Megatrends
People and Culture Vestas
Vision 2025

Definition Megatrend - An important shift in the progress of a society or of any other particular field or activity; any major movement

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The on- going Corona Crisis

- Actually the virus hits and affects people and nations in all parts of the world – invisible and dangerous
- A need of global solidarity – it's a huge challenge to all of us and we need to work even harder to solve both health issues and business problems
- It demands a great deal of flexibility,openness and co-work in companies and societies
- The Post Corona time will be cold, insecure and filled with anxiety among people
- Corona will become a megatrend and the crisis has and will have an impact on the megatrends presented today

Megatrends

- Part of a well-known method used in military strategy and business since the 1970's called future scenarios
- Part of a strategic work tool in many companies
- Megatrends can be used to check whether our strategy or vision need to revised or maybe change direction
- Using megatrends is a way to verify whether the important changes and trends in the surrounding world should play a larger role in your future vision 2025
- In my presentation I have chosen 6 megatrends that I find the most important for your work with a vision towards 2025 for people and Culture at Vestas

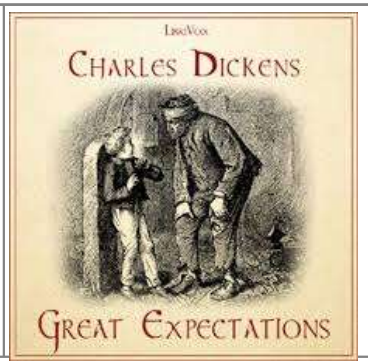
Megatrends Today

1. Society of great expectation
2. A New World Order
3. Labor market and demography
4. Mega-tech – digitalization
5. Sustainability and Climate
6. Individualization

- After each megatrend - I'll ask practical questions related to the presented megatrend

1. Society of great expectations

Welcome to the society of great expectations!

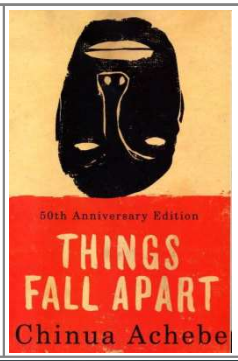


- Most present and future employees live in middle income countries
- People in the fast growing global middle class is so used to economic growth in our societies that we expect it every year
- We expect constant improvement in our living conditions - materiel goods and mental health
- At the workplace we expect our conditions, service, wage and leader to improve step by step every year
- Companies and leaders in general have to confront all these expectations!

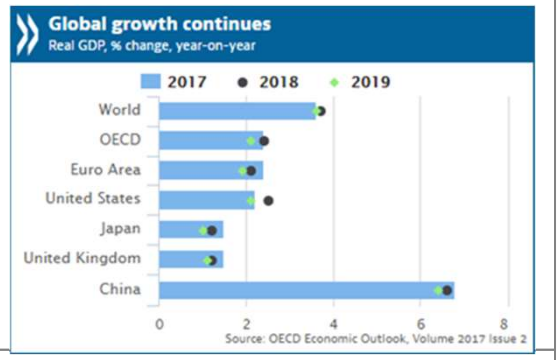
People and Culture

- Recruiting – How can people see and experience that a position in factory, field or office offer a better wage, career or other non- salary related advantages?
- Is Vestas permanently updated on what competitors offer people?
- Are leaders at all levels aware of these great expectations and how to work with it every day, week or month?
- How do you feel that you have a exclusive position as an employee at Vestas?

