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9 Trends That Will Shape Work in 2024 and Beyond

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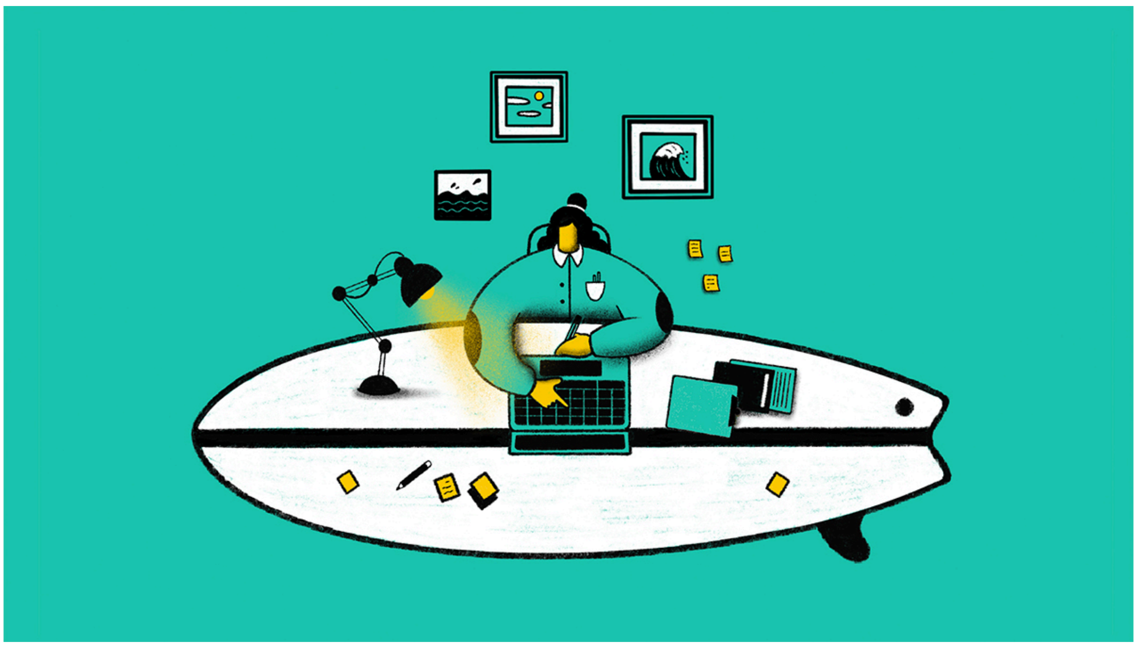

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Summary. In 2023, organizations continued to face significant challenges, from inflation to geopolitical turmoil to controversy over DEI and return-to-work policies — and 2024 promises more disruption. Gartner researchers have identified nine key trends, from new and... **more**

In 2023, business leaders and organizations continued to contend with major shifts affecting the workplace, including the pressure of inflation on both employer and employee budgets, the emergence of generative AI (GenAI), geopolitical turmoil, a series of high-profile labor strikes, increased tension over return-to-office (RTO) mandates, a shifting legal and societal landscape for DEI initiatives, the increased impact of climate change, and more.

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As we look toward 2024, we can expect disruption to continue. Gartner research has identified nine trends that will shape work in the next year. Leaders who proactively develop explicit business and talent strategies to navigate these trends will give their organizations a competitive advantage in both talent outcomes and achieving the organizations' strategic goals.

1. Organizations will offer creative benefits to address the costs of work.

Employees who have shifted to working remotely or in a hybrid environment have experienced what it is to work without bearing the costs — financial, time, and energy — associated with going into an office daily. According to our research, 60% of employees say the cost of going to the office outweighs the benefits, 67% feel that going to the office requires more effort than it did pre-pandemic, and 73% say it feels more expensive. Unsurprisingly, 48% of employees say RTO mandates prioritize what leaders want over what employees need to do good work.

What was once largely assumed — that employees bear certain costs of work when they agree to take a job — can no longer be taken for granted, particularly given that there isn't a definitive relationship between location of work and performance. Gartner research has found that in-office requirements do not have a statistically significant impact on employee performance, positively or negatively.

