

Keeping Up with Workforce 2020
by Daniel W. Rasmus

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For many companies, success in the next decade will depend on how well they implement information technologies that transform when and how people do their jobs.

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If business decentralization is a long-running trend with more stutter-steps than successes, it's primarily because the technology to make decentralization work deftly has yet to be perfected or adopted by skittish organizations unwilling to fully take a chance on the unproven. But by 2020, innovative competitors — and inevitable gains in remote, mobile, and virtual devices — will make it impossible for most companies to deny that information technology is profoundly reshaping the workplace. By then, in many businesses, workers will no longer be bound by geography or by clocks.

In order to position their organizations to attract top talent, drive breakthroughs, and serve customers better, managers need to recognize the effect that information services will have on the evolution of the workforce. The sooner organizations adopt and internalize the technology and skills needed to thrive in an increasingly virtual and flexible work environment, the sooner they will enjoy the significant economic, social, and environmental benefits a decentralized organization makes possible.

Although the end result of any developing model is difficult to predict, we have established a number of likely scenarios that depict the workforce of 2020 and the strategic implications for employers looking not just to stay ahead of the curve but to shape it to their competitive advantage.

The punctuated workday. Software already makes it possible for people to work anytime, anyplace. But although the technology to enable remote and distributed work not tied to tasks at a desk has been available for years, human resources and IT leaders have failed to put it to best use. In fact, because of the absence of a coordinated strategy for managing a virtual workforce, the opposite has occurred: Increased connectivity has made it more difficult for people to draw lines between their work and their personal lives. The emergence of the millennial generation (born between 1981 and 2000) — dominated by former “latchkey” kids who may appreciate the value of work–life balance — will pressure employers to embrace technology that empowers workers to control when and where they work, as well as the policies to prevent overwork. These converging trends will create a punctuated workday, in which people work for several hours and then leave the workplace to run errands, attend events, or care for elderly relatives or young children, only to return to their work for another period of concentrated activity. Access to remote, mobile, and secure information resources irrespective of physical location and time of day will make this possible.

Boomer brain drain. The vanguard of the baby boomer generation (born between 1946 and 1962) is at the cusp of its planned retirement. According to U.S.

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Census reports, an average of 7,918 Americans turned 60 every day in 2006, which amounts to 330 every hour — a rate that will only accelerate in the next 10 years. Even after allowing for a percentage of boomers who will work longer than their parents did, this mass exodus from the workforce creates a number of issues. Organizations will need to invest more and earlier in knowledge transfer techniques and create real incentives to encourage their most experienced and critical workers to share their knowledge and information. For example, information management systems should be implemented that offer easy access to both details about organizational process and deep pools of learning that individuals have amassed over the years. Strong mentoring programs that help boomers transfer their skills to younger workers and that ease the way for older boomers to adapt to new social and technological realities will prove essential to making this knowledge transfer work.

Just-in-time learning. Technology is important as a means of connecting people in the new world of business, capturing the output of their creativity, and providing them the information crucial to the decisions they face. Still, it is not the only necessary component for a strong learning environment. To successfully educate and retain talent in the future, a commitment to a culture of learning is required. Knowledge contributors should be recognized and rewarded. Incentive structures should be examined and modified to encourage people to develop their own skills and those of their colleagues through collaboration, discussion, and mentoring. A wide variety of other sources, such as personal connections through Web-based social networks and online education, will allow people to learn what they need to know, when they need to know it. Companies must harness these resources

and embrace technological innovation to promote and emphasize organizational learning and action.

The thinning of management's middle. Interestingly, it will be the members of Generation X (born between 1963 and 1980), once stereotyped as “slackers,” who will be called on to fill the gap left by baby boomer departures in the years before the millennials can contribute meaningfully. The trouble is that Gen Xers only number about 53 million in the U.S., sandwiched between about 78 million boomers and 80 million millennials. This means Gen Xers will have a relatively short span of control: Soon after Gen Xers assume managerial positions, they will be overwhelmed in number by millennials vying for those same jobs. As a smaller group, Gen Xers will have to create efficient arrangements for employees to interact and communicate well in order to achieve high productivity in a punctuated workday. They will also need to manage effectively a workforce made up of contractors, freelancers, and other partners.

The blended workforce. Over the next decade many employees won't be employees at all; they will be temporaries, contractors, contingent workers, outsourced workers, freelancers, and, in business-to-business transactions, customers. Today, there are more than 42 million independent workers in the United States, or about 31 percent of the workforce. The sheer size of that group indicates a major shift in employers' expectations of workers. More diverse and geographically distributed organizations will need to implement process management strategies and use performance management software. With outsourcing sure to be even more common in the future, managers will have to pay attention to project handoffs and coordination costs between partners. To keep their blended workforce happy, they will

also need to create interesting work in an engaging workplace and pay workers' invoices on time or risk exacerbating turnover, creating yet another fissure through which knowledge can drain.

Commitment-based work. Because physical presence at a workplace will not be required for many information services jobs, workers may be measured and compensated according to individual tasks or projects rather than on an ongoing basis. Some organizations will adopt a more flexible commitment-based employee measurement system that allows workers to choose how, where, and when they work, as long as they meet preordained deadlines. In this environment, the annual review will itself be up for review and likely be replaced by new reward structures. With worker loyalty tied to work engagement rather than economic stability, work quality can be better judged and rewarded in the moment. Technologies will need to evolve to track these projects by metrics other than the number of hours worked.

Citizen regulators. With bloggers exposing more and more of a company's internal processes and problems, it won't be long before citizens' voices, amplified and directed by information services, reach parity with government regulation. This phenomenon may change the employee–employer relationship, as employees, chiming in under assumed aliases, use Internet forums as a suggestion box to advocate for internal change.

Companies committed to staying on top of shifts in workplace attitudes and expectations need to recognize how inextricably intertwined the workforce and the information services of tomorrow will be. Understanding the strategic implications that emerge from the evolution of both will enable organizations to position themselves better to innovate, attract top talent, and win in the marketplace. +

Resources

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The Future of Information Work: Rasmus's blog, exploring what's coming next in information dissemination, work, and education, among other topics. <http://future-of-work.spaces.live.com/>

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