Overview:
Disruptive technologies threaten to displace workers at the same time as businesses struggle to fill tech-enabled jobs of the future. Business leaders and policymakers must rewire the labor market for inclusion, so that technology serves as an engine of opportunity and growth rather than a driver of displacement and inequality.
In the not-so-distant future, we can create a labor market where employers value the potential of people who may not hold four-year college degrees, but possess skills companies desperately need. In this future, people would get a fair shot at a fulfilling job, a rewarding career, and a better life for themselves and their families.

That future starts with understanding the problem we face today.

Technological advancements such as automation and artificial intelligence (AI) are changing the nature of work and opportunity. Low-wage workers and other vulnerable Americans will likely bear the brunt of displacement as technology takes on more repetitive tasks.

Already, companies say they have difficulty finding enough “qualified” candidates to fill open roles. If employers and policymakers don’t help workers prepare for the challenges of a tech-intensive future, the perceived skills gap will only continue to grow and good jobs will go unfilled.

To address these challenges:

1. Employers must identify ways to reskill and upskill workers.
2. Educational institutions and training providers must focus on building the skills most in demand.
3. And policymakers must create new investment incentives for employers and workers that encourage lifelong learning and adaptability.

Automation of Jobs

Individuals without a four-year degree are more likely to lose a job to automation.
49% of tasks conducted by workers aged 15–24 are automatable, suggesting younger workers could lose the skill-building experiences often required to advance into better-paying jobs.

It’s not just workers who face challenges. Businesses could suffer if they fail to harness technology and build a resilient workforce prepared to thrive in the future of work.

Between 1910 and 1960, tech innovation in the agricultural industry reduced the number of farm jobs in America from 33% to just 8% of the labor force, with approximately 9.7 million jobs lost. Instead of succumbing to the disruption, America persevered, shifting our collective focus to build a high school movement that prepared young people for new office and factory jobs. This helped create the strongest middle class in the world.

Likewise, the internet boom has had a dramatic impact on job creation. By some estimates, one out of every three jobs that exist today did not exist 25 years ago. The same opportunity for positive impact lies before us now.

But simply investing in new technologies is not enough. Businesses already scrambling to find skilled workers will need to do more to help individuals prepare for the future of work.

**We See an Opportunity, Not Just a Problem**

It doesn’t have to be this way. Historically, disruptive technologies have improved business efficiency and spurred the creation of more jobs than those lost, moving business and the economy forward.

The Labor Market has an Opportunity Gap

**Farming Jobs Lost**

Tech innovation led to approximately 9.7 million jobs lost.

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The Solution? Invest in New Skilling and Workforce Development Initiatives

As the nature of work evolves, we have the opportunity to make transformative changes that not only serve businesses well but also expand opportunities for workers. In order to achieve this:

Employers must:

- Invest in more programs and initiatives to upskill and reskill workers for the jobs of tomorrow, reversing the 42% decline in workers receiving employer-sponsored training since 1996.1
- Support skill development programs, training organizations, and alternative pathways to acquiring relevant, in-demand skills that are rarely taught at four-year colleges.

Policymakers must:

- Develop policies and programs that incentivize investments in human capital and expanding opportunities for lifelong learning by, for instance, allowing Pell Grants to be used for alternative pathways other than college.
- Collaborate with stakeholders – business, education, training providers, NGOs, and others – to leverage collective existing resources and create new ones that open up opportunity for workers.

120 Million Individuals

According to the U.S. Bureau of Labor Statistics, 120 million individuals in the U.S. labor market graduated from high school but do not have a four-year college degree.

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3 Ibid
5 Lund, Susan, Manyika, James, Hilton Segel, Liz, Dua, André, Hancock, Bryan, Rutherford, Scott, and Macon, Brent. “The future of work in America.”
6 Muro, Mark, Maxim, Robert, and Whiton, Jacob “Automation and Artificial Intelligence: How machines are affecting people and places.”
7 Ibid

Graphic Citations

120 million Individuals: Employment status of the civilian noninstitutional population 25 years and over by educational attainment, sex, race, and Hispanic or Latino ethnicity, 2018.