

Environmental Scan Series.12

The Future of Work: Part 2 The Future of the Workplace

This scan is the second of a series of three that examine the future of work. The [first scan](#) looked at the emerging “gig economy” and the future of jobs. This installment considers the changing workplace—the environment in which we work, how we do our work, and with whom. The third will consider the skills we will need to be successful in this “future of work”.

Rapid changes in technology and aging demographics are changing the way we work. This installment considers what the future workplace will be like, from the diversity of workers to the diversity of work structures. As noted in the [first installment](#), non-traditional workers already make up 30% of the workforce. Almost half of organizations are currently committed to building a variable workforce over the next five years to allow for greater flexibility, adaptability, and access to skills.¹

Diversity in the Workplace

Economist David Foot has said that demographics explains two-thirds of everything.^{2,17} In Canada, the aging Baby Boomer generation has been a major driver for changes in the labour market. Retiring Boomers have made the labour market the tightest in 40 years (see [Issue 3. Labour Market Trends](#)). There are several strategies for increasing the number of people available for work, such as encouraging a more diverse workforce, creating flexible work spaces, and non-traditional employment options.

Workforce diversity has benefits beyond loosening the labour market: it can also be a source of strategic advantage. Several studies point to the variety of perspectives a diverse workforce brings to an organization alongside the potential benefits of improved innovation and creativity. One study points to the need for high levels of psychological safety to encourage active participation from diverse teams.¹⁵ This allows for “cultural brokerage” of certain team members to help share perspectives across teams. Another paper makes the point that “[c]reating a more diverse workplace will help to keep your team members’ biases in check and make them question their assumptions.”¹⁶

Economist David Foot says that demographics explains two-thirds of everything.^{2, 17}

Four generations are working together: Boomers, Gen X, Millennials, and Gen Z, with maybe a few Traditionals.

In 2015, 1 in 5 Canadians aged 65 and older worked at some point during the year, the highest proportion since 1981.⁵

Flexible start and end times and variable work patterns will become more prevalent.¹²

59% of Millennials prefer schedule flexibility and autonomy to other work perks like overtime.¹²

Coworking spaces address the lack of social interaction and feeling of belonging that workers experienced when working remotely.

Environmental Scan Series.12

The Future of Work: Part 2 The Future of the Workplace

Other benefits include better recruiting performance, especially recruiting younger people, as “[Gen Z]...will have very little patience with a world that doesn’t accept [diversity].”¹⁴

Canada’s workforce is becoming more diverse in age, gender, ethnicity, culture, and abilities. There are currently four generations working together: Boomers (aged in their early 70s to late 50s); Generation X (mid 50s to early 40s); Millennials (40 to mid-20s); and the youngest, the “digital natives”, dubbed Gen Z or iGen (early 20s and teens), who are just entering the workforce. And, since the mandatory retirement age of 65 has been abolished in Canada, there may be a few Traditionals in their mid-70s still working.

Rising education levels may be one reason that there is an increase in the numbers of older workers continuing in the labour force. A move from an industrial economy toward an information economy has meant that workers are able to work longer because their work is less physically taxing.³ Indeed, in the US, 61% of people aged 62 to 74 who were working in 2009 held doctorate or professional degrees.³ Americans 55 and older filled almost half of the 2.9 million jobs gained in 2018.⁴ In 2015, one in five Canadians aged 65 and older worked at some point during the year—the highest proportion since the 1981 census.⁵ Older men were more likely to work (25.7%) than older women (14.6%), and only a few worked full-time.⁵ As in the US, highly educated Canadian seniors were more likely to work longer.⁵ Many of these workers may be at the pinnacle of their career and unwilling to leave, while others may need to work for the income.

From the 1950s to 2014, the proportion of women in the workforce increased steadily from about 25% to 82% (compared to 91% for men in 2014).⁶ The 2014 Miner report states that because women are half of the population, increasing the participation rate, even a little, “would go a long way toward lessening our projected labour force shortages.”⁷ One area to consider would be increasing the participation rates of older women. The 2017 McKinsey report considers marketizing the domestic work traditionally done by women as an important strategy to increase women’s participation rates.⁸

Beyond age and gender, there is more cultural diversity in our workforce. In Canada, the Indigenous population is younger and faster growing than the non-Indigenous population.⁹ About half of Indigenous people aged 25 to 64 in BC have post-secondary qualifications, compared to two thirds of non-Indigenous people.⁹ The BC government has been consulting with Indigenous groups to develop better labour market information that has more relevant cultural context, including community responsibilities and conceptions of “work” or “income”.¹⁰ Welcoming more Indigenous people into the general workforce creates a need for understanding cultural perspectives and perhaps accommodations for these community responsibilities.

