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| VIEWPOINT |

Parlez-vous work-force realignment?

By: Mark Hall, President and CEO, PinPoint Resources

When French young people took to the streets in March to protest a new hiring law that made firing youth workers easier, many companies in the United States watched the drama with indifference, failing to see the connection between the French problem and the U.S. employment dynamic. Here in the United States, our youth are eager to contribute to society and establish their place in the work force, right? The problem is, many Indiana companies haven't learned how to take advantage of this bright, energetic and techsavvy demographic. There are more than 64,000 unemployed Hoosiers between the ages of 20 and 34, which is the highest rate of all ages 16 to 65 and older, according to the Bureau of Labor and Statistics.

With thousands of baby boomers retiring from the national work force each day, companies that don't know how to effectively attract new talent risk creating a brain drain that could have a devastating impact on our state and local economies.

Corporate America is about to receive a brutal lesson in supply and demand. As 77 million baby boomers retire over the next decade, the U.S. work force will not produce enough qualified workers to replace them all. The boomer retirement trend will force businesses to rethink and adapt from their traditional work forces. Therefore, American companies will need to restructure their staffing models and learn to attract younger workers who have much different priorities from boomers.

Generation X and Y workers aren't necessarily interested in 9-to-5 jobs. A national study of employment trends among Generation X and Y workers published by the American Business Collaboration proves that younger employees are open to and embrace nontraditional employment opportunities. Because these younger employees place a higher premium on the work-life balance than did previous generations, they appreciate the

flexibility offered by part-time, job-sharing, outsourcing and contracting opportunities. Businesses will need to shift to having a smaller group of full-time employees who perform core business functions. Noncore competencies-such as information technology, accounting, human resources, call centers and marketing-will be outsourced to qualified third-party vendor partners or part-time contract workers.

While outsourcing and contracting for niche talent is hardly a new concept, it will become the norm in the post-boomer workplace. As top talent becomes scarcer due to a shrinking national work force, it will also become more expensive. Therefore, it will be fiscally irresponsible (if not impossible) to hire an entire staff of highly qualified full-time employees.

Alternative work-force models will allow businesses to become less reliant on individual employees, access a broader array of intellectual capital and skills, perform all business functions with a higher level of expertise, and control costs with more precision. The bottom line is improved efficiencies, increased productivity and less liability.

The French riots should be a wake-up call to American businesses. Young workers will change the face of the American business landscape and Indiana companies must begin to prepare for the changing work-force needs of tomorrow.

If you handle the transition properly, you will secure a new crop of talent and the fresh ideas necessary to keep your company going long after the boomers exchange their briefcases for golf clubs.

About the Author

Mark Hall is president and CEO of PinPoint Resources, an Indianapolis workforce consulting and staffing firm. He can be reached at 800.371.1948 or Mark.Hall@PinPointResources.com.