

**MONSTER**

# A Guide to the Changing Workforce

Recruiting Talent for Today & Tomorrow



Monster has everything you need to source new talent, match candidates to opportunities and manage your workforce.

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Today’s workforce is experiencing significant change. Are you prepared for how these trends could impact your business?

These seismic shifts are both generational and cultural:

- The retirement of the Baby Boomer generation
- Fewer numbers of Gen Xers to take their place
- A decline in the number of Millennial college graduates
- A growing skills gap across industries
- A desire for workplace flexibility across generations

These factors are likely to influence your capability to attract, hire, onboard and retain employees.

*The Changing Workforce Hiring Guide* will help you create a winning recruitment strategy now – and for the months and years ahead.

## The Impact of Exiting Baby Boomers

With 75 million Baby Boomers marching inexorably toward retirement, it's clear that employers will need more than one workforce plan for replacing exiting workers.



*Filling the workforce gap will be a challenge. The ranks of the Gen X workers are simply not enough to meet the demand for talent.*

Meanwhile, many Millennials lack the needed work experience. Foreign-born workers often face immigration challenges, while flexible or remote workers aren't appropriate for every role.

Yet taken together, these various sources can supply a portion of the additional workers your organization will need to fill the skills gap.

A quick glance at population data shows why Boomer retirements will create recruitment headaches in the years ahead, unless the age mix in your organization heavily tilts toward young workers.

### According to [Gallup](#):

- About a third of today's workforce comes from the 75 million-strong Baby Boom generation.
- The oldest Boomers turn 70 next year and the youngest are in their early 50s.
- More than 44 million of them are still working.

Baby Boomer employees may say they plan to work into their 70s (or possibly forever), but by age 68, only 16% of people actually work full time (17% work part time), according to [Gallup](#).

**How can you keep your Baby Boomers at work? Read on...**



## How to Keep Boomers on Board

The 75 million Baby Boomers are made up of those born between 1946 and 1964.

Keeping this experienced generation of workers engaged and on the job is a tactic that many companies are employing. A study from [LIMRA Secure Retirement Institute](#) found 92% of employers are taking steps to help more mature employees work longer, says Deborah Dupont, LIMRA's associate managing director of retirement plans research.



*Flexibility is a key component of many company's Boomer retention strategies. In response, two-thirds of surveyed firms implemented flexible work hours.*

Federal government agencies have been offering a phased retirement option to employees who wish to work part time. These workers draw part-time salary, partial retirement benefits and are required to spend 20% of their work time mentoring their co-workers.

Even retail companies are using this approach. CVS Caremark, for example, hires snowbird employees who choose work in the company's Florida stores in the winter months and in northern stores during the summer.

If you assess the risks, engage and accommodate Baby Boomers, and create knowledge transfer pathways, you can be confident you did what you could to lessen the damage when the coming silver tsunami of retirements hits your organization.

Another way to slow the retirements of your Baby Boomer workers is to resolve the issues that commonly lead these workers to retire – even when they want to continue working.

### EMPLOYEE RETENTION TIPS

Consider these points to help retain Baby Boomer workers:

*Health issues increase with age. Can your workplace accommodate employees with health problems or other acquired disabilities?*

*Older workers must often care for a family member or spouse. Does your business offer eldercare services, flex time or part-time work options?*

*A lack of transferable skills can cause some workers to retire early. Does your company offer employee training to keep them in the game?*

## Can Gen X Pick Up the Slack?

Generation X (Gen X) spans those born between 1965 to 1980 and includes 65 million people. According to Pew Research, Gen X contributes nearly 53 million workers to the U.S. economy. That leaves a gap of 10 million workers to fill the Baby Boomer gap.

Unfortunately, not all Gen Xers will continue to work full time. Many in the “latchkey generation” are at a life stage with children; some must also care for aging parents.



*For these workers, workplace flexibility and work/life balance are critical components of the decision to stay in, or step away from, the workforce.*

These needs have prompted some companies to rethink their benefits and grant employees unlimited parental leave, unlimited vacation and sabbaticals.

