

BPM CAN BE A LIFE SAVER IN THE MIDST OF GREY WAVE



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From 1988 to 1992, Jim Sinur served as the Director of Worldwide Technologies for American Express. Before joining American Express, Sinur spent 18 years at Northwestern Mutual Life, where he was involved in the design and building of business-critical applications in the investment and annuity departments. Additionally, Sinur led the development of the company's Underwriting Workbench.

Like it or not, we are about to see an unprecedented brain drain when the baby boomer generation heads towards the retirement sidelines. This phenomenon is known as the “Grey Wave.” Experts are saying that no amount of hiring and/or labor importation will be able to cope with the amount and pace of retirements. This means that large increases in productivity are not optional, but mandatory.

The Problem is BIG:

There will be too many people entering retirement, and too few workers replacing them. By 2030, the Western world will have 89 million more elderly people (age 65 and over) and 34 million fewer people of working age (15 to 64) than today. The elderly accounted for 14.7 percent of the population of Western countries in 2000; that proportion will increase to 20.2 percent in 2020, and 23.8 percent in 2030. Every industry is vulnerable, but the shortfall will be the largest in the finance, healthcare, wholesale/retail, transportation/utilities and government sectors. What will you do to deal with this huge exodus and maintain current production and service levels?

How BPM Helps:

BPM can enable untapped groups, such as stay-at-home parents who are ready to work, the disabled, and seniors interested in working part time. In fact, organizations may find that offering part-time opportunities enable them to hang on to critical personnel and attract new ones. Since most modern BPM technologies work via the Web and support virtual collaboration, BPM can certainly play its part in this coping strategy.

One organization has created a social network for retired and about-to- retire employees. Their goal is to take known performers and extend their social experience within the organization. With the “Grey Wave” about to retire, this organization believes that they can extend the social and work experience of these retirees and leverage their knowledge as stringers, enabling them to earn extra money without the hassles of employment. This seems like a winning idea that is likely to yield remote mentoring opportunities as well. This is a result of collaborative BPM.

By using process discovery capabilities embedded in some of the visionary BPM vendor solutions, companies can be very proactive in their efforts to discover best practices and apply them to the business. These same technologies can also help the experienced employees to interactively provide job training. It would be nice to depend on the vocational education system, but they rarely are up to date with best practices.

We all know that BPM enables personnel to “do more with less” and some of the more visionary BPM vendors allow organizations to optimize both people and processes. Consequently, when it comes to your return on investment (ROI), you can expect a 15% ROI without optimization, but combined, process intelligence and optimization will get most companies a 23-25% ROI, the peak rate of return needed. Obviously, this can be a real practical solution for small to medium sized companies that find it difficult to recruit and retain good workers.

Bottom Line:

It takes time to ramp-up to handle difficult problems like the “Grey Wave,” so companies need to act now. BPM is certainly one way to cope with the need for increased productivity, especially when managing your way through the sudden drop in knowledge workers available in the work force. It is certainly more economically efficient and practical than having to steal workers from other organizations.