

Demographic Shifts in the Workforce

The 21st century workforce is changing rapidly. As the labor pool becomes more diverse and the global “war for talent” grows ever more competitive, it is especially necessary to meet the demand for well-trained employees with the right skill sets and competencies. Recruiting and retaining the right talent for companies to compete successfully is essential. Businesses have confirmed that they are facing a never-before experienced leadership gap as the demographics in the workforce are dramatically shifting.

According to the book *Deep Smarts: How to Cultivate and Transfer Enduring Business Wisdom*, the competitiveness of businesses is at risk since “it can take up to 10 years to develop the kind of *deep smarts* that these highly experienced workers will take with them.”

Corporate cultures are shifting as the Baby Boomer generation retires and the Gen X and Y generations are left to meet the challenges of the new global economy. **Models for training and development, mentoring, and education must change to meet the needs of the new workforce and the leaders of the 21st Century and beyond.** Companies have agreed that they must reach outside their four walls to meet their own needs as well as that of their employees.

Generational Differences

- ◆ Senior employees identify with a company; younger employees identify with career opportunities.
- ◆ Younger employees are motivated by flexible schedules, which have changed from 10-20 years ago.
- ◆ Senior employees are accustomed to hierarchical structures while younger workers expect to have their opinions heard.
- ◆ Younger employees are nonconformists and tend to be viewed as disruptive or laid back as opposed to older employees that represent status quo and show a respect for authority.

Baby Boomers Leaving a Void

- With the Baby Boomer generation retiring, we will experience **the largest workplace exodus** in history.
- The U.S. Bureau of Labor Statistics reported **50% of federal employees and 70% of federal senior managers** are eligible to retire in 2010.
- **Every 8 seconds a Baby Boomer retires** from the U.S. workforce.
- A **talent shortage is likely** since separation rates of senior workers are expected to outpace employers finding replacements.
- The National Commission for Employment Policy reported that the **skilled-worker gap will grow to 5.3 million by 2010** and increase to 14 million by 2020.
- William M. Mercer, Inc., an economic analysis firm, estimates **a cost between \$10,000 and \$30,000** to find, recruit, and train replacements for each Boomer in the workforce.

“While leadership and technical competencies need to be transferred, traditional ways of transferring expertise – including formal training, on-the-job learning, observation, work progressions and structured assignments – are not sufficient for transferring these types of knowledge. Instead, this process often requires mentoring and one-on-one interaction.”

~ Plugging the Boomer Drain

Understanding Generation X and Generation Y

- ✓ Want jobs that give meaning to their lives.
- ✓ Prefer to take action and spend less time talking.
- ✓ Attracted to work that provides rewards for taking initiative.
- ✓ Desire to be recognized and rewarded.
- ✓ Motivated to learn new skills in order to keep the work exciting and challenging.
- ✓ Looking to increase marketability.
- ✓ Would like to be told the truth.
- ✓ Want to have fun at work, which will improve morale and increase productivity.
- ✓ Seek jobs that offer both quality of life and decent pay.
- ✓ Desire to have artistic and intellectual freedom.
- ✓ Are not motivated to have a long-term career with an individual company.
- ✓ Prefer to have instant feedback since they are the Internet generation (especially Gen Y).



EQmentor: A Resource for Generation X & Y

- ◆ EQmentor provides mentees with results by employing proven adult learning models – adults learn best over an extended period of time.
- ◆ With EQmentor, mentees are matched with high quality, certified mentors, without having to create an internal mentoring program.
- ◆ Through EQmentor, organizational leaders can identify future leaders and be better equipped to close the leadership gap through more effective succession planning and increasing leadership effectiveness.
- ◆ EQmentor enables mentees to have direct input into their learning needs, and they learn “when they need it.”
- ◆ Mentees can increase EQ by improving self-awareness, self-regulation, empathy, motivation, and social interaction through mentor communications and over 200 custom-built EQ tools.

Company Challenge – Impact to Business



In addition to personal and professional growth, the Gen Y and Gen X mentees at EQmentor have an opportunity to directly impact the business by working on a Company Challenge, **getting the experience they need fast-tracking their careers now**. Mentees select a business issue facing their department or company, research and discuss it with their mentor, and bring back 3-5 action items to positively address the issue – all implementable within 6 months.