

Disruptive Demographics: Implications for Workforce Planning and Development

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Overview

- Disruptive Demographics
- Impending Demographic Challenges
- Implications for Workforce Planning & Development

Disruptive Demographics

- “Browning” of America
- “Greying” of America
- Nexus of diversity issues undergirding these two demographic shifts

Personal and Lifestyle Characteristics by Generation

| | Veterans (1922-1945) | Baby Boomers (1946-1964) | Generation X (1965-1980) | Generation Y (1981-2000) |
|----------------------------|---|--------------------------------------|--|--|
| Core Values | Respect for authority Conformers Discipline | Optimism Involvement | Skepticism Fun Informality | Realism Confidence Extreme fun Social |
| Family | Traditional Nuclear | Disintegrating | Latch-key kids | Merged families |
| Education | A dream | A birthright | A way to get there | An incredible expense |
| Communication media | Rotary phones One-on-one Write a memo | Touch-tone phones Call me anytime | Cell phones Call me only at work | Internet Picture phones E-mail |
| Dealing with Money | Put it away Pay cash | Buy now, pay later | Cautious Conservative Save, save, save | Earn to spend |

Workplace Characteristics

| | Veterans (1922-1945) | Baby Boomers (1946-1964) | Generation X (1965-1980) | Generation Y (1981-2000) |
|------------------------------|---|---|--|---|
| Work Ethic and Values | Hard work Respect Authority Sacrifice Duty before fun Adhere to rules | Workaholics Work efficiently Crusading causes Personal fulfillment Desire quality Question authority | Eliminate the task Self-reliance Want structure and direction Skeptical | What's next Multitasking Tenacity Entrepreneurial Tolerant Goal Oriented |
| Work is | An obligation | An exciting adventure | A difficult challenge A contract | A means to an end Fulfillment |
| Leadership Style | Directive Command-and-control | Consensual Collegial | Everyone is the same Challenging others Ask why | *TBD |
| Interactive Style | Individual | Team Player Loves to have meetings | Entrepreneur | Participative |

*As this group has not spent much time in the workforce, this characteristic has yet to be determined.

Workplace Characteristics (*cont'd*)

| | Veterans (1922-1945) | Baby Boomers (1946-1964) | Generation X (1965-1980) | Generation Y (1981-2000) |
|-------------------------------|---|---|---|--|
| Communications | Formal Memo | In person | Direct Immediate | Email Voice mail |
| Feedback and Rewards | No news is good Satisfaction in a job well done | Don't appreciate it Money Title recognition | Sorry to interrupt but how am I doing? Freedom is the best reward | Whenever I want it, at the push of a button Meaningful work |
| Messages That Motivate | Your experience is respected | You are valued You are needed | Do it your way Forget the rules | You will work with other bright, creative people |
| Work and Family Life | Ne'er the twain shall meet | No balance Work to live | Balance | Balance |

People on the Move

Legal Immigration to United States

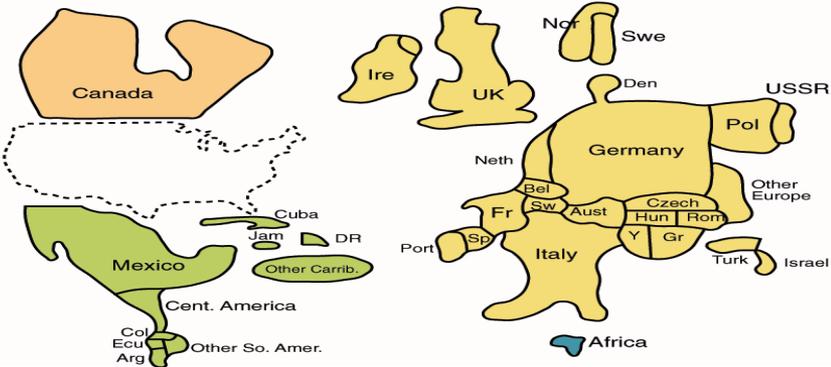
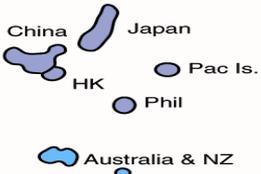
1921-1960

40 years

Area Porportional to Number of Immigrants

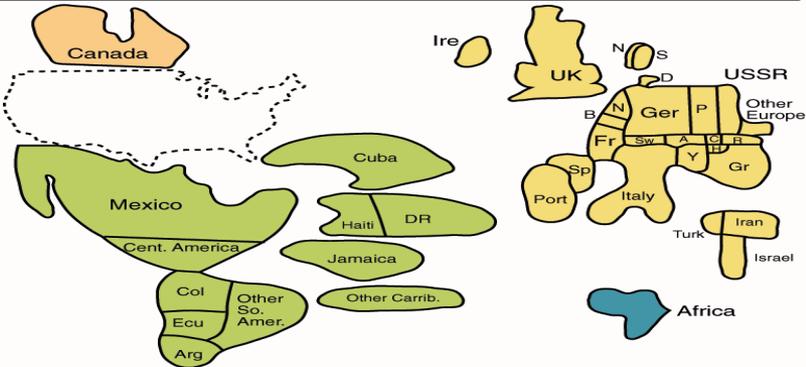
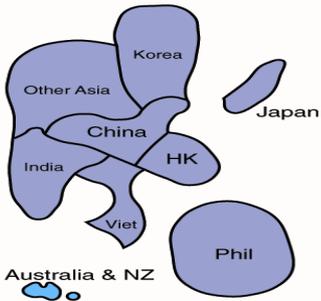
□ 10,000

□ 100,000



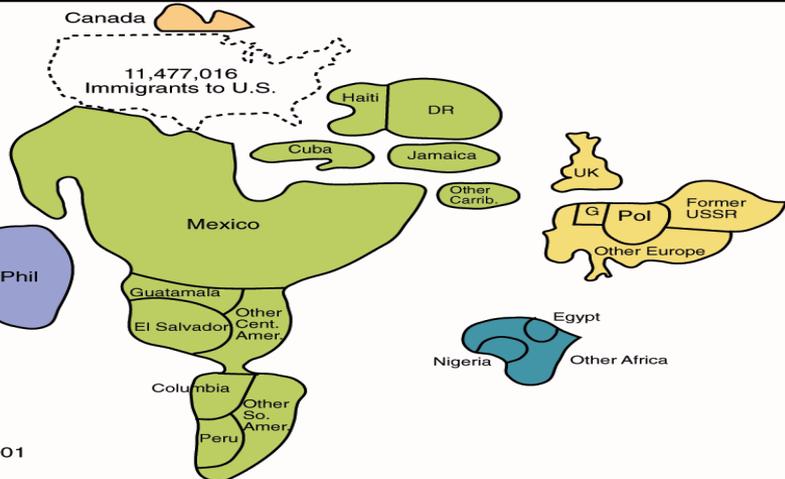
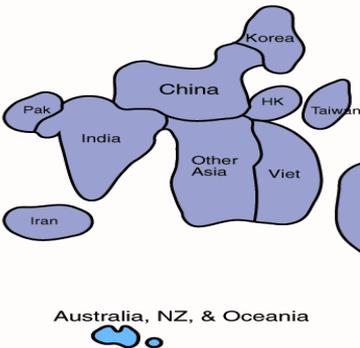
1961-1986

16 years



1987-1998

12 years



© James H. Johnson, Jr., 1995, 2001

The Numbers

Legal Immigrants:

- ☐ 1920-1961: 206,000 annually
- ☐ 1961-1992: 561,000 annually
- ☐ 1993-1998: 800,654 annually
- ☐ 1999-2004: 879,400 annually

Refugees, Parolees, Asylees

- ☐ 1961-1993: 2.1 million
(65,000 annually)
- ☐ 1994-1998: 428,361
(85,672 annually)
- ☐ 1999-2004: 487,386
(81,231 annually)

Illegal Immigrants:

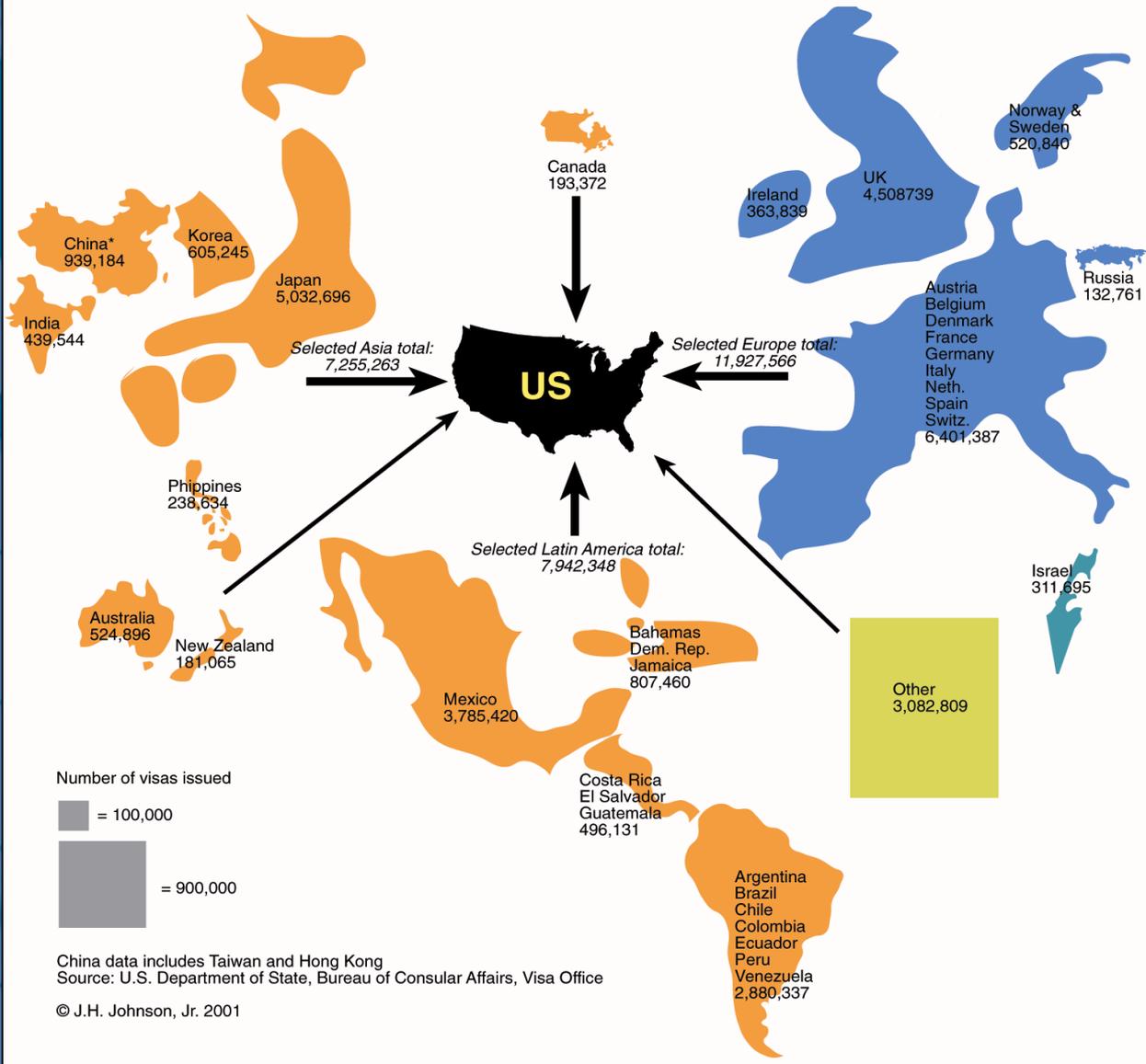
- ☐ 300,000 to 400,000 annually over the past two decades
- ☐ Three million granted amnesty in 1986
- ☐ 2.7 million illegal immigrants remained in U.S. after 1986 reforms
- ☐ October 1996: INS estimated that there were 5 million illegal immigrants in the U.S.
- ☐ August 2005: Illegal population range from 7 to 15 million.

