

# Addressing Generational Change

Strategies from the GFOA  
Generational Change  
Task Force



# TASK FORCE OVERVIEW



# Generational Change Task Force

❖ Task Force was created in June 2009 to identify key issues related to:

- Hiring and Retention of a New Generation of Finance Managers and Leaders
- The anticipated wave of Baby Boomer Retirements

❖ The work was divided into four phases over the past year:

- Research – June 2009
- Analysis – Nov. 2009
- Review – March 2010
- Report – May 2010



# Task Force Charge

- ❖ To develop a set of recommended actions governments can take to address generational change issues as well as actions that GFOA can take to assist its governmental members with these issues.



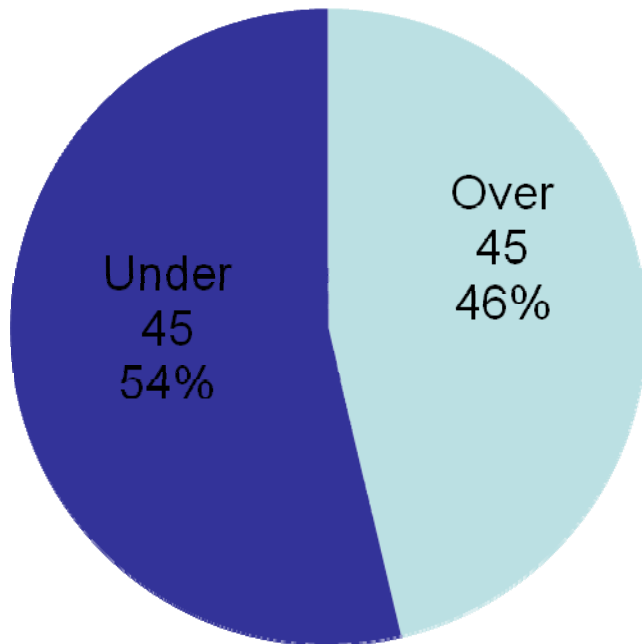
# Task Force Results

- ❖ The Task Force completed its work and prepared a report which has been presented to the GFOA Executive Board
- ❖ This presentation is also a part of the effort of the Task Force to make GFOA members aware of the issues and recommendations contained in the report

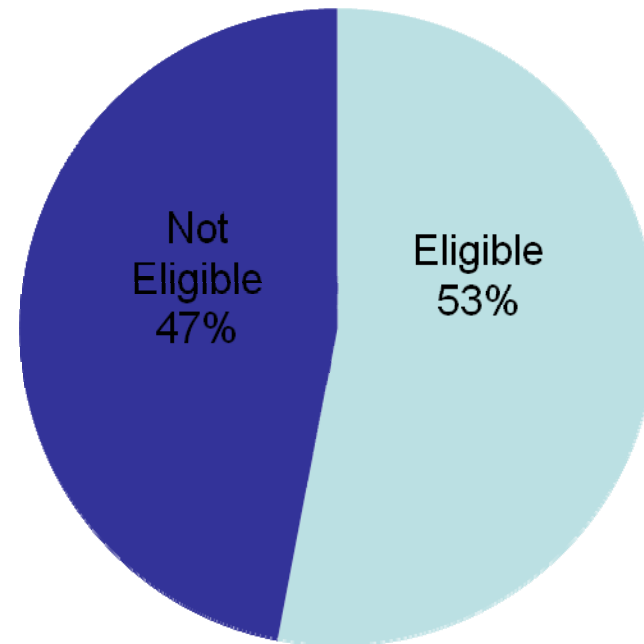


# 2006 ICMA Conference Presentation

## Local Government Workers



## Federal Employees Eligible for Retirement



# WHAT DO WE MEAN BY GENERATIONAL CHANGE



# Generational Change Defined

- ❖ Shift from workforce with one generational perspective to a workforce with four diverse generations.
- ❖ Important differences in:
  - Characteristics
  - Core Values
  - Experiences
  - Work Styles



