



The New Workforce IQ:

5 Trends Shaping the Future of Your Workforce

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It's no secret that attracting and retaining the best talent will be the competitive edge for organizations moving into 2020 and beyond.



The world continues to change at a rapid pace and our workplaces are struggling to keep up. Many factors disrupt talent management and business practices as we know them today. By the year 2020 more than half of the workforce will be under 32 years old, and according to a recent PwC study, 63% of the US Boomer generation – most holding executive roles – will finally begin to retire in the next 5 years.

The problem? Generation X is only half the size of the Boomer generation – not nearly big enough to fill those gaps. Millennials will have to leap-frog into leadership roles.

CEOs today report their biggest challenge is finding and keeping the “right” talent – often defined as individuals with high levels of emotional intelligence who can influence without authority, foster

innovation, and adapt quickly under pressure. Yet, a recent Bentley University study reported that 66% of surveyed college graduates – those very Millennials who will be asked to leap-frog into critical leadership roles – gave themselves a “C” grade in preparedness for the needs of the workforce.

Faced with all these conflicting influences, it can be difficult to decipher which strategies you should implement to remain relevant with this new generation of talent.

Our research indicates there are **5 trends** you should understand as you look to invest in your people strategy. Related to each trend are the questions you should be asking of your organization to assure alignment and focus on the most important drivers of future talent success.

5 Trends Shaping **THE FUTURE** of Your Workforce



1. Loyalty is dying

Similar to the new generation of consumers, employees are becoming less and less loyal to specific brands. With organizations reducing headcount in response to a recession, this youngest segment of the workforce not only watched their parents lose their jobs and many of the material items associated with a regular income, but they also have entered the job market with big dreams, minimal opportunity and the largest student loan debt in history.

Organizations can no longer look at culture as a family that sticks by its employees through thick and thin – and vice versa. When the going gets tough, management will do whatever it takes to keep the company afloat. And what happens in your four walls today – across your organization – no longer stays there. Your past and present employees will share how you handle layoffs, cutbacks, executive compensation, customer relations – anything, really – on social media.

The #1 reason candidates report not accepting a job? REPUTATION. Your future employees want to know from past and current employees everything from the reputation of your CEO to compensation and PTO to the kind of training and development you offer.

Questions to ask.

- ✓ How are we managing our reputation on social media?
- ✓ What are our current and past employees saying about us on Glassdoor, Vault, Indeed and CareerLeak.com?
- ✓ Are we conducting exit interviews? What data is coming out of them? (E.g., what are the top three reasons people who voluntarily resign provide about why they are leaving?)
- ✓ Where is our talent going after it leaves us?

2. Instant Everything

Our appetite for instant gratification has gone from desire to demand. Wi-Fi on planes, on-demand entertainment, and mobile access to everything anywhere anytime has become a way of life. As we focus on innovation to meet our customer's needs, we can't forget that our employees are also our customers. They are bringing the same appetite for instant everything to the workplace – and the younger the employee the greater that demand.

Millennials expect to be able to make an impact on day one – they want to be listened to, rewarded for new ideas, and even promoted quickly. One of the top complaints employees under 32 years old cite is not getting enough time or feedback from their manager.

Questions to ask.

- ✓ Does our Performance Management program support and promote feedback more than once or twice a year? If not, what is the plan to change this?
- ✓ What training is required to improve the ability of our people managers to provide instant and productive feedback to a new generation of employees? How is this training better than our competition?
- ✓ What is the average voluntary attrition rate of those 32 years old or younger?
- ✓ If you surveyed new hires between 6 and 12 months on the job would they say they believed they could make an impact in their first year?

3. Experience Trumps Pay

This new generation of workforce prefers to cram as many experiences, conversations and tasks possible into every unit of time and space. Work has become an integrated part of life and is now looked at as a leading

factor of self-fulfillment. The concept of work/life balance is fading as people struggle to multitask and make every moment of every day mean something. More and more employees want their job to mean something bigger than just a pay check. Organizations who get this are finding it easier to attract and retain the best talent in the market and having the best talent equates to a competitive edge in your market.