Those benefits especially appeal to Gen Xers in families with two working parents. These workers have to make difficult decisions about when they work, how much they work and where they work, says Courtney Templin, president, JB Training Solutions, Chicago and author of [\*Manager 3.0: A Millennial's Guide to Rewriting the Rules of Management\*](#).

While your company may not be able to match those unlimited offers, you may have a better chance of recruiting Gen X workers by adding one of these options to your employee benefits:

- Telecommuting
- Short sabbaticals, job sharing, shift trading
- Part-time hours
- Project-based contracts or temporary jobs
- Compressed workweeks

### UNLIMITED VACATION POLICIES

Consider these factors before implementing an unlimited vacation policy:

*On the plus side, HR administrators are freed from the hassle of tracking time off, enabling them to focus on more strategic, value-added activities.*

*An unlimited vacation policy requires the right mix of a supportive company culture, regular encouragement and role modeling from higher ups.*

*Employees don't necessarily rank a long vacation as a top benefit -- workplace flexibility and work-life balance are often just as important.*

**LEARN MORE:** Check out the [Monster Resource Center](#) links on the last page of this guide.



## Millennials Are Moving Up

The Millennial Generation, born 1981 to 1997, includes 75 million people and will contribute another nearly 53 million workers to the economy. With the oldest Millennials turning 34 in 2015, you'll need to account for the growing skills gap if you assume these workers will fill the roles of departing Baby Boomers.

Some Millennials are not likely to have college degrees. In part, this is because its youngest members turned 18 in 2015, the age at which most American kids start college.

Still, in 2014, only 21% of Millennial males and 27% of Millennial females had completed a bachelor's degree, according to Pew Research Center data.

If that trend continues, it could reduce the pool of highly educated talent in the years ahead, making it even tougher for you to find the entry-level employees your organization needs.



*Groom your Millennial employees with soft skills training and early management programs.*

Keep in mind: Millennials are drawn to transparent and collaborative organizations. The generation that grew up with technology also expects to have access to information. Open organizations with open-book financial management and open-door hierarchies will be at an advantage when recruiting Millennials.

One of the best methods to capture your Boomer's knowledge and experience is with a mentor program, says Courtney Templin, president, JB Training Solutions, Chicago and author of [\*Manager 3.0: A Millennial's Guide to Rewriting the Rules of Management\*](#). "Millennials are eager to learn and they love mentors and coaches," she says. "Be sure you make clear guidelines and structure for the program so the new leaders can wholeheartedly step into the role."

### TRAINING AND TRANSPARENCY TIPS

Consider these tactics for your Millennial workers:

*Make it a practice to set up multi-generational work teams that share knowledge and skills. Encourage workers to mentor each other across generations.*

*Encourage employees to share positive ideas on the company blog or wiki about the company's culture, policies, community outreach and events.*

*Offer your Millennials opportunities for self-improvement. Look for candidates who are naturally curious and enthused about self-development.*

## Retaining Restless Millennials

Your company has done all it can to brand itself to Millennial employees, and to recruit, onboard and engage them as up-and-coming contributors and leaders. How can you keep your youngest workers from moving on before they fulfill their professional potential? **If you want Millennials to stay with your company, never stop offering them opportunities to add more value and receive greater compensation in return.**

- "We give agents freedom and flexibility to be their own boss," says Stefani Markowitz, president of real-estate brokerage Charles Rutenberg in New York City. Brokers at Rutenberg control their own marketing and advertising techniques and budgets. "All of our brokers are free to come in to the office, or not. We're not requiring that they work a certain number of hours."
- "Companies need to move away from seniority-based, work-with-the-middle-of-pack approach, and individualize compensation," says compensation consultant E. James Brennan.
- How can you accommodate Millennials' compensation expectations without blowing your payroll budget? Instead of giving a 3% annual raise – spread out the raise – say to a 1% increase every four months, Brennan suggests.
- The youngest workers have never been the most appreciative of retirement benefits. But with Millennials, many of whom have seen their parents weather depleted 401(k) plans or frozen pensions, companies may find an opportunity to sell the value of saving for the distant future. The key is to communicate that value in terms that will appeal to the intended audience.
- Are you finding that, no matter what you do, many of your best Millennial employees will up and leave after a year or two, or even six months? Then you may need to rethink your concept of retention. For example, can you sell Millennials on an 18-month project that will reap substantial rewards when it's successfully completed?