# Summary of Generations

	<b>Matures</b>	<b>Baby Boomers</b>	<b>Generation X</b>	<b>Generation Y</b>
Age Range	64+	46-63	31-45	Under 31
% of Workforce	10%	45%	30%	15%
Notables Individuals	Jimmy Carter, George H.W. Bush, John Glenn	Bill Gate, Bill Clinton, Muhammad Ali, Oprah Winfrey	Michael Jordan, Dot.Com Entrepreneurs	Britney Spears, LeBron James
Key Characteristics and Values	Respect authority, duty before pleasure, "company man"	Competitive and hard working, loyal to the organization and value title and rank	"Free agents with no expectation of job security, work/life balance critical, training is a motivator	Socially conscious and volunteer minded while materialistic, comfortable with change and multi-tasking



# Workforce Issues for the Public Sector and Public Finance

- ❖ 80 million Baby Boomers will reach retirement age in the next decade
- ❖ Only 50 million Gen Xers to fill the gap
- ❖ Fastest growing segment of the workforce is individuals over 55
- ❖ Number of workers between 35 and 44 is declining



# Workforce Issues & The Great Recession

- ❖ Employers job market
- ❖ Perceived job security of the public sector is more appealing
- ❖ Lay-offs and wage/benefit modifications may disproportionately impact younger workers



# Human Resource Management in the Public Sector

- ❖ Workforce and succession planning in the public sector is seriously lacking
- ❖ Key Procedural Improvements
  - Flexible hiring procedures
  - Reducing the cycle time for the hiring process
  - Validation of entry/examination requirements
  - Worker friendly personnel policies



# New Entrants to the Workforce

- ❖ Government employment is becoming increasingly attractive
- ❖ Job security and benefits are the most appealing aspects of working for government
- ❖ New workers are concerned about politics in the hiring process, bureaucracy and low pay



# GENERATIONAL CHANGE ISSUES



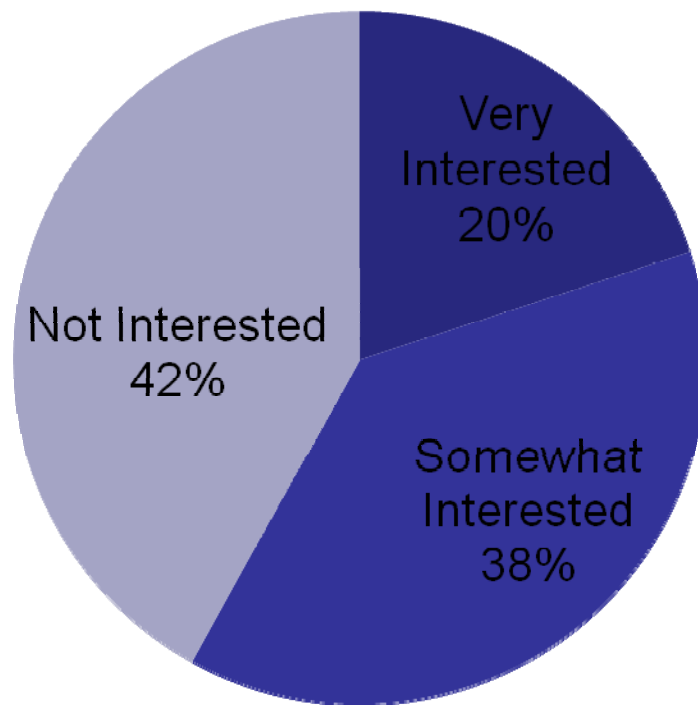
# Recruiting

- ❖ **Objective #1: Create a larger, broader and more qualified pool of public service candidates**
- ❖ Objective #2: Reimagining the recruitment process in government to make government/government finance profession(s) appealing to job seekers



