Title: The Challenge of Change

Name of Author	WSU's student
Name of University	Western Sydney University
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Challenge of Change

Like most countries in the world, Australia is experiencing various social transitions of ageing population and the magnitude of this transition cannot be ignored. Four decades ago only 9 per cent of the population was aged, by the beginning of this decade this has grown to around 12 per cent and projected to increase to around 20 per cent by the end of this decade. In addition the population of the very old people i.e. reaching 85 years is expected to increase to more than 6 per cent. The ageing population in Australia is viewed as a big problem in the society or in another words, they are portrayed like any other challenge in the society (Mountford 2013).

Older people in Australia constitute part of the working class and their contribution over the recent decades has been significant and the impacts visible. However, the fiscal burden associated with their care services, health problems and pensions is anticipated to increase over the coming years, while their participation in the workforce is expected to dwindle. To soften their economic impact in the country, they need to be encouraged to consider re-entering to the job market or remain a little bit longer (Mountford 2013). Therefore to achieve this drive, the government needs to formulate and implement a national policy which aims at encouraging them to re-enter or stay more in the workforce. This essay discuss strategies of developing human capital, how to retain old employees in the work force and finally benefits of older employees

Developing Human Capital

Many organizations focus their effort in developing their competitive advantage by investing time to invest in their business strategy, better services, marketing strategy but they fail to develop the area of human capital. For example best performing organizations effectively manages human capital development. Snell (2004) claims that, by the next decade organizations

major challenge is to manage their human capital of their workforce. Lepak and Snell (2009) add that the best strategy is the whole system approach which aim at transforming organization business strategy into human capital strategy. This is despite evidence of the magnitude of contribution of human capital in organization success. The article examines various strategies in which human capital can be best developed.

Given the importance of human capital in the organization, it is important for the organization to put measures to manage their human capital and capitalize on aligning it to their business strategy. This can be done through various strategies namely: defining, attracting, selecting, developing, engaging, and finally deploying. According to Snell (2004) the first strategy is aimed at defining what the basic components to realize this strategy. This involves understanding of the implications of various objectives for the employees within the organization. I.e. skills needed in the future.

The next strategy deals with ways of attracting/gaining the skills so as to meet the future needs. This involves knowing employees preferred values and consider looking them in other organizations or places or using any other method available. Example of these methods includes segmentation approach. The next strategy involves selection criteria for these talents in the process of recruiting them (Snell 2004). This involves understanding the organization objectives and the culture, ideal behaviors of the talent they aspire to deliver.

The next strategy is aimed at exploiting various development strategies for the skills they require in the organization. Organization should ensure that their development strategy meet and deliver what is required. This is achieved by giving employee more challenging roles,

assignments and increasing the impacts of their organization leaders. Engaging is another strategy and the main focus is improving organization system of reward and retain their talented employees. The strategy analyses two strategies discussed above .i.e. defining and attracting to ensure reward system is integrated in these strategies. Engaging also involves aligning the result of the reward strategy with other employee incentives to ensure workers are paid for what they work for (McWilliams 2010).

The final strategy is deployment of its talents and exit of the same. In this strategy, the focus is to improve the existing talents rather that wasting energy reviewing them. It also encompasses dealing with employees who are under performing employees and preparing for their exit. The six strategies discussed above are very instrumental in developing human resource capital. They should seek to solve issues to deal with element to develop key workforce, acquisition and utilization of talents (McWilliams 2010).

Retaining Older Generation In The Workforce

According to Mak and Sockel (2001) retaining and hiring older generation in the workforce is the key to solving economic problems in the country. However, the challenge lies in attracting them or retaining the one you need. One of the most important aspects is regular training of old employees, developing flexible working schedule as this make them feel as part of beneficiaries. Some organizations train their older employees instead of hiring new one; the objective is to impart necessary skills and knowledge due to changing nature of organization working environment, technological advancement and new practices in the organization.

As a result of the above changes, the management needs to be more strategic in formulating policies to retain old workforce. Employees who have worked for many years are faced with many challenges which make them feel incompatible and non-beneficial in the organization, rather than only training them, another strategy is to ensure changes and creation of new position which perfectly match their skills and knowledge. New or changed positions should be matching to the changing organization practices and needs, match their working abilities and preferences and further motivate and inspire them to stay in the organization longer (Hom 2002).

More recently, organizations have been more creative in designing strategies to retain old workforce in the organization. Some companies are tracing their employees and bringing them back in the workforce to provide specialized assistance during peak seasons instead of training and hiring new employees (Mak and Sockel 2001). For example some organizations maintain a database of available for work retirees complete with details such as employee's contacts and their location. Some employees fear the negative impact of re-entering the workforce because of pensions. However, employees can go back to work and still have their pension unaffected.

