

# Exit of baby boomers from the workforce

## Is the employer ready?



The next five years will see a massive exit and eventual depletion of baby boomers from the workforce. This should be a major concern to many employers.

Baby boomers have been lauded as the most loyal, dependable and reliable group in the workforce. This is the segment of staff that would 'stay' no matter what; different from the millennial who will not only leave when opportunity arises, but will also proactively look for opportunities to leave. Baby boomers learnt to 'settle in' due to the strong connection they developed with their employer. According to a 2016 Fortune survey by the Associated Press-NORC Center for Public Affairs Research, baby boomers stay an average of 20 years with the same employer. They are known to have a strong work ethic and unlike the millennials, baby boomers are more 'mentally focused' thus able to concentrate on lengthy assignments and still able to pay attention to every detail and multitask effectively.

Given their many years of experience, mostly at the same workplace, they took leadership positions in most firms and no doubt, they still make a great percentage of senior management in organisations. They also have great networks with people in leadership positions which makes them useful while pursuing opportunities and closing certain deals as required by business.



All these qualities are at stake as the baby boomer exits the workforce. The key concern from every employer should be, preparedness for this exodus. This huge change cannot be ignored and it is imperative that employers be sensitive and thoughtful about the expected change.

First, succession planning is vital in managing this transition. Losing such highly experienced and dependable employees will leave a significant gap in many organisations. Filling these positions can be expensive and challenging; especially for highly specialised roles. That is why succession planning is inevitable to ensure that organisations are well-positioned for continuity, performance and growth despite the loss of top talent. Through their Human Resource functions, firms need to take an inventory of their talent pool, identify the critical roles amongst the baby boomers set to retire and institute structured succession planning programmes. Organisations need to put mentorship, coaching and apprenticeship programmes in place to ensure knowledge transfer and prepare younger employees to step into the shoes of the baby boomers.

As part of succession planning, organisations should consider targeted leadership development programmes. High potential staff should be identified and be groomed to take leadership positions through these programmes. Accountability, professionalism, responsibility and resilience are some of the traditional leadership qualities that are hard to come by in the younger generation of employees. These however can be nurtured through leadership interventions to ensure that younger staff are prepared for senior leadership positions, as changes in most boardrooms loom large. Baby boomers can also be engaged as advisors or mentors to continue help firms develop the required talent after their 'formal working life'.

Lastly, employers need to consider restructuring their compensation and benefits models to ensure that the younger workforce remains motivated and engaged to stay longer. Factors such as recognition,

training opportunities, global mobility, challenging work and flexible work hours are more lucrative to the younger workers than loans, stability and pension that were the focal point of baby boomers. It therefore requires creativity on the part of employers to understand and anticipate needs of their current workforce and offer them a benefits package that will foster loyalty, commitment and performance.

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