# Recruiting

## Interest in Local Government Jobs



Center for State and Local Government  
Excellence



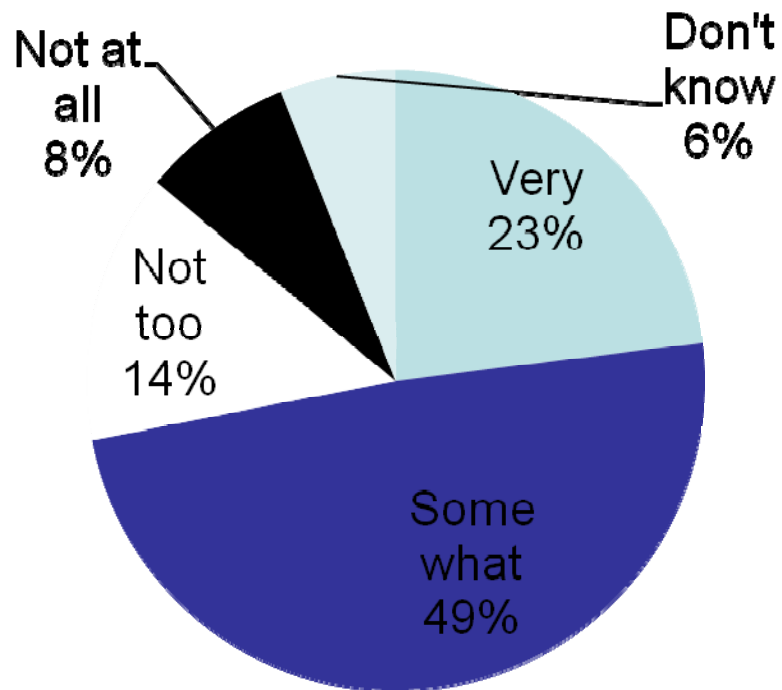
# Recruiting

- ❖ Objective #1: Create a larger, broader and more qualified pool of public service candidates
- ❖ **Objective #2: Reimagining the recruitment process in government to make government/government finance profession(s) appealing to job seekers**

