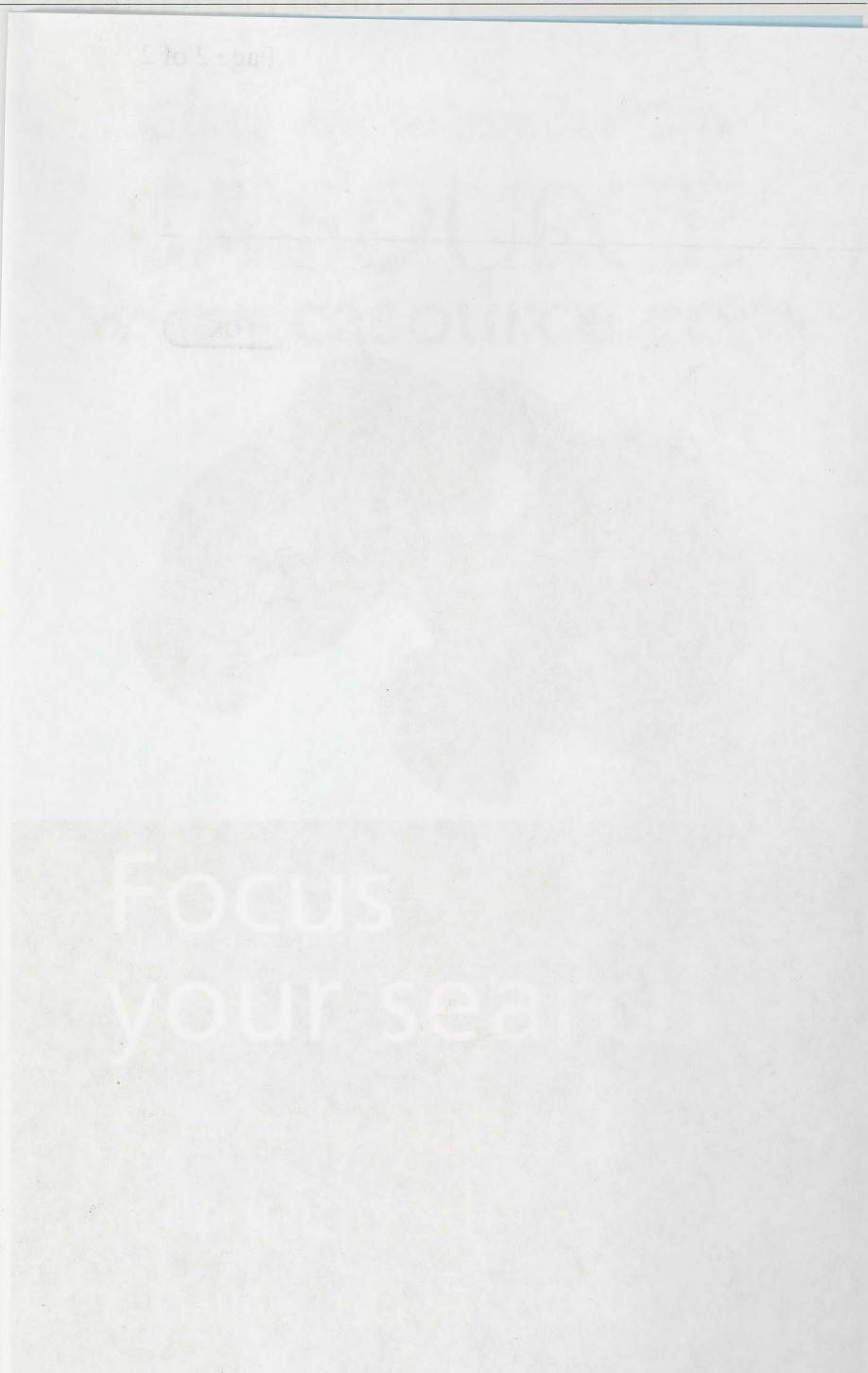
5. Perform lateral career moves. Figure out how to move people sideways for greater variety and enhanced learning. Simple math shows that there won't be enough upward opportunities for advancement.

6. Upgrade your HR capabilities. Tomorrow's HR professionals must have solid

business and financial know-how, plus market-savvy antennae. They will need skills as line managers of a new, diverse workforce with responsibilities for long-term talent management.

Erickson offers this reminder: within a diverse and complex talent pool, HR will serve as the driving force for people placement in new, challenging assignments. Executives, in turn, will assess the value of human resources performance on the quality and preparedness of talent, both newly hired and existing, and how both groups respond to business needs. **P**

(Sources: *American Executive* magazine (www.redcoastpublishing.com); *Harvard Business School Press*; *The Vancouver Sun*)



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