

'Knowledge crunch' set to hit after credit crunch, warns NorthgateArinso

~ NorthgateArinso urges UK Plc not to let baby boomers take company wisdom to retirement ~

NorthgateArinso is urging businesses to act quickly to avoid losing vast amounts of company wisdom as the post-war 'baby boomer' generation retires over the next 5-10 years. The effect of this 'knowledge crunch' is set to hit just as the UK recovers from the credit crunch, and will compound the impact of a recession if not handled well.

NorthgateArinso believes the financial and competitive advantage risks of not building a strategy for knowledge transfer into talent management plans could have a debilitating impact on many companies, which in some cases may never be fully recovered. Organisations must not only retain the knowledge held by the aging workforce, but ensure that the new generation of workers benefits from the years of expertise and skills acquired by previous generations.

"Losing the baby boomers is potentially a greater challenge than taking on generation 'Y' for many companies," said Steve Foster, HR strategist at NorthgateArinso. "While a lot of attention has been given to coping with the Internet generation, very little is being done to assimilate the knowledge of the generation that built today's businesses. Their business acumen, industry know-how and experience they have needs to be passed on now, before it's too late."

NorthgateArinso recommends that organisations take a 'stop, look, listen' approach to give this issue proper consideration:

STOP: Don't progress with a talent management strategy until you've assessed the risks of losing baby boomers: who is leaving, which departments will have gaps, which core areas of expertise are leaving the company?

LOOK: At the expertise who will be leaving your company in the next 5-10 years, and assess what stage you are at with succession planning. How will you capture the knowledge of retiring staff, as well as taking on new people?

LISTEN: Listen to the insight from the baby boomers: do you need to integrate your knowledge management systems with HR processes? Can you develop formal and informal knowledge transfer processes, led by senior staff? Or can you be creative in the way you capture their know-how, perhaps recording webcasts of their advice for sharing with new staff?

Technology has a key role to play in harnessing company wisdom, to capture information and make it readily available to those who need – becoming the corporate 'archive'.

"Capturing the insight from the baby boomers needs to be holistic and effective, but that doesn't mean it needs to be complicated," said Foster. "HR platforms can be extended to store valuable information, and it can be created in a format that's easy to share with those who need it – whether that's new starters in the UK or team leads around the world."



About NorthgateArinso

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NorthgateArinso is a leading global Human Resources software & services provider offering innovative HR business solutions to employers of all sizes, including Global Fortune 500 companies and many Public Sector organisations. We help HR executives optimise their HR service delivery through smarter process and more efficient technology, supporting key HR areas like workforce administration, payroll, benefits, recruitment, learning, and talent management.

Our 4,500 employees are dedicated to HR excellence through strategic business consulting, outsourcing services, systems integration and best-of-breed software solutions. We are one of the 5 largest HR service providers world wide and have offices in 31 countries on 5 continents.

The Northgate Group is owned by private equity company Kohlberg Kravis Roberts (KKR) and currently employs over 6,500 staff and operates in 46 countries across 5 continents.