Solving the Cross-Generational Workforce Puzzle

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The Situation

Continued industry job growth

+ Mass exodus of baby boomers

+ Less skilled industry workers

Shortage of talent
The insurance industry labor market is expected to grow at 10 percent.

Source: Bureau of Labor Statistics
Mass Exodus of Baby Boomers

• The first boomers turned 60 in 2007.
• One-third of the nation’s population is included in the baby boomer generation.
• 43 percent of the labor force will be eligible for retirement within the next ten years.
• The result is a projected supply/demand gap of 10 million workers by 2010, 40 million workers by 2015.
Less Skilled Industry Workers

CPCU Examinations Given

Source: American Institute for CPCU
Less Skilled Industry Workers

Estimated Claims Hiring Requirements (2016)

Source: Bureau of Labor Statistics

28,000 new hires required

Source: Bureau of Labor Statistics
• In 2004, the insurance industry employed 2.3 million workers.

• 60 percent of U.S. workers were considering launching a job search in January 2007.

• Boomers make up 40 percent of the workforce.

Today’s Workforce

- GenXers – 40%
- Millennials (Gen Y) – 10%
- Traditionalists – 5%
- Baby Boomers – 45%
The Tide is Changing

When Millennials graduate college, Millennials and Boomers will make up a majority of the workforce.

“Boomers, know this: You are outnumbered. There are 78.5 million of you, according to Census Bureau figures, and 79.8 million members of Gen Y.”

~ Fortune, May 2007
Let’s Generalize, not Stereotype
Bookend Concept

New Graduate

Gen Y

Gen X

Boomers

Traditionalists

Mature Worker
Believe It or Not

“Between 10-15 percent of Traditionalists are working full-time and many others are working part-time.”

~ SIReview, May 2007
Characteristics

- Strong work ethic
- Value work and job
- Loyal
- Patient
- Place duty before pleasure
- Reluctant to technology changes
- Rarely say “no”
Working With

- Propose changes as evolutionary steps.
- Show them respect.
- Honor the chain of command.
- Value their experiences; tap into their knowledge bases.
- Communicate face-to-face.
- Take a more formal approach.
- Present ideas logically.
Hot Buttons

• Flexibility
• Privacy
• Respect
• Traditional recognition (i.e., plaques, photos)
Redefining the Aging Workforce

According to a 2006 Merrill Lynch study, 76 percent of baby boomers expect to work in retirement. Creating an environment where the Mature Worker (55 and above) is welcomed, recruited and embraced in the talent landscape is mandatory.
Baby Boomers
Characteristics

- Disciplined
- Loyal
- Workaholics
- Extremely competitive
- Find sense of self in the work that they do
- Believe a job can be for life
- Look for leadership
- Sometimes resistant to change
Hot Buttons

- Liberalized benefits
- PTO/Flexibility
- Privacy
- Respect
- Public recognition (i.e., company newsletter)
Working With

- Be patient with their need to work through bureaucracy.
- Acknowledge that you have less experience (when appropriate).
- Be clear on objectives and desired results.
- Be their cheerleaders.
- Give them your full attention.
- Know the company’s history.
Redefining the Mature Worker

- Traditional hiring relationship
- Non-traditional opportunities
  - Subject Matter Experts
  - Consultants
  - Trainers
  - Mentors
  - Special Advisory Positions
Raising the Bar

“Generation X takes employability seriously. But for this generation there isn't a career ladder. There's a career lattice. They can move laterally, stop and start, their career is more fluid.”

~ Diane Thielfoldt and Devon Scheef, “Generation X and the Millennials”
Characteristics

- Desire high-quality end results
- Value productivity
- Work-to-live mindset
- Comfortable with authority
- Technically competent
- Independent, resourceful
- Entrepreneurial
- Free agent mentality
Hot Buttons

• Work/life balance
• Flexibility/telecommuting
• Job sharing
• Feedback
• Challenge
• Autonomy
• Fun in the workplace
• Informal recognition (i.e., paid days off)
• Effective leadership
• Succession plans
Working With

- Do not micromanage.
- Tell them what needs to be done, but not how.
- Allow them to multi-task.
- Make work fun.
- Be open and honest.
- Use technology.
- Delegate.
- Be direct and to the point.
- Talk casually.
- Ask for their opinions.
Raising the Bar

“Gen Yers are being wooed from every direction, so the old recruiting tactics won’t work. Companies that want to attract the stars in this highly competitive group have to get creative.”

~ Fortune, May 2007
Millennials (Gen Y)
Characteristics

- Want to make an impact
- Feel work is an expression
- Multi-taskers
- Goal-oriented
- High employer expectations
- Technology savvy
- Collaborative
- Energetic
- Optimistic
Hot Buttons

- Team work
- Corporate image/brand
- Money
- Training
- Upward mobility/career path
- Flexibility in hours and dress code
- Technology
- Community service
- Fitness
• Create a collaborative environment.
• Promote mentorships.
• Commit to diversity.
• Support them.
• Assign multiple projects.
• Give them rules/solid leadership.
• Encourage new ideas.
• Show respect.
• Be flexible.
• Make work fun.
Generational or Lifestyle?

Millennials (Gen Y)
- Limited financial responsibilities
- Option to live at “home”
- Car purchase
- Marriage
- Home purchase

GenXers
- Children
- Children in college
- Empty nesters
- Planning for retirement

Baby Boomers
- Semi-retired

Traditionalists

Life Timeline

[Diagram showing different life stages for each generation]
Recruiting New Grads

• Break the “insurance is not sexy” stereotype!
• Understand their mindsets.
  – They are 120 percent more likely than older counterparts to look on the Internet for jobs.
  – They are 67 percent more likely to leave their current employers within the next two years.
• Build buzz on campuses.
  – Partner with insurance-focused universities.
  – Participate in on-campus recruiting/internship programs/career shadowing/scholarships programs.
Strive for Diversity

- Diversity of generations in the workplace offers a diversity of ideas and approaches.
- Fully understand the differences that exist between generations.
- Educate managers, supervisors and team members on how to bridge the gap between generations.
- Embrace generational differences to increase productivity and added value.
- Create policies, benefits, recruitment tactics and retention strategies to meet all of the generations’ motivations, desires and needs.
Brave New World