**LEARN MORE:** Check out the [Monster Resource Center links](#) on the last page of this guide.



## Competing for In-Demand Talent

More and more employers are throwing down counteroffers when their employees are recruited. That often requires hiring managers and recruiters to engage successful candidates until their first day on the job.



*Merely reacting to counteroffers or to candidates' receipt of multiple offers is often a failing strategy.*

**Consider these measures when making a competitive job offer:**

- Build the offer around the individual's motivators. The hiring employer needs to demonstrate deep commitment to the candidate's individual vision of his or her future.
- Don't minimize the chances of a counteroffer. You won't be working from a position of strength if an elephant of a counteroffer makes a late entry into the negotiating room -- while all along you've been acting as if you don't believe in pachyderms.
- Know and streamline your process to boost your speed to offer. "The key is to get organized in advance, to know what the process is and what the touchpoints are," says Brett Good, a senior district president with Robert Half.
- Analyze your recruitment process to identify weaknesses. With the right analytics, an employer can ask, "Are we spending two weeks on back-and-forth with a candidate -- when we used to spend just three days?" says Daniel Chait, CEO of recruiting technology firm Greenhouse.
- Use robust tools that enable managers to slice into recruitment data by department, location, or time period to evaluate the process and discover inefficiencies.
- Coach candidates on how to give notice. If recruiters adequately prepare candidates to fend off the money and guilt trips often packaged as a counteroffer, they can reduce the chances of losing a candidate.
- Negotiate with candidates to finalize their acceptance. Respect the candidates' intention to give two weeks' notice -- in return, ask them to notify other employers they've been talking to that they're no longer a candidate.
- Whatever else you do, keep in touch. Keep treating each valued candidate as a candidate, not as talent that you've taken off the market -- right up to that first day on the new job.



## Can Remote Workers Fill the Skills Gap?

Flexible work options are an essential component of today's changing workforce. They can be a particularly effective recruiting tool for small and medium-sized organizations.

In industries such as information technology and engineering, flex assignments are so in demand that contract and temporary workers have often overtaken full-time employees as the norm, says Brad Beckner, vice president for the Chicago market of Kelly Services.



*Companies that fail to adapt to workplace flexibility options could end up with fewer candidates from which to choose.*

While compensation varies based on the position, it's not unusual to see a 10%–15% discount in salary for remote positions, as well as a reduction in benefits costs.

That said, there's a limit to how much and how often an organization can discount compensation for flexibility. Job candidates with in-demand skills and experience know they don't have to compromise on compensation. In these cases, your company can use flexibility as a deal-maker when competing with not-so-flexible opportunities.

While flexible work options can provide a range of potential benefits to you as employer, keep in mind that your recruiting headaches will never entirely disappear.



**Before adding remote workers to your business, carefully consider the type of positions that will best adapt to a remote context – and the required logistics:**

- Why are you implementing remote work?
- What type of remote work options will you offer?
- Who will be eligible?
- Where can remote workers live? Do they need to be within a set distance of their managers or live within a region they service?
- How will supervisors learn to manage a remote team?
- What operational and IT support will your remote workers need to stay in touch with you, each other and their on-site team members?
- How will remote workers change the organizational culture?
- How will information be shared between remote workers and other employees?