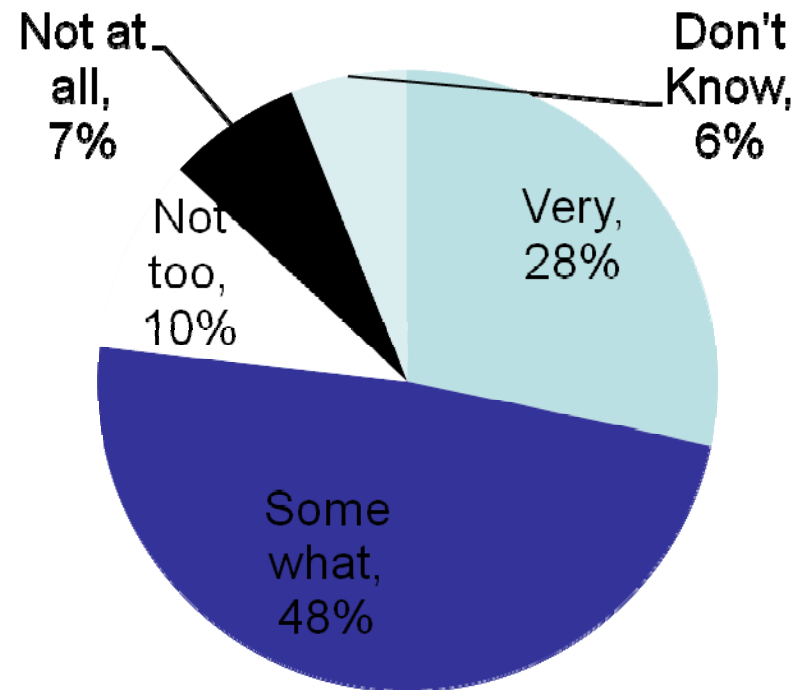


# Would a talented and qualified person be interested in

## Finance Professional in Local Government



## Finance Professional in State Government



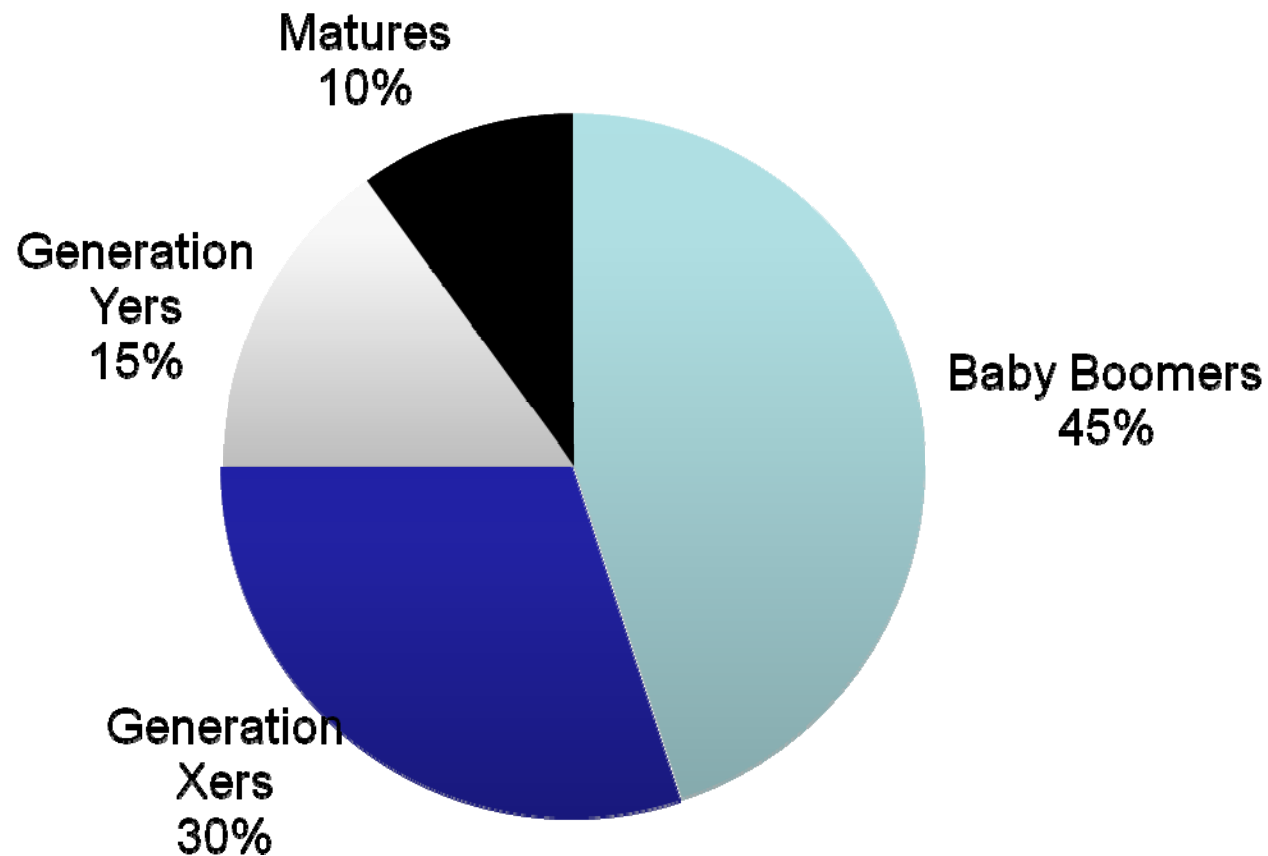
# Retaining a competent and committed workforce

- ❖ **Objective #3: Managing and motivating a workforce composed of diverse generations, experiences, attitudes and beliefs**
- ❖ Objective #4: Addressing inter-generational differences to assure a positive work environment



# Who is in the Workforce?

## Generations in the US Workforce Today



Popular Government



# Retaining a competent and committed workforce

- ❖ Objective #3: Managing and motivating a workforce composed of diverse generations, experiences, attitudes and beliefs
- ❖ **Objective #4: Addressing inter-generational differences to assure a positive work environment**