2. A New World Order Instability



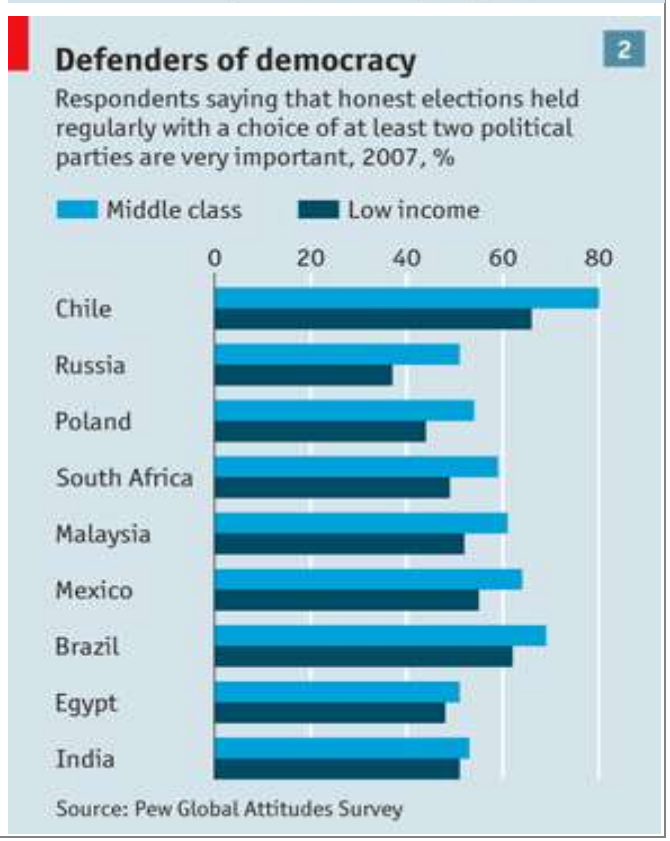
The West is no longer the best



- The end of the Cold War in 1989/91
- West the best political and economic systems were superior to any other systems
- The wars in Irak and Afghanistan taught us that we were wrong – political systems and different history, population and culture
- Credit Crunch in 2008 and severe economic crisis that hit us afterwards

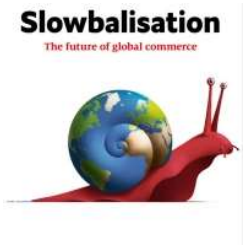
The new and future global middle class

- Today 2,6 billion people
- 2030 - 66 % in Asia Pacific
- 10 % growth in number every year
- More than 10 % growth in consumption every year



A runaway world towards 2030

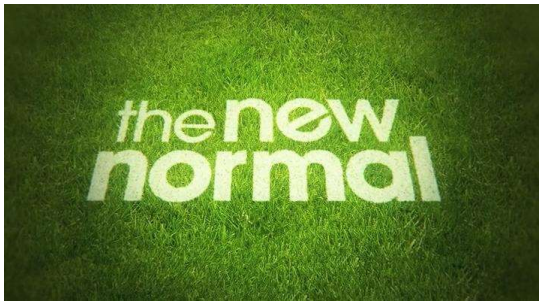
- The multipolar world - many centers and dominant economies
- US is still a super power – China … India
- A complex and unpredictable world – Syria, Brexit, Russia and North Korea, WTO,
- Resources and the power over it – Security
- Everyday life that an international conflict affect our markets and work life



Slowbalisation

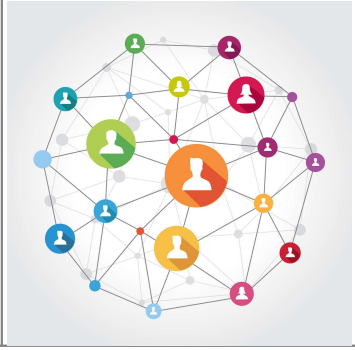
- International trust to one another is challenged
- Since 2008 Trade, Intermediate import, and long term gross-border investment has fallen as share of the the World GDP
- A period of slowdown in global trade and interactions
- Trend in the coming years not only a more protectionist view on resources also on trade
- The Corona Crisis will put supply-chain, stability and supply security high on many companies agenda

The New Normal towards 2030



- Companies have to prove superiority on a permanent basis in a fierce competition
- A need for a new pluralist and multi cultural approach to sale, service and product innovation worldwide
- In work life - the ability to innovate products and services personalized to specific groups, nations or subgroups demand or desires – closer to user and consumer
- Soon a new conflict or virus will affect jobs

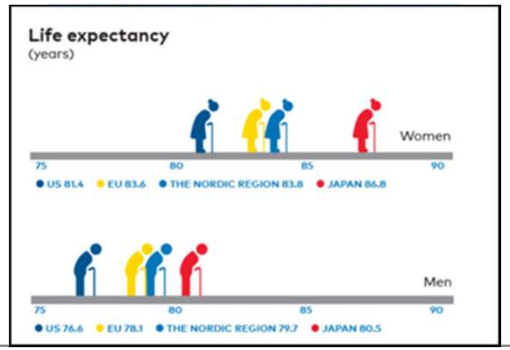
People and Culture



- Our ability to be flexible and re- organize jobs and functions when the next conflict hit us!
- History and preparedness at Vestas!
- The difficult perfect balance between coorporate systems and local knowlegde and input from different countries, clients and employees!
- How good is Vestas at creating a corporate culture consisting of different qualifications and cultures in our business units?