Non-Immigrants Admitted to United States, Selected Years, 1981-2004

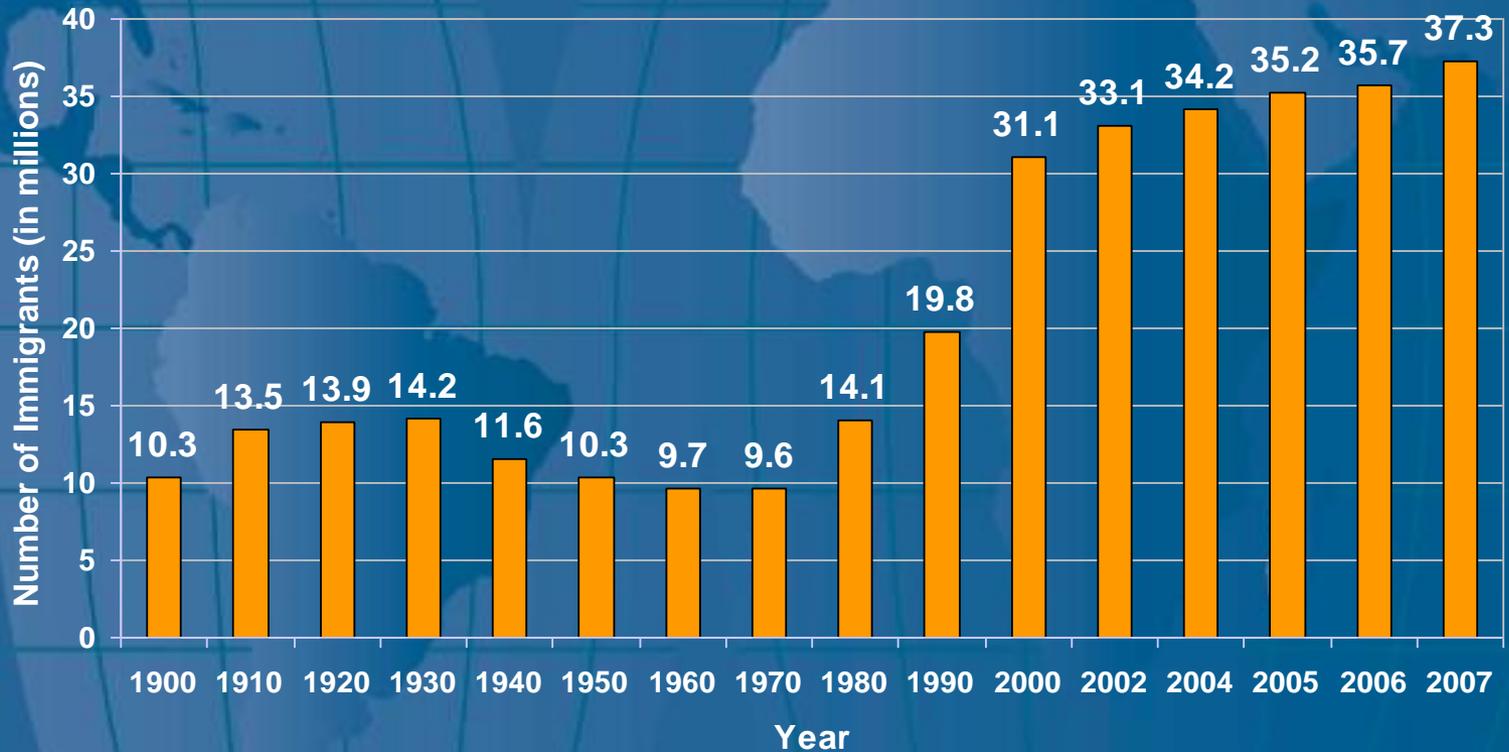
| Year | All Classes | Exchange Visitors | Academic & Vocational Students |
|------|-------------|-------------------|--------------------------------|
| 1981 | 11,756,903 | 108,023 (1%) | 271,861 (2%) |
| 1985 | 9,539,880 | 141,213 (1%) | 285,496 (3%) |
| 1990 | 17,574,055 | 214,644 (1%) | 355,207 (2%) |
| 1995 | 22,640,540 | 241,364 (1%) | 395,480 (2%) |
| 2000 | 33,690,082 | 351,743 (1%) | 699,953 (2%) |
| 2001 | 32,824,088 | 389,435 (1%) | 741,921 (2%) |
| 2002 | 27,907,139 | 370,176 (1%) | 687,506 (2%) |
| 2004 | 30,781,330 | 360,777(1%) | 656,373(2%) |

Non-Immigrants Arriving in United States by Country of Citizenship, 1999

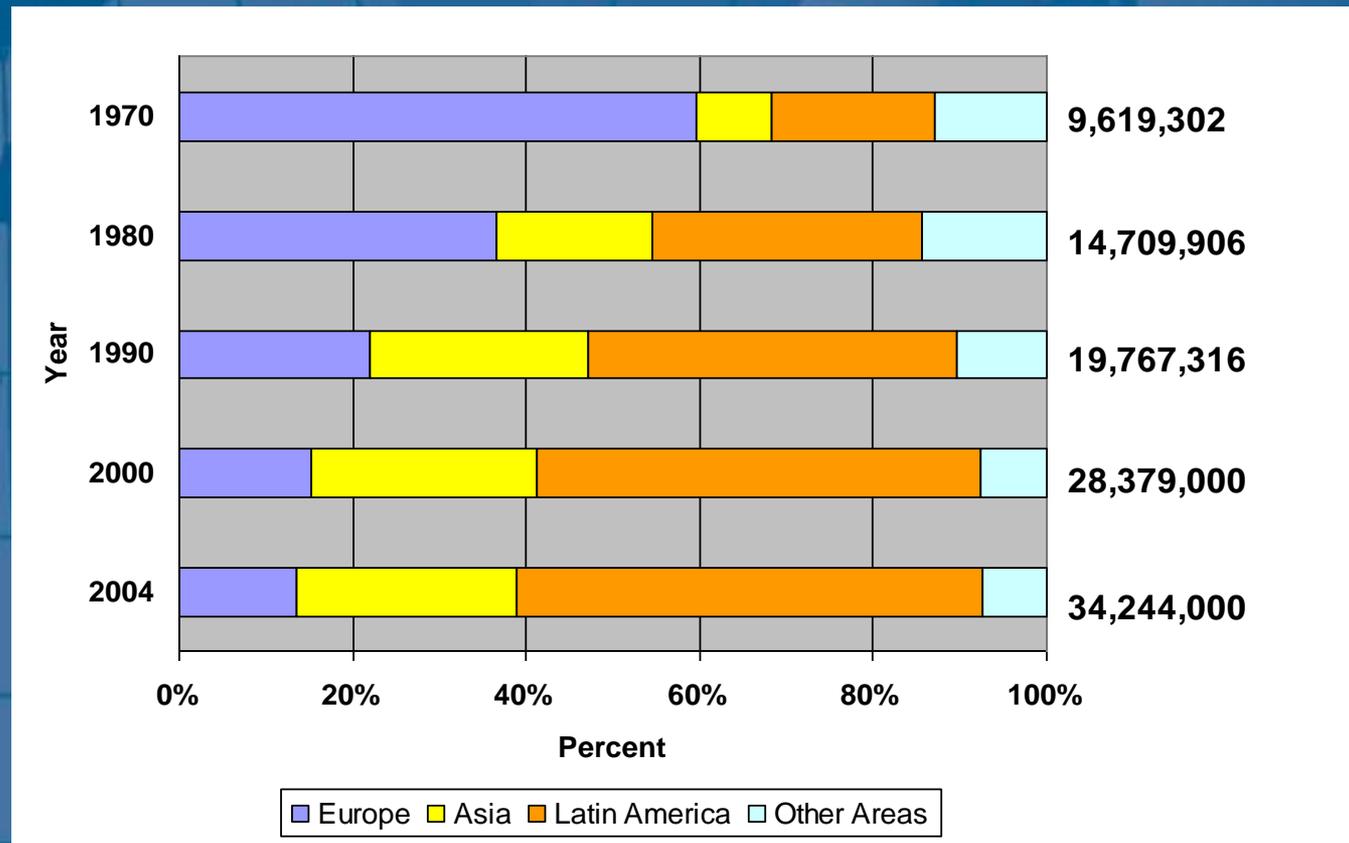
(Issuance of Non-residence visas, fiscal year 1999)



Immigration Population, 1900-2007



World Region of Birth for U.S. Population, 1970-2004



Source: Historical Census Statistics on the Foreign-Born Population of the United States: 1850-1990; Current Population Survey

Population Estimations by Race/Ethnicity, 1988-2050

| Group | Percent Change |
|--------------------------|----------------|
| All Races | 50% |
| Whites | 29% |
| Blacks | 94% |
| Native Americans | 109% |
| Hispanics | 238% |
| Asians/Pacific Islanders | 412% |

U.S. Fertility Rate by Race/Ethnicity, 2006

| Race/Ethnicity | Number of Children |
|---------------------|--------------------|
| Avg. U.S. Women | 1.9 |
| Asian Women | 1.7 |
| White, Non-Hispanic | 1.8 |
| Black | 2.0 |
| Hispanic | 2.3 |

America's Color Adjustment

| Race/Ethnicity | 1995 | 2050 |
|------------------------|-------------|-------------|
| White | 73.6 | 52.8 |
| Blacks | 12.0 | 13.5 |
| Hispanics | 10.2 | 24.5 |
| Asian | 3.3 | 8.2 |
| American Indian | 0.7 | 0.9 |

Relative Distribution of U.S. Population by Race/Ethnicity in 2005 and 2050*

| Race/Ethnicity | 2005 | 2050 |
|----------------|-------|------|
| White | 67% | 47% |
| Blacks | 12.8% | 13% |
| Hispanics | 14% | 29% |
| Asian | 5% | 9% |

Women Who Had a Birth in the Last 12 Months, 15-50 years old, by Select Characteristics, 2006

| Characteristic | Births per 1,000 Women |
|----------------|------------------------|
| All U.S. Women | 55 |
| Nativity | |
| Native Born | 52 |
| Foreign Born | 71 |

Women Who Had a Birth in the Last 12 Months, 15-50 years old, by Select Characteristics, 2006

(cont'd)

| Characteristic | Births per 1,000 Women |
|--------------------------------------|------------------------|
| All U.S. Women | 55 |
| Race | |
| White, non-Hispanic | 50 |
| Black | 58 |
| American Indian/Alaska Native | 68 |
| Asian | 54 |
| Native Hawaiian and Pacific Islander | 61 |
| Some other Race | 78 |
| Two or More Races | 58 |

Women Who Had a Birth in the Last 12 Months, 15-50 years old, by Select Characteristics, 2006

(cont'd)

| Characteristic | Births per 1,000 Women |
|---------------------|------------------------|
| All U.S. Women | 55 |
| Hispanic Origin | |
| Hispanic (any race) | 74 |
| Non-Hispanic | 51 |

Women Who Had a Birth in the Last 12 Months, 15-50 years old, by Select Characteristics, 2006

(cont'd)

| Characteristic | Births per 1,000 Women |
|---------------------|------------------------|
| All U.S. Women | 55 |
| Citizenship | |
| Naturalized Citizen | 49 |
| Not a Citizen | 83 |

Median Age by Race and Gender, 2006

| Race/Ethnicity | Both | Male | Female |
|--|------|------|--------|
| U.S. | 36.4 | 35.2 | 37.8 |
| White Alone | 39.0 | 37.6 | 40.4 |
| White, Not Hispanic | 40.6 | 39.3 | 41.9 |
| Black Alone | 31.4 | 29.3 | 33.3 |
| Hispanic/Latino | 27.3 | 27.0 | 27.6 |
| Asian Alone | 35.2 | 34.3 | 36.0 |
| American Indian/Alaska Native | 31.2 | 30.1 | 32.3 |
| Native Hawaiian and Other Pacific Islander | 29.9 | 28.4 | 31.5 |
| Some Other Race | 27.4 | 27.3 | 27.5 |
| Two or More Races | 18.8 | 18.3 | 19.4 |