# The world of new graduates (born around 1988)

- ❖ CD's have always been more popular than vinyl records.
- ❖ 98% of households have owned TV's
- ❖ Microsoft Windows has always existed
- ❖ Prozac has always been available
- ❖ The USSR is only a historical country
- ❖ Apartheid has not existed in South Africa
- ❖ Global warming has always been an issue
- ❖ The Berlin Wall never divided Germany



# Managing the retirement of baby boomers

- ❖ **Objective #5: Understand the potential for retirements and take steps to harness the commitment and experience of retirees as a resource for government**
- ❖ Objective #6: Prepare public agencies for the future through effective knowledge transfer and mentoring strategies



# Succession Planning

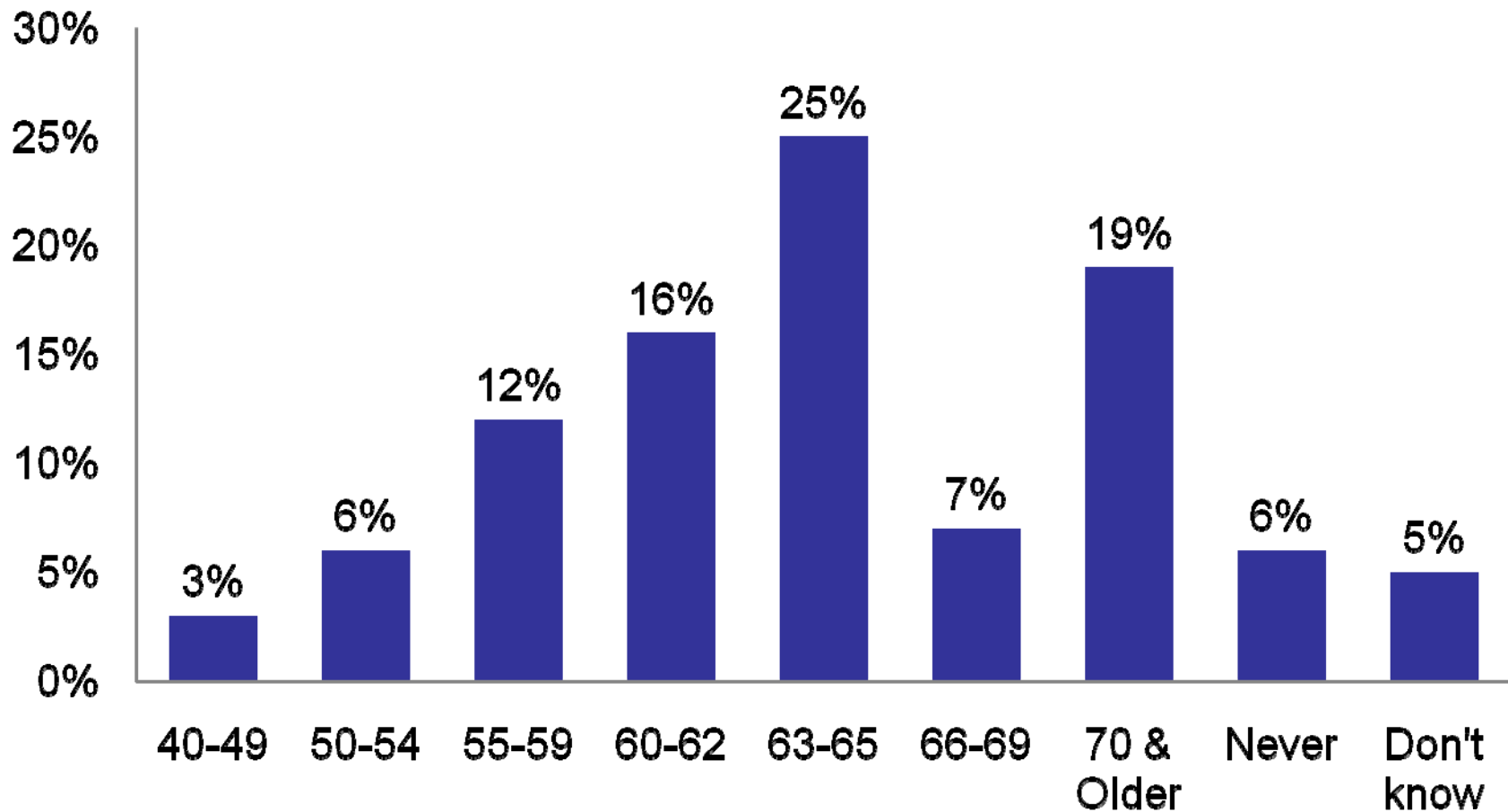


# Managing the retirement of baby boomers

- ❖ Objective #5: Understand the potential for retirements and take steps to harness the commitment and experience of retirees as a resource for government
- ❖ **Objective #6: Prepare public agencies for the future through effective knowledge transfer and mentoring strategies**



# At what age do you expect to retire?



# WHAT IS ALREADY BEING DONE



# Internships and University Partnerships

## ❖ Key Questions

- High school, undergrad or grad?
- Long-term or short term focus?
- Organization wide or job specific?

## ❖ Finance Department Pipelines

- Internships
- Academic Projects
- Guest Speakers



# Workforce/Succession Planning

- ❖ Formal written succession plan recommended
- ❖ AARP Free Assessment Tool
- ❖ Organizations that manage turnover strategically have higher employee retention rates and morale
- ❖ Leadership development improves job satisfaction and performance
- ❖ Personal professional development should be integrated in to succession planning
- ❖ Systematic knowledge transfer is critical for success
- ❖ Diversity training should cover age diversity



# Encore Careers

- ❖ 5 million people aged 44 to 70 have begun encore careers
- ❖ Flexible schedules attract encore workers
- ❖ Address age diversity issues
- ❖ Provide mentoring and orientation
- ❖ Consider ways to recruit encore workers



# Leadership/Professional Development Programs

- ❖ Remember that “new” doesn’t necessarily mean right out of college
