

AN **RX** FOR FUTURE SHOCK

By ANN CARLSEN

The next three years are likely to be the most transformative of our careers. We are truly at an intersection of many major occurrences that will change both the way in which we work and the workplace as we have known it.

The pressure on margins is at a breaking point. In order to underwrite the development of new revenue streams, every company has to seriously consider cost-cutting measures in their traditional sectors. We are also taking a hard look at the ability of our executive teams to manage the process of transformation that has begun.

With increased emphasis within corporations on non-traditional business models and innovation, a major challenge is the conflict that is inherent and inevitable when traditional forces and organizational structures compete for resources with emerging, non-traditional models and the executives who advocate for them. In this environment, management shifts and staff purges should be anticipated and embraced whenever possible. It's truly a time of extreme experimentation and re-organization, which means change, re-invention and opportunity.

While all of that is going on, the workforce of the future will change dramatically. A wave of Baby Boomers are retiring or getting the boot in unprecedented numbers. And significantly smaller numbers of young, well-educated people are available to fill the rising tide of highly skilled leadership and technology jobs.

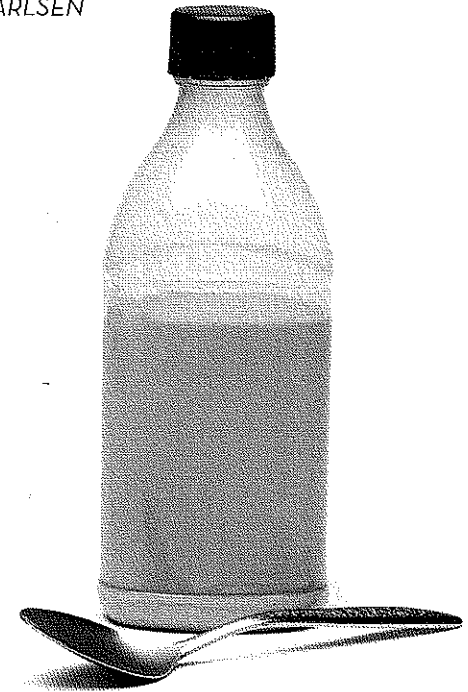
The number of Caucasian men entering the workforce will be one quarter of what it is today. And women will be entering at roughly twice the numbers they are at present. Meanwhile, the number of African Americans and Hispanics in the workforce will triple and quadruple, respectively. Bottom line: the workforce of tomorrow will be primarily made up of women and people of color.

These trends are pretty quickly converging to create a labor vacuum with poten-

tially disastrous consequences for industry competitiveness (if left unaddressed) and also opportunity for individuals. The issue of how to recruit and manage the best of the young up-and-comers will become more crucial than ever.

So how can you prepare your company for this very different environment?

- Take a look at your management structure. Do you have women and people of color in positions of leadership acting as role models? How diverse is your entire workforce? Diversity improves business results. Diverse teams outperform homogeneous teams in quantity and quality.
- Consider putting a formal mentorship program in place to attract and retain top talent as well as to prepare your best and brightest to carry on.
- Get aggressive in your recruiting. The old practice of running a help wanted ad, or placing a booth at a job fair, will be insufficient to meet future recruitment needs. Expect that it will take 10 times longer to find and attract qualified people to your organization. Competition to attract and retain entry-level workers will be fierce.
- There will be a high demand for non-traditional workers, such as people with disabilities, retirees, immigrants and women who have left the workforce. Consider the introduction of amenities and compensation in order to attract and retain these types of people.
- A greater number of middle-aged people will be in the workforce. More than half will be aged 35-64. Older workers often have dependent and/or elder care responsibilities. Revamp leave policies; expand flex-time or work-at-home opportunities; be more elastic with elder-care and childcare policies.
- The workforce will be more concerned with retirement security, healthcare and wellness. Consider how you can meet those needs.
- Expect that economically stable older employees may prefer a sabbatical, perks and time off to salary increases and promotions. Create policies and an organizational structure to support those needs.
- Do everything in your power to keep valued employees. The cost to replace them is about four times their salary and also costs you big in lost opportunity.
- The most important thing companies can do is train and re-train employees. Make that a priority.



By focusing on how to react to the tectonic changes within the workplace of tomorrow, companies can lessen their risk of failure, and increase the likelihood of a dynamic, prosperous future.

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