Changes to immigration policies have helped ease the aging labour markets.⁶ Beyond immigration, talent sourcing is now global; workers could be working remotely, perhaps on another continent, on contract, or through an internet platform.

Another strategy cited by Miner is encouraging investment so that “persons with disabilities can

Environmental Scan Series.12

The Future of Work: Part 2 The Future of the Workplace

be more fully integrated into the workforce.”⁷ The opportunities presented in tight labour markets may inspire more people of differing levels of abilities to participate in the workforce, if encouraged by employers.

The Miner report also discusses integrating young people into the labour force faster, possibly restructuring the post-secondary system and improving career counseling.⁷ In BC, the median time to complete a four-year Bachelor’s degree is five years. Diploma and Associate Degrees, typically two years in length, take a median time of 3.5 years to complete.¹¹

Diverse workers will come to work with different views and expectations. Workers with young children may require onsite daycare centres, while workers with diverse abilities may require accommodation such as accessible washrooms and quiet spaces. Workers from different cultures may require flexibility to accommodate holy days or community commitments. Older workers may need different health benefits or be interested in part-time work. With diverse work teams, employers will need to rethink how work and workspaces are designed and structured, and how design can encourage an organization’s culture and values.

Rethinking the Workspace – Flexible Work Arrangements (FWA)

The traditional office environment is undergoing a transformation in response to the changing characteristics of work and workers. What do the workspaces need to look like? How will it be structured and organized? How is collaboration encouraged? How can work and workspaces be designed to appeal to younger workers?

Offices are responding to a need for greater flexibility. They are changing alongside changes

in demographics and technology and increases in non-traditional employees, such as gig workers. Long commutes and rising office real-estate costs also mean more interest in working off-site. Flexible start and end times and variable work patterns will become more prevalent: 59% of Millennials prefer schedule flexibility and autonomy to other perks like overtime compensation.¹² Work flexibility allows for balancing commitments of work and home.

A cross-generational survey conducted by Deloitte found that “a quarter of [workers] want the option to work remotely, [but] only 1 in 10 would prefer it.”¹³ This same study found that Millennials and non-Millennials were not very different in terms of work needs. For example, both groups preferred working in an office environment with face-to-face relationships. More non-Millennials than Millennials (62% vs. 54%) prefer working in an office with a door.¹³

Innovations to workplace design include “hot desks”, whereby an employee comes in and sits down at any available workstation. “Hoteling”, a version of hot desking, refers to the ability of employees to reserve specific desks in advance. “Coworking” spaces started in the mid-2000s as a response to the lack of social interaction and feeling of belonging that workers experienced when working remotely. Coworking spaces are office spaces designed to allow remote workers from different companies to come together and have a sense of community. They are usually operated as a membership, with workers able to rent a desk space for a few hours a month or every day. Other space designs may include quiet rooms for those needing fewer distractions, and areas to relax on breaks.

Environmental Scan Series.12

The Future of Work: Part 2 The Future of the Workplace

Converging Technology – AI, VR, Co-Botics, Oh my!

The increasing adoption of technologies such as artificial intelligence (AI), virtual or augmented reality (VR), and collaborative robotics (Cobotics) is changing the ways in which we work. Internet and video conferencing technology has made working remotely a more viable option. Robotics will continue to replace workers, but people will also work with Cobots, for example, in industrial material handling and inspections. Other examples include human enhancement technologies (HET) such as devices and wearables like Google Glass. Virtual reality can be used for training such as roleplaying situations. One paper suggested that collaborative teams could have ideation sessions on Mars through VR headsets.¹⁴ Unique human skills such as ideation and creativity will be required.

Challenges for All

Diversity, physical changes, and technology will create many challenges. Managers will be challenged “to be a conductor”¹⁴ in order to make sure that more autonomous, global, traditional, and non-traditional workers across generations and abilities will be able to connect with the organization’s culture and mission. According to one study, “[t]his autonomy works best with an explicit set of rules—not copious ambiguous policies, but a handful of crisp and clear statements that guide interaction, values

and expectations and link back directly to the organisation’s purpose and vision.”¹⁴

Young people may feel pressured to shorten the length of time spent pursuing post-secondary education. Compressed programs, full-year programs, micro programs, and distance learning may be some solutions. Lastly, all workers will be challenged to become life-long learners in order to continuously upgrade skills during their careers.