- ❖ Preserve development programs during budget cuts
- ❖ Find no/low cost alternatives for training and development



# TASK FORCE RECOMMENDATIONS



# Recommendations

## Objective #1

- ❖ Create a larger, broader and more qualified pool of public service candidates

## Strategies:

- ❖ Establish partnerships with local universities
- ❖ Use new social media to change the branding and recruitment strategies for new hires



# Recommendations

## Objective #1

- ❖ Create a larger, broader and more qualified pool of public service candidates

## Local Government Actions

- ❖ Human resource planning
- ❖ Partnerships
- ❖ Assess organizational needs
- ❖ Create candidate pools
- ❖ Compensation strategies
- ❖ Tele-commuting
- ❖ Social Media
- ❖ Networking



# Recommendations

## Objective #1

- ❖ Create a larger, broader and more qualified pool of public service candidates

## GFOA Actions:

- ❖ Student memberships
- ❖ Local Government Finance Academics Committee
- ❖ Connect with Universities
- ❖ Provide Retiree Links
- ❖ Scholarships
- ❖ Include workforce planning in strategic plans



# Recommendations

## Objective #2

- ❖ Reimagining the recruitment process to make it more appealing to job seekers

## Strategies:

- ❖ Streamline
- ❖ Automate – provide on-line status check
- ❖ Provide flexible benefit options
- ❖ Consider alternative recruitment vehicles



# Recommendations

## Objective #2

- ❖ Reimagining the recruitment process to make it more appealing to job seekers

## Local Government Actions:

- ❖ Develop temporary entry level or intern positions easing transition of students into the workforce
- ❖ Survey workers to determine most appealing benefits
- ❖ Create a recruitment, advertising plan



# Recommendations

## Objective #2

- ❖ Reimagining the recruitment process to make it more appealing to job seekers

## GFOA Actions:

- ❖ Enhance recruitment aspect of current employment announcements
- ❖ Determine if younger employees access GFOA information
- ❖ Provide access to model recruitment plans



# Recommendations

## Objective #3

- ❖ Managing and motivating a workforce composed of diverse generations, experiences, attitudes and beliefs.