Completed Fertility for Women 40-44 Years Old

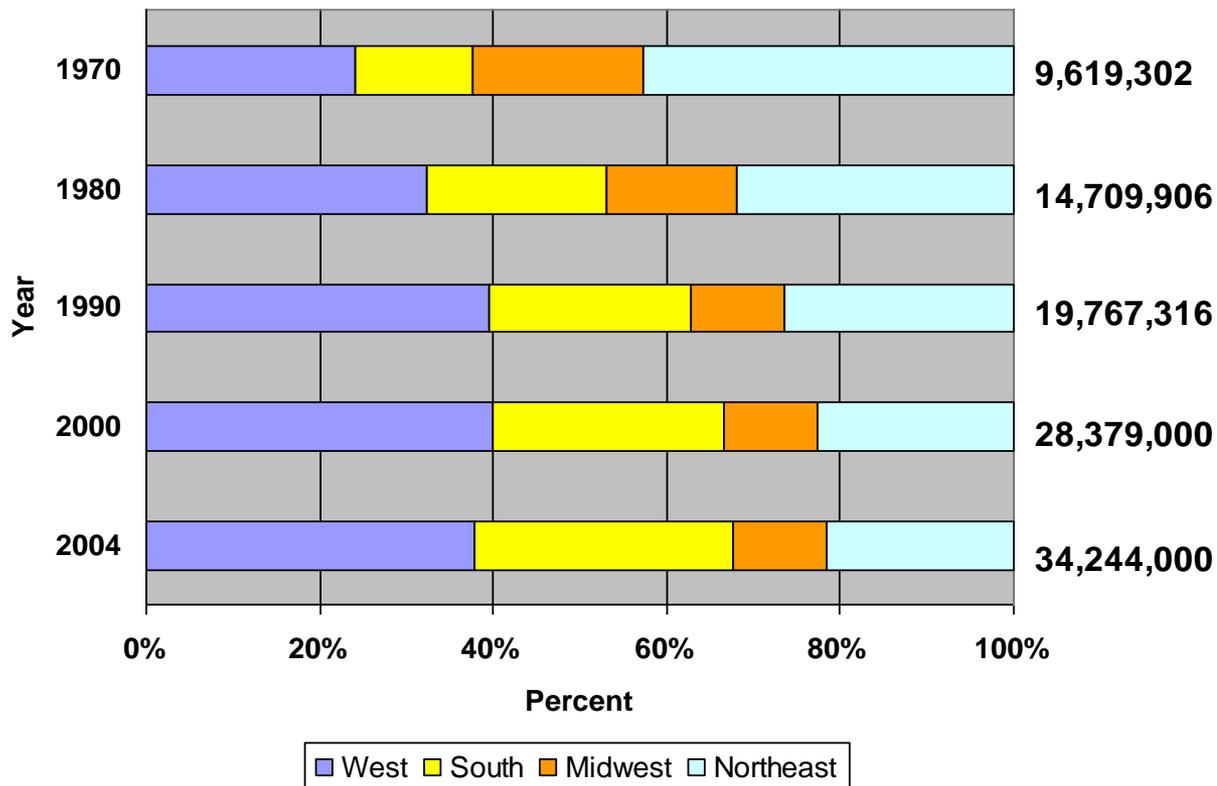
| Year | Percent Childless | Avg. Number of Children | Percent Higher Order Births* |
|------|-------------------|-------------------------|------------------------------|
| 2006 | 20 | 1.9 | 28 |
| 1976 | 10 | 3.1 | 59 |

*Three or more Children

U.S. Total and Foreign Born Population Change, 1990-2000

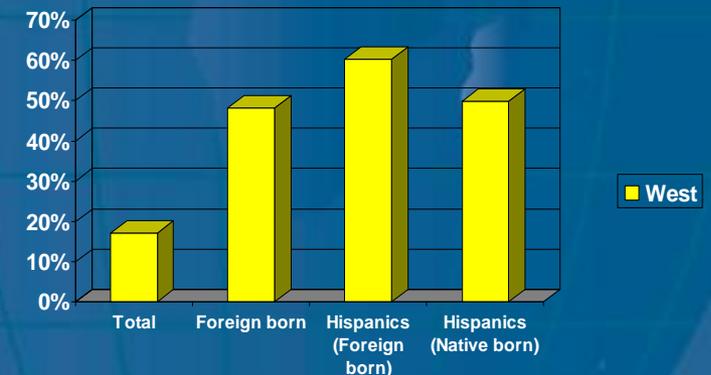
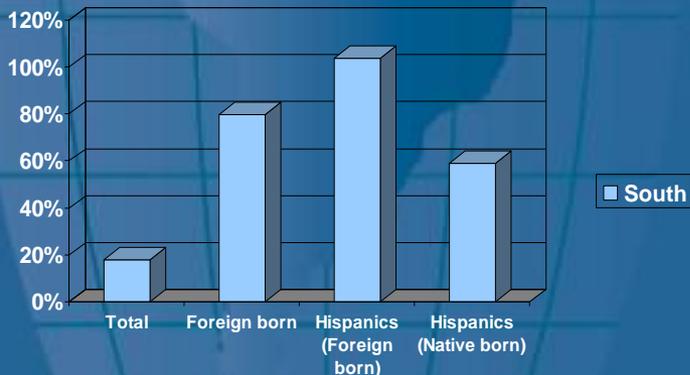
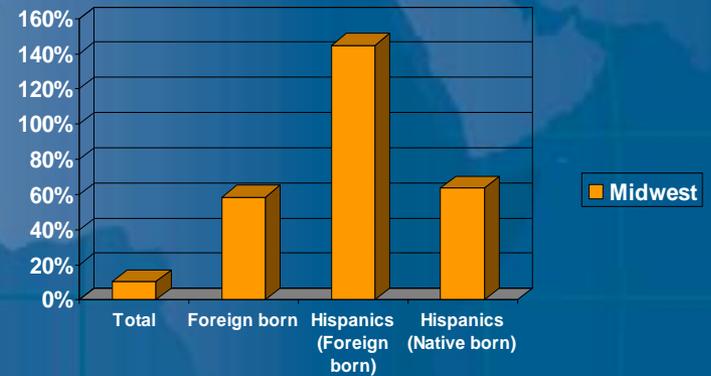
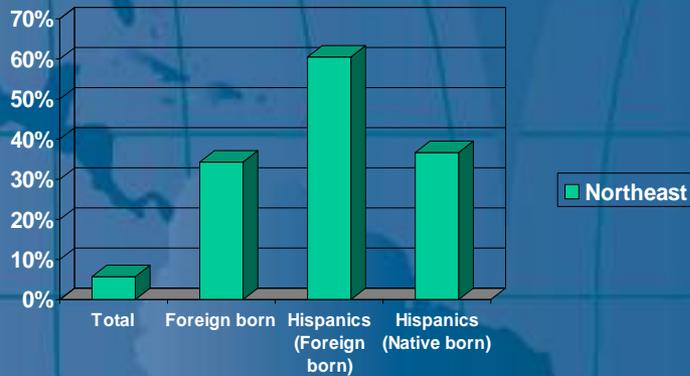
| | 2000 Population | Absolute Change 1990-2000 | % Change 1990-2000 |
|----------------------------|--------------------|---------------------------------|--------------------------|
| Total | 281,243,499 | 33,323,643 | 13.4% |
| Foreign Born | 32,989,429 | 11,472,676 | 53.3% |
| Hispanic (Foreign Born) | 14,410,703 | 6,331,264 | 78.4% |
| Hispanic (Native Born) | 20,760,734 | 7,057,303 | 51.5% |

Change in Regional Distribution of Foreign Born Population, 1970-2004



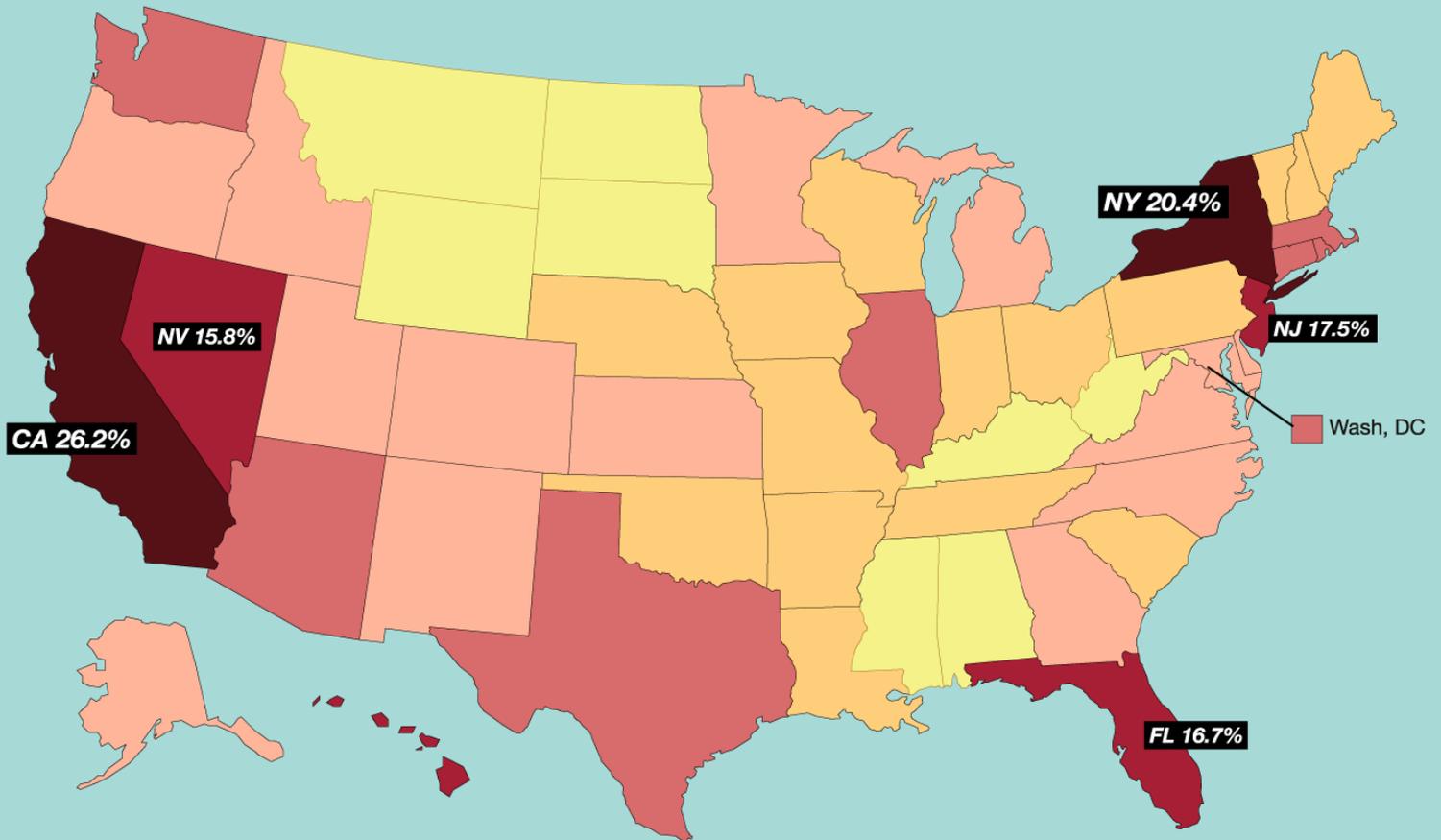
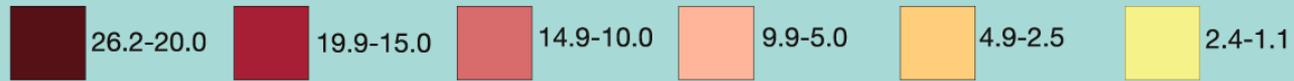
Source: Historical Census Statistics on the Foreign-Born Population of the United States: 1850-1990; Current Population Survey