Organizations looking to attract and retain talent will not just try to find the perfect hybrid strategy, but will look to tackle the cost of work head on. They can do this by sharing the tangible and intangible costs of returning to the office and finding ways to reduce the total costs.

Leading companies are exploring more impactful and creative benefits, including:

- **Housing subsidies:** Organizations that want employees to come into the office may seek to help them afford nearby housing. Another option is company-owned apartments near the office that could make the cost of short-term trips to headquarters more manageable.
- **Caregiver benefits:** The pandemic left many families with an acute awareness of how critical reliable, flexible childcare, eldercare, and pet care is to a healthy workforce. Leading organizations are beginning to fill these gaps with targeted benefits, such as onsite or shared drop-in childcare for employees, pre-vetted pet care provider recommendations, and on-call access to skilled care providers to address gaps in eldercare support.
- **Financial well-being programs:** In 2023, our research found that only 24% of employees rated their financial well-being favorably, down from 27% two years prior. This low level of financial well-being makes the cost of work more acutely felt. More organizations will begin offering personal financial planning and education services to help employees make the most of their finances.
- **Student loan repayment:** More than 43 million Americans hold federal student loans, with a total balance of more than

$1.7 trillion. The U.S. tax code now allows for organizations to make the same contributions to student loan debt repayment as they can for tuition assistance, giving employers the opportunity to mitigate one of the biggest financial stressors their workforce faces.

2. AI will create, not diminish, workforce opportunity.

A 2023 Gartner survey found that 22% of employees expected AI to replace their job in the next five years. Despite this anxiety, in the short- to medium-term, GenAI won't replace many jobs, but it will lead jobs to be redesigned to include new responsibilities, such as interacting with GenAI tools. Gartner predicts that GenAI will play a role in 70% of text- and data-heavy tasks by 2025, up from less than 10% in 2023.

This year, executives should be prepared to iterate and adapt their plans and expectations for GenAI as tools evolve and employee proficiency improves. Business leaders should partner with HR to assess how GenAI investments should change team roles and workflows and to identify potential internal candidates for newly redesigned roles. HR must also evaluate GenAI's impact on hiring strategies, identifying which technical requirements and assessments are now unnecessary for open and upcoming roles, and determining how to assess talent against any new skill needs.

3. Four-day workweeks will move from radical to routine.

Previously considered a radical departure from the traditional schedule, a four-day workweek has been raised in union negotiations and become the preference of many workers. A 2023 Gartner survey revealed 63% of candidates rated "four-day workweek for the same pay" as the top new and innovative benefit that would attract them to a job. Recent pilots of a four-day workweek have suggested benefits for productivity and employee well-being.

As a talent shortage puts pressure on attracting and retaining employees, organizations in 2024 will use four-day workweeks to improve both talent outcomes, such as employee engagement, performance, and well-being, and business outcomes, including eliminating inefficiencies, attracting and retaining talent, and driving competitive advantage.

Embracing a four-day workweek will require organizations to rethink the cadence of work. This means being more explicit about scheduling focus time or when and where collaboration, brainstorming, and feedback sessions take place. This intentional approach to time not only facilitates a four-day workweek, it also allows organizations to benefit from shared expectations for when different types of tasks might be done, reducing the burden on managers and employees to set these expectations.

4. Employee conflict resolution will be a must-have skill for managers.

This year, conflicts between employees are poised to be at an all-time high due to various crises, including geopolitical issues, labor strikes, climate change, pushback to DEI efforts, and upcoming elections for half of the globe. Conflict between employees at all levels pulls down both individual and team performance; for many, work is not a safe space.

A 2023 Gartner survey found that 57% of managers say they are fully responsible for managing and resolving team conflicts. Managers who can effectively navigate and manage interpersonal conflict among employees will have an outsize positive impact on their organizations — the question is how many really feel trained and prepared to do so? Organizations that have tried to keep contentious topics out of the workplace may start this process behind the curve, particularly as conflict resolution is not an intuitive skill.