## Strategies:

- ❖ Provide learning opportunities geared toward individual goals
- ❖ Build the management capacity of managers
- ❖ Provide networking opportunities
- ❖ Encourage managers to adopt to differing work styles



# Recommendations

## Objective #3

- ❖ Managing and motivating a workforce composed of diverse generations, experiences, attitudes and beliefs.

## Local Government Actions:

- ❖ Networking for new employees
- ❖ Train managers on inter-generations differences
- ❖ Develop career ladders
- ❖ Create personal development plans
- ❖ Strong HR relationships
- ❖ Communicate



# Recommendations

## Objective #3

- ❖ Managing and motivating a workforce composed of diverse generations, experiences, attitudes and beliefs.

## GFOA Actions:

- ❖ Develop opportunities for younger generations to be involved in GFOA
- ❖ Provide training on managing multigenerational staff
- ❖ Survey members to assess needs



# Recommendations

## Objective #4

- ❖ Addressing generational differences to assure a positive multi-generational work environment.

## Strategies:

- ❖ Create organizational understanding of the differences between generations
- ❖ Acknowledge age does not define generation
- ❖ Create opportunities for multi generational interactivity



# Recommendations

## Objective #4

- ❖ Addressing generational differences to assure a positive multi-generational work environment.

## Local Government Actions:

- ❖ Survey employees to identify issues
- ❖ Utilize existing training materials
- ❖ Collaborate with GFOA Chapter members



# Recommendations

## Objective #4

- ❖ Addressing generational differences to assure a positive multi-generational work environment.

## GFOA Actions:

- ❖ Establish networking events for young professionals
- ❖ Review Task Force recommendations with CORBA
- ❖ Develop an Effective Workforce Change Strategies Award



# Recommendations

## Objective #5

- ❖ Understand the potential for retirements and take steps to harness the commitment and experience of retirees as a resource.

## Strategies:

- ❖ Identify potential retirees
- ❖ Determine capacity for succession
- ❖ Facilitate knowledge transfer
  - Written Policies
  - Encore Careers
  - Mentoring



# Recommendations

## Objective #5

- ❖ Understand the potential for retirements and take steps to harness the commitment and experience of retirees as a resource.

## Local Government Actions:

- ❖ Workplace planning tools
- ❖ Document job responsibilities
- ❖ Seek to understand retiree plans
- ❖ Recruit mentors
- ❖ Explore encore careers
- ❖ Reach out to the community for resources



# Recommendations

## Objective #5

- ❖ Understand the potential for retirements and take steps to harness the commitment and experience of retirees as a resource.

## GFOA Actions:

- ❖ Develop opportunities for public employers to find experienced retirees willing to assist organizations
- ❖ Provide tools for jurisdictions to examine work processes and use technology for business process management



# Recommendations

## Objective #6

- ❖ Prepare public agencies for the future through effective knowledge transfer and mentoring strategies

## Strategies:

- ❖ Encourage encore careers
- ❖ Develop a succession plan



# Recommendations

## Objective #6

- ❖ Prepare public agencies for the future through effective knowledge transfer and mentoring strategies

## Local Government Actions:

- ❖ Human Resources strategic plan
- ❖ Relate workforce change activities to fiscal sustainability
- ❖ Document policies and procedures
- ❖ Create mentoring program
- ❖ Create temp positions for encore workers



# Recommendations

## Objective #6

- ❖ Prepare public agencies for the future through effective knowledge transfer and mentoring strategies

## GFOA Actions:

- ❖ Develop opportunities for public employers to find experienced retirees willing to assist organizations



# Reactions

## ❖ Questions



## ❖ Examples