3. Labor Market and Demography

Europe
Trends toward 2030



- A growing population in the European countries due to a long average life expectancy – The Silver Tsunami
- Immigration in some countries
- Shortage of Labour – due to a shrinking workforce in several European countries
- Fierce competition among companies the next 5 years … especially digital and technical positions

Senior Citizens

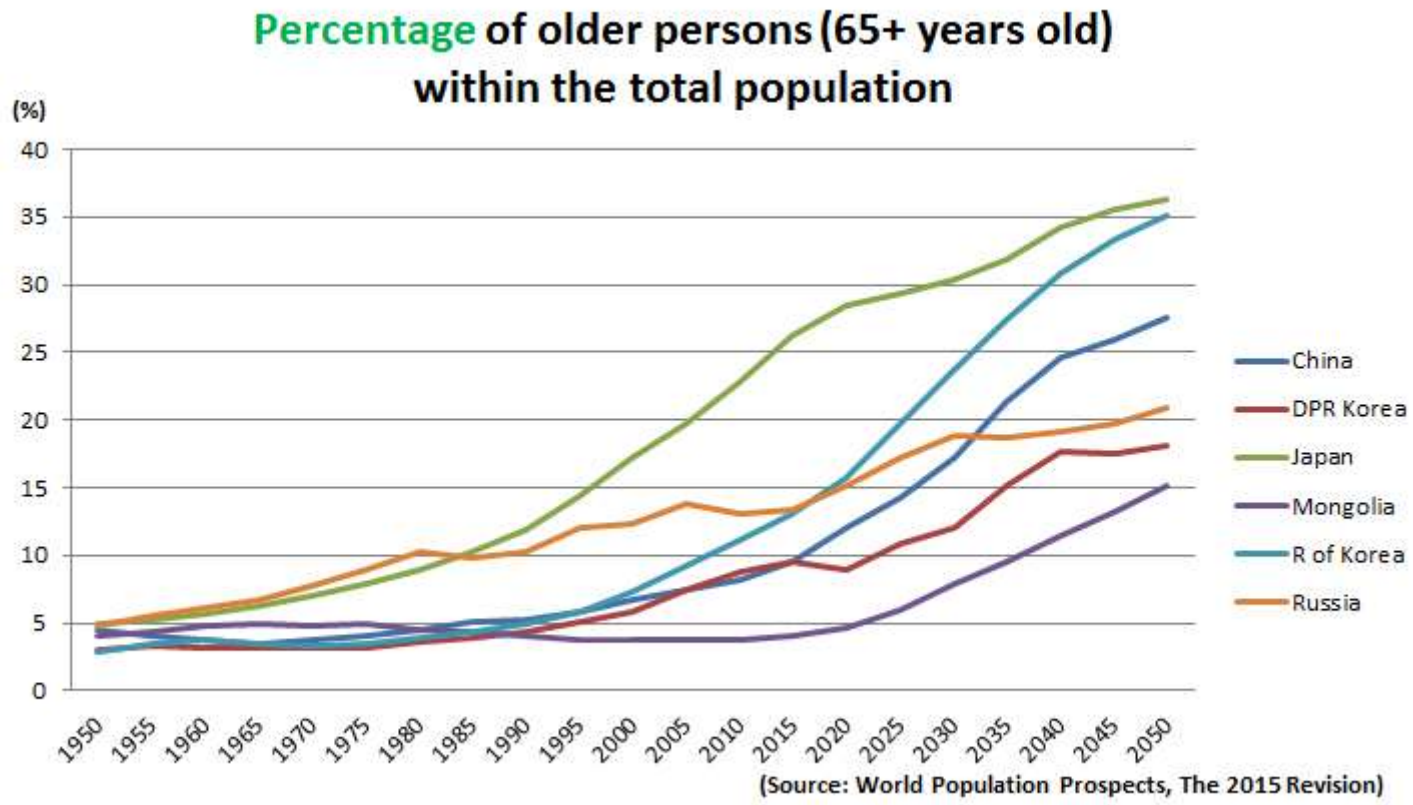
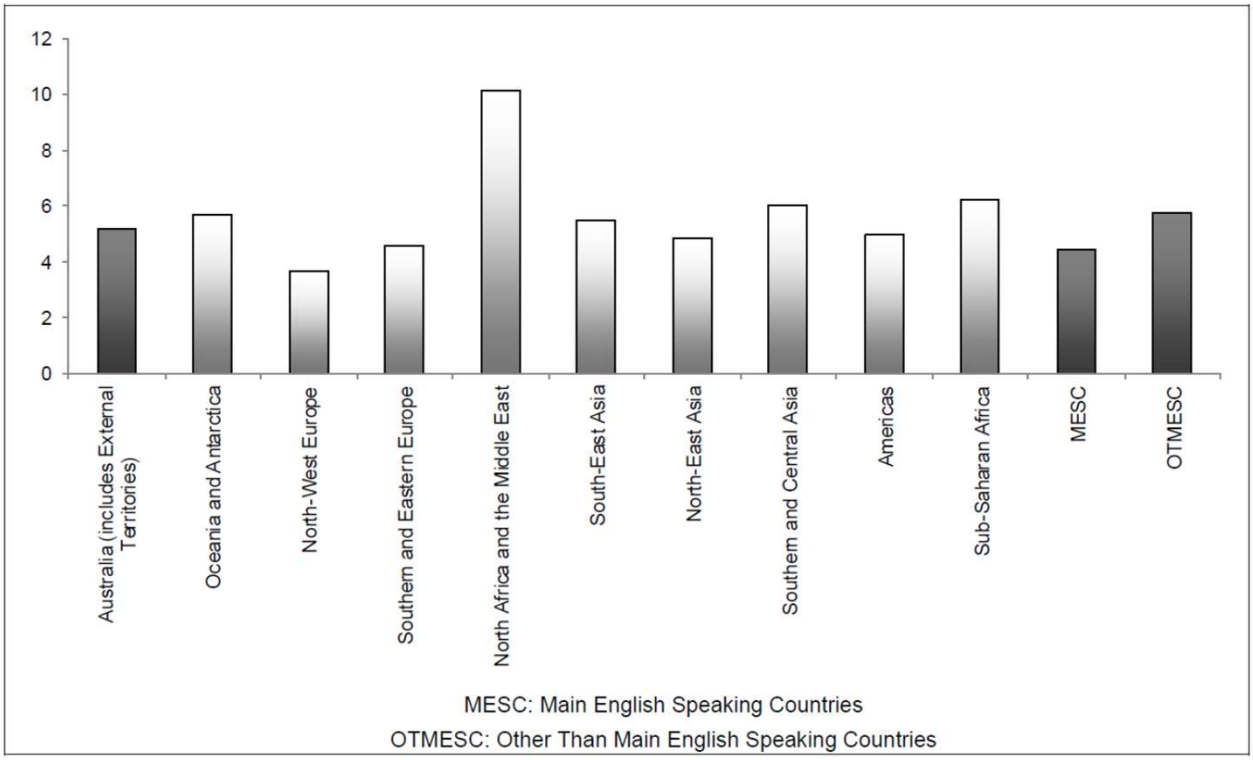


Figure 4: Unemployment rates (%) by major country groups (subcontinent) of birth— 12 months to February 2019[3]

