

The Silver Age of Norwegian Workforce: Levering Technology & Bridging Gap

By Aksel Slubowski, Consultant MLEU, Management Consulting, Cognizant Norway

On Wednesday June 5th, 2024, the Norwegian static bureau (SSB) came out with their prognostics on the population growth and spread in Norway, where for the first time, the age group of 65+ will supersede those of 0-19 in age by 2030. Even though the numbers are uncertain, they do provoke a challenge to business leaders on how to plan new business operations and attract and maintain talented workforce. As a considerable portion of the workforce will be nearing retirement, creating a void of considerable knowledge and talent. Consequently, the implications that this conundrum imposes within the demographic and technological shifts are profound. As it impacts not only economic growth, but also productivity and overall long-term competitiveness of Norwegian businesses and value generation.

Seamlessly this creates a major opportunity to transform, where management strategy requires re-thinking, to assure digital age native employees and strengthening organization's ability to keep up with digital transformation through proactive and multifaceted approach. Therefore, based on firsthand industry experience and knowledge, I have identified four critical areas that are essential for mitigating the impact of aging workforce and skill gaps it will create: digital transformation, change management & strategy, upskilling and reskilling, talent acquisition and retention. Each of these areas offers unique opportunities for Norwegian organizations to not only adapt to current trends, but also thrive in a rapidly evolving landscape and create long-term value that will have a ripple effect.

Digital Transformation: is the first major step is to embrace advanced technology as a driving force to enhance resilience through efficiency and productivity. Leveraging new technologies such as automation, artificial intelligence (AI), and using software that enables data-driven decision-making for enhancement of productivity and create new growth opportunities. Whereas AI has the most prominent ability to act as a supporting function to bridge the gap of required resources and leveraged as an enabling function to quickly scale and support throughout your organizations value chain.

To further highlight the need for long-term focused digital transformation, a recent study from BCG showed that 27% of Nordic organizations are facing organizational and/or financial challenges that has a direct impact on viability. Coupled with an aging work force, adaptive and proactive measures can help to set the stage for a wide range of solutions which can help to shift the course. However, digitalization cannot alone be the main driver, its value is derived from and is greatest when it is coupled with organizational improvement and process changes.

Change management & strategy: is equally as important. As it encompasses effective workforce planning, leadership development, strategic organizational heading, and employee engagement - all of which are essential to address the issue of future talent gap. However, there is not a simple blueprint that can be copy pasted, but rather a multi-pronged required approach that is tailored to your specific organization and workforce landscape.

The first step is to have a companywide strategy that enables intergenerational collaboration and knowledge sharing. This involves uplifting the importance of the younger generation's involvement within the organizations day-to-day operations which will not only steer the direction in a positive way, but also bridge the skills gap while retaining valuable institutional knowledge. This not only increases retention, but also fuses individual ownership and the important feeling of being valuable. Setting the stage of future management transfer and ownership, and thus future proofing Norwegian organizations. As the case tends to be that far too many organizations are exceptional at creating talent but lack the overall strategy and tools to keep them.

The second step is to incorporate digital transformation initiatives together with appropriate change management, where technology acts as an enabler, that will enhance communication, collaboration and knowledge sharing across generations. For example, utilizing cloud-based platforms and AI-powered tools can facility seamless knowledge transfers options, but also smoothly covers areas in the future where knowledge and expertise is missing.

And thirdly, leveraging new technologies and being proactive in its utilization creates widespread excitement and enthusiasm. This is heavily involved by leadership being able to make long-term strategies that increases employee satisfaction and retention, particularly among young workers. Additionally, leadership must make decisions that cultivate a culture where their employees value continuous learning and development. As involvement and agility is the key enabler.

Upskilling and reskilling: Future proofing talent pool of employees is not only critical, but it also acts as a bridge to close the skills gap and preparing organizations workforce for future demands. Designing and implementing effective upskilling and reskilling programs are dependent on clearly mapped skills gaps that not only encompasses skills that will be missing in the future, but also ones that are currently not present. This is also tied to personalized learning paths having important weightage on meeting individual needs and experience levels. Therefore, solutions need to be flexible and have exceptional user interaction. Highlighting the importance of partnering with industry partners that can leverage their expertise with technology and education. For example, utilizing micro-learning modules, online platforms and new up to date courses aiming at increased flexibility and accessibility, is also equally dependent on the organizations digital transformation journey and change management strategy. The goal is therefore to meticulously create initiatives that help current and new employees stay relevant and being prepared for the demands of the future workplace.

Talent acquisition and retention: strategies that aligns with and incorporates all the discussed points above are indispensable for maintaining a competitive edge. This section therefore involves not only diversifying your organizations talent pool, but also realizing the importance value of having a strong employer branding that attracts top talent and one that creates a major differentiation point for the organization in the job market. Investment on employee experience and work-life-balance is therefore essential, although its value may not be directly shown in the short term, but rather its value generation that will bear fruit in the long-term. Therefore, the needs and preferences of all the different workforce segments (generation, millennials, gen-z and generation alpha) needs to be taken into serious consideration to create an attractive employer culture and have clear career paths to stay ahead of the coming skill and experience decline that will come.

Conclusively, although the future is hard to predict, through the addressed critical areas and insights, the practical solutions to the pressing issue of aging workforce and coming skill gaps in Norway, enables Norwegian business to confidently face the future. Proactiveness and relentless are factors that will bring tools and strategies that are necessary for success and resilience, which is why Cognizant Consulting offers a comprehensive suite of services to help organizations identify their unique needs and develop customized plans for success. Contact us today to learn more about how we can help your organization to thrive in the years to come.