

ASK THE EXPERT

By Jeff Forsythe, Senior Consultant, McCallum Sweeney Consulting

New Workforce Priorities

This month, the Expert answers questions concerning the value that employees place on a location's quality of life.

Q: Our laboratory testing firm is not based in a city considered to be one of the trendy places for the rising "creative class." Are we going to have trouble adding new employees as we grow?



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The Expert Says: Yes, you will have challenges with growth, especially if you need to recruit from outside your region. Key knowledge worker talent will continue to be in short supply for the foreseeable future. This is a demographic shift that is largely unavoidable on a macro level.

The new generation of worker is demonstrating a geographic selectivity when it comes to job preference. Community quality of life issues, especially those centered on assets appealing to young professionals (vibrant urban core, young professional presence, young professional networks, healthy communities, etc.) are of the utmost importance.

It is important to remember that overcoming the challenges related to enticing young knowledge workers to join a firm that is not located in a city perceived as a "trendy place for the creative class" is just part of the struggle. The more challenging assignment will be retaining these essential individuals if you have success enticing them to join your firm. While attractive compensation and benefits packages may help you recruit talent, you may experience a revolving door with regard to your younger knowledge workers if your community lacks desirable characteristics.

Before you start searching for lab space in "trendy" Boston, Seattle, or Austin, consider thinking regionally. If possible, try to sell your community's close proximity to a much larger and more geographically appealing location, but be realistic. If all else fails, you can always relocate your operation to an area considered more appealing by the knowledge worker, but prepare in advance for the soaring operational costs you will encounter in these trendy locations.

Q: We are seeking to build a new facility and hire local employees. Since we don't have to relocate anyone, how much does quality of life really matter?

The Expert Says: The role of quality of life in a site selection decision is often misunderstood. As your question implies, for a project with a large number of relocating employees, quality of life is often a factor in the initial activity of determining candidate locations. But this can also be true for a project with only a few, but very critical, relocating employees. Therefore, quality of life should be considered to some degree on every project.

As part of the site location analysis, the location selection team should evaluate current quality of life conditions in all areas under consideration to determine if they meet or exceed a level of acceptability, and if there are any signs of deterioration. A diminishing sense of well-being for residents in an area under consideration can be detrimental to all operations in the area, since it can lead to labor out-migration. A dwindling workforce can negatively impact your ability to staff up for an expansion if business conditions are

favorable, or even fill positions vacated due to attrition.

In such a situation, more time and resources may be required to recruit key personnel, and human resources managers may be forced to significantly broaden their search region and increase the company's overall pay scale. In addition, replacing management level employees that have departed may prove to be impossible in an area with a substandard quality of life.