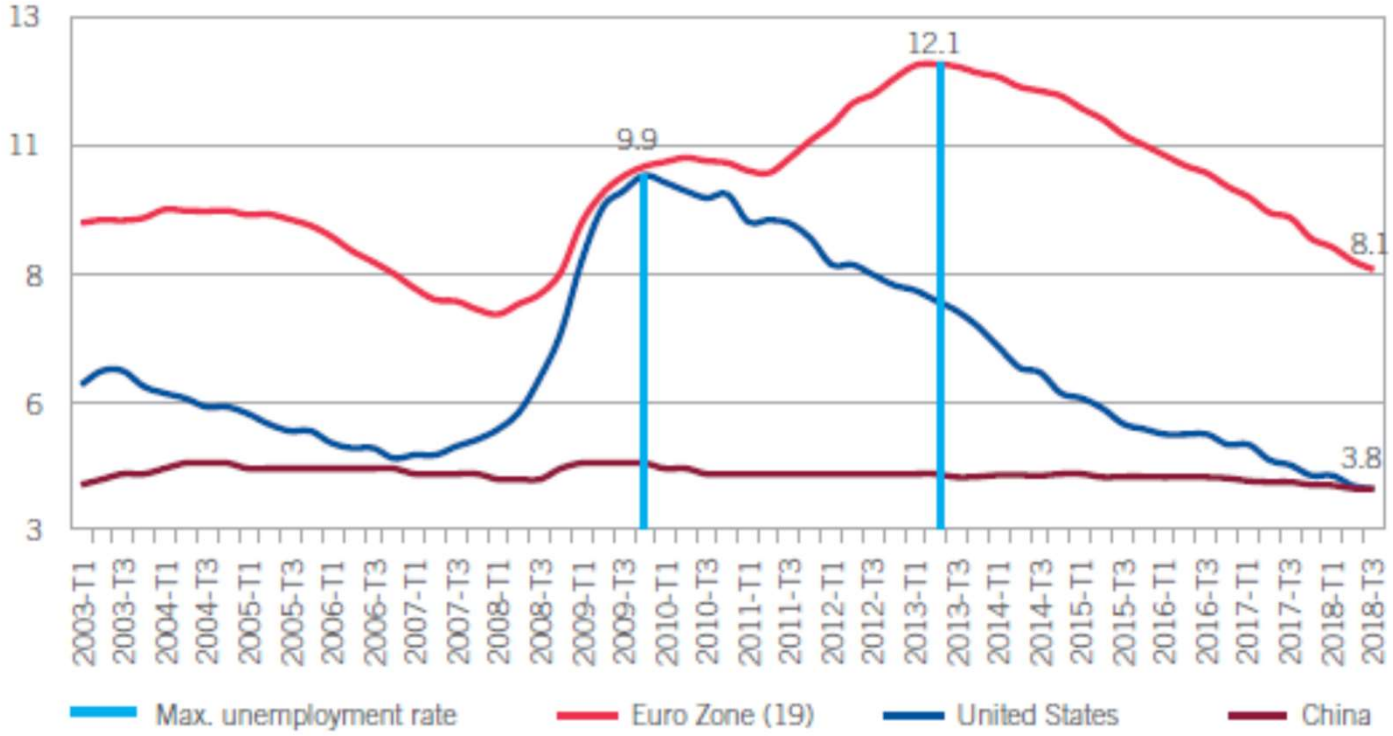


MESC: Main English Speaking Countries

OTMESC: Other Than Main English Speaking Countries

Back to 2009 or 2013 in 2020/21?

FIGURE 1.1. Quarterly Unemployment Rate in Selected Countries 2003 I - 2018 III (percentage)



Source: Bureau of Labor Statistics (United States), Eurostat and National Statistics Office of China.

Demand

- Despite higher unemployment rates
- A deep shortage of labor especially technical, enigeering and digital specialists
- It may end in 5- 6 years time - everything has changed - Automation, outsourcing and new business models
- Higher demands on personal wishes based on life, generation and personal interests

People and Culture

- Vestas has to recruit and maintain on many different labor markets in regard of type of position and national / regional labor market
- Is it possible to recruit and work the same way in all parts of the company?
- How much knowledge do we have about supply and demand on different type of labor markets?
- Rigth tools quickly adjust to new situations?

People and Culture

- The present and the future is characterized by a significant and growing demand of people with digital, enginering or technical skills in all parts of the economy such as companies, organizations and public sector
- Competition – is People and Culture in Vestas able to recruit the most talented and maintain them as Employees in the future?
- How and why?


