



### THE TALENT SHORTAGE 2: Two More Solutions That Do NOT Burn Money by Kathy Graham

Companies are likely wasting their money by offering raises/bonuses/higher starting salaries to existing and potential employees in hopes of stopping exits during The Great Resignation and securing talent in the worst U.S. labor shortage since World War II. It's having the same effect as if they are burning that money because unless the underlying disconnects are addressed, nothing is likely to change this situation for knowledge-intensive industries.

In [THE TALENT SHORTAGE 1](#) article, two options to fix underlying disconnects before burning any more money are:

1. **Match the types of people hired to the type of corporate organizational structure.**
2. **Approach human capital as a strategic asset tied to the corporation's unique strengths, goals, and culture.**

There are also two more opportunities to fix underlying disconnects before throwing good money after already-out-the-door talent that address the high probability that **THE GREAT RESIGNATION IS REALLY THE GREAT REALIGNMENT**. It's the realignment of the U.S. population in response to surviving a two-year pandemic, basically in lockdown in their homes, only venturing out when absolutely necessary for jobs or food or because of personal beliefs that discount health risks. Such an experience has changed the value system of many to "hybrid, health, and happiness," with today's inflation and pre-pandemic long-term wage stagnation adding "and higher wages, too" to their mantra.

Two more choices that address The Great Realignment mantra of "hybrid, health, happiness, & higher wages" are:

3. **After aligning overall compensation to market values for each position, change the company's reward system to match the needs voiced by the current workforce's mantra, with the emphasis on non-monetary rewards.**

Note that this overall compensation market alignment is for those Key Strategic positions mentioned in [THE TALENT SHORTAGE 1](#) article as the second solution, which results in a company's human capital structure becoming a corporate competitive advantage. This overall compensation market alignment is NOT meant for those walking out the door.

Keeping a company's overall compensation within market price for each key position is necessary because almost every worker can now easily figure out what their position is worth elsewhere (thank you, Google, Salary.com, Indeed.com, etc.). After that monetary necessity, the vast majority of research shows that **workforce productivity significantly rises with:**

- **Work satisfaction, which is related to a person's happiness** level but slightly different—satisfaction is a happiness where an individual's days are spent doing things that are important—have purpose/meaning—to the person.
  - Work meaningfulness/satisfaction/happiness can be increased by adding backups (reduces stress by freeing worker to take time off for personal health/happiness enjoyment and learning other jobs—i.e., enhances worker's skill variety), career training/growth paths aligned to worker's individual talents/interests (enhances stickiness/loyalty to organization), and non-monetary motivational rewards, such as: emphasizing the importance of job on corporate mission success ( increases task significance); engaging with others peripheral to job in corporation for fun and work-oriented sessions in small groups and with meaningful conversations/interactions with leaders above worker's rank (builds engagement and enhances work flows).
  - WAIT A MINUTE—it's a TWO-FOR! **The very same actions that minimize corporate emergency hiring, undesirable turnover, and unexpected succession planning ALSO address the workers' mantra.** Additionally, these actions avoid a "domain change" where offering money (extrinsic reward) leads to a decrease in motivation/productivity by making innately satisfying work (intrinsic reward) something needing to be purchased.

The fourth solution is:

**4. If still wanting more talent, implement an easy multi-generational workforce integration by hiring back some of the 30 million Baby Boomers laid off in the third quarter of 2020.**

My May 2021 research proposal identified a number of interesting facts about workplace ageism, most importantly:

- 37% of workers globally who are age 50+ have never seen or experienced age discrimination in the workforce, which means that this portion of the 50+ cohort are accepted by others younger than they are.
- Furthermore, research shows that these workers stay with their employers longer tenure than those younger than age 50+, increase overall group productivity 11% and innovation 1.5%, PLUS contribute an additional 8.5% revenue growth higher than targets achieved without their influence.

This same paper uncovered that 27% of age 50+ workers do not want to leave the workforce. Unfortunately, 30 million were “retired” via layoffs in the third quarter of 2020. Let’s do the math: 27% of 30 million is 8.1 million age 50+ workers who still want to work, of which 37% , or:

- **almost 3 million age 50+ are wanting to work AND are accepted by others younger than they are PLUS they will lower turnover, increase group productivity and innovation, and contribute to a sizeable increase in revenue growth.** Hmm, sounds like hiring/retaining that pool of workers would be a win-win for all.

Several factors are not yet known about why this cohort is immune to workplace age-ism. Is it their personalities? Is it their team work? Is it their Person-Environment Fit? Is it all or some combination of these factors?

Thankfully, there are two easy solutions. A company could do small pilot programs to see who in this cohort work best, then hire more of the same profile. Another approach would be to test current workers age 50+ to hire more of the same profile after the question has been answered as to which factors are most important. In other words, do these individuals age 50+ currently working well for the company rank high on:

- personality traits of Agreeableness and/or Conscientious on the Big Five Factor Model test (i.e., it’s their personalities making them age-ism immune)?
- Doer and Organizer on the TREO (Team Role Experience and Orientation) tests (i.e., it’s their team work making them age-ism immune)?
- Minimal decreases in their demands-abilities and needs-supplies fit in two periods of time on the Person-Environment (P-E) Fit test (i.e., they’re such a good personal fit for the corporate environment, that they’re age-ism immune)?

With four easy non-money-burning solutions available to respond to The Great Resignation (really, The Great Realignment), corporations and workers gain back their focus on reaching their business and career goals, which is A Great Outcome for all.

