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Nine key workforce trends for the next decade

*article by
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Article at a glance

The decade ahead will see significant shifts in how we do work and how we organize our businesses and workforces. There are at least nine key trends that will shape the next few years. Companies wanting to understand, anticipate and benefit from the changes that lie ahead would do well to take heed of these trends.

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By Graeme Codrington

Tracking Changes in the world of work

My company, TomorrowToday, researches the new world of work, and focuses especially on helping our clients to understand the disruptive forces that will change the world in the next decade. We use a variety of constructs or frameworks to help people understand and respond to these issues. One of my favourites is our "TIDES of Change" framework - read an overview of it at <http://tinyurl.com/tideschange>

I was recently asked to simply list some of the key workforce trends of the next decade. It was an interesting exercise. So, without much explanation or detail (I'll tease these each out on our blog over the next few months: see <http://www.connectioneconomy.com>), here is a list of the most important issues we'll be facing in the next few years in relation to our employees, leaders and teams. There are obviously some variations in different world regions, but these are fairly general trends for the next decade:

1. More older workers

Especially in the developed world, but increasingly in every market and country we will see people delaying retirement and staying longer in the workforce. This may be because governments



change retirement ages, or because those in the private sector just choose to work longer - either way it has the same effect. There will also be more older entrepreneurs. Luckily, they will also be an increasingly important older consumer market too. In 1900, the average length of retirement was 1.2 years. In 1980, it was 13.6 years. In 2010, it is 30+ years. By 2020, it will have reduced again, mainly because older people are not retiring. This will also bring age-related challenges for occupational safety and health, including limitations that come with age. But it might also be true that in developed countries (especially the USA) younger workers will face their own health issues, especially related to obesity.

2. Key skills deficits across multiple industries

For many years, the number of engineers has been declining (especially civil and mechanical engineers). The number of legal and accounting graduates has been increasing, but the number of jobs available for them has plummeted, leading to more and more young people working in careers for



which they were never formally trained. They then move around regularly, building breadth but not depth in their knowledge. Over the next decade, nearly 30% of American young adults will obtain a college degree, but 60% of new jobs in the US will require a degree. Right now, in Brazil, there is a demand for about 30,000 engineering graduates every year, but less than 15,000 actually qualify. India and China are beginning to run out of qualified workers, which will put upward pressure of salaries and remove the wage differential advantage of those countries.

3. Global migration

The migration of talent now plays a much bigger role in shaping the skilled work force, especially for multinational companies and growth industries. Previously, the United States and Western Europe have benefited from skilled workers arriving to work (and thus creating 'brain drains' for other countries). But now the global migration of talent is happening in all directions, and the US and EU are not as attractive (or as easy to enter) as they used to be. Contributing to disruptions in the supply of talent will be the fact that the world will experience decelerating population growth - and that 95% of population growth will be in developing countries. Also to be considered is continued net migration towards cities while many rural areas will become depopulated.



4. More women in the workplace

Canada, the US and Australia have all already passed the tipping point, with more women employed than men. The UK will be there by 2012, with many European nations following suit in this decade. (By the way, in Africa and the developing world, this may already be the case if you count informal workers.) This decade will see continuing focus on not only bringing more female bodies into the workplace, but rather bringing a female influence as well. This might be the biggest change in corporate culture in a century, if more women rise up through the management ranks, and also decide not to 'play the game' in a testosterone fueled business world.



5. Unprecedented youth unemployment

In almost every country that releases age stratified unemployment statistics, right now there are more unemployed young people than ever before. Add to this that in many of these countries, these young people are burdened with the largest student loans ever recorded, and you have a recipe for disaster. Expect more riots in countries where young people are prone to riot (think



France and any Mediterranean country, for example). But also look out for...

6. Significant entrepreneurial startups and small businesses

Both unemployed young people and an older generation looking for post-career alternative working options will fuel a new wave of startup businesses. Add to this that we expect explosive growth in many emerging markets, with the world experiencing its largest economic growth ever (probably only really kicking off from 2020 to 2030, with global real purchasing power will have quadrupled by 2050). All in all, it'll be a good time to be a small business in the next decade (as long as banks and governments finally wake up to their specific needs).



7. Blended lifestyles and flexible working arrangements

We will continue to see the breakdown of the 'traditional' office, with 'normal' office hours. This is more than 'work-life balance' - it is a new way of thinking about how to arrange the puzzle pieces of a typical life. Again, this will be driven by both the young and old workers, who may work for a few months then leave that job to travel or take time off, then return to a different job for a while. They may develop 'portfolio careers' or have multiple consulting engagements at a time.