Percent Change in Total and Foreign Born Population, by Region, 1990-2000



Foreign Born Population Concentrations in the U.S., 2000

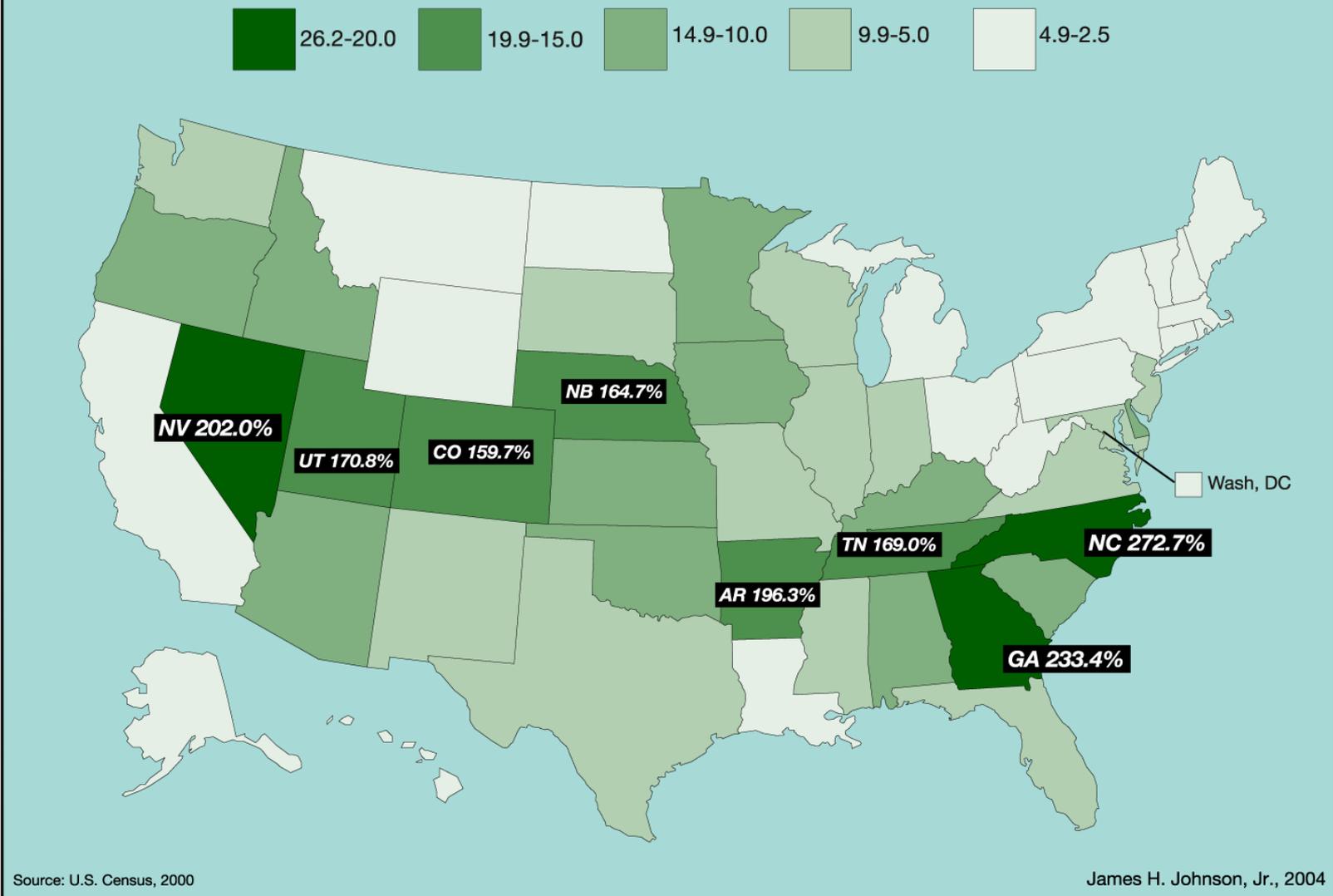
Percent of total population that is foreign born



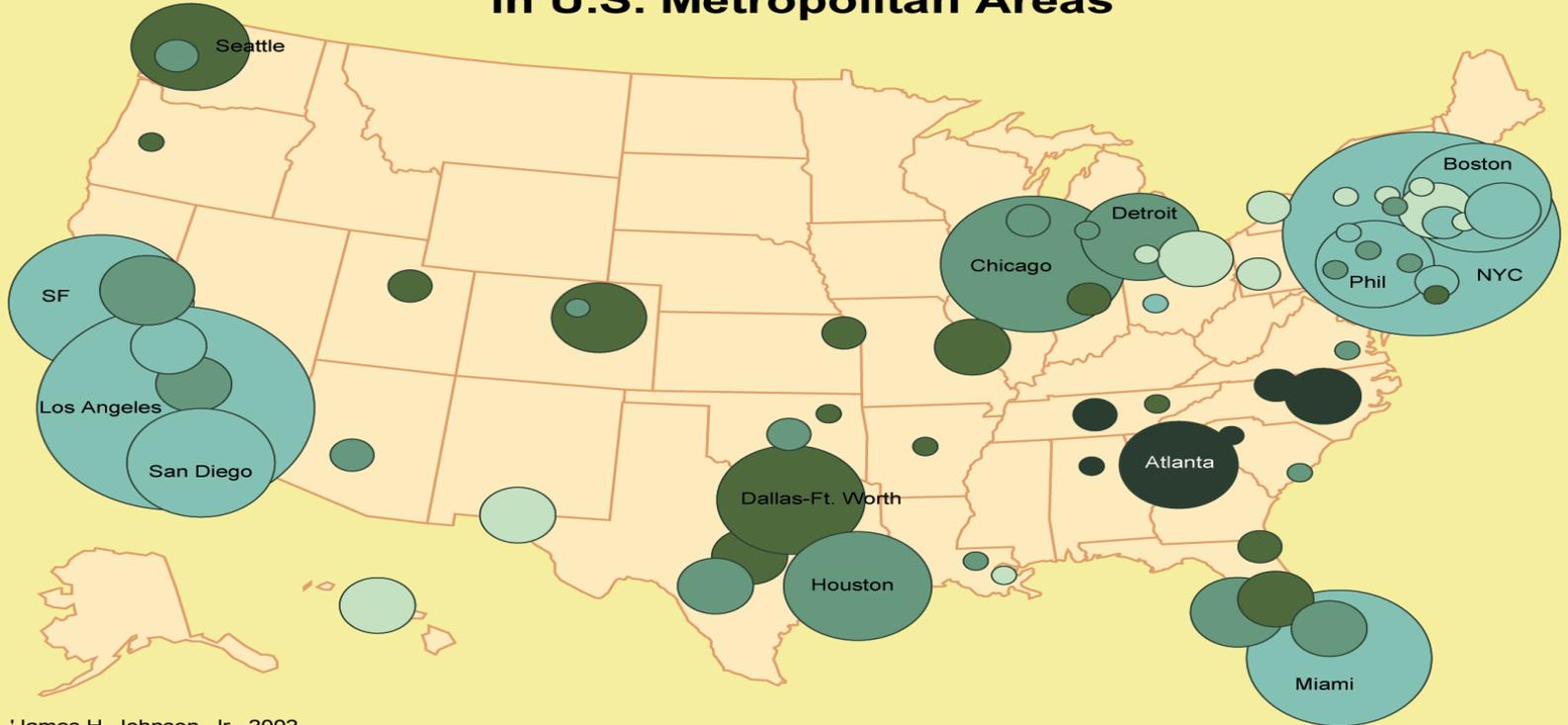
Source: U.S. Census, 2000

James H. Johnson, Jr., 2004

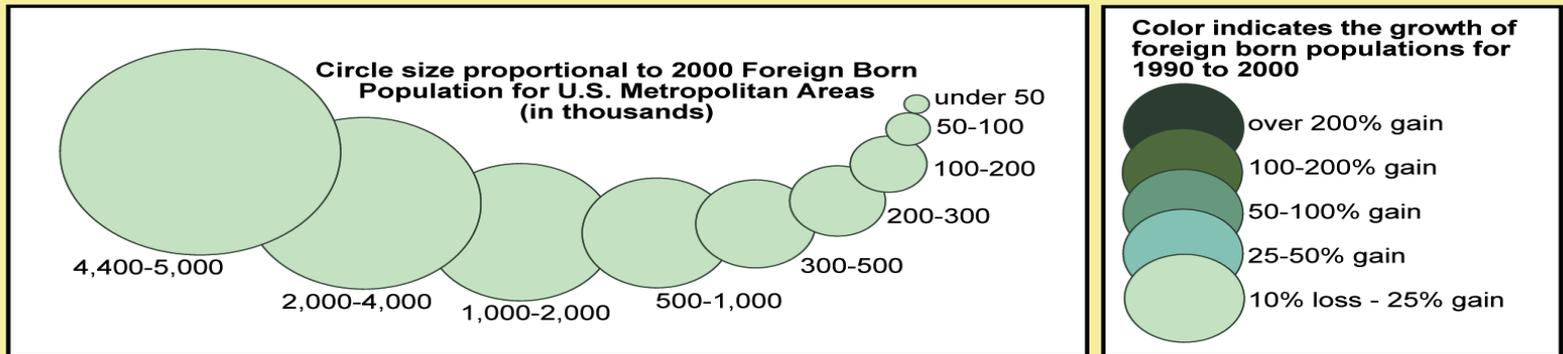
Percent Change in Foreign Born Population by State, 1990-2000



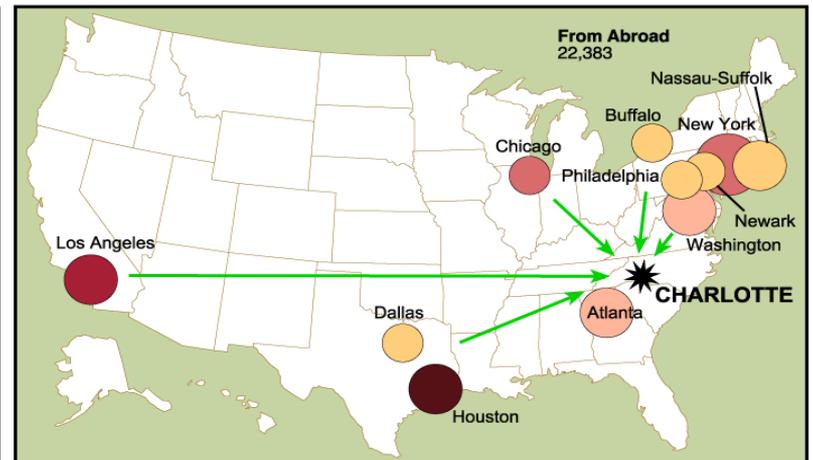
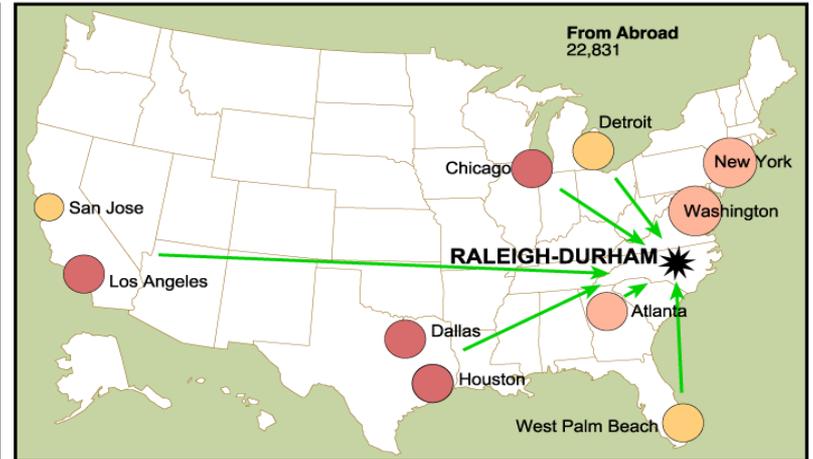
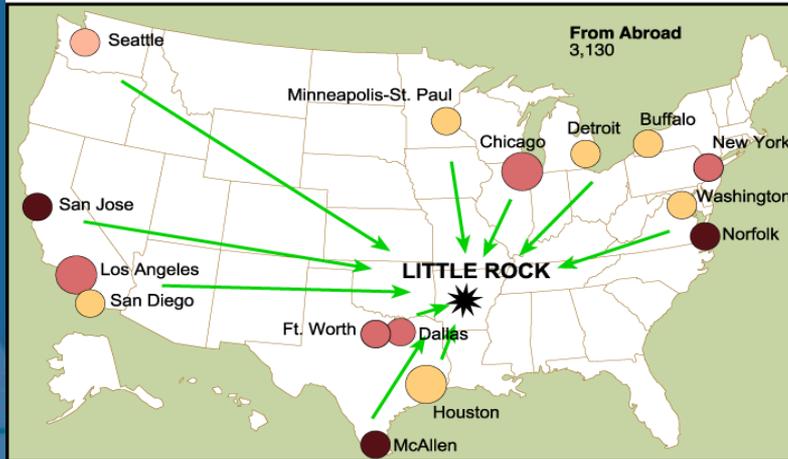
Size and Growth of Foreign Born Population in U.S. Metropolitan Areas



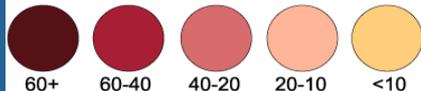
James H. Johnson, Jr., 2002



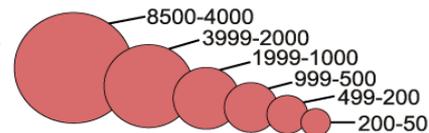
Total In-migration and Percent Hispanic In-migration to Four Metros in the South, 1995-2000



