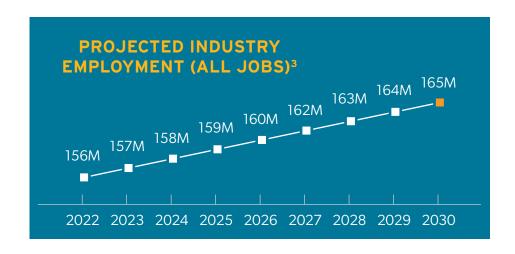


Executive Summary

In the year 2030, shifts in technology, consumer demand and the available workforce will alter how employers staff their companies. Employers will need to reprioritize the skills they hire for, adapt to advances in robotics and devise new retention strategies.

Companies in manufacturing, robotics & automation, distribution & logistics and facilities maintenance will be particularly vulnerable to changes in the labor market. These companies currently rely on skilled trades professionals, many of whom are retiring and are difficult to replace¹. They also depend on general workers who are difficult to retain due to rising wages and the number of available job opportunities.

The labor shortage challenging many companies today is expected to continue beyond the year 2030. The number of available jobs is forecasted to grow as labor force participation decreases². This will put more stress on employers to create a versatile



workforce capable of taking on more duties.

In part one of our series examining the skills companies will need to succeed, we'll highlight the transferable skills companies should seek to remain competitive in the future. By attracting and retaining workers who display qualities related to leadership, problem solving and adaptability, employers will be in a better position to face the impending labor challenges of 2030.

³ Data Retrieved from Bureau of Labor Statistics, https://www.bls.gov/news.release/pdf/ecopro.pdf



U.S. Skilled Trades Labor Shortage Heightens as In-Demand Jobs Remain Unfilled the Longest. Business Wire. Retrieved from https://www.businesswire.com/news/home/20210318005265/en/U.S.-Skilled-Trades-Labor-Shortage-Heightens-as-In-Demand-Jobs-Remain-Unfilled-the-Longest

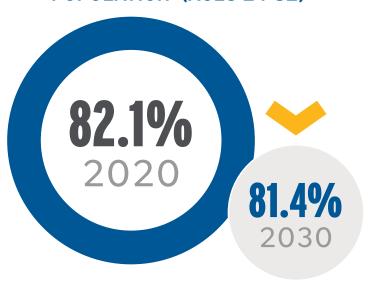
² This Is What Work Will Look Like in 2030 and It Isn't Pretty. The Ladders. Retrieved from https://www.theladders.com/career-advice/this-is-what-work-will-look-like-in-2030-and-it-isnt-pretty

ONGOING STAFFING CHALLENGES ARE PROJECTED TO **INTENSIFY THROUGH 2030**

The labor shortage currently impacting employers across industries is projected to continue as the number of jobs increases and labor force participation decreases⁴.

By 2030, the labor force participation rate for the prime-age working population (ages 24-52) is forecasted to decline from 82.1 percent in 2020 to 81.4 percent in 2030. Meanwhile, the number of available jobs is expected to increase by 5% during this same period⁵.

FORECASTED LABOR FORCE PARTICIPATION RATE OF PRIME-AGE **POPULATION (AGES 24-52)**



The combination of these trends will make it difficult for employers to find the staff needed to achieve their goals.

If projections hold true, workers in 2030 will be required to take on more tasks and responsibilities. Meaning personality traits that improve workforce versatility will become more important. We spoke with several of our staffing experts to explore how transferable skills will help companies compete in 2030. They identified three soft skills employers should target to build a team that can efficiently respond to changes.

LEADERSHIP AND PEOPLE MANAGEMENT SKILLS

By 2030, nearly all Baby Boomers currently in leadership roles will be above the age of 65⁶. Even with people working longer, this could mean many of those currently in leadership or supervisory positions won't be part of the labor force in 20307. The absence of experienced managers could lead to employees to be more autonomous. They'll take on tasks traditionally attributed to leadership roles like coordinating with other teams, motivating coworkers, or identifying inefficiencies in current processes.

Attracting and retaining leaders isn't a new strategy for employers. Leadership is a soft skill that many companies already have on their radar.

"Currently, there is a want and a need for even general, entry-level workers to show some leadership qualities. The companies I work with want workers to take ownership of their roles in the manufacturing process. Companies want to hear from workers about processes that can be improved with a solutions-based mentality," says Aerotek Strategic Account Executive Jessica Fong.

Along with project ownership, leadership also requires interpersonal skills. The ability to communicate, motivate and inspire trust is critical for managing coworkers.



The Biggest Future Employment Crisis: A Lack of Workers. The Society for Human Resource Management (SHRM). Retrieved from https://www. shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/the-biggest-future-employment-crisis-a-lack-of-workers.aspx?fbclid=lwAROUC4R1 e0xSpPe9eQitMN-AO71wyYRR1_9jAVZ3G3UAP8IZxTSrNe3kPy8

Bureau of Labor Statistics, U.S. Department of Labor, Employment Projections 2020-2030, https://www.bls.gov/news.release/pdf/ecopro.pdf

The 2030 Problem: Caring for Aging Baby Boomers. National Library of Medicine. Retrieved from https://www.ncbi.nlm.nih.gov/pmc/articles/ PMC1464018/

⁷ As Baby Boomers Near Retirement, Companies Risk A Leadership Shortage. Forbes. Retrieved from https://www.forbes.com/sites/ forbescoachescouncil/2019/10/15/as-baby-boomers-near-retirement-companies-risk-a-leadership-shortage/?sh=4e4c5f3151f9

"The ability to have difficult conversations and to deal with conflict is becoming more important. Technology has changed how younger workers communicate with each other in and out of the workplace and this is presenting new challenges regard conflict resolution," says Aerotek Director of Strategic Sales Dan Stiles.

