

# WINNING THE IT LABOR BATTLE

IN THE  
'AGE OF THE WORKER'

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Information technology, take a bow. IT is the wind beneath the feet of the jobless recovery, a new phenomenon where job growth is slower than it has been in the past six economic recovery cycles in the U.S., while unemployment hovers around 4.5%.

Hooray for IT-enabled productivity.

CEOs may be toasting the productivity gains, but not many CIOs are inclined to raise a glass.

The retirement of the baby boomers, coupled with the precipitous decline in computer science majors, means CIOs must find creative ways to keep and attract staff, including bringing back laid-off workers, recruiting from the military and pursuing the disabled.

"The focus is finally on people. Call it the age of the worker," said Rick Davidson, CIO of Manpower Inc. and a featured speaker at the recent Fusion 2007 CEO-CIO Symposium in Madison, Wis. He and Jonas Prising, president, North America at Manpower, teamed up to offer workforce strategies.

Manpower does business in 72 countries and sees 10 million candidates a year worldwide, putting the \$19 billion employment services company in a privileged position to see movements in the workforce, Prising said.

The IT labor crunch is especially acute in the U.S., where 45% of employers told Manpower they would have hired more staff during the past six months if employees were available, compared with 29% of employers worldwide.

One strategy for closing the gap is to go where talent is abundant. Fifteen years ago, the U.S. produced more IT graduates than anyone in the world. India and China now each produce more IT professionals than the U.S.,

Europe and Japan combined.

Indeed, large companies like IBM are managing the current labor shortage by setting up shop in Asia. By 2007, 20% of Big Blue's workforce will be in India, an increase from 1% just five years ago.

But a passage to India is not a long-term answer to the labor crunch, Prising said. By

2011, China and India will be scrambling for IT professionals to meet their own technology demands. And what about companies that don't have the resources to build an Asian workforce? How do they ride out the crisis?

Know thy workforce.

The three employee cohorts in the workforce today are: the young worker, or what manpower calls the Me Generation; the midcareer, or Disenfranchised worker; and the mature, or Delayed Gratification generation.

Each comes to work with a particular mindset and different expectations of their employers, Davidson said. He said companies that can accommo-

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## EIGHT TIPS TO SURVIVING THE LABOR CRUNCH

Manpower CIO Rick Davidson says IT managers need to "just get started" and recommends the following tips:

1. Assess your workplace. Determine how many employees fall within the three cohorts and why they are leaving.
2. Engage human resources and discuss how the shifting demographics may warrant changes in work policies, such as flex time.
3. Talk to employees.
4. Outsource the work, "because this is the most efficient model."
5. "Upskill" employees.
6. Automate.
7. Identify labor market "re-entrants," including mothers returning to the workforce and military personnel.
8. Pursue the disabled (who, if accommodated, tend to be loyal).

date these differences will have an easier time finding and keeping talented workers.

Here are characteristics of each group and how to exploit their strengths:

### The Young and the Restless

Young cohorts—employees who are 25 years old to 35 years old—grew up as latchkey kids in households where both parents worked and the kids had to fend for themselves. They are quick learners, adaptive, creative and tribal. They are not looking to employees for help.

“These kids say, ‘I’ve got it figured out; just help me accelerate and move forward,’” Davidson said.

For this generation, grades didn’t always matter, as long as they had self-esteem. They expect a lot. And, because there are not enough of them to replace all of the baby boomers who are retiring, like it or not, they will get a lot, Davidson said, moving much faster than their parents did into leadership roles.

Workers in this group will manage their own careers. Having seen their parents or other adults lose jobs in corporate downsizings, they feel no particular loyalty to employers. They are more apt to work at a place for

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not send them into a room on their first day to fill out papers,” Davidson said. Not particularly respectful of hierarchy, they want responsibility early. Team them up with mentors.

### The Frustrated Idealist

The mid-career group, ages 35 to 55, came of age in the 1960s and 1970s, when success was defined as “being true to oneself,” Davidson said. Older now, many of the 76 million in this cohort are realizing they may not reach the pinnacle of success they envisioned for themselves and are “questioning if it is all worth it.”

Disenfranchised, maybe a little burnt out, they are taxed to the max at home, taking care of kids and elderly parents. At this juncture, the frustrated idealist is most concerned with work/life balance.

The Prescription: Talk to them. Talk openly about their concerns, look at their competencies and consider

three years and leave, taking their 401(k)s with them. For the “young and the restless,” technology is “an extension of themselves and a fashion accessory.”

The Prescription: The young and the restless want to hit the ground running from Day 1. “Do

shifting them into other parts of the company where they can put their skills to work in new ways. Encourage them to mentor others.

### R-e-s-p-e-c-t

Technology is viewed as a “transient challenge” by workers ages 56 and older. They are not intimidated by technology—“you can teach an old dog new tricks,” Davidson said—but technology is not a fashion statement.

The 56-and-older-worker was raised to delay gratification: you can’t have that, you don’t need that now. For those in this age group, success is defined in terms of wealth and status. This group, as it reaches retirement age, has traditionally been escorted out the door without another look, Davidson said. They want employers who value their age and skills.

The Prescription: Mature cohorts are expected to work until they are 70, but they will downshift from a 60-hour-plus week to maybe 20 hours or 30 hours. Davidson advises you talk to these workers about their employment priorities and make sure you are not discriminating

against them. Offer flexible retirement. Keep in mind that more than 50% of retired workers in this group who receive a pension are still working. Re-engage retired and laid off workers, Davidson said.

### Using multiple strategies

The talk hit home for Greg Pfluger, CIO of Sentry Insurance, a Mutual Co., in Stevens Point, Wis., where the concern is how to replace the 25% of the IT workforce that is eligible for or will be retiring in three years. Sentry, with assets of \$9.35 billion and a policyholder surplus of \$2.5 billion, has 4,500 employees companywide and an IT staff of 450.

Pfluger recruits heavily from universities and colleges, but is also retraining midcareer Sentry employees and tapping state programs, such as a Wisconsin agency for displaced workers. “You have to use multiple strategies,” he said, adding that some avenues are closed. “We do not do much outsourcing, because the systems are our core competency, and we don’t want to outsource that.” ■

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