

SALES & EXECUTIVES

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"Impending Crisis" Too Many Jobs- Too Few People

by Roger Herman, Tom Olivo and Joyce Gioia

By the year 2010, there will be a labor shortage of 10,033,000 workers for open jobs. That's over 10 MILLION unfilled jobs. These projections from the Bureau of Labor Statistics don't even take into account the growing skills gap in the workforce today and into the future.

These startling statistics prompted authors Roger Herman, Tom Olivo and Joyce Gioia to create a strategic plan for companies in the book "Impending Crisis". Why this is happening, the implications to you and what YOU as a business owner can do to counter this costly trend are well-outlined in the book.

WHY will there be a worker shortage? Simply, the Baby Boomers are aging out. Losing these Baby Boomers in the workplace will create a major chasm between what is needed to keep companies producing and what is actually available for those tasks. Additionally, the following group known as Generation X is 15% smaller than the Boomers.

What are the implications to YOU? First, the business owner has a smaller pool to pull from which narrows the field before any other considerations. "Worse, many of the people who are available are not qualified to perform the duties required by those jobs now, let alone what those jobs will become in the future".

From the author "Most executives sense that employee turnover is expensive but few comprehend the risk to their bottom line. Complicating the corporate predicament, especially for publicly traded companies, is the emerging inclination by financial analysts to pay more attention to workforce capability and stability. Uncomfortably high employee turnover can cause bond ratings to drop and stock prices to tumble, threatening capitalization".

The other implication is the workers you currently have. "Workers are no longer loyal to the companies that employ them. They are loyal to their supervisors, co-workers, customers, etc. If they are not happy, they leave. People believe that work should be fun and meaningful and intrinsically rewarding to them. Executives need to better understand this paradigm shift and address it.

So how do you counter this bleak outlook? The authors outline four main areas:

- * The leadership practices
- * Change the way you function
- * Human Resources role
- * Strategic Workforce Planning

1) Leadership practices: “The senior leadership team sets the tone and pace of the organization”. They must clearly share the values of the company with all employees, create a long-term vision, promote accountability with all and continual learning for all employees.

Some successful leadership practices recommended in the book are:

- * Coaching and mentoring- coaching is developing people on purpose
- * Feedback- “measured feedback” combines the competency/process of compiling the information with the creating of *actionable knowledge* that can be used for meaningful change
- * Communication- “If you want high productivity, company leadership must be open, honest and confident with information sharing and communication”.
- * Flexibility and Collaboration- “Flexible practices including telecommuting, flextime, and job sharing reflect a high-trust environment where leadership is respected and higher results are achieved”
- * “Psychic ownership”- Engaging employees to the degree they possess psychic ownership which is a sense of being highly accountable and a tendency to think and act like business owners.

2) Change the way you function: Change is necessary. If you do not change, you become stagnant. Do you have open communication? Do you hire “warm bodies” instead of finding the right people? Are you tolerating employees who don’t get the job done or have lousy attitudes? Is your technology up to speed? Now is the time to closely examine your business model and “escort” your team members through the strategic changes.

3) Human Resources: A Strategic Investment. Senior Human Resource officers should be *active* participants in sculpting the organization’s strategy. Their compensation and influence should be on par with other senior executives. They are responsible for your most valuable-and most volatile- resource in your company- the human resource.

4) Strategic Workforce Planning; Positioning yourself as an “Employer of Choice” will be critical to your success. Hire the right people-“The cost of hiring one poor employee is far greater than the cost of having an effective selection process”. Once you have the talent on board, don’t lose them! “Considering carefully the people you decide to keep, create education, training and development plans to strengthen their current capacity and prepare them for future responsibility”.

“Impending Crisis” is an excellent blueprint for you to prepare NOW so that your company has the corporate culture that both *attracts* and *retains* the best talent available !

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