A Role for Post-Secondary

Post-secondary institutions will need to consider how employers can attract and retain the best employees. How will technologies such as AI (e.g., chat bots), and VR (enhancing experiential learning) affect learning and teaching in the classroom and online? How can institutions become nimble enough to develop and implement in-demand programming for students, which requires competing with industry to attract experts in emerging fields.

Next in the Series

In the next brief, *The Future of Skills*, we will explore the skills needed for people to “future-proof” themselves.

Environmental Scan Series.12

The Future of Work: Part 2 The Future of the Workplace

Sources

1. Randstad Canada Workforce 2025: the future of the world of work, 2017
<http://content.randstad.ca/hubfs/workforce2025/Workforce-2025-Randstad-Part1.pdf>
2. Demographics and the client relationship – in conversation with David K. Foot
https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=3&ved=2ahUKEwjB_I0tPvkAhUTuZ4KHf52B2sQFjACegQIAxAC&url=http%3A%2F%2Fwww.footwork.com%2FDynamicAdvisor.pdf&usg=AOvVaw3I032-zLkzTe_dm2nGeMv0
3. Miller, Mark Take This Job and Love It! *AARP*, February-March, 2015.
<https://www.aarp.org/work/working-after-retirement/info-2015/work-over-retirement-happiness.html>
4. Patrick J. Kiger, Working at 50+, *AARP*, January 17, 2019
<https://www.aarp.org/work/working-at-50-plus/info-2019/2018-jobs-older-workers.html>
5. Stats Can Census in Brief: Working seniors in Canada, November 29, 2017
<https://www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016027/98-200-x2016027-eng.pdf>
6. Stats Canada, The Daily, The surge of women in the workforce
<https://www150.statcan.gc.ca/n1/pub/11-630-x/11-630-x2015009-eng.htm>
7. Miner, Rick The Great Canadian Skills Mismatch: People Without Jobs, Jobs Without People and MORE March 2014
[http://www.minerandminer.ca/data/Miner_March_2014_final\(2\).pdf](http://www.minerandminer.ca/data/Miner_March_2014_final(2).pdf)
8. McKinsey Global Institute, McKinsey and Company, Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation, December 2017
<https://www.mckinsey.com/~media/mckinsey/featured%20insights/future%20of%20organization/what%20the%20future%20of%20work%20will%20mean%20for%20jobs%20skills%20and%20wages/mgi-jobs-lost-jobs-gained-report-december-6-2017.ashx>
9. Aboriginal Peoples: Fact Sheet for British Columbia, Stats Can March 14, 2016
<https://www150.statcan.gc.ca/n1/pub/89-656-x/89-656-x2016011-eng.htm>
10. Arrive Consulting and Roundtable Consulting Indigenous Labour Market Information Project Summary Report June 2018 for the Labour Market Information Office, BC Ministry of Advanced Educations, Skills and Training.
11. System Highlights,
<https://www2.gov.bc.ca/gov/content/education-training/post-secondary-education/institution-resources-administration/accountability-framework>
12. Bridge.com, 7 Trends for Workforce 2020: How to Make Today's Ever-Changing Workplace Work for You, 2016
https://www.instructure.com/bridge/pdf/2016_5_Workforce_Evolution_eBook_Collateral_Bridge_12.pdf?newhome=bridge
13. Deloitte, Future of Work: The future of work – A reorientation guide
<https://www2.deloitte.com/ca/en/pages/human-capital/articles/the-future-of-work.html>
14. Kjaer, A.L.; Godin, Seth Kjaer Global. Future of the Workplace 2030+
<https://www.unily.com/insights/guides/future-of-the-workplace>
15. Jang, Sujin, The Most Creative Teams Have a Specific Type of Cultural Diversity, *Harvard Business Review*, July 24, 2018
<https://hbr.org/2018/07/the-most-creative-teams-have-a-specific-type-of-cultural-diversity>
16. Rock, D, Grant, H, Why Diverse Teams are Smarter. *Harvard Business Review*, November 4, 2016
https://hbr.org/2016/11/why-diverse-teams-are-smarter?referral=03759&cm_vc=rr_item_page_bottom
17. Foot, *David Boom, Bust & Echo* (Toronto Macfarlane Walter & Ross, ,1996)
Note: “Everything” referred to future demand for products, school enrolments, drug development, crime activity, home values, etc. p. 2