Circle color represents percent of Foreign Born that are Hispanic



Circle size proportional to total in-migration to destined metro area

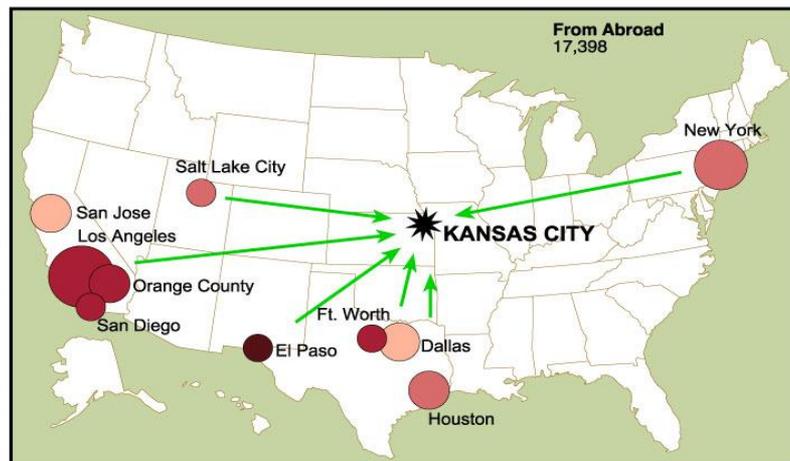
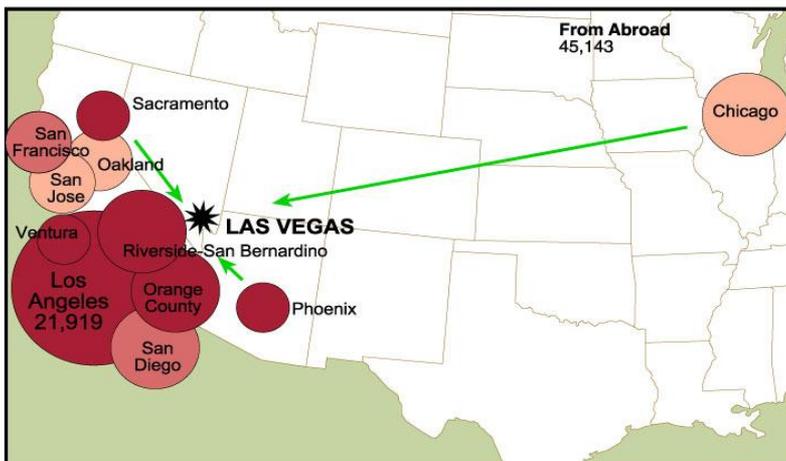
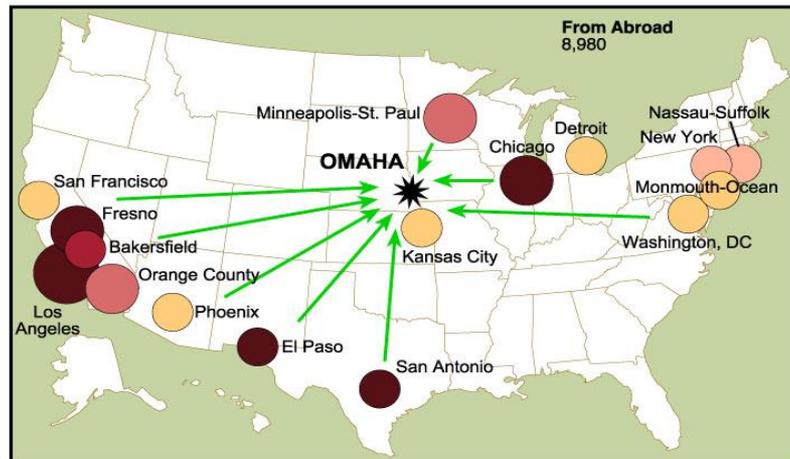
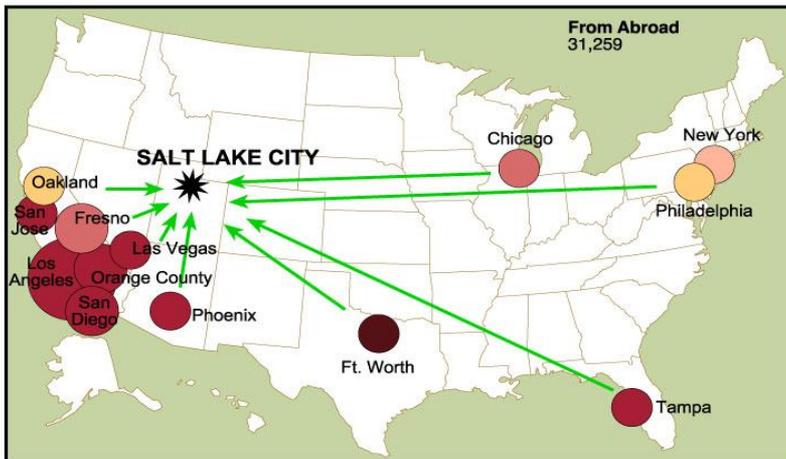


★ Selected destination city of in-migration

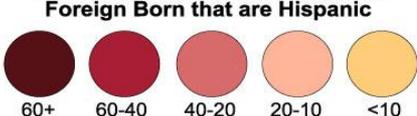
Source: U.S. Census, PUMS, 2000

James H. Johnson, Jr., 2004

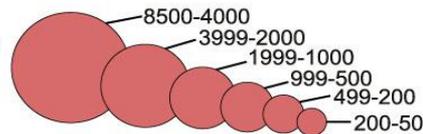
Total In-migration and Percent Hispanic In-migration to Four Metros in the Midwest & West, 1995-2000



