



# WORKFORCE 2030

THE SKILLS COMPANIES WILL NEED TO SUCCEED



The Retention Skills  
Companies Will Need  
to Compete







## AN ONGOING LABOR SHORTAGE WILL CONTINUE TO COMPLICATE THE EMPLOYER-EMPLOYEE RELATIONSHIP

By 2030, there are expected to be more jobs than available workers<sup>1</sup>. The forecasted decrease in the labor force participation rate further complicates the employer-employee relationship. With fewer workers and more jobs, employers will need to ask their staff to take on more responsibilities at a time when they can't risk losing workers to competitors.

"Companies are already asking people to do more. Production supervisors are being asked to take on a lot more and therefore, their employees are also being asked to take on more responsibilities. If an employee shortage continues, then the tense relationship between employers and workers will become more complicated," says Director of Strategic Accounts, Jessica Fong.

This tension comes from what workers are motivated by compared to what employers are willing to provide. The employers who can address the most common worker motivations will have the advantage when it comes to workforce stability.

"The most successful employers are going to be the ones that can creatively reward and engage their workers," says Jessica Fong.

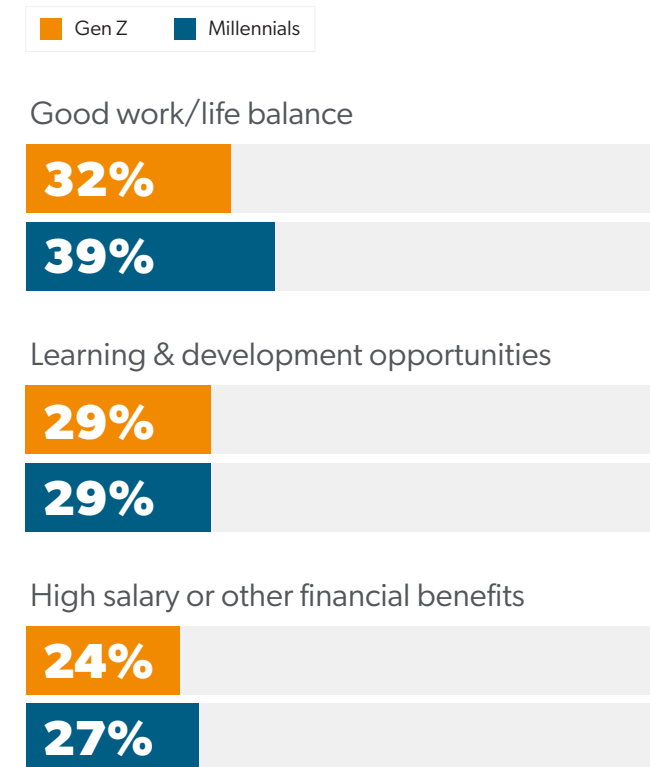
## EVOLVING WORKER MOTIVATIONS WILL RESHAPE RETENTION STRATEGIES

To overcome an unpredictable labor market and keep up with the competition, employers will need to focus on both pay and flexibility to secure the workers they need.

The Deloitte Global 2022 Gen Z and Millennial Survey<sup>2</sup> reports that both millennials and Gen Z workers rank work/life balance and pay as two of the three main reasons they have left previous jobs.

"Pay is going to be an important factor but there are other motivators. Flexibility is a big issue, especially in manufacturing where they have very structured shifts. But new staffing options and technology are making it easier for companies to ensure they have the workers they need each shift," says Jessica Fong.

## TOP REASONS THEY CHOOSE THEIR NEW JOBS<sup>2</sup>



Another common reason why millennials and Gen Z workers leave jobs — according to Deloitte — is to seek out learning and development opportunities. Reskilling and upskilling are becoming more popular. The World Economic Forum<sup>3</sup> recently stated that 1.1 billion jobs are liable to be radically transformed by technology in the next decade.



**The companies that win on retention are going to win in the marketplace as well. Businesses really need to get creative and invest in their workers with additional training and development. Helping workers make the shift from manual production labor to more of a troubleshooting role can help companies respond to the rise of automated machinery. Helping to train workers is a win-win scenario, but if companies only look at cost and not quality, they will continue to experience staffing issues.**

Jessica Fong  
Director of Strategic Accounts



This new technology requires workers who have the skills to operate and maintain the equipment.