Our youngest generation of workforce report opportunities for growth and self-development will keep them at a job even if the company isn't financially performing. In fact, lack of development (feedback, coaching, and training) and bad managers will drive them away much faster than not getting a raise or a promotion.

We've also seen a surge in twenty-somethings resigning from jobs despite not having another job lined up. How is that possible? They are moving home for extended periods of time – not as prevalent in prior generations, where it might be viewed as a failing. In a nutshell, your newest generation of talent will leave if they don't feel you're investing in their future – and despite their own complaints, their parents will fund them when they do.

Questions to ask.

- ✓ Do we have a segmented early career development strategy to provide training and experiences designed for the unique needs of our young professionals?
- ✓ Do our benefits and rewards make people's lives easier?
- ✓ Do we provide opportunities to volunteer in the community?
- ✓ How does our tuition reimbursement program compare to our competition?

4. EQ is in short supply

Emotional intelligence, or EQ, is difficult to find in today's workforce. While college degrees are plentiful – formal education being the price of admission -- leadership is in short supply in many organizations. Today's employees will have an average of 4 less promotions than their peers in prior generations before leading key areas of a business. This means that your workforce will not only need to ramp up faster, but will be asked to lead in a more volatile and uncertain environment. They will have had less training and less experience than prior generations of leaders, but will be tasked with inspiring others and fostering innovation in the midst of continuous change, ambiguity and scarce resources.

Key skills like influencing, maintaining composure under stress, and easily relating and connecting to others are not only rare but difficult to develop in others. Organizations must focus development efforts on creating a culture of collaboration, open communication and feedback at all levels. And because so many individuals in this group will be called on to leap-frog into management roles, companies can't afford to invest only in the top of the house or high potentials. They must also create effective development programs for the bulk of their individual contributors to ensure comprehensive bench strength.

Questions to ask.

- ✓ How do we identify and recognize talent with high levels of EQ?
- ✓ What kind of 360° feedback tools do we offer our people managers?
- ✓ Do we provide 360° feedback tools to our early career employees? How are these different than the ones for leaders?
- ✓ How does mentoring and coaching look different for different career levels of employees?



5. Mobile is King, but Face-to-Face is the differentiator

We have become a mobile society. Whether texting, playing games, listening to music, being entertained or searching the web, we are tethered to our devices. The overuse of mobile devices was one of the largest complaints hiring managers had of their youngest segment of the workforce, often attributing their poor communication skills to it. Yet, the fastest growing mobile user group are the middle-aged.

We know that 20% of today's millennials are mobile-only when accessing anything online. This staggering statistic has caused many organizations to adopt the belief that to be "millennial proof" means to put everything online and make it as mobile as possible. Although some great, and cost effective, results have been achieved, many organizations are missing a key component when it comes to developing their incoming workforce.

The key is knowing when mobile will work, and when it will not. Anything that needs to be accessed for "just in time" action – information, formulas, how to videos – should be online, and your employees will

thank you for it. However, developing inter-personal and communication skills **must** be done **in person**. Mentoring and coaching and developing skills like collaboration and influencing cannot be effectively taught online or through a mobile device (despite what your portal and e-learning vendors might try to convince you). A blended strategy will ensure success.

🔍 Questions to ask.

- ✓ How do we identify and differentiate what should be delivered online/mobile and what should be live?
- ✓ Do we have an effective way to provide face-to-face mentoring and coaching to all levels of employees?
- ✓ Where could we blend online/mobile and live development for maximum learning and sustainability?



Organizations with High Workforce IQ Have:



- ✓ Candid, direct feedback loops that go both ways
- ✓ Managers who are comfortable with flexible schedules
- ✓ Clear visibility to development and progression
- ✓ Mobile learning tools but in-person coaching and feedback
- ✓ Real-time and agile talent programs
- ✓ Policies that allow flexibility
- ✓ Rewards that spotlight individual accomplishments as well as team success
- ✓ Opportunities for ALL employees to influence and be involved