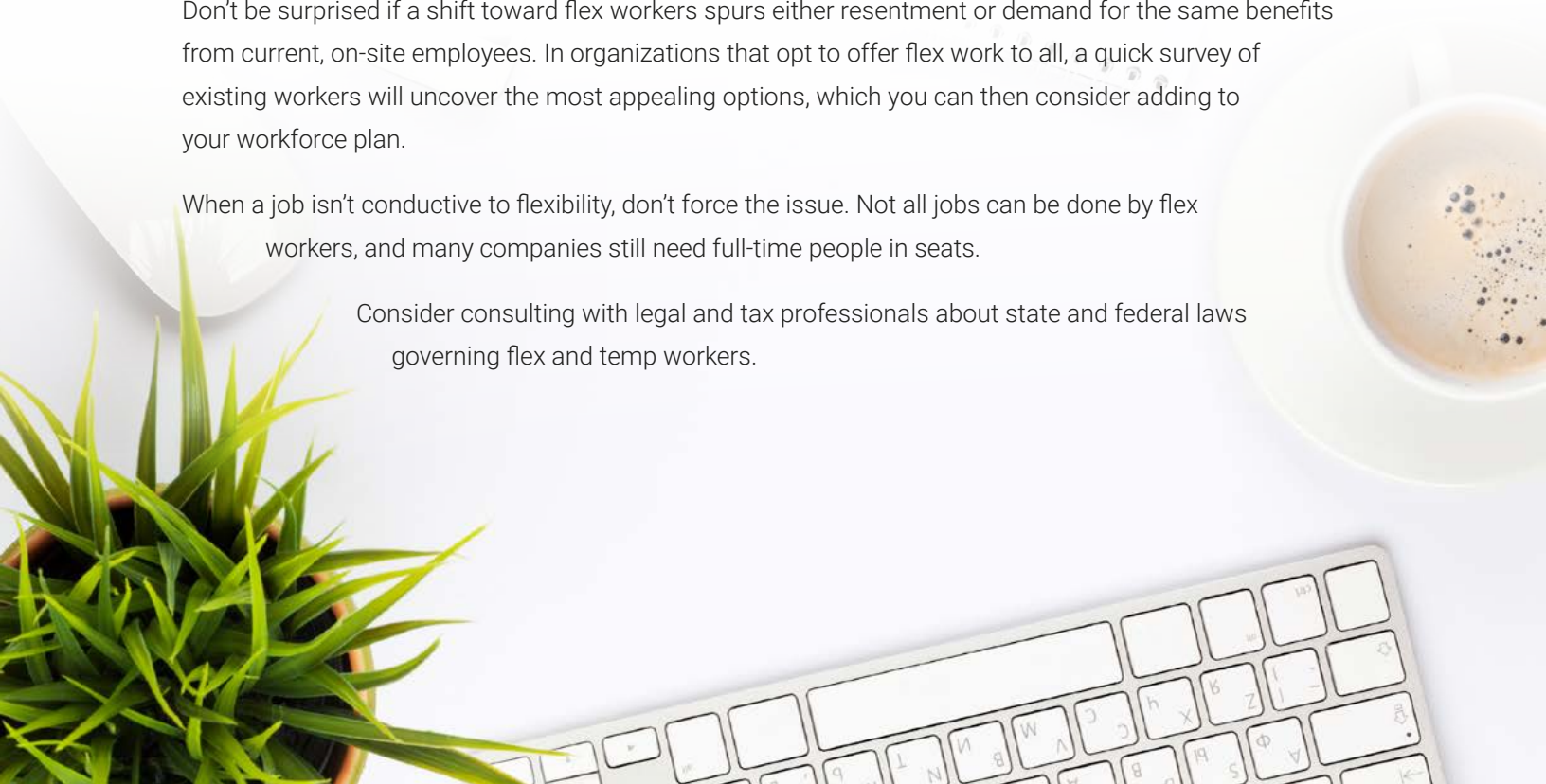
Having remote teams doesn't suit every business owner, points out Frank Dadah, managing director for recruiting firm WinterWyman, Waltham, Massachusetts, whose team includes remote employees.

"You have to believe in the remote model or you shouldn't do it," warns Dadah. "If you think it's a necessary evil, you're not going to trust it and you're going to spend time worrying about what people are doing when you can't see them and you, yourself, are going to become less productive."

Don't be surprised if a shift toward flex workers spurs either resentment or demand for the same benefits from current, on-site employees. In organizations that opt to offer flex work to all, a quick survey of existing workers will uncover the most appealing options, which you can then consider adding to your workforce plan.

