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## Preparing for Workforce 2020: Trends and Tips

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We have been talking about and planning for workforce 2020 for twenty years now. Over the course of those twenty years we have lived through several economic downturns and recoveries, have endured layoffs and labor shifts, and have adjusted talent management strategies to include downsizing, outsourcing, and flexible staffing. But one thing has remained consistent. Our labor force is becoming increasingly more diverse and our talent management strategies must be integrated with diversity and inclusion strategies in order to effectively plan for success today and into the future. A varied and diverse number of sources including the U.S. Bureau of Labor Statistics, The Hudson Institute Workforce 2020 study and PwCs Managing Tomorrow's People Series confirm the global workforce will change dramatically in the next eight years with continued shifts in demographic make-up, global sourcing of talent, and increase need for skilled talent.

Some significant trends include:

- According to the US Bureau of Labor immigration will continue to play a major role in the growth and makeup of the racial and ethnic composition of the U.S. resident population. Every race and ethnicity is projected to grow over the 2010–2020 period. However, the share of White non-Hispanics in the total resident population is expected to decrease.
- For the first time in history, five generations of workers will make up the workforce: Traditionalists (born before 1946), Baby Boomers (born between 1946 and 1965), Generation X (born between 1966 and 1980), Millennials (born between 1981 and 2000) and Generation 2020.
- The US workforce and the workforce around the world is aging and despite a slowing trend due to recent economic influences, a great majority of this aging workforce will retire in the next eight years, taking their knowledge and experience with them.
- The amount of women engaged in the workforce will continue to rise over the next eight years with an expected 77 million+ women workers in the US, up from 57 million in 1990.
- By 2020, approximately 50 percent of the U.S. workforce will have flexible or temporary / contracted work arrangement and these workers will be deployed from around the world.
- The supply of critical skills in engineering, math and science will continue to decline. These skills shortages will challenge growth and innovation, especially among STEM (science, technology, engineering and math) career workers.
- 75% of all open positions in 2020 will require a higher skill level than today.
- Technology will continue to evolve and shape the way we do business. Technology will be embraced and leveraged on a global scale beyond just the US and Canada. Technology will connect employees, partners, clients and prospects, making collaboration, transparency and communication key to success. By 2020, the expectations with respect to instant access to people and resources will become the norm, resulting in an even deeper erosion of the boundaries between work and life.

- Economic uncertainty, the resulting downsizing and increase in workload, the erosion of job security and employment benefits and lower disposable income has resulted in a discontent disenfranchised workforce.

As companies plan for workforce 2020, they will need to adjust their business strategies to manage the changing workforce. Leaders and managers will need to think and act differently in response to some of these trends. Purposeful planning now – although no easy fix exists – will help organizations respond more effectively as these changes emerge. As we courageously head toward 2020, it is important that individuals and organizations take some strategic and purposeful steps in preparing themselves for the future.

Here are a few tips to help guide us along the way:

- **Think Differently.** The workforce of 2020 is going to look and behave much differently than any workforce we have seen before. To be successful we can't rely solely on the things that worked well in the past. We need to blend traditional best practices with next practices that creatively respond to the marketplace and workplace demands of the times. As trends continue to move toward constant engagement and the world continues to globalize, younger generations in particular will expect unlimited access to media and social networking outlets they use in other aspects of their lives. Organizations will need to adapt to a workforce that differs in both attitudes and expectations from workers in the past.
- **Act Differently.** As more and more employees become “free-agents” in the global workforce, it will be important to understand how to attract these workers to your organization, how to negotiate effective flexible work arrangements, and how to adapt management styles to work in this new business environment. Share resources where appropriate, being cognizant of the positions and the intellectual capital that are key differentiators.
- **Lead Differently.** Temporary work-arrangements, collaboration technologies, universal access to information, and social networking are beginning to transform business as usual, with traditional hierarchies starting to give way to more collaborative work styles and less command-and-control leadership styles. Leaders will need to be flexible and agile adapting management styles as work-teams change and evolve. Leaders will need to be open to 360 feedback and must be willing to administer feedback on a consistent and fairly constant basis. Cultural competence and inclusive leadership will become increasingly important leadership skills as the need to build trust and interact effectively across difference increases.
- **Become Culturally Competent.** The demographic makeup of your workplace must mirror the culturally mixed and global markets in which you will do business. While this is true, it is important to understand the cultural competence is not a skill required only when doing business abroad. Trends dictate that the demographic make-up of the population will continue to diversify, making cultural competence an important competency needed to successfully navigate any relationship.
- **Start developing your 2020 talent pipeline today.** Invest in the workforce of tomorrow by building strategic relationships today. Consider sponsoring and actively engaging in literacy programs targeting k-12 students in communities where you operate. Deepen your understanding of potential skills shortages and take time to build interest in those career paths among elementary and middle school children. Reevaluate your approach to recruitment, advancement, rewards, and other human resources activities, taking a closer look at your employee value propositions and employee engagement strategies.
- **Develop your 2020 workforce.** Create continuous learning and development opportunities for employees to gain the skills they need to help the company meet its short- and long-term goals. Development can include traditional training as well as access to stretch assignments that test leadership and project management capability.

- **Re-define work-life balance.** Flexibility is going to be key in meeting the work-life needs of top talent. It will be important to recognize that each employee may have individual needs with respect to work-life balance. In the global economy of 2020, the definition of a traditional workday will be blurred and technology will enable us to work and connect from almost anywhere.
- **Leverage technology.** Evolving cloud technology and social media will make it easier than ever for anyone to work from anywhere, anytime. Build social media into your business strategies, not just for recruiting efforts but for training, education, marketing, communications and business development programs.
- **Focus on social responsibility.** Employees, especially Generation 2020 workers, place significant value on an organization's willingness to invest in the communities in which they do business. They will look at an organization's track record with respect to social responsibility both globally and locally before deciding if this is a company for which they wish to work.

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Robin Pedrelli is the co-founder and partner of VisionSpring, Inc. VisionSpring, Inc. is a women owned and operated diversity and inclusion consulting firm offering fully integrated strategy development, workforce planning, training and continuous learning solutions to leverage diversity and inclusion to drive innovation and improved business outcomes. We provide customized strategic solutions that address the specific needs of each client and blend workforce, workplace, marketplace and community related goals.