Organizations should upskill managers and managerial candidates in conflict resolution through dedicated trainings and shadowing or coaching opportunities for new managers. Leading employers are also finding ways to recognize and reward effective conflict resolution at all levels of the organization, including considering conflict-management skills during performance-review cycles and promotion decisions.

5. GenAI experiments will yield hard lessons and painful costs.

Enthusiasm, hype, and a strong fear of missing out are driving executives to encourage the implementation of GenAI within their teams and organizations. Yet, the Gartner 2023 Hype Cycle for Emerging Technologies found that GenAI has already reached the peak of inflated expectations and will next enter the "trough of disillusionment" — a two-to-five-year period during which it won't live up to overinflated expectations.

This doesn't mean that GenAI won't provide significant benefits or solve business challenges; it means that companies will need to actively manage expectations, as well as the risks associated with implementation.

GenAI tools are being deployed with promises of incredible productivity returns if organizations apply them to their internal data and documents. However, access and file classification policies have long been minimally observed, if not neglected, at most organizations. For example, when GenAI-enabled assistants are deployed against an organization's internal files that lack proper access controls, an employee can ask: "Who filed harassment complaints in the last year?" or "What are the salaries and bonuses for everyone VP and above?" and get an answer.

In addition to governance, the output of GenAI is not infallible, creating a strong need for quality control and good employee judgment. These risks don't outweigh the potential benefits of

GenAI, but they require organizations to actively train employees to develop judgment around information validity and how and when to use this new technology.

6. Skills requirements will overtake degree requirements as the “paper ceiling” crumbles.

College degrees are the top requirement of yesterday’s job descriptions, not tomorrow’s. Organizations today are increasingly shredding the paper ceiling — the invisible barrier workers without degrees face — and embracing skills-based hiring, even for some corporate jobs long considered degree-dependent.

Major companies, including Google, Delta Airlines, Accenture, and Zoho, have already removed many of their degree requirements from job postings to attract qualified talent without arbitrarily limiting themselves. State and local governments around the world are also embracing this approach. This allows organizations to hire from a much broader talent pool that includes both internally developed talent and workers Skilled Through Alternative Routes (STARs). These STARs — veterans, underrepresented talent, and other skilled workers without college degrees — represent a major portion of the global workforce, including more than 70 million workers in the U.S. alone.

This shift enables employers to consider new avenues to find — or develop — the talent they need. In fact, leading organizations like Target, Amazon, and EY are increasingly touting their in-house universities and business schools — and expanding apprenticeship programs — as tailored credential programs that prepare talent with the specific skills they’ll need to advance.

7. Climate change protection becomes a new employee benefit.

From severe storms to extreme heat to massive wildfires with far-reaching impacts on air quality, the past year brought new visibility to how climate change is impacting workforces worldwide. As these events shift from localized and episodic to widespread and persistent, organizations are making climate change disaster response plans a more explicit and transparent part of their employee value proposition.

In 2024 and beyond, organizations will begin to highlight and promote direct climate change protections as a key part of their benefit offerings. These could include:

- **Explicit commitments to physical safety:** Organizations may develop proactive plans to offer shelter, energy, and provisions when natural disasters arrive and actively communicate their response capabilities to their workforce.
- **Compensation to impacted employees:** Organizations may offer designated PTO or monetary benefits to those who experience hardship due to a climate-related event. Subsidies for short-term housing, relocation assistance, disaster-related leave, or stipends for specialized safety equipment could become more explicit components of organizations' benefits packages.
- **Mental health support:** Many organizations have already expanded emotional well-being offerings over the past few years, but some may begin to offer access to grief counselors to help their employees globally cope with the impacts of these events.

These benefits will be particularly impactful for organizations with localized operations or a limited number of locations, where most, if not all, of their operations will stall in the event of disaster.

