

Shifting Demographics in the Workplace

By Kristin Scott, MSM, PHR

One would think that in today's world, we would be accustomed to change! Our world is ever changing. New techno gadgets come out daily. Companies acquire and merge with others to enlarge their service areas. The family unit now often has multiple stepparents and siblings. Plus, we have the ever-changing American dollar versus the euro, basic economics, inflation rates, etc. in flux as well. However, we may be in for a shock within 5 years, if we don't educate ourselves today on the composition of the future workforce.

Today's workforce has more generational groups than ever before. The Traditionalists are working, Baby Boomers, Generation X and Generation Y has entered and will be entering the workforce for some time.

While I fall into the Generation X category, I have come to appreciate the insight and knowledge that the baby boomers offer, many struggle adjusting to the differences of viewpoint. One of the greatest challenges facing companies today is the number of baby boomers nearing retirement status. This is being called the "brain drain." We will all be figuring out who is capable to be their successor. By 2010, 82% of our workforce will be over 55 years of age!

% Growth in the US Workforce by Age, 2000 – 2010

15%	16 – 24 year old
8%	25 – 34 year old
10%	35 – 44 year old
21%	45 – 54 year old
52%	55 – 64 year old
30%	65 plus

AARP statistics

Companies are starting to offer phased-retirements or step-down retirements so they do not lose significant numbers of their workforce in one fell swoop. Employees are creating 'desk manuals' outlining job duties, tasks and responsibilities; companies are also requesting the aging workforce to stay on longer and 'mentor' successors.

While the aging workforce may be a cultural shift challenge, America needs to prepare for the greatest change in its demographics ~ ever! Today the non-Hispanic white population is about 72%, by 2050 that will drop to 53%. The fastest growing ethnic group is of Hispanic descent with the Asian and Pacific Islander populations following close behind. By 2010, The Hispanic population will be the second-largest race/ethnic group. Emporia, Kansas is on the leading edge of the cultural shift by hitting 51% Hispanic population in 2005.

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What is causing the shift in demographics? The United States is experiencing a huge immigration population growth. Presently, the government issues about 100,000 H-1B visas, which has the potential to grow our population by 500,000. The United States population is realizing a net gain of about 1 million people per year. Our population is becoming more diverse in culture, race and ethnicity. We will manage or be managed by individuals of other backgrounds and cultures. We need to develop an awareness of cultural nuances. By educating ourselves on a variety of backgrounds, we will work better in tomorrow's workforce.

The needs of tomorrow's workforce will be different than they are today. With the advancement of technology in manufacturing and industries, manual labor will not be in high demand. Individuals with technical and mechanical skills will be needed. The rapidly aging baby boomers will generate an increased need in service industries that support their needs such as health care and retirement communities.

The nature of our work life will be changing at a rapid pace over the next 40 years. Demographics, technology and globalization feed into our labor supply and demand. The workforce size, composition and abilities dictate the type of industries we can attract and keep. Wages and benefits play a role in the feasibility of a company's growth potential. So many elements factor into the future demographics of our workforce, it will certainly be to our advantage to start learning about other cultures and how we can work together amicably.

Individuals and companies are seeking ways to address the shift in demographics and culture changes in America.

Suggestions to address the shifts include:

- ◆ **Cultural Awareness Programs** delivered by employees for co-workers. Individuals from each cultural background are represented and they share bits of information about their own culture that would be helpful for their co-workers to know. This should include employees of all backgrounds including Caucasian.
- ◆ **Managers and employees** teaching each other their native languages. Employees learn basic sentence structure and phrases that relate directly to the work environment where they work. Managers are typically teaching English and learning a different language from the employees. This can flourish into employees teaching other employees different languages.

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- ◆ **Attend functions** of different cultures. Seems like each community hosts different events: Black Awareness day, Cinco de Mayo and several other functions that can open your mind to other backgrounds. It also helps individuals that are not in the minority demographics of today, become familiar with how it may feel to be in a minority group.
- ◆ **Volunteer** to coordinate diversity programs within your organization or serve on a committee within the community.

Demographic Projections by the US Census Bureau

Estimate	Total in thousands	White	Black	American Indian	Asian	Hispanic Origin
2005	285,981 100%	232,463 81%	37,734 13%	2,572 .08%	13,212 4%	36,057 12%
2010	297,716 100%	239,588 80%	40,109 13%	2,754 .09%	15,265 5%	41,139 13%
2020	322,742 100%	254,887 79%	45,075 14%	3,129 .09%	19,651 6%	52,652 16%
2040	369,980 100%	281,720 76%	55,094 15%	3,932 1%	29,235 8%	80,164 22%

About the author:

Kristin Scott is a human resources consultant that is dedicated to assisting clients with solutions for their hr challenges! Kristin served as President of Society for Human Resources Management of Topeka for 2 years and honored as the HR Professional of the year!

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