Hom (2002) argue that, it is a fact that organization working environment are not safe for old employees and are physically inaccessible to them. Therefore organizations are strategizing by ensuring the environment is attractive for them and accessible irrespective of workers disability or age. Employers are examining these aspects and working toward making them safer for all employees. For example in healthcare system, the working environment is considered more demanding physically. Various measures have been implemented to reduce such demands on employees, such as revising safety practices and occupational guidelines, addition of working

equipment and so on. Another example is altering physical setting of the organization to ease access to them and movements.

According to Hom (2002) retaining employees requires human resource oriented policies such as monitoring the employees to ensure diversity of workforce by developing an inclusive profile. Employee profile is helpful in ensuring the workforce is fairly represented in terms of age and gender. Further organization human resource policies can be as well examined to reveal whether the practices are supportive of diverse workforce including the old generation. For example various aspects should be reviewed such as flexibility of employees work schedules, trainings, accommodations, and special assignments to all employees.

Carraher (2003) enunciates that, other area which can be re-examined or visited is hiring and recruitment practices to discover whether old employees are considered or given equal chances to be hired or recruited. For instance are there multiple vacancy advertisement strategies, are interviewing practices age neutral, is there any form of discrimination to older people, is there an age restriction in job applications and is general organization policies age neutral?

Case Study

This article uses a case study of an organization which has implemented policies and programs to retain old people in the workforce. The organization is known as Bethany care society. The organization specializes in providing shelter for elders and disable in the society. The organization has developed and effective programs and revised their policies in a bid to target population aged above 50 years. The objective is to reduce employee's turnover in the

organization (short term goals) and create mentorship programs to provide more opportunities for old generation (Long term goal) (Carraher 2003).

These long term and short term objective goals were achieved through employee's survey of both current and about to retire. Various lessons were learnt: employees were willing to retire because their work schedule was overly demanding and employees were not recognized and therefore they felt their output was not meaningful providing them with an option of leaving for the private sector. The response was very helpful in maintaining employee's flexibility, attractive benefits and vacation. Job advertisements were reviewed to target across all demographics characteristics. Such measures are important in retaining employees in the workforce who are at retirement age as well as increasing the number of old employees employed (Carraher 2003).

Benefits Of Older Generation In The Organization

There are many reasons why the organization should consider the older/retiring generation in the organization. Older people are armed with necessary knowledge for the organization success and therefore retaining them means preserving the requisite knowledge and skills necessary for the future of organization. Old worker have special expertise which is not present in the younger generation (Carraher 2003). Additionally, they are very important as they reduce the possibility of employees turn over, financial burdens of hiring and training new workforce and familiarizing with new staff because old workers at their prime age are not interested in leaving the workforce and this associated with few cost to hire and train new workforce.

Capitalizing on retaining new workforce is tantamount to retaining networks, skills, knowledge of the old workforce and increasing organization values. For organization to remain competitive, they must be capable of attracting old workers so as to overcome the challenge of necessary skills and knowledge and dynamism in the labour force. Not to forget that old workers are very productive because they have a tendency to strictly follow work ethics, are competent, have excellent ability to work in team and therefore they require minimal or no supervision for them to perform effectively (Hom 2002). Older workers have a strong passion to remain relevant in the organization by continuously upgrading their skills and knowledge and making good use of them to make a difference in the organization.

It is a fact that old workers are less likely to move from one organization to another and they are loyal to the organization management. However, they must feel recognized, non-discriminated and appreciated by the organization. For instance offering them comprehensive benefits such as insurance, family support, personal investment and counselling will make them re-enter the workforce (Mosca 2002). Some organizations are offering these extended benefits because they have learned that they are more interested with these benefits package than younger generation. This is a strong message that old employees are valued and not discriminated in the organization.

Old employees are more practically knowledgeable as compared to younger generations in the workforce. Younger employees' fresh from college requires monitoring and coaching and this can be performed effectively (in terms of cost) by old workforce in the organization. Old workers are important in ensuring that organization history is successfully transferred to younger leaders or next generation. Mentoring and coaching helps the younger workforce acquire

practical skills needed in the organization, and share new techniques and recent approaches they learned from school. Essentially both older and younger generation share and receives knowledge they did not have before, help in creating more integrated workforce which support each other thus increased organizational productivity (Mosca 2002).

Conclusion

Like most countries in the world, Australia is experiencing various social transitions of ageing population and the magnitude of this transition cannot be ignored. Older people in Australia constitute part of the working class and their contribution over the recent decades has been significant and the impacts visible. Organizations major challenge is to manage their human capital of their workforce. It is important for the organization to put measures to manage their human capital and capitalize on aligning it to their business strategy. This can be done through various strategies namely: defining, attracting, selecting, developing, engaging, and finally deploying. Retaining and hiring older generation in the workforce is the key to solving economic problems in the country. One of the most important aspects is regular training of old employees, developing flexible working schedule as this make them feel as part of beneficiaries. Older people are armed with necessary knowledge for the organization success and therefore retaining them means preserving the requisite knowledge and skills necessary for the future of organization.

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