### References

- Apollo Technical. (2022, January 6). *19 Employee retention statistics that will surprise you*. Apollo Technical. <https://www.apollotechnical.com/employee-retention-statistics/>
- Atwood, N., & Bacon, T. (2011). *Developing your C-suite*. Korn Ferry Institute. <https://www.kornferry.com/content/dam/kornferry/docs/article-migration/Developing-Your-C-Suite.pdf>
- Caprino, K. (2021, December 29). *Rebuilding great workplace cultures as CEOs join the ‘Great Resignation.’* Forbes. <https://www.forbes.com/sites/kathycaprino/2021/12/29/rebuilding-great-workplace-cultures-as-ceos-join-the-great-resignation/>
- Collings, D. G., McMackin, J., Nyberg, A. J., & Wright, P. M. (2021). Strategic human resource management and COVID-19: Emerging challenges and research opportunities. *Journal of Management Studies*.
- Copeland, C. (2019, February 28). *Trends in employee tenure, 1983–2018*. Employee Benefit Research Institute. [https://www.ebri.org/docs/default-source/ebri-issue-brief/ebri\\_ib\\_474\\_tenure-28feb19.pdf?sfvrsn=70053f2f\\_13](https://www.ebri.org/docs/default-source/ebri-issue-brief/ebri_ib_474_tenure-28feb19.pdf?sfvrsn=70053f2f_13)
- DeLegge, P. (2018, February). *CMO tenure drops to 43 months, less than half that of other C-level roles*. MarketingToday. <https://marketingtoday.com/research-and-trends/cmo-tenure-drops/>
- Foster, J. (2011, April 15). *Is CMO a temp job?* Foster Thinking. <https://fosterthinking.com/2011/04/15/cmo-temp-job/>
- Glenday, J. (2021, April 30). *CMO tenure slips to just 40 months – the lowest average since 2009*. The Drum. <https://www.thedrum.com/news/2021/04/30/cmo-tenure-slips-just-40-months-the-lowest-average-2009>

- Graham, K. (2021). *Easy multi-generational workforce integration research proposal*. The HQ Companies. <https://www.thehqcompanies.com/pdf/Graham-Kathleen-Easy-Multi-Generational-Workforce-Integration.pdf>
- Hyatt, H., & Spletzer, J. (2016). *The shifting job tenure distribution*. U.S.Census Bureau, Center for Economic Studies. (CES 16-12R). <https://www2.census.gov/ces/wp/2016/CES-WP-16-12R.pdf>
- Kaplan, S. N., & Minton, B. (2006). *How has CEO turnover changed? Increasingly performance sensitive boards and increasingly uneasy CEOs*. (Working Paper No. 12465). National Bureau of Economic Research. <https://doi.org/10.3386/w12465>
- Khan, N. J., Azhar, S., & Hayat, Z. (2014). Strategic approach to job design: An issue in strategy implementation. *International Journal of Human Resource Studies*, 5(1), 48.
- Korn Ferry. (2022, February). *Age and tenure in the C-suite*. <https://www.kornferry.com/about-us/press/age-and-tenure-in-the-c-suite>
- Payne, J. L., & Williamson, R. (2021). An examination of the influence of mutual CFO/audit firm tenure on audit quality. *Journal of Accounting and Public Policy*, 40(4). <https://www.sciencedirect.com/science/article/abs/pii/S0278425421000089>
- Robert Half Management Resources. (2010, February 10). *Survey: CFOs list average tenure at 12 years, up from eight years a decade ago*. <https://www.prnewswire.com/news-releases/survey-cfos-list-average-tenure-at-12-years-up-from-eight-years-a-decade-ago-84005827.html>
- Schroeder, C. (2021, November 29). *2021: The year of CFO turnover and strides in gender diversity*. Russell Reynolds Associates. <https://www.russellreynolds.com/en/insights/articles/2021-cfo-turnover-and-gender-diversity>
- Smartsheet. (n.d.). *Job analysis template*. Smartsheet Templates. [https://www.smartsheet.com/sites/default/files/IC-Job-Analysis-9277\\_PDF.pdf](https://www.smartsheet.com/sites/default/files/IC-Job-Analysis-9277_PDF.pdf)
- Talent Works. (2021, July 15). *No one is talking about the employee turnover crisis*. <https://www.talent-works.com/2021/07/no-one-is-talking-about-the-employee-turnover-crisis>
- The Conference Board. (2012, April 12). *Average tenure of CEOs declined to 8.4 years*. <https://www.prnewswire.com/news-releases/average-tenure-of-ceos-declined-to-84-years-the-conference-board-reports-147152135.html>
- U.S. Department of Labor, Bureau of Labor Statistics. (2001, June 29). *Tenure down for men, up for women*. The Economics Daily. <https://www.bls.gov/opub/ted/2001/june/wk4/art05.htm>
- U.S. Department of Labor, Bureau of Labor Statistics. (2010, September 14). *Employee tenure in 2010*. [https://www.bls.gov/news.release/archives/tenure\\_09142010.pdf](https://www.bls.gov/news.release/archives/tenure_09142010.pdf)
- U.S. Department of Labor, Bureau of Labor Statistics. (2016, September 22). *Employee tenure in 2016*. [https://www.bls.gov/news.release/archives/tenure\\_09222016.pdf](https://www.bls.gov/news.release/archives/tenure_09222016.pdf)
- van Vulpen, E. (2020, August 26). *Job design: A practitioners guide*. Academy To Innovate HR. <https://www.aihr.com/blog/job-design/>