When a job isn't conducive to flexibility, don't force the issue. Not all jobs can be done by flex workers, and many companies still need full-time people in seats.

Consider consulting with legal and tax professionals about state and federal laws governing flex and temp workers.



## Interviewing Remote Employees

The recruiting and onboarding process for hiring remote employees requires some adjustments to the normal recruiting routine.

For example, you may or may not do an in-person interview with your remote workers. In cases where you can't meet in person, Skype or video conference interviews are an option.



*During interviews, choose to ask behavioral questions that uncover the candidate's attitude toward independence and autonomy.*

Frank Dadah, managing director for recruiting firm WinterWyman suggests asking, *Tell me about a time where you had complete autonomy and project you had to complete on your own.* "I'm listening to their answer looking for confidence or real examples versus hypothetical or theoretical answers," says Dadah.

During the recruitment process when hiring remote workers, be especially vigilant about checking references and past employment.

"You need to vet remote employees very well and make sure you have a level of confidence and trust," Dadah says. "Unlike a normal workforce you will not be able to lay eyes of them all day and know what they're doing."

### VIDEO INTERVIEW TIPS

- Video conferencing may be "face-to-face" in a virtual recruitment sort of way, but it's not in-person -- and that can make a difference.
- When mediated by video conferencing technology, communications can be stilted. People tend to talk longer, switch back and forth -- for fear that signal delays will cause interruptions or awkward pauses.
- Video conferencing technology is appealing to Millennials; for some older candidates with less video experience, there can be some hesitation.
- If you don't choose a fully mobile video-interviewing solution, you'll miss a big chunk of the opportunity.
- Some employers are experimenting with one-way video interviewing -- almost a screen test in which the applicant is an actor creating a monologue in response to basic interview questions.

## Training Remote Teams

Technologies such as Skype, GotoMeeting, Joinme and Webex support interactive training where all parties see and share information.

Lee Sowers, senior vice president of sales and marketing for HomeActions, a real estate e-newsletter company, uses mentors to train new remote employees.

"I pick the best-in-class employee in each area and ask them to spend time on the phone with new people. They get advice from our best lead generator, our best CRM (customer relationship management) technician and our best sales person," he says.



*Performance metrics are important to any job, but they're especially critical when you manage a remote team.*

Be sure to set clear expectations about hours of operations and hours worked. Shift your performance measures to include measurable benchmarks that align with your organization's goals and objectives.

Sowers uses technology to manage and measure how well his remote team of 14 U.S. sales people meets company goals. He then supplements this data with subjective information that he collects during daily phone conversations and in a weekly sales team conference call.

"The metrics and phone conversations work in concert to tell me if they're doing what we need them to do."



## Managing Remote Teams

To effectively manage a remote team, you may need to make changes in your communication style. Make an effort to connect with remote team members every day. Encourage the on-site staff to connect with the remote team via calls, emails, IMs, Web and video conferences, so everyone feels included in the team.

Since you'll lose the face-to-face communication that allows you to pick up on body language and facial gestures, be careful about the words you use when speaking to remote workers, says Frank Dadah, managing director for recruiting firm WinterWyman.

"Let's say that face-to-face you happen to be sarcastic and the recipient finds you funny. But over the phone, it might not come across as funny."

Be sensitive to subtle communication as you won't see when employees are overworked, stressed or not challenged.

Understand that remote employees are often at an inherent disadvantage in understanding your company's schedule and rhythms. Be sure you communicate office hours and business protocols with your offsite team.



## More from the **MONSTER** Resource Center

### Competing for In-Demand Talent: Timing, Engagement and Counteroffers

Anticipate other job offers and actively defend against them.

### The Secret to Millennial Engagement: Provide a Path to Growth

Keep your younger workers from moving on.

### And the Young Will Lead: Management Skills for Gen Ys and Millennials

Adopt best practices that apply to new managers of all ages.

### The Aging Workforce and Gen Y: Bridge the Social Media Generation Gap

Bridge the generational gap around your workplace social media policies.

### Tapping Retirees for Contingent Workforce Needs

Don't lose touch when your veteran workers retire.

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