

The Coming Workforce Deficit and its Impact on Office Space

Alex Musetti

Since 2008 the conversations taking place in economics, politics, and media have primarily focused on the global recession and, more specifically, dismal unemployment rates. For this reason it can be difficult to think about signs pointing to an approaching workforce deficit as an actual concern. However, organizations from Stanford University to Kelly Services all agree that the data suggest highly industrialized nations will face a tremendous skilled labor deficit in fifteen years' time.

According to a 2014 study conducted by Boston Consulting Group's Rainer Strack, by 2030 labor supply will in fact undercut demand by as much as 33% in countries like Germany, and the figures become even more worrisome when we look at skilled labor specifically. It seems that, despite our fears of losing our jobs to the likes of technology, off-shoring, or global economic crises, just the opposite will come to pass: We will have more jobs than we do workers.

Many take this as good news,

including employees who, after years of making concessions just to keep a job and get by, will return to the table with renewed vitality and leverage. Employers, on the other hand, will be faced with the challenges of managing people in a new competitive landscape. Companies will have to entice top talent like never before. Recruitment and retention will become primary competitive advantages, and companies will find creative ways to master these arts.

There is a significant amount of literature discussing the differences between baby boomers and the workers of the future. Strack gave a TED Talk in October of last year, where he illustrated these differences with a study suggesting that, out of 26 qualities employees look for in a company, the top four revolve around culture (compensation came in at #8, while being appreciated for one's work was #1).

Company culture can, however, be a difficult thing to understand from an outsider's perspective. It is seen in the



**Alex Musetti, Vice President
Hughes Marino**

relationships the employees have with one another, in the tone of the emails that are sent, and in the space that the company lives in.

It is first seen in-person upon walking into an office. The office is a company's first impression to a visitor. It takes but a quick second and a cursory glance for a



potential employee to ask him or herself “Would I want to spend sixty or more hours a week here?”

Professional recruiters never forget to mention how nice a company’s office is, and they will often use it as a reason to get prospective hires in the door. For instance, if the office has a spacious break room with arcade games in it, it will not only be used as a selling point by a recruiter, but it will be remembered by the potential hire as well. The simplest things can make the difference, too: Upscale finishes like hardwood or polished concrete floors, unique lighting combined with abundant natural light, an open kitchen with inviting space to sit and eat with coworkers.

Office image informs us about a company’s culture in powerful ways,

and all of these qualities plus countless more make a difference in the perception people have about a company’s operations, culture, and people. If you haven’t given much thought to your own office image, rest assured that your employees and prospective employees probably have.

Aligning company culture with office space is not something typically taught in business school, but it is important, and will only become more relevant as competition for skilled labor increases. We spend more than a third of our lives at work. Savvy chief executives and managers with an eye toward the future will understand that, and work to create offices that foster strong company cultures, which employees truly enjoy working in. They will create workspaces

people look forward to arriving at in the morning.

With any luck, the coming workforce deficit will not only be a boon to skilled workers, but also to the companies that proactively enhance their workspaces – and by extension, their cultures – to recruit them in an increasingly competitive marketplace.

Alex Musetti is a vice president of Hughes Marino, a Southern California commercial real estate company specializing in tenant representation and building purchases. Contact Alex direct at alex@hughesmarino.com or 1-844-NO-CONFLICT to learn more.