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Workforce 2020 Executive Report Research Paper

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Introduction

There is always a need for employees to employ different methods of thinking in a contemporary dynamic work environment. Organizations that are faced with the problems of labor shortages should opt for 'workforce 2020' to provide them with a frame work to look for the top candidates and not the traditional candidates.

The term 'workforce 2020' was coined from a report following a research by the Hudson Institute which was sponsored by the US department of labor. According to the report, 'workforce 2020' consists of the non-traditional workers who are dynamic and well versed with technology. Non-traditional workers have never been targeted and recruited.

The prosperity of various companies is highly dependent on reversing trends of shrinking and limited skilled workforce after the year 2020. The Hudson report recommended that the nation should be in position to fend off the effects of the aging population especially after the retirement of baby boomers.

The pace of change toward 2020 is an unprecedented one. 'Workforce 2020' can be influenced by the rapid changes in the technological, demographic and organizational structures and cultures. It is argued that in the next decade, several demographic, social and technological changes will alter the way businesses operate all over the world.

Analysis of the IBM Company

International Business Machines (IBM) is an IT company with operations around the globe. It undertakes global financial services and software. The company has operations in more than 150 countries on the globe and it is headquartered in New York. IBM is the largest technology and consulting firm in the US with an employee base of approximately 427,000 and a revenue base of approximately $100 billion.

IBM was established in 1911 and it only has two market competitors; Hewlett Packard and Dell but since the two have invested in personal [...] it has invested in the soft wares and servicing.

IBM is fully committed to building a diversified workforce and a broad customer base since it has establishments in over 160 countries. Their diversity encompasses race, gender and physical disabilities. They also factor in matters of culture, lifestyle, religion and age. At IBM, diversity fundamental and an imperative necessity in business.

To ensure that only qualified, talented and experienced people contribute to the success of the company, the company ensures that their workplace is free of any form of discrimination and harassment but full of opportunities for all people. Diversity at IBM is premised on the following three factors: equal opportunity for all, affirmative action and work.

Diversity in customer base has become a necessity due to the globalization of businesses. The company embraces global outsourcing and it developed more positive approach in responding to the growing diversity from multi-ethic market that has grown dominant.

As part of their structure, IBM uses a system of *bands top* to classify their consultants, for instance, band six-consultant, band seven-senior consultant, and band 8-managing consultant up to band 10 for the partner level. IBM also has functional areas like financial management and human resource capital (The Guardian, 2010).

Future Trends

Workforce demographic and dynamics: the world will witness war for talent and this is becoming a major subject of concern in the field of human resource. Companies have opted for creative, talented and experienced workforce due to the speedy aging of the existing workforce.

Global mobility is a common phenomenon since most companies are daring to go global in their operations and hence the need for a more creative and diverse workforce. Globalization comes with changing demographics and it has affect on the global workforce. Workforce in most companies are aging and shrinking. This has been characterized by the declining birthrate and increased lifespan.

Consequently, women have emerged as powerful force in the workforce. This is due to increased education opportunities; the rise of women altered the dynamics of male-world dominated workplaces and they are slowly finding their way into the management positions (Werner & DeSimone, 2008).

The emergence of modern networking technologies have altered the way businesses operate. A decade ago there were no networking technologies like Facebook, Twitter, MySpace, YouTube and Skype. There only existed fringe technologies or non at all. Since these forms of technology are now main stream, businesses have started adopting them to enhance their operations and communication.

Video communications have replaced the tedious, expensive and time consuming business travels. The development of mobile phone communications have enhanced modern communication between employees of one company working in different locations.

Economic trends: with unexpected cases of economic recession, company economies have to adjust for both abundance and scarcity. This will turn influence businesses and consumers to adapt to new markets and creative business models.

This will put urgency to manufacturing capacities of various companies and their logistical capabilities and it will demand utilization of available raw materials and talent which may sometimes be in excess. As the economic recovery gains momentum and there is increased demand for energy and resources, future supply will be stretched leading to a scenario of volatile commodity prices.

The above economic scenarios will lead to cases of shortages and political instability. Digital will be the medium of exchange and there will be high demand for anything with digital content due to high performance linked to it.

By the year 2020, small businesses will create their niche in the market segment since they will take advantage of customized demand and increased connectedness from technology that can link global economy (The Economist, 2010).

Furthermore, consumer spending will increase in the developed world and other countries withl industries will develop as the engines of gro as opposed to the traditional developed countries. The next decade will witness the increase in the number of self-employed and personal a micro-business operations.

Demographic trends: age, gender and culture will influence business operations in the next decade. This will change the culture of consumer in the global market. Among the demographic trends that will be witnessed are:

Emergence of technologically savvy children: maturity of the generation Y will enhance the adoption of new technology. This will create focus careers, families and high-technological living. This trend will also impact on generation Z which will be fluent in all social platforms and mob technology.

Baby boomers gray: baby boomers will dominate the world population in 2020 especially in the industrialized world. This period will be characterized by a different breed of old citizens with no possibility of retiring in their current profession.

She economy: women are gaining prominence as a dominant force in the global market. They are gradually assuming leadership and responsibility positions in business. An analysis by Booz & Co has indicated that approximately a billion women globally who had been marginalized from the global economy wil have the opportunity to gain employment or to initiate their own businesses.

Rural-urban economy: due to increase in economic opportunities in the urban areas or the towns, it is estimated that approximately 60 perc of the global population will be living in the urban areas. At IBM demographic trends are important since they facilitate the understanding of customer centrism and also define the company's future work force.

Social trends: among the social trends that can transform businesses are:

Social network: by 2020, participatory economics will be the order shaping the global economy. People will be using social networking and di technology to make informed political, social and economic decisions. The power of the internet will shift power from institutions to individu people hence eliminating social and economic organizations and it will change the boundaries between companies and their customers.