As workplace cultures evolve and workers take on more leadership responsibilities — interpersonal communication skills will become more important. Listening and communicating effectively is a sign of leadership that employers can begin staffing for immediately.

ADAPTABILITY

With fewer available workers, those in the labor force will need to take on more tasks and responsibilities. This will put an emphasis on hiring workers who can apply their knowledge and experiences to new situations. Adaptability is currently a highly sought-after soft skill. The demand for workers who can adjust to new challenges will increase as new technology and processes are introduced.

"Adaptability is something we see on nearly every job description a company shares with us. The more adaptable people are, the easier they are to train and take on new responsibilities. Companies want to be able to cross-train their workers to

perform more than just one task. It helps them fill gaps in their workforce. It also helps workers stay engaged by mitigating repetitive functions," says Jessica Fong.

To foster adaptability in their current workforce, many employers have introduced techniques — like job rotation — that promote task diversity.

To further improve adaptability, employers can focus on making workers more engaged in the company's mission. The more engaged a worker is in the company's purpose and how their roles contribute to overall success, the more likely they'll stay on the job despite the challenges.



If you invest more in your people, they are going to feel more valuable, which improves retention. Workers want to be part of the mission and training can make their work feel more meaningful and make them feel more connected to the company. This improves adaptability, because workers are better prepared to work with your company to overcome challenges.

Dan Stiles Aerotek Director of Strategic Sales



Training workers to complete new tasks or to develop professionally improves adaptability and can be an effective retention tool.

Stiles also believes the workforces of 2030 will have less "clock punchers" or workers who show up, do their job, and then leave. The next generation of workers will want a greater sense of connection to their job8.

This means employers will also need to become more adaptable. Transactional benefits like bonuses may not be as effective and companies will need to find ways to improve engagement like offering professional development opportunities. The employers that don't, risk not having the staff needed to reach their goals.

"The best organizations continue to reinvest in their workers to improve the sense of "us" or belonging. If you're investing in me, you're telling me I'm important. Therefore, the investment in me gives me more skills to create a better company for us," says Stiles.

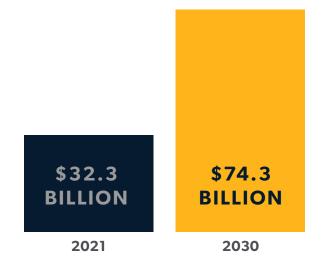
PROBLEM SOLVING

McKinsey & Company reports that human resource professionals currently list problem solving to be one of the most difficult soft skills to hire for 10. This is a concerning trend for businesses who are automating their processes and reducing their need for workers to perform basic functions. These companies will need to staff workers who can diagnose problems and identify opportunities for improvement.

"Automation is only going to grow. Our partners are going to need workers who can figure out ways to improve processes or find the causes of malfunctions. They may not be trained as maintenance mechanics, but they'll have some of those problem-solving skills," says Jessica Fong.

INDUSTRIAL ROBOTICS MARKET⁹

Market forecast to grow at a CAGR of 9.9%



Problem solvers are an essential part of a versatile workforce. With fewer supervisors, future workers will need the ability to resolve issues autonomously. Problem solving isn't a skill that's solely related to job duties. For those who seek leadership roles, problem solving is a vital skill for managing different personalities and improving teamwork.

¹⁰ Soft Skills For A Hard World. McKinsey & Company. Retrieved from https://www.mckinsey.com/featured-insights/future-of-work/five-fifty-softskills-for-a-hard-world



The Great Attrition: The Power of Adaptability. McKinsey & Company. Retrieved from https://www.mckinsey.com/business-functions/people-and-decompositions organization al-performance/our-insights/the-organization-blog/the-great-attrition-the-power-of-adaptability and the state of the sta

⁹ Industrial Robotics Market by Type, by End user, by Function and Geography- Global Opportunity Analysis and Industry Forecast 2022-2030. Research And Markets. https://www.researchandmarkets.com/reports/5559663/industrial-robotics-market-by-type-by-end-user?utm_ $\underline{source} = GNOM\&utm_medium = PressRelease\&utm_code = q7dwkx\&utm_campaign = 1714337 + . + Global + Industrial + Robotics + Market + Report + (20 to 1) + (20 to$ 22+to+2030)+-+by+Type%2c+End-user%2c+Function+and+Geography&utm_exec=jamu273prd

CONCLUSION

In 2030, companies will be responding to changes in technology, labor force participation and an evolving workplace culture. To compete, they'll need a versatile workforce capable of taking on new roles and can excel at both human-to-human and human-to-machine collaboration.

By targeting workers with soft skills like leadership, adaptability and problem solving — companies can begin preparing for a future where versatility is essential to success. These skills make workers more self-reliant while improving efficiency and teamwork.

Skills like problem solving and adaptability will help both workers and employers

overcome the challenges presented by new technology. This technology will also require employers to seek workers with traditional and new hard skills that will be necessary to install and maintain advanced robotics. Part two of this white paper series explores how manufacturing, warehousing and facilities maintenance workers will need to become experts at robotics and automation.



ABOUT AEROTEK

Our People Are Everything[™]. For more than 35 years, Aerotek[®] Inc. has built a reputation for providing the highest-quality staffing and workforce management solutions. With deep expertise in the manufacturing, logistics, construction, aviation and facility management industries, we partner with 13,000 clients and more than 200,000 light industrial and skilled trades contract employees every year. Our people-focused approach connects quality talent with meaningful work and continuous opportunities. Headquartered in Hanover, Md., Aerotek operates a unified network of over 250 offices across North America. Aerotek is an operating company within Allegis Group, a global leader in talent solutions.