POLICE
RUE ADOLPHE JULLIEN
Galerie EGP
Stand A7
Quentin ARMAND
"Pissy", 2012

4.
MEGA TECH

The digital revolution Version 3.0

- We are in the middle of a real digital revolution that changes the way we work, produce and communicate in a new digital society.
- A wide range of technologies and digital systems that will hopefully improve our life and work life
- We all need to have a constant focus on our digital skills
- The generation gap in the workforce at Vestas – are all employees world wide ready to join the digital transformation? – Education and training of new required skills

Industri 4.0

- Automation, robots, intelligent systems and higher efficiency in production lines and service
- New technology replacing man power and routine at a big scale in all sector both private and public
- All jobs, positions and related functions in the labor force will be analyzed.
- Frey and Osborn (2013) predicted at 40 % of all job or job functions would be replaced by technology in 2030!
- A pure technological forecast but our positions and related functions change and specialize over time!

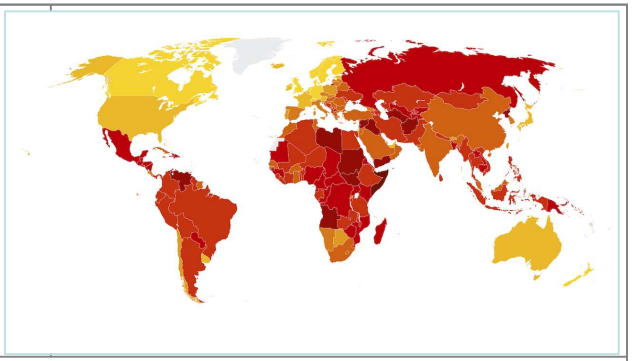
New Possibilities

- The global tech labor market – via apps and other digital platforms companies and employees get access to solving different kind of jobs
- A world wide competition and giving opportunities to more people worldwide
- An ever changing division of labour world wide
- New interactive digital learning programmes that teach us new skills in the way we learn it the best way – a great potential Area9

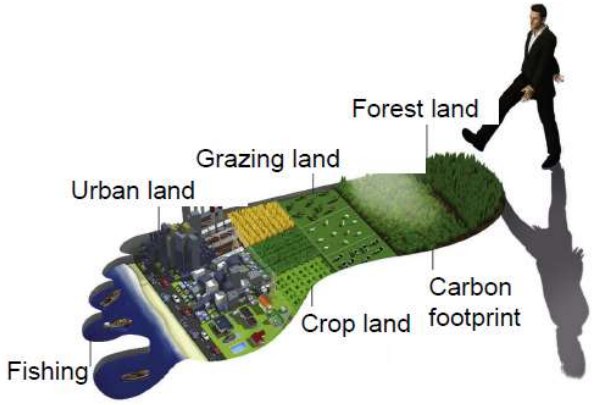
People and Culture

- How do we constantly ensure that all our employees are fully trained in operating new digital systems?
- Do we see and use the possibilities og the global tech labor market or is it same procedure as last year?
- Do the organisation and the coorporate systems support and encourage co-operation between all our facilities and type of talents?

5. Sustainability and Climate



- Companies must be sustainable and good in all ways and interactions
- No misuse of people, animals and natural resources
- Bad reputation and CSR
- Climate and transparency
- Recycling – Cradle to Cradle
- Young people prefer to work for green companies



Source: Ministry of Environment, New Zealand

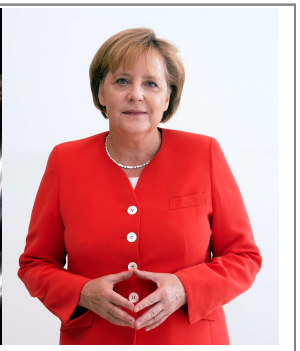
People and Culture

- Vestas has a high position as a sustainable brand when it comes to sustainability in business
- How transparant is our wage system, other rewarding systems or career promoting ways of working or performing at Vestas as an employee?
- Is there a significant diffence between the formal and explicit system and how it functions in real life?
- How precisely is Vestas Corporate CSR strategy felt and experienced as a present and future employee?