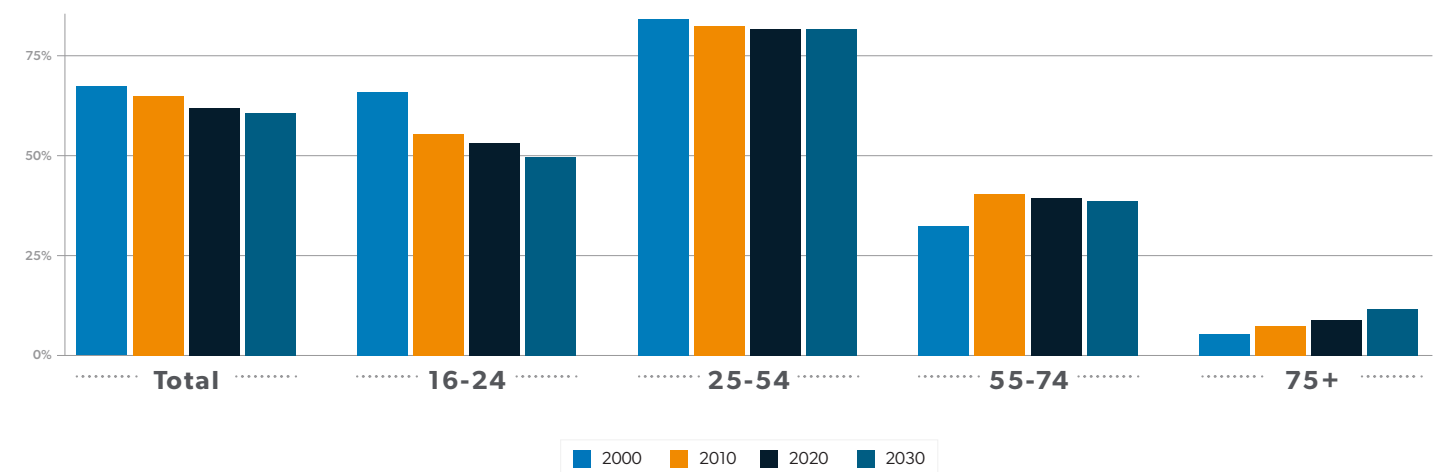
Offering learning development opportunities may be how many companies give themselves an advantage in the search for talent. Employers need workers with new skills and employees want to learn new skills to advance their careers. A well-planned professional development strategy will allow workers to add new skills and employers to improve retention and engagement.

## CREATE A STRONG EMPLOYEE VALUE PROPOSITION THROUGH DIVERSITY AND SOCIAL RESPONSIBLY

A generational shift will also play a role in evolving worker motivations. By 2030, All baby boomers will be over the age of 65 and millennials and Gen Z will make up most of the workforce<sup>6</sup>. Millennials and Gen Z workers highly value having a clear purpose and being able to address social concerns through their work. They are also expecting more from their business leaders compared to previous generations<sup>7</sup>.

Manufacturers, distributors and facility maintenance employers are investing heavily in robotics and automation to make their processes more efficient<sup>5</sup>.

## CIVILIAN LABOR FORCE PARTICIPATION RATES BY AGE & PROJECTED 2030<sup>4</sup>



<sup>1</sup> The Biggest Future Employment Crisis: A Lack of Workers. SHRM 2021. Retrieved from <https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/the-biggest-future-employment-crisis-a-lack-of-workers.aspx>

<sup>2</sup> The Deloitte Global 2022 Gen Z and Millennial Survey. Deloitte 2022. Retrieved from <https://www2.deloitte.com/global/en/pages/about-deloitte/articles/genzmillennialsurvey.html>

<sup>3</sup> Reskilling Revolution: Preparing 1 billion people for tomorrow's economy. World Economic Forum. Retrieved from: <https://www.weforum.org/impact/reskilling-revolution/>

<sup>4</sup> Bureau of Labor Statistics 2002. Retrieved from <https://www.bls.gov/opub/ted/2021/number-of-people-75-and-older-in-the-labor-force-is-expected-to-grow-96-5-percent-by-2030.htm>

<sup>5</sup> Robotic Process Automation (RPA) market size worldwide from 2020 to 2030. Statista. Retrieved from: <https://www.statista.com/statistics/1259903/robotic-process-automation-market-size-worldwide/>