8. DEI won’t disappear; it will become more embedded in the way we work.

After a flood of corporate attention in 2020, there has been a growing disillusionment with DEI — and even direct pushback in some quarters. For too many organizations, DEI still operates in a silo and suffers from a lack of accountability and ownership from business leaders, limited decision-making power to drive outcomes, and ineffective, uncoordinated cross-enterprise DEI efforts. When companies expect enterprise-wide results without enterprise-wide ownership and accountability, it results in unfair expectations for DEI programs and disappointment in DEI outcomes.

But the critical need for diverse, equitable, and inclusive workforces remains, leaving organizations uncertain about what to do next.

In 2024, companies will begin to pivot to embedding DEI throughout the organization. This approach will change how business leaders interact with DEI, positioning it not as “what” they do, but “how” they achieve high performance in their key objectives. Ultimately, this new model will see DEI shift to a shared way of working as organizations fully integrate DEI values into business objectives, daily operations, and culture.

9. Traditional stereotypes of career paths will collapse in face of workforce change.

Traditional career paths, where employees rise up the ranks and retire at the peak of their career, are going away. Some employees don’t retire at all or do so after a career shift or break, including performing different or less-lucrative work. For example, Pew research found that 19% of Americans aged 65 and older worked in 2023, which is nearly twice as many as 35 years ago. More employees are stepping out of the workforce mid-career, shifting across industries or embracing contingent work and other nontraditional employment models at some point in their careers. A 2022 LinkedIn survey of 23,000 workers found that 62% had already taken a career break and 35% would potentially take one in the future. Workers are also contending with involuntary disruption to their careers due to economic cycles, caregiving responsibilities, displacement during conflict and natural disasters, and shifting responsibilities as technology and business models evolve.

As atypical career paths become mainstream, the well-entrenched stereotypes that underpin most talent management strategies will prove a growing barrier to talent acquisition and retention. Organizations must adapt to these changes in three key ways:

- **Make it easier for talent to stay at or return to the organization.** Employers are breaking with the stereotype of career continuity by offering job sharing, gig work, or reduced hours to provide greater flexibility. Bringing retired employees back as gig workers or mentors or facilitating temporary departures from the workforce with mid-career leave programs and returnships enables employees to more effectively fit work into their lives. Organizations such as United Technologies, Goldman Sachs, and Johnson & Johnson provide returnships or rotational programs for caregivers reentering the workforce.
- **Take advantage of expertise where it exists, regardless of tenure.** Organizations are breaking the mold of a step-by-step progressive career trajectory by enabling younger employees to take on roles because of their expertise or

aptitude in niche terrains. C-suite executives in their 20s aren't just for startups — we're seeing companies hire executives from a pool of early career workers whose limited experience includes successfully navigating emerging priorities for their industry, such as mitigating third-party cybersecurity vulnerabilities in financial services, piloting ambient digital scribes in health care, deploying smart checkout systems in retail, and optimizing production processes with digital twins in manufacturing.

- **Prepare for the imminent retirement of many experienced workers.** Organizations are redesigning work to facilitate internal rotation programs, removing age limits for apprenticeships so that anyone can train in a new subject, and creating shadowing opportunities so that more experienced workers have the opportunity — and the expectation — to help early and mid-career colleagues develop expertise. For example, Tetra Pak employs a rotation program where nearly half of each product team is reshuffled every 18 months. Staff are encouraged to select their top three preferences for rotations based on new areas or skills they wish to learn but may have little or no experience in.

Cross-training employees in various domains has a long-term benefit, as employees with dexterity across multiple domains are more likely to be successful in the future as roles evolve with new technologies and business models. This will be particularly appealing for organizations facing the threat of losing decades of institutional knowledge and specialized expertise.

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These nine trends will shape the future of work across 2024 and beyond. Executives must evaluate which of these trends to prioritize and pilot based on criteria including:

- Which trends will disproportionately impact your organization?
- Which trends might give you a strong comparative advantage in the labor market if your organization acted on them?
- Which trends pose a threat to your strategic goals if you don't act on them?

While most organizations cannot act on all of these trends, those that don't prioritize and take action on some will find themselves at a disadvantage — both in terms of talent retention and attraction, as well as their ability to meet strategic goals.

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