6. Individualization Individual Demands and Needs

Baby Boomers The large postwar generation, 68-generation The pill, television and radio, the phone Solidarity and collectivenes Born 1940-54	**Generation Jones** A huge generation but invisible generation The stereo Old time values but Career and money Born 1955-66	**Generation X** A small generation after the pill, the first individualists The VCR Harmony, society and respect Born 1967-79
Generation Y Small generation(women and the workforce) The Personal computer and the cell phone Born 1980-89	**Generation Z** Born between the end of the Cold War and 9-11 Digital natives What´s in it for me? Born 1990-2001	**New Millenium** Efter 9-11 generationen global citizens Wi–Fi (Wireless internet) born 2002

generation JONES



- Born 1955 – 66 and 54 to 65 years old

- Pragmatic idealist compared to Baby Boomers
- More conscious and cynical employees
- Anti - divorce, family values, society is important
- First movers in design, ethics, idea
- We cling to status, position and money ….
- Digital immigrants - The tape recorder
- A succesful life is family, career and leisure – a balanced life

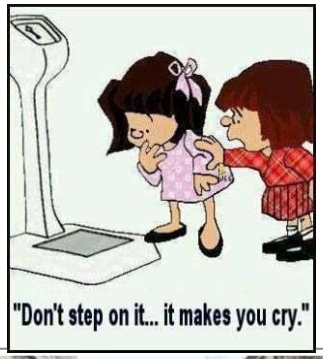
Generation X

Born 1967- 1979

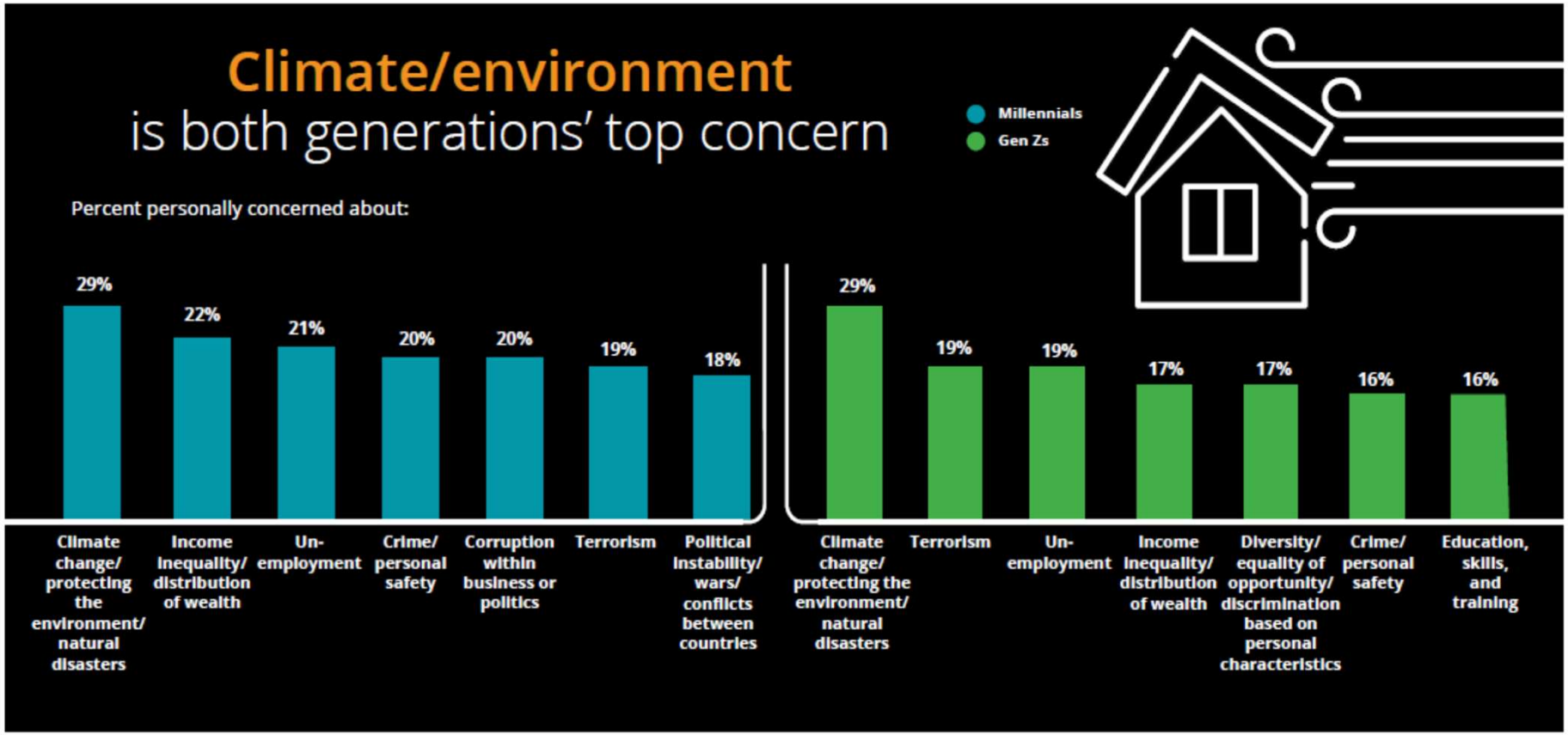
41 - 53 years old

- **The first generation after the pill**
- **The individual and self-centered generation**
- **Workaholics – hard working and the specific title is not so important**
- **But the right results and salary counts**
- **Flexibility and values**
- **Still digital immigrants – today leaders**

The Digital Natives
Generation Y and Z
1980 to 89 and 1990 to 2001

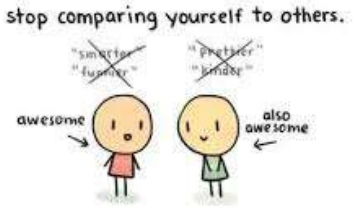


Deloitte 2019
Generation Disrupted



Q1. Thinking about the challenges facing societies around the world (including your own), which three of the following issues are you personally most concerned about? Please select up to three issues. Base: All millennials 13,416, all Gen Zs 3,009

Performance



- The best educated and wealthiest generation of young people
- Engaged in many things at the same time - education, work, friends, and social media
