

'The Labour market is Shrinking' – what can I do?

Iwona Tatarkiewicz and Brian Duggan CHRP

Maritime employers can no longer ignore the fact that the size of the current workforce is decreasing. According to the Canadian Labour and Business Centre, the size of the working age population in the Maritimes is expected to decline by 2021. Specifically, a 1% decline is expected in Prince Edward Island, a 5% decline is expected in Nova Scotia, and a 6% decline is expected in New Brunswick.

A proactive response to this reality is to focus on retaining the employees you have and strategically recruiting future employees within the context of a competitive job market. Luckily, if organizations are cognizant of employee needs and values there are several strategies they can use to retain their valuable employees and attract new employees.

The first strategy is to recognize that the demographics of your organization is going to change. Employers need to know that there are four generations of workers in today's workforce: traditionalists (1900-1945), baby boomers (1946-1964), generation X (1965-1980), and nexters (or generation Y; 1981-1999). As the 'boomers' depart those coming in will require new approaches to management and leadership. Different generations are typically thought of as having different values and motivations: traditionalists value a job well done, and are motivated by leaving a legacy in their work. Baby boomers value excelling in their careers, achieving increased salary and titles, and seeing the value of their work. Generation X is motivated by freedom and job security, policies that focus on lifestyle, and portable careers. Nexters value work that has meaning for them, flexible working arrangements and parallel careers.

Two employees within the same organization illustrate this point: Sarah is in her twenties, has been with the organization for about five years, she is in a technical role, wants opportunities for advancement and feels frustrated that they are not happening quickly. Sally is in her forties and has been with the organization for close to 20 years, she is in a support role. Sally is concerned about seeing the value in her work and being respected by others. Although these generational differences are sometimes obvious, we need to remember that "members of every generation want work that provides personal satisfaction in a positive, empowering organizational environment" (Johnson & Lopes, 2008, p. 36). To address this challenge, organizations need to first establish what, if any, intergenerational differences exist and then tailor their recruitment and retention strategies to appeal to the needs of a multi-generational workplace.

The retention of star performers is a second critical response to labour market conditions. A good metaphor for effective employee retention involves taking a "fine-dining" approach to recruitment. This approach involves five steps aimed at retaining valuable employees. First, the organization should "take the order"; this step involves creating a good first impression by following appropriate hiring practices and conducting new employee orientations. Second, the organization should "deliver the order" by offering feedback, training, career development, performance assessments, raises, and benefits. Third, the organization should ascertain satisfaction by listening to employees. Fourth, the organization should "offer desert" by giving employees simple thank-yous to show appreciation. Finally, the organization should "collect the cheque" by ensuring employees have meaningful work, respect, and growth and learning. By investing in their employees, organizations are more likely to retain their employees.

The third area is to develop new recruitment strategies. The first step is to understand who you are,

state your strategic objectives and determine the competencies and skills needed to be successful. Brand yourself, state why talented people should work with you; develop your employment value proposition.

Doing this will differentiate you from other employers; you will attract talent because people want to work in organizations that are aligned with who they are and share the same values. Some additional attraction and recruitment strategies include: building an employee referral network; rewarding excellent performance; defining expected competencies in job descriptions, performance management, and feedback processes; establishing proactive and reverse mentoring by seeking input from employees; and creating an atmosphere of positive, respectful and supportive relationships.

Organizations have to face the challenges of changing workforce demographics spurred—at least in part—by retiring baby boomers, there are viable strategies that can be used to effectively retain and recruit employees. Acknowledging generational differences, encouraging employee growth and development, and targeting recruitment efforts will contribute to making your organization resilient and able to thrive through the changes in the labour market.

Iwona Tatariewicz is a Masters Student in Industrial Organizational Psychology at Saint Mary's University and Brian Duggan is President of Marathon Human Resources Consulting Group Limited. www.marathonhrcg.com

This article appeared in the *Nova Scotia Business Journal*, September 2008