

Workforce Development IS Economic Development

Five years ago, during a meeting with 10 CEOs at a manufacturing facility, we were discussing the talent shortage and its impact on the economy. One of the CEOs stated, "Talent is my pacing item. Talent, or more accurately the lack of talent, is determining how much product we deliver, how many shifts we employ, and how fast we grow. It is not capital expenditures, financing, transportation, or rules and regulations. It is people."

Leaders have been looking at the talent pipeline for the past 30 years. Unfortunately, until recently, that workforce shortage was usually temporary, and the level of activity was tied directly to the unemployment rate: high unemployment rate = no trouble finding talent, low unemployment rate = no talent available. Here are some sobering statistics:

- Right now, in the United States, 10,000 people are turning 65 every day. The Baby Boomers have finished their work life and are moving toward retirement. Generation X, representing millions fewer people, is filling in. Millennials, the new "largest generation ever," are beginning their takeover of the workplace, but don't own it...yet!
- Another factor for employers is the homogeneous nature of the certain regions. States with primarily a Caucasian population often has a lower fertility rate. In addition, a lack of diversity also can hurt a region because it makes the recruitment of minorities a bigger challenge.
- Migration patterns also need to be considered when looking to attract additional talent.

Low birth rates, out-migration, difficulty recruiting minorities, aging population...you get the picture. So, no workforce=no growth=no economic growth.

To combat the talent shortage and retain existing personnel to achieve economic growth, companies need to consider:

- Educating current student populations on opportunities available within their state
- Developing programs to improve education and training for at-risk populations in their communities
- Influencing the Federal government on immigration reform
- Working on their image and web and social media presence to attract millennials and be a preferred employer
- Using the recruiting and interview process to *sell the candidate*

Equally important, there are many things employers can do right now:

- View existing employees as recruiters
- Review hiring processes for efficiency
- Provide benefits that meet the generational needs of all employees
- Ensure onboarding processes are effective
- Conduct "stay" reviews to ensure employee satisfaction
- Provide skills training for career development and retention

Innovative employers will secure talent by understanding the needs of their next hire. Failure to do so means limited growth. Workforce development IS economic development!

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