Circle color represents percent of Foreign Born that are Hispanic



Circle size proportional to total in-migration to destined metro area

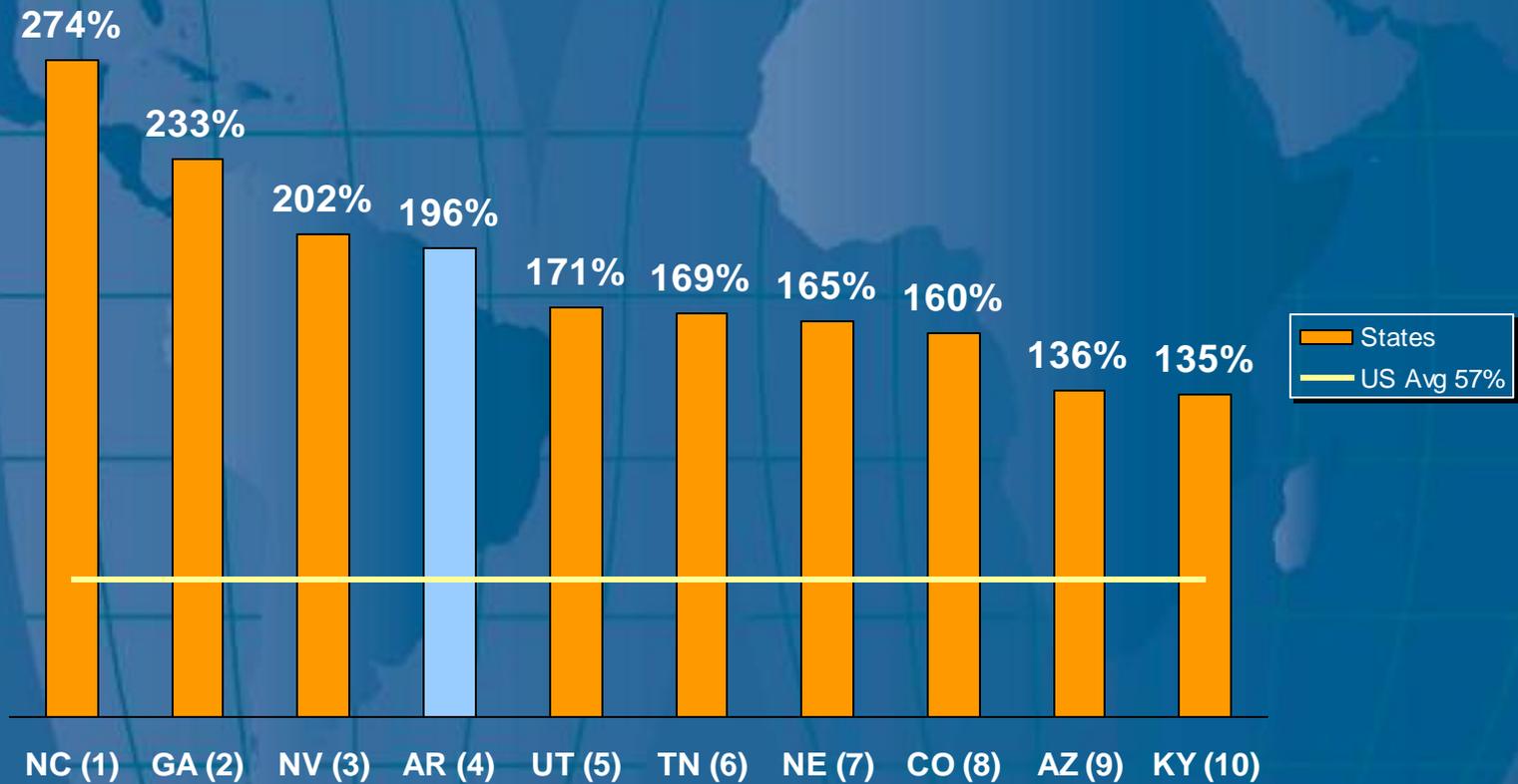


★ Selected destination city of in-migration

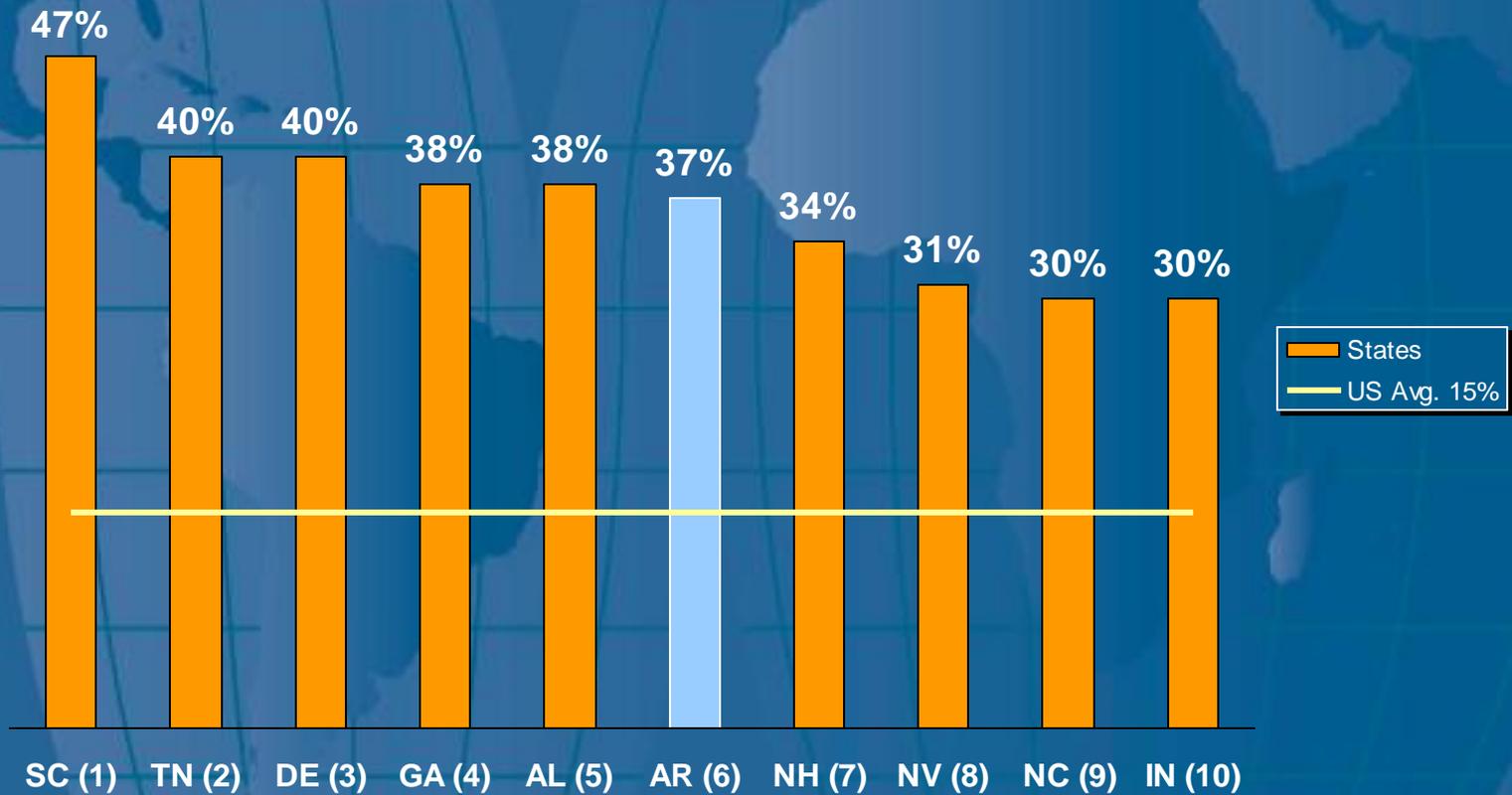
Source: U.S. Census, PUMS, 2000

James H. Johnson, Jr., 2004

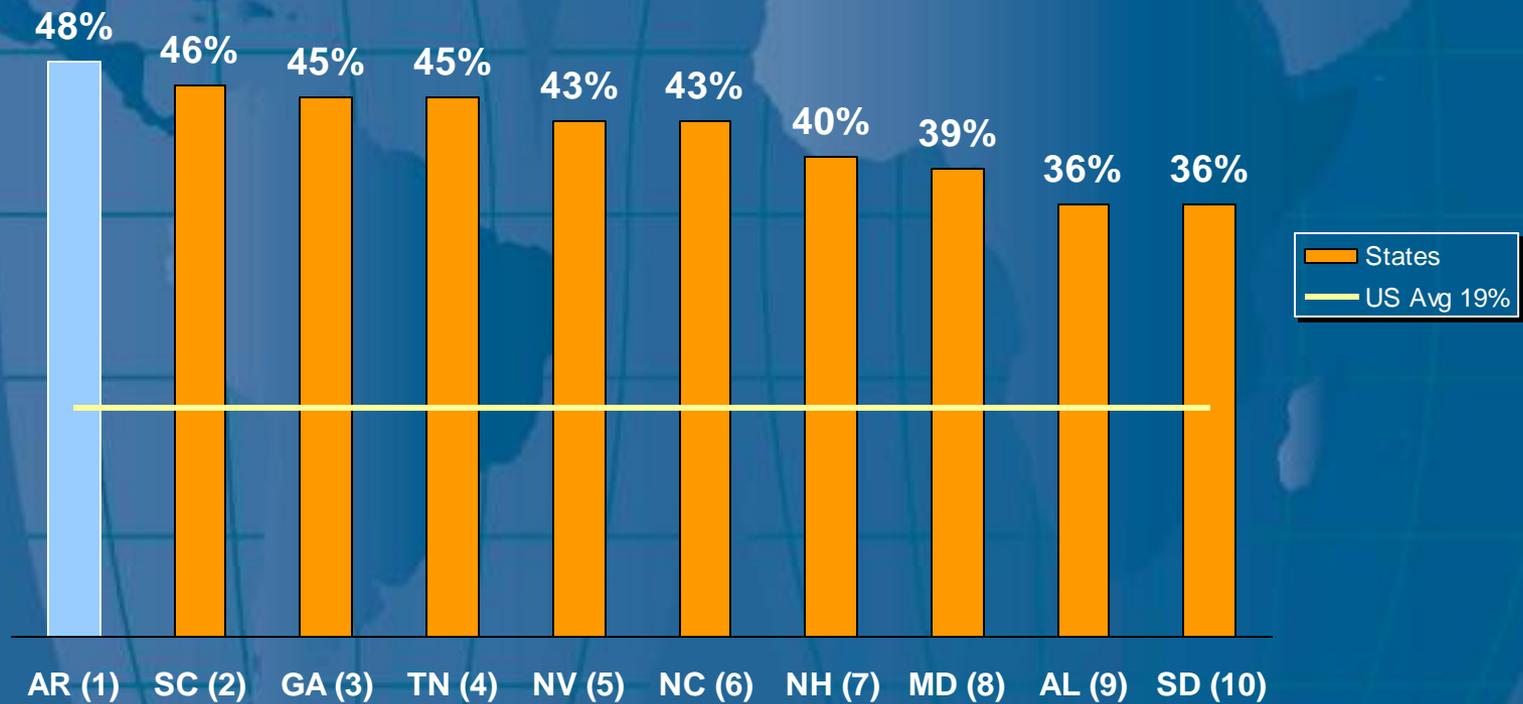
States with Fastest Growing Immigrant Populations, 1990-2000



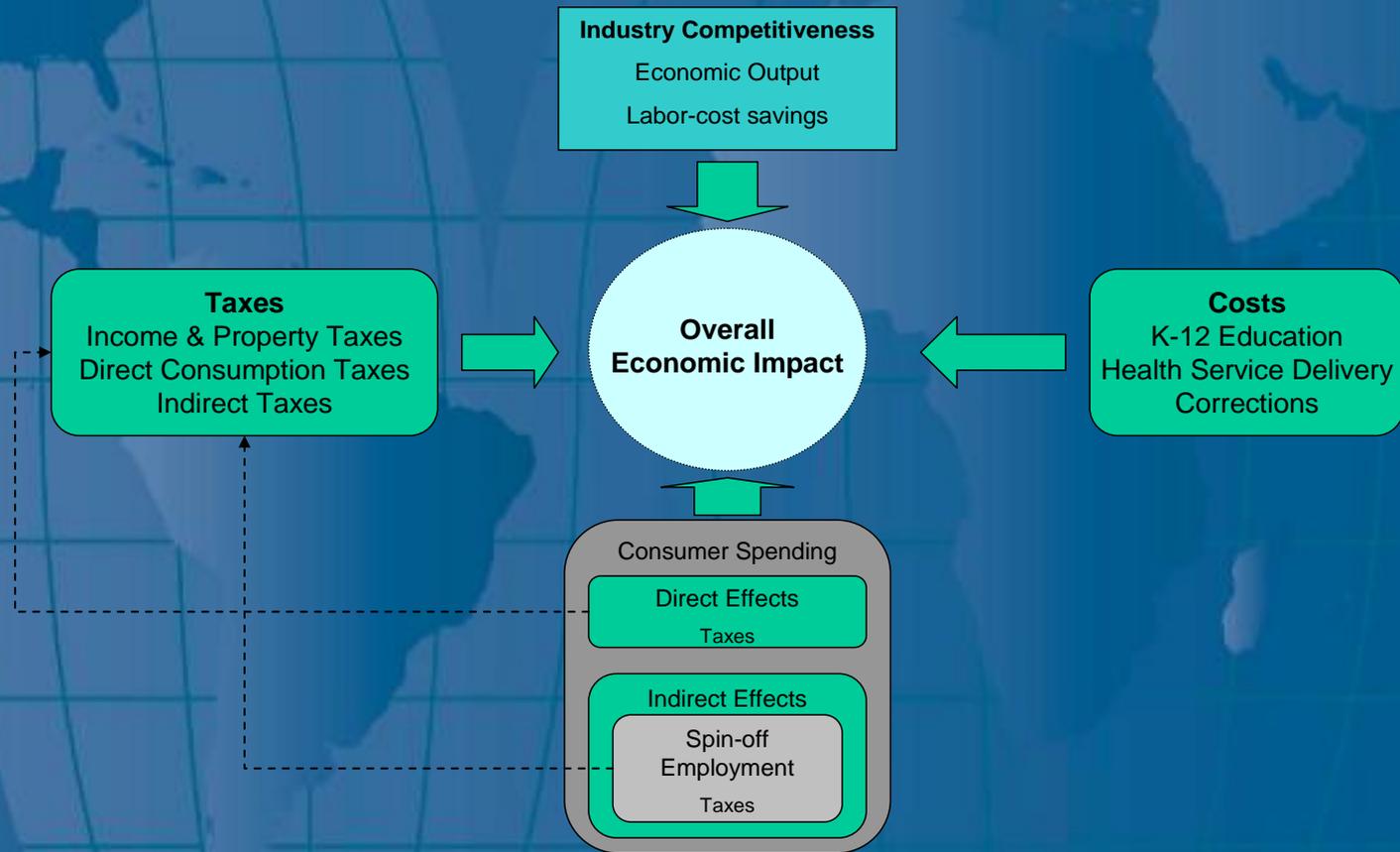
States with Fastest Growing Immigrant Populations, 2000-2005



States with Fastest Growing Hispanic Populations, 2000-2005



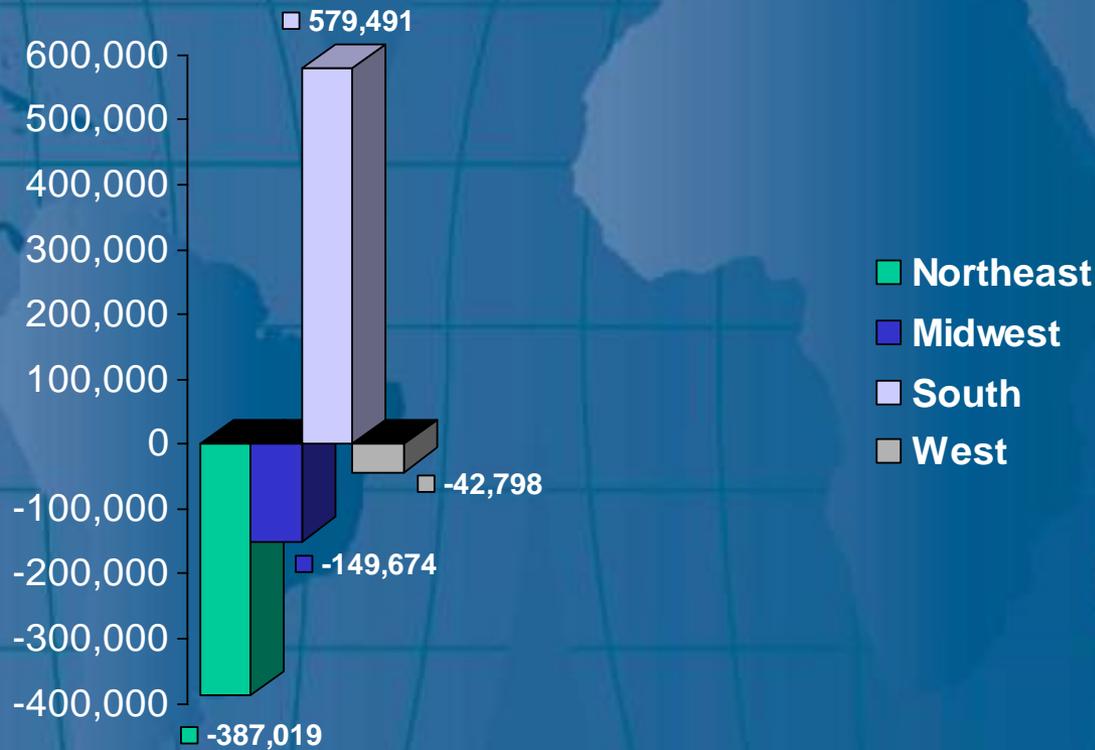
Conceptual Framework for Assessing the Economic Impact of Hispanics in North Carolina



Summary of Hispanic Economic Impact, North Carolina, 2006

| | Total | Per-Capita |
|--|----------|------------|
| Consumer Expenditures and Tax Contributors | \$9.2b | \$15,130 |
| Cost of Essential Services | \$817m | \$1,360 |
| Net Benefit | \$8.3b | \$13,770 |
| Benefit-Cost Ratio | \$11-\$1 | |

