

## A Changing Workforce Calls for Twenty-First Century Strategies

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**T**he U.S. workforce has changed dramatically in the last three decades. At the same time, recruitment and retention efforts in the healthcare industry have not kept up with the changing demographics. With the aging of the population and developments in diagnostic and treatment technology, healthcare services will face unprecedented demand in the coming decades. To be successful in meeting the increased demand, healthcare leaders must look to the demographic trends to design recruitment and retention strategies that are meaningful to the emerging workforce of the twenty-first century.

Not long ago, I gave a presentation to a group of human resources executives to illustrate how markedly the workforce has changed since I entered it some 30-plus years ago. To illustrate my point, I began with a short true-or-false quiz. Among the questions were the following:

1. True or False: Of the 25 million people who entered the workforce in the 1990s, 60 percent were women and people of color.
2. True or False. Twenty-five percent of the American workforce is over the age of 40.
3. True or False: Pentecostal Christianity is the fastest growing religion in America.
4. True or False: From 1980 to 1990, African Americans experienced the largest growth in population of any group in the United States.
5. True or False: Thirty-one percent of the American population speak a language other than English as their primary language.

Now I'm sure many of you scored perfectly, but for those who didn't, let me offer you the answers. Number one is false: Of the 25 million people who entered the workforce during the 1990s, 85 percent were women and people of color. Question number two is false: More than 50 percent of the American workforce is over age 40. Question number three is false: The fastest-growing religion in America is Islam. Number four is false also: Hispanics represent the fastest-growing group in America today. Number five is true: English is not the primary language for 31 percent of the U.S. population. (For the complete test, visit the web site of Real Training for the Real World: [www.pact-training.com/divquiz.html](http://www.pact-training.com/divquiz.html).)

The point of this exercise is to inform that the demographics of the workforce have changed significantly from 40 years ago. These changes have an effect on our

day-to-day work environment. Not too long ago, when a physician (generally a white male) came into the nursing station, the nurses (generally white females) were expected to stand up. Can you imagine a similar response today? This practice is about as likely to return as cost-based reimbursement.

Since World War II, the American workforce has been shaped by three major trends: (1) the entry of the Baby Boom generation into the workplace, (2) the rapid growth in the number of women in the workforce, and (3) the steady improvement of the quality of the workforce as a result of higher levels of education. As a result of these and other changes, the Ozzie-and-Harriett world of the 1950s is now a thing of the past. However, in many instances, our benefits structures are not all that different from what they were in the 1950s, and the human resources principles that we use in our organizations are outdated and outmoded.

Given the fact that by the year 2006 the demand for healthcare workers will be second only to the demand for computer and data processing workers (Bureau of Labor Statistics 1999), it behooves those of us in healthcare leadership positions to rethink our workforce strategies. We must understand the workforce that will emerge over the next decade and beyond. What will it look like? What will it care about? And, most importantly, how can we fill all the jobs that will become available in our field?

Let's look at the three major age groups in the workforce: older workers, Baby Boomers, and Generation X-ers. In my experience, older workers—those over the age of 50—tend to be very reliable and have higher levels of commitment to the organization than younger workers. Older workers account for less than 10 percent of workplace injuries and have attendance records equal to or better than most other age groups. On average, they have been employed with the same company for 15 years and they are willing to delay retirement if they find meaningful work (Bureau of Labor Statistics 2001).

By 2010, the first Baby Boomers will reach the age of 65. However, for those of you who expect the Boomers to retire *en masse*, remember that Boomers have spent much of their careers defying what was expected of them. For instance, in the 1960s when experts predicted Boomer women would deliver babies at record rates, they chose careers over motherhood. In a recent AARP survey, only 16 percent of Boomers said they did *not* plan to work at all in their retirement years (AARP 1999). That's a piece of information worth paying attention to.

Generation X refers to people born between 1963 and 1977. Employers are realizing that X-ers don't fit the media stereotype of the "slacker" generation. According to Bruce Tulgan, one of the leading experts on the Generation X workforce, X-ers are flexible, technoliterate, and entrepreneurial. In addition, they are more concerned with meaningful work than with high pay, impressive titles, and fancy offices. They reject paternalistic workplaces and want managers who listen, consider their ideas, and treat them as peers. They want to be part of the decision-making process and want to be flexible in their work environment because they value their

time and freedom. X-ers make career choices based on future marketability and expect to change employers at least every three years (Poe 2001).

Other factors that affect the future workforce, which healthcare leaders must consider, include:

- By 2010, women will account for 48 percent of the work force (Bureau of Labor Statistics 2001).
- By 2015, racial and ethnic minorities will account for one-third of the U.S. population.
- By 2010, the number of married-couple families caring for children will constitute only one-third of all families. At the same time, the number of single-parent families will continue to increase (Bureau of Labor Statistics 2001). The rising divorce rate and the growing prevalence of children born to unmarried mothers mean that currently more than 16 million children live in single-parent families (Lerman and Schmidt 1999).
- An estimated one in four U.S. households is involved in caring for an older relative, friend, or neighbor. According to the Aging Network, some 22.4 million families are providing assistance to the elderly, a threefold increase from a decade ago (Mid-Florida Area Agency on Aging 1997).

We have a redefined workforce on the one hand and the aging of the population on the other. Add to that the innovations occurring in medical technology for the diagnosis and treatment of diseases. The demand for healthcare services will increase to the extent that between now and 2008, there will be a 26 percent increase in the number of healthcare jobs (Health Care Careers and Jobs 2001). The entire scenario spells a workforce "crisis" if we don't change our recruitment and retention strategies. It's no surprise to me that a 2001 survey by the American Hospital Association (AHA) found that labor and staffing are major concerns for healthcare CEOs. Nearly three-fourths of hospital administrators who responded to the 2001 AHA survey ranked labor and staffing as one of the top three issues they face (AHA 2001). Compare that to the 2000 survey in which only 58 percent said it was a top priority.

Our challenge is this: How do we encourage valuable older workers to remain on the job at least part time, keep the Boomers from decimating our workforces by retiring in large numbers, and woo Generation X-ers with lots of individualized attention and meaningful work? What can we offer to workers raising children by themselves or those caring for elderly relatives? How can we attract minorities to leadership positions within our organizations? Once we've answered these questions, we need to get the upcoming "nexters" to enter health careers after high school. What should we be doing? For starters, we must get rid of the post-World War II model. We have to fundamentally change our management mindset because it won't do anyone any good to complain about the fact that the workforce isn't

what it used to be, and no one wants to work nights and weekends anymore. We have to be creative and flexible in our approach. We are starting to be creative with weekend options and "in home" agency deals, but the workforce is moving faster than we can respond.

Let's look at efforts of some other industries. In Silicon Valley, before the dot-coms went bust, one company offered free tickets to a Sting concert to qualified engineering applicants who sent in a suitable resume. The company also gave its 45 employees tickets to the concert and hosted a pre-concert party. At another California firm, employees who referred ten friends who were hired by the company received a Ferrari. If five friends were hired, the employee received a Honda. If these examples make us shudder, read on: We know it's time to change our mindset when we hear that the Navy has changed its policy to allow its off-duty men to wear an earring!

In my future columns, I will explore some specific efforts aimed at attracting and retaining the workforce of the early twenty-first century. In the meantime, I encourage you to send me your thoughts on innovative approaches to this very complex issue.

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