Over the next decades, business operations will be transparent due to proper and open access to information by the public. Information computer and technology (ICT) will also see the prominence of social commerce which will be realized through social networking and the sha of information about the visitors.

Technological trends: there is a rapid growth in businesses that are driven by the economy. The computing and digital technology shapes the operations of business and industries.

The power of computing will increase with decreasing costs and it will be characterized by the use sensors to monitor and report what happe in the environment and around the company. Machine intelligence will take the pace of human decision making and may also replace huma labor in some tasks or duties.

Businesses will employ technology in enhancing creativity and increasing creativity by developing collaborative networked relationships with employees, customers and business partners. The use of data can also give a company a sharp edge and a competitive advantage over othe businesses. The digital data that is produced in recent times is exponential and it is only those companies that are effective in collecting and managing information that can have a competitive advantage.

The utilization of data will result in the creation of new products in the market. IBM, being a technological company has embraced technolog its operations in order to enhance its customer base and to reach the global markets. Its network and wide areas of operation can only be actualized by the use of technology.

Technology has enhanced the importance of outsourcing; outsourcing has led to the death of distance and it has made it possible to outsou all kinds of jobs like preparation of tax, personal assistance and X-rays reading.

With technology also, knowledge, work and information can be shared without factoring geographical barriers as constraints. Innovations in field of computing, biotechnology and telecommunications have benefited and destroyed the economy in equal measure. They have had a negative and positive impact on national economies, firms and individuals.

Whereas technology will transform the global economy, it will lead to massive unemployment. It will lead to the displacement of low or unsk labor force in industries; machines and automations will substitute human labor. Technology will enhance the development, marketing and

servicing of advanced products (D'Amico, n.d).

Workforce Trends and their Impact on the Industry

Modern companies regard their employees as human capital more than calling them human resources and the year 2020 will be great appreciation of human capital in terms of employee value and attachment where employees will be tools of economic necessity.

In USA, there will be three main trends which will have an impact on virtually all the sectors of the economy; these trends are employee gap, skills gap and ambition gap (Intuit 2020 report, 2010).

Employee gap: it is estimated that workforce falling within the age of 30 to 49 years in the USA will shrink by about 15 million. At similar time there will be an increase of 16 million workers who will fall within the age of 50 years and above.

Consequently, there will be increase in jobs that the workers will be willing to take them. Also the people who will be in position to take up almost half of the jobs will be from the minority population. This is because the minority youth will have been educated by the year 2020 to t up such positions.

Skills gap: the young generation of workers will be changing jobs and careers more than 14 times in their employment span. Consequently, 8 percent of the jobs created in the US will require a post-secondary education qualification which currently stands at 52 percent.

Currently, employers demand a higher level of skills which previously needed only a secondary education. This skill gap will technologically a lower skilled cadre and the concept of lifetime employment will be replaced by lifetime employability (CISCO, 2011).

Leadership Trends and Impact on the Organization

Contemporarily leaders in modern companies are facing a lot of challenges and complexities due to the enormous tasks and unexpected problems like the economic melt down.

There are also numerous workplace transitions due to the merging nature of the employees who are less commoditized and demand more j integration. Company leadership has to structure their operations to incorporate these transitions in order to be in line with the demands of these employees.

The rising cases of complexities and disruptive forces have a lot of impact on the leadership of organizations. This makes the change of organizational structure and culture as inevitable.

Recommendations for future actions-leadership action to be taken, competencies required and what the organization needs.

Leadership of an organization should adopt flattened system of hierarchies, decentralization of decision making and greater autonomy for the employees. This implies that organizational structures must change. The following are the recommendations that need to be implemented b company leadership:

Prioritize mentoring: mentoring, whether formal or informal, is necessity to proliferate future organizations. The mentors can be recruited fr within or without the organization. Some mentors can double as career sponsors. Women are particularly beneficiaries of such programs.

Putting emphasis on social responsibility: corporate social responsibilities should be made a central element of a company's strategies so as boost the publicity of the company. Corporate social responsibility differentiates the company in the market environment particularly during new recruitments (Childs, 2005).

Learning and development: this can be achieved through the incorporation of ICT which can assist in the dissemination of information and instructions. Learning is important in the inculcation of company values into the employees.

Performance reviews: this should be made to be inclusive depending on the information. The information that review is to be based on shou come from different origins and take care of up to date technology. This review should acknowledge team work.

Decentralization and multi-centralization: since it is hard to globalize, company leadership should endeavor to decentralize their operations l establishing centers of competency (Judy & D'Amico, 1997).

Conclusion

It is evident that among the things that have influenced workforce 2020 are the global financial crisis, demographic pressures and the mergi markets, all these have forced companies to shift to overseas in search of markets.

To incorporate workforce 2020 into their company strategies, IBM has resorted to various measures like the localization of their managemen

which seeks to have one location for coordinating their overseas operations. IBM has also emphasized having larger and strongly globalized operations in order to benefit from economies of scale.

With IBM, diversity in the workforce is emphasized as a measure to match the expectations of 2020. Being an ICT company, technology is at the nerve centre of their operations. Various organizations are taking advantage of 2020 analysis to expand their global operations with the aim of reaching out to the newly emerging markets.

The internationalization of consumption, the increase in spending by the middle class, globalization of the economy and the advancement of new methods of information and communication technology are key pillars that have encouraged the need for workforce 2020.

The ability of IBM to embrace diversity is a perfect example on how other companies should adopt diversity. Workplace discrimination may lead to poor returns and poor image for the company. The rapid growth of IBM is linked to its nature of embracing diversity in its employees, partners and customers.

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