8. Generational conflict

For the first time, four generations are working side by side in the workplace. And their attitudes are significantly different on what a 'normal' workplace looks like. In society, generational conflict is likely to grow as young people realise the Baby Boomer generation is basically mortgaging the future to maintain an unsustainable lifestyle now. This will lead to conflict on issues as wide ranging as environmental concern, pensions and politics. The Social Security systems of most Western nations will be another ongoing issue for the aging work force in the coming years. They are unsustainable - particularly those that are unfunded (i.e. they rely on the income from current workers to pay for the pensions of those currently retired). Young people are going to rebel against this, especially in countries where concessions are made for older workers (see trends referred to above).



9. And, finally, to throw one wildcard into the mix... **Significant job losses among office workers, knowledge workers and professionals**, due to artificial intelligence automating complex but essentially repetitive/heuristically rigid jobs - the increase in computing power will continue at pace this next decade, and that will push computers ever closer to real artificial intelligence. At very least it will mean we have enough computing power to do all sorts of things we considered almost impossible - like sequencing your genome (DNA) in an hour (and at home!) and producing personalised medication. But, most significantly, with some clever software development (and clever use of the 'minds of many' through social networking and social computing) we will be able to automate many complex jobs that today must be done by highly trained professionals.



One example might help to make this point. When the 'swine flu' epidemic hit the world a few months ago, doctors in the UK were overwhelmed with patients coming in for a diagnosis and treatment. The government set up a temporary phone in help line where call centre operatives would take people through a simple checklist and diagnostic process. If you answer "yes" to question 1, then goto question 4, and so on through a flow chart that ends up telling the patient that they should either not be worried, or that they don't have swine flu but might have something else, or that they probably have swine flu. In the latter case, this call centre was authorised to provide an antibiotic drug for the patient. The point of the story is that if you go to your doctor with some illness, what would you like your doctor to do? Would you prefer he or she goes through a very strict and deliberate diagnostic process that has been tried and trusted, or would you prefer your doctor to be creative and innovative and try something completely new on you? If you prefer the former (and 99% of people do!), then you might as well get that diagnosis from a computer system.

The same argument can be made for the standard work of structural engineers, quantity surveyors, accountants (let's face it, when accountants try to get 'creative' they normally end up in jail!), lawyers, and a whole host of other professions. If it's true for them, then it's even more true for clerical and administrative staff, as well as call centre operatives, receptionists and the like. The computer systems can handle the processing power needed. And younger people are increasingly comfortable interacting with digital systems. This trend might be a stretch for the next decade, but it will no doubt happen in my lifetime. Just as robots and machines have replaced labourers (in factories and on farms, no matter how complex the physical tasks were), so computers will continue to replace those who only use their brains for repetitive tasks (no matter how complex those tasks might be).

There it is. **Nine key workforce trends for the next decade.**

How should we respond?

I am not going to try and answer that question in this article. The answer will be different for every industry and every company in every industry. It may even differ by department in your company.

But the right response is to ask yourself: How will each of these trends impact your business, your industry, your market?

You can follow some of the answers to this question at my blog site:
<http://www.connectioneconomy.com>

Buckle your seat belts - it's turbulent times ahead!

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Dr Graeme Codrington is a business strategist, keynote presenter and thought leader on the future of work, and attracting, retaining and engaging talented staff and clients, across the generations. His inspiring keynote presentations and workshops get teams inspired to immediate action and long-term business improvement. Contact him at graeme@tomorrowtoday.uk.com.



About TomorrowToday

TomorrowToday is a consulting company focused on the new world of work. We use keynote presentations, workshops, training, consulting and the provision of resources to help our clients understand the key trends shaping the world, and show them the keys to success in four critically important areas:

- Strategy development and execution
- Leadership and team development
- Attracting, retaining & engaging talented staff
- Improving customer experience and retention

Our core skill is our ability to track trends and map the world of tomorrow, especially trends related to people - their needs, desires and expectations, and how they will shape the new world of work. Our core business is to help our clients gain tomorrow's competitive advantage today, by understanding the drivers of people's behaviour and attitudes and showing them how to influence others.

People are central to business success, but often the connection between management and staff or customers falters. We have processes that strengthen the connection that companies have with people and are able to deliver immediate value and performance improvement.

With ten years experience in these areas we can show you how to get more from less - more productivity, more sales, more profitability.

Please contact us to request an appointment with us - we'd love to meet with you and tell you more about who we are and what we do.

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