

BACKGROUND ON BUSINESS

The Leadership Exodus: Planning For TM Successful Transitions In The Workplace

by *Kris Jensen, vice president of Corporate Services for Wisdom Worker Solutions*

(NAPSA)—It's a fact that by the year 2010, half of all senior executives helming the nation's largest companies will be eligible for retirement. It's also a fact that in the next five to 10 years as many as 12 million companies owned by baby boomers will need to transition their leadership and ownership over to a younger generation.

The looming mass exodus of these high-profile baby boomer business leaders could have a profound—and potentially disastrous—impact on corporate America and on the American economy.

According to the Employment Policy Foundation, a shortfall of 10 million workers means an economy three-quarters of a trillion dollars smaller than today.

At Wisdom Worker Solutions we believe that boomer leaders have a tacit, institutional knowledge and a breadth of experience that can't and shouldn't be lost and brushed away simply because they've reached the age of 50 or 60. We help our clients approach succession in such a way that the wisdom and knowledge of these leaders is galvanized and nurtured and so that their successor benefits from that wisdom and the company remains intact.

Companies can avoid the impending "brain drain" with Wisdom Worker Solutions' formal planning focussed on how the successor is chosen; the years of training and assimilation that need to be worked into the plan; how employees are involved and kept informed; how the culture that was built by the outgoing leadership is maintained; and even how the ideas and direction of the new leadership are introduced.

Baby boomer knowledge, wisdom and experience are becoming

increasingly unique and particular to that generation. Boomers have often stayed with employers long-term, allowing them to gain exposure to all the aspects of their business. This broad experience is critical for those who want to lead organizations effectively. Since Gen X has been more mobile throughout their careers, they haven't always gotten the breadth of experience that can competently replace the boomer incumbent. Organizations will need to formally plan for the replacement of reliable boomer leadership and develop a successful set of leadership abilities in their successors.

Gen X as a population is, in fact, only a quarter of the size of the boomer demographic; clearly not big enough—nor skilled enough, some would say—to fill boomers' shoes.

The good news is that most boomer professionals will not likely retire to a life of golf or gardening. They want to keep contributing to their world. And while they might not be coming into work in their old 9-to-5 way, they still want to be a part of the organizations that they helped build.

Many of these older wisdom leaders go on to remain with their current employer as mentors and as consultants to the new management. The key is for companies to plan to work with these retirees in an effort to benefit from their experience and knowledge.

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