<sup>6</sup> TED: The Economics Daily. Bureau of Labor Statistics 2021. Retrieved from: <https://www.bls.gov/opub/ted/2021/number-of-people-75-and-older-in-the-labor-force-is-expected-to-grow-96-5-percent-by-2030.htm>

<sup>7</sup> The Deloitte Global 2022 Gen Z and Millennial Survey. Deloitte 2022. Retrieved from <https://www2.deloitte.com/global/en/pages/about-deloitte/articles/genzmillennialsurvey.html>



In a recent Gallup survey<sup>8</sup> 42% of the 13,085 respondents stated that a company's attention to diversity and inclusivity are important factors for selecting a job.

"It is clear and apparent since I started this job over two years ago, workers are viewing workplace diversity programs as necessary and vital to their engagement in their workplaces," says Director of Diversity, Equity & Inclusion (DE&I), David Jordan.

"This was not the norm just two years ago. New employees are either coming into the workforce and have previously studied the importance of DE&I at their colleges and universities or they came from other companies where there was little to no structure in their DE&I initiatives," says Jordan.

These generations have witnessed the evolution of diversity programs. They understand it takes more than creating a mission statement to create an inclusive work environment. Jordan believes a big part of developing structure for diversity and social responsibility initiatives is executive buy in.

In 2030, millennials and Gen Z workers will have taken over most leadership roles. They'll be able to significantly alter the culture of their workplaces. Their motivations will create businesses that are more open to speaking to societal issues.

"Companies are looking to increase their level of social responsibility primarily due to a growing number of their employees having an increased focus and awareness of social issues and community sustainability. With Gen Z and millennials becoming the largest part of the workforce, the focus of the employee base is no longer singularly focused on company profits but also how the company's footprint impacts the local as well as global communities," says Jordan.

Establishing or improving diversity and social responsibility programs can be difficult. Fortunately, they can be excellent listening tools to capture

what matters most to your workforce. While the first attempt at a program might not hit the mark, there are methods to improve your initiatives.

"Employees want to know a company's values, and many expect companies to be vocal about what they believe in. A recent Gartner report<sup>9</sup> shows 68% of employees would consider leaving their current company for one that is more overtly dedicated to sharing its stance on societal and cultural issues. To get a better pulse on the views of employees, employers can conduct surveys and assess DE&I offerings based on those results. From there, you can determine how to better align your company culture and values to those of your employees," says Jordan.

Updating diversity and corporate social responsibility programs should be a high priority for employers who want to attract workers in the future. However, simply creating these programs likely won't be enough to attract younger workers. Employers will need to invest more into their efforts to create an inclusive workplace.



**What is critical to any company creating and maintaining diversity initiatives is executive buy in. Executive leadership must see DE&I as a business imperative and support the initiative through their budgeting. They must also be able to provide tools and human resources to implement the plans and strategy.**

*David Jordan*  
*Director of Diversity, Equity & Inclusion (DE&I)*



"Get serious about your initiatives and do not make your DE&I efforts a 'check-the-box' program. For your employees to buy-in, the executives must buy-in **first** and push the company's DE&I efforts front and center along with the goals and profitability of the organization," says Jordan.

<sup>8</sup> The Top 6 Things Employees Want In Their Next Job. Gallup 2022. Retrieved from <https://www.gallup.com/workplace/389807/top-things-employees-next-job.aspx>

<sup>9</sup> Gartner HR Research Finds 68% of Employees Would Consider Leaving Their Employer for an Organization That Takes a Stronger Stance on Societal and Cultural Issues. Gartner 2021. Retrieved from: <https://www.gartner.com/en/newsroom/press-releases/2021-03-04-gartner-hr-research-finds-sixty-eight-percent-of-employees-would-consider-leaving-their-employer-for-an-organization-that-takes-a-stronger-stance-on-societal-and-cultural-issues>

## CONCLUSION

The future of work is riddled with challenges caused by changes in the labor force and evolving worker motivations. These challenges will present opportunities for employers to proactively update their staffing strategies to overcome a prolonged labor shortage. Employers will also need to review their internal processes to ensure they are creating an inclusive and diverse culture that attracts the next generation of workers.



## ABOUT AEROTEK

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