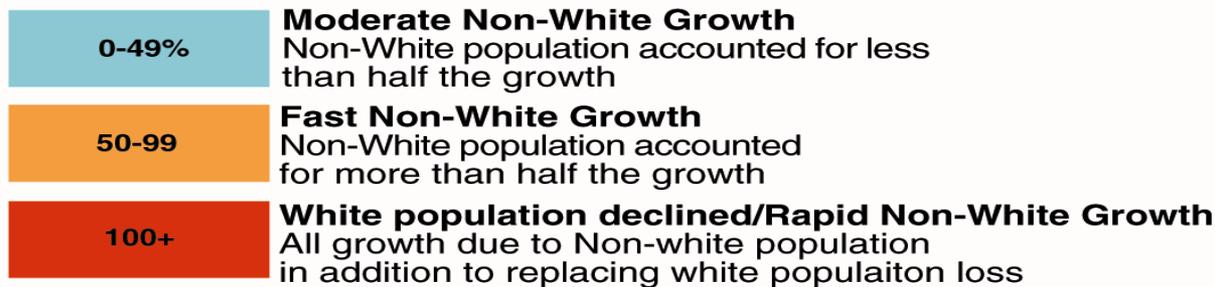
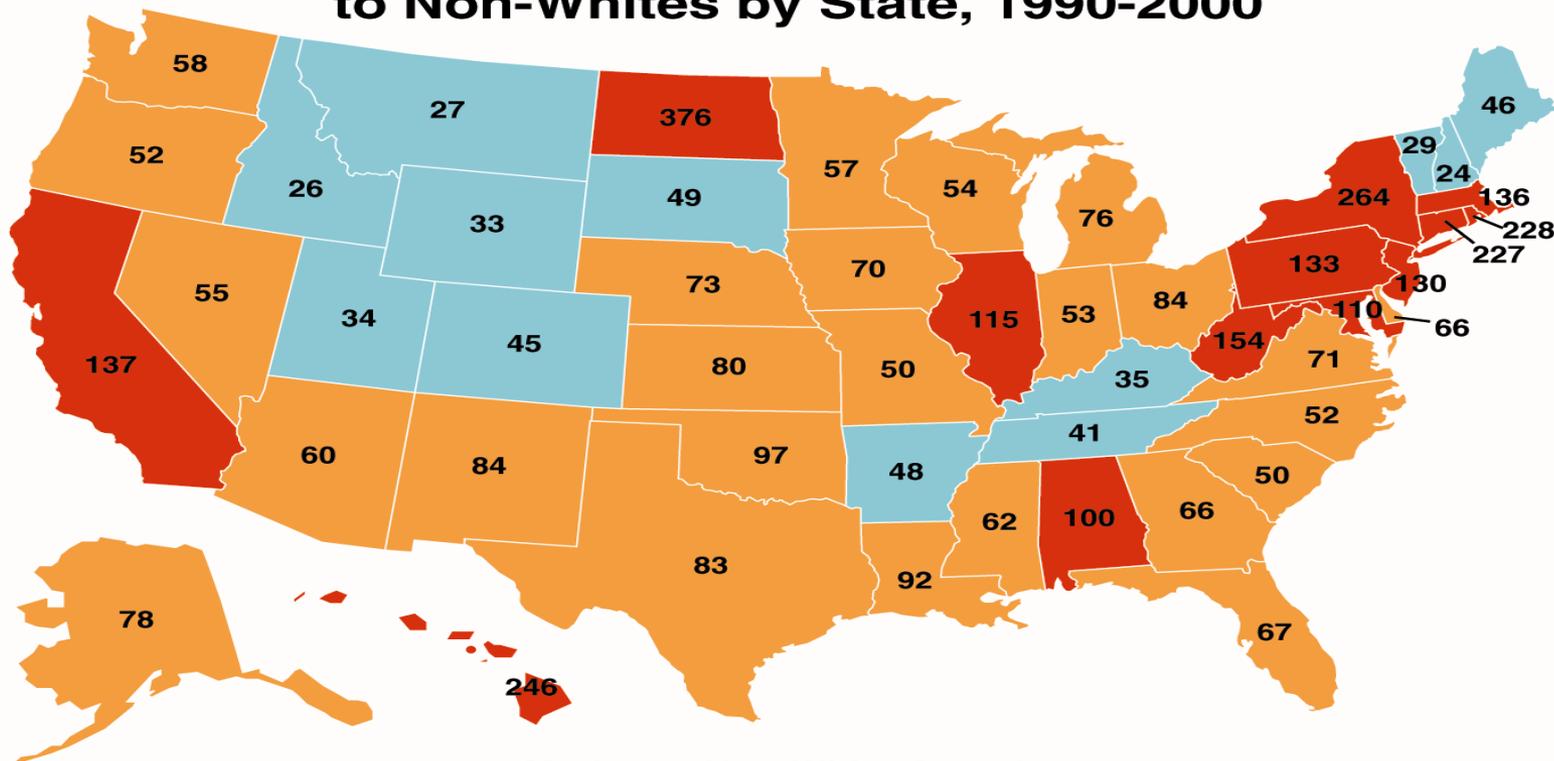
Blacks Return to the South Change in Population, 1990-2000



Net Population Change Attributable to Non-White Population Growth, 1990-2000

| Region | 2000 Population | Net Change 1990-2000 | % of Net Change Due to Nonwhite Population Growth |
|---------------|--------------------|----------------------------|---|
| United States | 281,421,906 | 32,712,033 | 65% |
| Northeast | 53,594,378 | 2,785,149 | 100% |
| Midwest | 64,392,776 | 4,724,144 | 62% |
| South | 100,236,820 | 14,790,890 | 52% |
| West | 63,197,932 | 10,411,850 | 69% |

Percent of Net Population Growth Attributed to Non-Whites by State, 1990-2000



U.S. total net Non-White growth 64%
In virtually every state, Non-white growth out paced White growth.

© J.H. Johnson, Jr. 2001

Net Population Change Attributable to Non-White Population Growth, 2000-2004

| Region | 2004 Population | Net Change 2000-2004 | % of Net Change Due to Nonwhite Population Growth |
|---------------|--------------------|-------------------------|---|
| United States | 293,655,404 | 12,233,498 | 81.5% |
| Northeast | 54,571,147 | 976,769 | 100.0% |
| Midwest | 65,729,852 | 1,337,076 | 82.5% |
| South | 105,944,965 | 5,708,145 | 74.4% |
| West | 67,409,440 | 4,211,508 | 81.0% |

In-Migration, Out-Migration, Net Migration, and Movers from Abroad for Regions, 1990-2000

| Region | In | Out | Net Internal Migration | Movers From Abroad | Net Migration (including from abroad) |
|-----------|--------|-------|------------------------|--------------------|---------------------------------------|
| Northeast | 3,666 | 6,178 | -2,512 | 2,222 | -290 |
| Midwest | 6,978 | 6,909 | 69 | 1,641 | 1,711 |
| South | 11,761 | 9,357 | 2,404 | 4,185 | 6,588 |
| West | 6,751 | 6,731 | 38 | 4,185 | 4,222 |

(data in thousands)

Absolute and Relative Population Change for the U.S. and Census Regions, 1990-2000

| Region | 2000 Population | Absolute Change 1990-2000 | Relative Change 1990-2000 |
|---------------|-----------------|---------------------------|---------------------------|
| United States | 281,421,906 | 32,712,033 | 13.2% |
| Northeast | 53,594,378 | 2,785,149 | 5.5% |
| Midwest | 64,392,776 | 4,724,144 | 7.9% |
| South | 100,236,820 | 14,790,890 | 17.3% |
| West | 63,197,932 | 10,411,850 | 19.7% |

Population by Race and Hispanic Origin for the United States: 2000

| RACE & HISPANIC OR LATINO | NUMBER | % OF TOTAL |
|--|-------------------|--------------|
| Total Population | 281,421,906 | 100.0% |
| One Race | 274,595,678 | 97.6% |
| White | 211,460,626 | 75.1% |
| <i>Black or African American</i> | <i>34,658,190</i> | <i>12.3%</i> |
| American Indian & Alaskan Native | 2,475,986 | 0.9% |
| Asian | 10,242,998 | 3.6% |
| Native Hawaiian & Other Pacific Islander | 398,835 | 0.1% |
| Some other Race | 15,359,073 | 5.5% |
| Two or More Races | 6,826,228 | 2.4% |
| <i>Hispanic or Latino (of any race)</i> | <i>35,305,818</i> | <i>12.5%</i> |

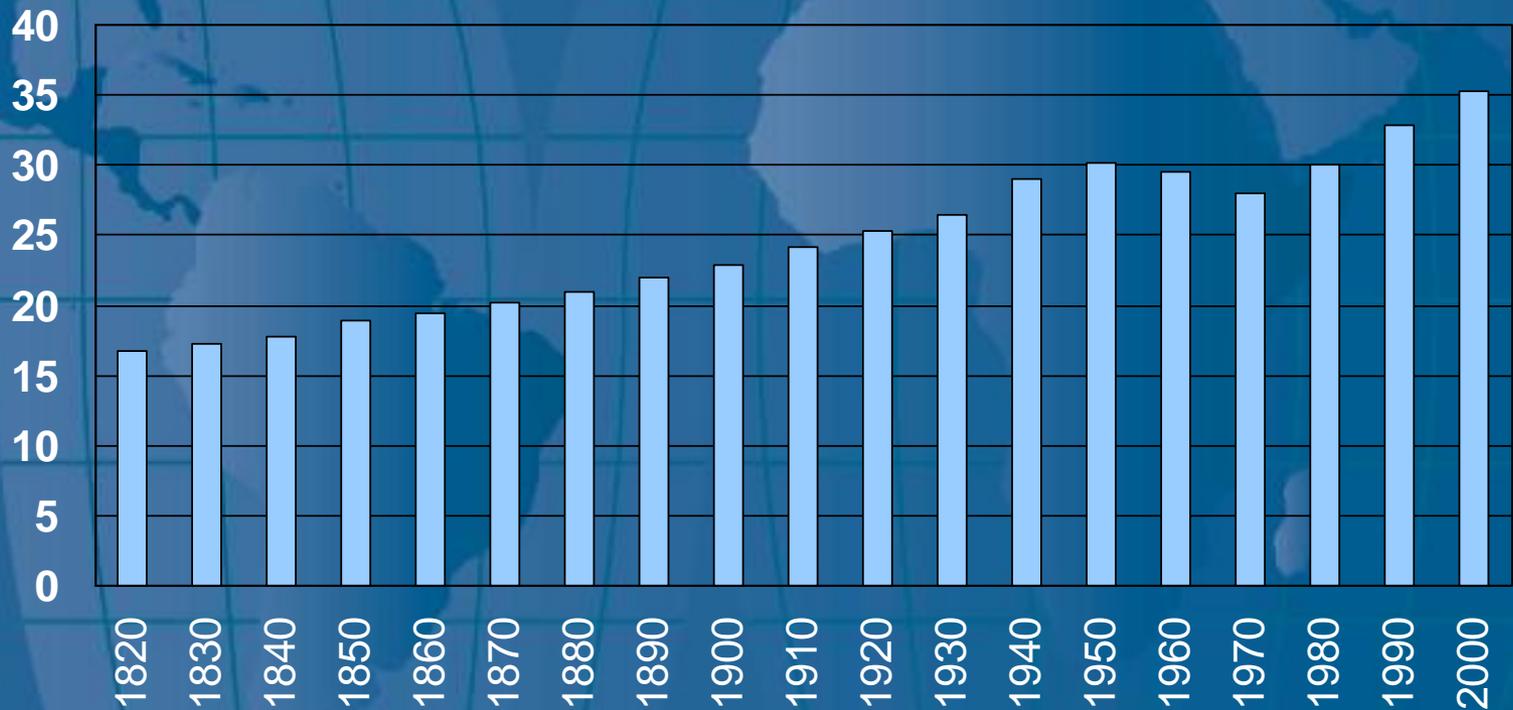
Net Population Change in the United States by Race and Hispanic or Latino Origin, 1990-2000

| Race and Hispanic or Latino | 2000 Population | Net Gain 1990-2000 | Percent Change |
|--|-------------------|--------------------|----------------|
| Total | 281,421,906 | 32,712,033 | 13.2% |
| White | 211,460,626 | 11,774,556 | 5.9% |
| Black or African American | 34,658,190 | 4,672,130 | 15.6% |
| American Indian or Alaska Native | 2,475,956 | 2,475,956 | 131.8% |
| Asian | 10,242,998 | 3,334,360 | 48.3% |
| Native Hawaiian and other Pacific Islander | 398,835 | 33,811 | 9.3% |
| Some Other Race | 15,359,073 | 5,554,226 | 56.6% |
| <i>Hispanic or Latino (of any race)</i> | <i>35,305,818</i> | <i>12,951,759</i> | <i>57.9%</i> |

Net Population Change in the United States by Race and Hispanic or Latino Origin, 2000-2005

| Race and Hispanic or Latino | 2005 Population | Net Gain 2000-2005 | Percent Change |
|--|-------------------|--------------------|----------------|
| Total | 292,261,463 | 10,839,557 | 3.9% |
| White | 218,236,353 | 6,775,727 | 3.2% |
| Black or African American | 35,301,449 | 643,259 | 1.9% |
| American Indian or Alaska Native | 2,351,386 | -124,570 | -5.0% |
| Asian | 12,501,514 | 2,258,516 | 22.0% |
| Native Hawaiian and other Pacific Islander | 387,691 | -11,144 | -2.8% |
| Some Other Race | 17,732,254 | 2,373,181 | 15.5% |
| <i>Hispanic or Latino (of any race)</i> | <i>45,733,818</i> | <i>10,428,000</i> | <i>29.5%</i> |