- Comparing themselves with one another especially performances as student, their social and personal skills and even physical apperance
- Proudness of life, education, workplace, job and projects

BORN DIGITAL

UNDERSTANDING THE FIRST GENERATION OF DIGITAL NATIVES

- **Almost born and living online!**
- **Citizens of the World and interested in a better world**
- **iPhone or Android phone is the most important platform for information, learning, sharing and organizing events**
- **Young people today are very conscious about who and what they are sharing on social media**
- **Gaming og next level – Constant gratification**
- **Happy to live in India, ZA, India, Canada or Chile but the world is waiting for me……**

Recruitment
A sustainable company and meaningful to my career and life

Happiness = Reality - Expectations

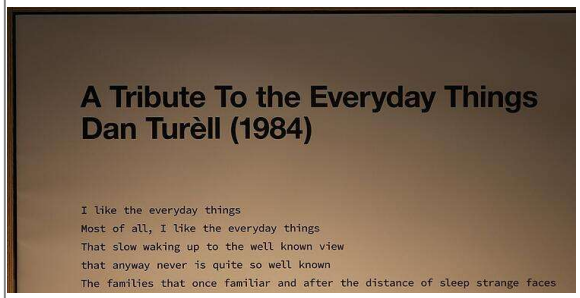
So many choices!

- As a person I am responsible for making the rigth decisions and choices in life, education and job!
- A majority of young people are desperate to find their call. ”I dream of finding out”
- ”I am my own master of my successes and failures”
- Uncertainty, many dreams and expectations – a good life and career
- A great need for colleages and manegers to support, advise and engage in them.

Wishlist to a present and future workplace

- Visible career stages - climbing up the ladder in a way that is costumized to me and my needs - Trainee
- Constant progress and development – or things are going in the wrong direction for me
- Fair pay, flexible working time – Other interests
- A nice title that I can be proud of!
- Praise me and see me and forgive me……

Vestas as an attractive work place for all kind of people?



- Are all Vestas work places attractive to people of different age, generation, culture or lifephase?
- Do we favor a specific generation or ways of being?
- The most important factors for jobsatisfaction at a workplace have for decades been;
  - Social support and guidance from your leader
  - Social Support and guidance from your colleague
  - The possibility of having an impact on our work and time Schedule
  - Everyday life counts and matters ……


Future comes by itself,
progress does not.
Poul Henningsen
quotefancy