

So Long, Baby Boomers

As an aging workforce retires, companies must cope with the inevitable brain drain

THE BIG EXODUS IS GETTING CLOSER AND CLOSER. The baby boomers are about to retire in droves. Every day 10,000 baby boomers turn 50. In the next 10 years, 43 percent of the workforce will be eligible for retirement, while the next two generations are about 15 percent smaller.

According to Taleo, a talent management consultancy, the United States will have a 10 million worker shortfall by 2010. Five hundred of the largest companies can expect to lose 50 percent of their

Kana is a reasonable ground-level solution, but I also want a bigger-picture view because whereas some industries — such as energy — suffer more shortages than others, IT is pervasive, cutting across all industries.

Alice Snell, vice president at Taleo, doesn't see the sky falling. Instead, she remains upbeat, viewing the problem as an opportunity. The first thing she recommends is for IT — and an entire company for that matter — to take an inventory of its employees' skills.



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senior management in the next five years. Forty percent of companies don't have a leadership succession plan.

To put it in real terms, take Bruce Power, a nuclear power genera-

tor that employs 3,700 people, most of them engineers. All four of its power plants were built back in the '70s. In three years, one-third of its workforce — that's 1,221 employees — will say *sayonara*.

Those employees have been there from Day One, and though a great deal of the information on how to run a plant can be found in manuals, a lot also resides inside the heads of those retiring engineers. Think of it this way: If you want to get from Point A to Point B, you can use Google Maps, or just ask a local truck driver.

Bruce Power is solving its employee problem by using Kana IQ, a knowledge management system from Kana Software, to allow engineers to document how they tackled problems. Other engineers can then search the notes using decision trees and case-based reasoning.

Instead of a Google-like search with 10,000 possible responses, the system returns results with additional questions in order to narrow down the number of possible answers.

"You can't tell what skills you are going to lose if you don't know what skills you have," Snell says.

When you've gathered that information, you can perform a so-called skills-gap analysis. Of course, nothing is simple. Although such an analysis will help you determine what skill sets you will be losing, it won't necessarily help determine what skill sets you need. For example, SaaS (software as a service) and open source, to cite two of the more current trends, may require different kinds of IT skills than support for legacy applications.

However, if you want to keep certain employees, you will also need to look at retention policies. Your boomers may choose not to retire if you can change the structure of the employment contract so that they can provide their skills on a more flexible work schedule.

Anand Chopra, director of product marketing at Kana, says the other big issue for the enterprise and baby boomers' retirement plans is HR getting hit with a tenfold increase in queries on benefits, 401(k) plans, and the like. If your company hasn't done so already, it will do well to ramp up its self-service HR applications.

Oh yes, and will the last baby boomer out the door please turn off the lights? 🚪

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