Aging America: U.S. Median Age, 1820-2000



U.S. Population Turning 50, 55, 62, and 65 Years of Age, 2007-2015

| | Age 50 | Age 55 | Age 62 | Age 65 |
|--------------------------------|--------|--------|--------|--------|
| Average Number / Day | 12,344 | 11,541 | 9,221 | 8,032 |
| <i>Average Number / Minute</i> | 8.6 | 8.0 | 6.4 | 5.6 |

Absolute and Relative Change in the Gender/Age Composition of the U.S. Population, 1990-2000

| Gender/Age | 2000 Population | Net Change 1990-2000 | % Change 1990-2000 |
|------------|--------------------|-------------------------|-----------------------|
| Total | 281,421,906 | 32,712,033 | 13.2% |
| Male | 138,053,563 | 16,814,145 | 13.9% |
| Female | 143,368,343 | 15,897,888 | 12.5% |
| Age 18-34 | 67,035,178 | -2,878,520 | -4.1% |
| Age 35-54 | 82,826,479 | 20,024,490 | 31.9% |
| Age 55-64 | 24,274,684 | 3,126,761 | 14.8% |
| Age 65+ | 34,991,753 | 3,749,922 | 12.0% |

Absolute and Relative Change in the Gender/Age Composition of the U.S. Population, 2000-2005

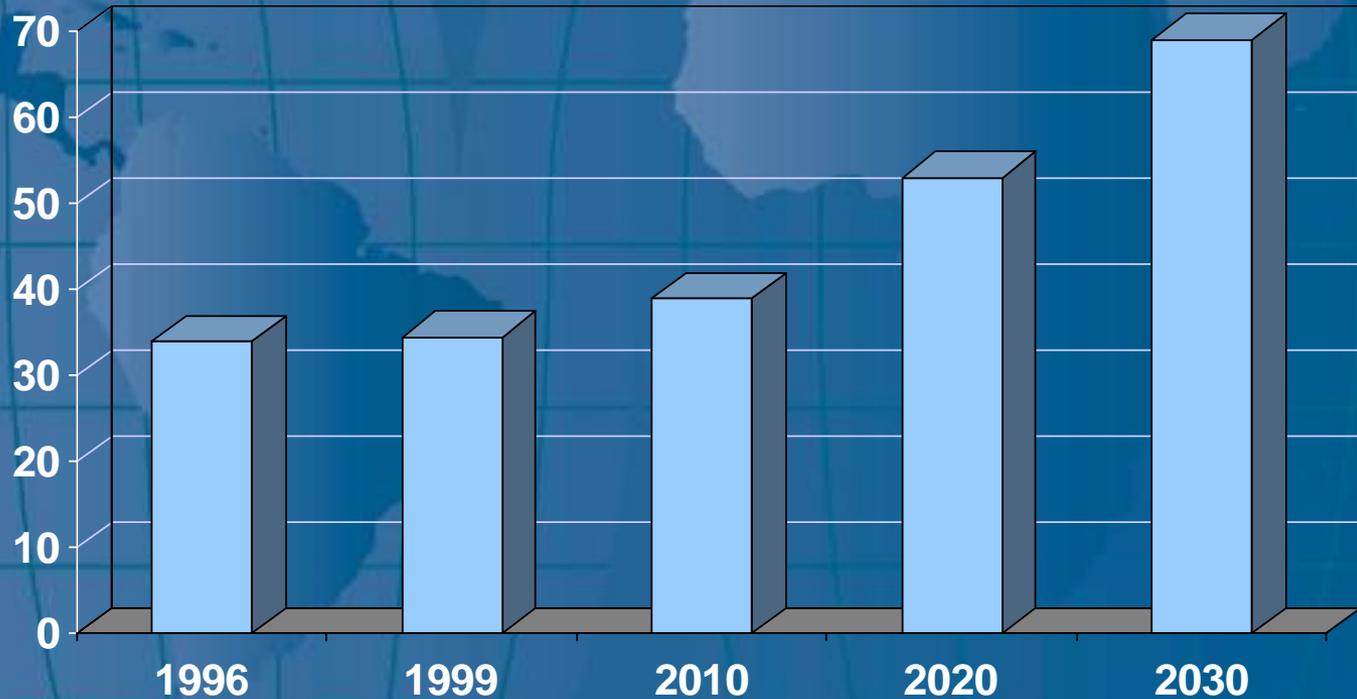
| Gender/Age | 2005 Population | Net Change 2000-2005 | % Change 2000-2005 |
|------------|--------------------|-------------------------|-----------------------|
| Total | 292,261,463 | 10,839,557 | 3.9% |
| Male | 143,203,258 | 5,149,695 | 3.7% |
| Female | 149,058,205 | 5,689,862 | 4.0% |
| Age 18-34 | 65,962,739 | -1,072,439 | -1.6% |
| Age 35-54 | 86,399,619 | 3,573,140 | 4.3% |
| Age 55-64 | 30,528,710 | 6,254,026 | 25.8% |
| Age 65+ | 35,199,481 | 207,728 | 0.6% |

Age Profile of UNC-CH Faculty, 2002

| Employee Type | Number | < 40 | 40-59 | 60+ | Average Age |
|----------------------|--------|------|-------|------|-------------|
| Tenured/Tenure Track | 1,821 | 310 | 1,213 | 298 | 50.4 |
| (%) | (100) | (17) | (67) | (16) | |
| Fixed Term | 870 | 254 | 570 | 46 | 45.5 |
| (%) | (100) | (29) | (66) | (5) | |
| Total | 2,691 | 564 | 1,783 | 344 | 48.8 |
| (%) | (100) | (21) | (66) | (13) | |

Aging America: U.S. Population 65 and older, selected years, 1996-2030

(in millions)



Absolute and Percent Change in U.S. Population by Age, 2005-2050*

| Age | 2005 | 2050 | % Change |
|-----------|------|------|----------|
| Total | 296 | 438 | 50.0% |
| Age 0-17 | 73 | 102 | 39.7% |
| Age 18-64 | 186 | 255 | 37.1% |
| Age 65+ | 37 | 81 | 118.9% |

Older Workers in U.S. Workforces

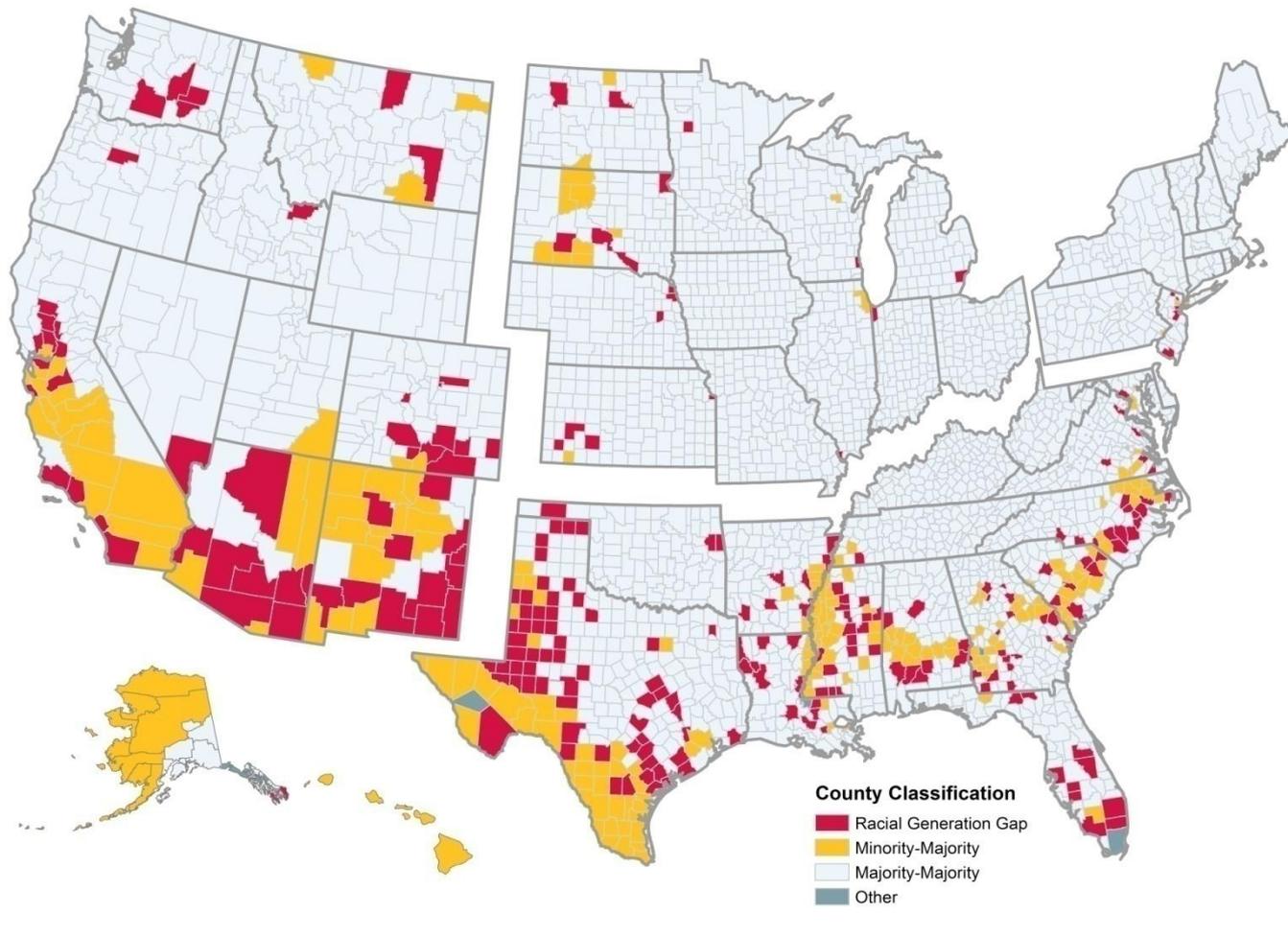
| | 65 or Older | 75 or Older |
|------|-------------|-------------|
| 2008 | 16.8% | 7.3% |
| 1998 | 11.9% | 4.7% |

Change in Foreign Born and Hispanic Shares of Working Age Population (18-64), 2005-2050

| Age | 2005 | 2050* |
|---------------------------|-------------|-------------|
| Total | 186 million | 255 million |
| Hispanic Share | 14% | 31% |
| <i>Foreign-born Share</i> | 15% | 23% |

Impending Demographic Challenges

Racial/Ethnic Typology of U.S. Counties, 2005



Population of U.S. children under 18 years by race/ethnicity, income, and other social characteristics, 2004

| | All | White | Non-white | Hispanic |
|---|------------|------------|------------|------------|
| All Children under 18 | 72,879,035 | 42,845,704 | 16,142,067 | 13,891,264 |
| Families w/ low income(\$30,000/yr) | 29.1% | 19.5% | 43.1% | 42.6% |
| Householders or Parents w/ no college experience | 47.7% | 41.6% | 46.4% | 68.2% |
| Householders or Parents w/ no college experience and low income | 18.8% | 10.6% | 25.9% | 35.7% |

Population of U.S. children under 18 years by race/ethnicity, income, and other social characteristics, 2004

| | All | White | Non-white | Hispanic |
|---|------------|------------|------------|------------|
| All Children under 18 | 72,879,035 | 42,845,704 | 16,142,067 | 13,891,264 |
| Non-Homeowner Families | 33.2% | 15.9% | 50.8% | 66.2% |
| Foreign-born Head of Household w/ no college experience | 12.9% | 2.8% | 10.4% | 46.9% |

Implications and Challenges

- Managing transition from the “graying” to the “browning” of America.
- Competition for talent will be fierce – and global.
- Successful recruitment and retention will hinge on your ability to effectively manage the full nexus of “diversity” issues.

Responding to the Challenges

- Higher education must better prepare K-12 education leaders.
- Develop an education curriculum to better prepare our children for 21st-century realities
- Provide the requisite mentoring and academic supports to maximize academic success
- Develop more effective strategies to recruit and retain qualified teachers.

What Our Youth Must Do

- ❑ Learn to code-switch
- ❑ Display entrepreneurial acumen
- ❑ Development contextual intelligence
- ❑ Embrace diversity