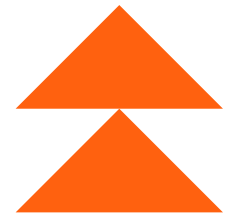




Project
Management
Institute

Global Megatrends 2022



From Our COO: A New Path Forward

Any analysis of the global forces significantly impacting society today can't overlook the enduring impact of the COVID-19 pandemic. More than two years since its outbreak in December 2019, the pandemic continues to overturn many aspects of our lives and conventional wisdom about how the world works. But while we continue to face this challenge in both our professional and personal lives, the world is learning the value of being more nimble — and reimagining a new path forward. We have a newfound appreciation of how communities must come together across boundaries to face our most urgent challenges.

But as society and industries find new solutions, it doesn't mean there aren't complexities to overcome. If anything, they are more pervasive than ever. Progress depends on changemakers — people who see opportunity and solutions in the midst of crisis.

Project professionals, of course, are born changemakers. Organizations have long turned to project managers and professionals with project skills to help them turn ideas into reality. What truly sets this community apart is their focus on implementation — figuring out how to make something concrete out of an audacious goal. This skill set will be more indispensable in the years ahead than ever before, as the world grapples with some of the challenges outlined in this year's Global Megatrends report.

Today's changemakers cannot operate in a vacuum removed from the world's challenges. To be the most effective leaders possible, it's imperative to develop an understanding of where the world is headed, what it means for organizations and where we can make a contribution. To meet the need for this broad global context, PMI offers its annual Megatrends report, evaluating long-term trends, research and industry

data from around the world — and featuring firsthand perspectives from project professionals leading change now.

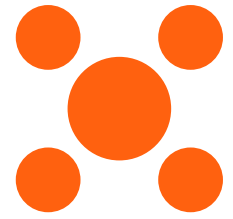
We see six megatrends emerging for 2022, all with the potential of continued impact on both business and society — from digital disruption to movements for equality that are reshaping every corner of the globe.

However, understanding the trends affecting our world is only the first step to overcoming or embracing them. Our community has the greatest impact when we take big ideas and get to work on the grueling task of implementing them. Therefore, it's not enough that we understand the implications of big challenges like the climate crisis or growing economic inequality — it will also be up to this community to help reimagine and drive solutions.

My hope is that this year's report educates and inspires changemakers and organizations worldwide to deliver impact — and we look forward to helping them as they continue forging paths forward.

Mike DePrisco
Chief Operating Officer, PMI





Introduction

Global Megatrends 2022

In 2021 we learned there might not be a new normal, only the perpetual and accelerating pace of change. As PMI actively monitors the technological dynamics, demographic shifts and complexities of globalization that are reshaping our world, six megatrends stand out based on their impact and the implications for projects across the world:

1. **Digital Disruption**
2. **Climate Crisis**
3. **Demographic Shifts**
4. **Economic Shifts**
5. **Labor Shortages**
6. **Civil, Civic and Equality Movements**

With COVID-19 and the threat of future pandemics, more will be required of us to meet the challenges of long-standing flaws and inequities that have been exposed, such as unequal vaccine distribution and supply chain turmoil. Even as we strive for balance in our interactions with the many worlds we move in — virtual and physical, personal and public — we must innovate to make a new and better reality.

While we embrace the benefits and acknowledge the risks of the all-encompassing digital era, we also recognize that people remain central as the true drivers of innovation. And as demographics and economic threats collide, technology can help alleviate worker shortages and jump-start sustainability initiatives, but it cannot replace people or individual action and collaboration. To perform at their best and remain and grow in their jobs, people want to be valued, nurtured, understood and treated equitably.

To meet these challenges, project professionals need more than technical skills. They need to adopt a strategic mindset to align projects to their organization's goals and understand how their outcomes will affect and be affected by the daily progress of world events. They also need to supercharge their leadership and power skills, such as communication, empathy and fostering an innovative mindset, and help others do the same.

Since publishing last year's [Megatrends report](#), PMI has consulted the latest intelligence from industry leaders and conducted primary and secondary quantitative and qualitative research to help you navigate shifting global currents in 2022. In addition, we've called on experts and thought leaders from around the world to share their reflections to guide and inspire us. These project professionals and other changemakers embody the qualities needed to support real, positive change and help solve the world's greatest challenges.

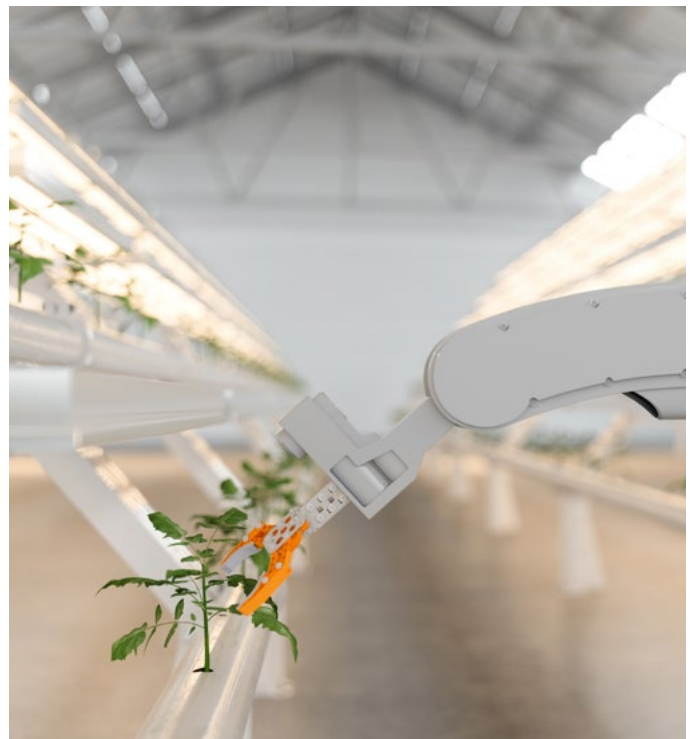
Digital Disruption

There is almost no field of endeavor that is free from the constant drive of technological change. Even before we get used to the latest collaboration tool or smart home appliance, newer technology arrives with up-to-date features. While these solutions can save time, improve productivity and support innovation, they can also present risks, such as data breaches and loss of privacy.

Digital transformation was underway prior to the advent of the COVID-19 pandemic, with many organizations redefining their core business models to gain competitive advantage in an unceasingly changing marketplace of products and ideas. Technologies like cloud computing, the Internet of Things (IoT) and artificial intelligence (AI) were deployed to enhance the customer experience, boost employee efficiency and improve project outcomes. It is no contradiction to say that transformation has now become business as usual.

PMI's *Pulse of the Profession*[®] in-depth report, Next Practices: Maximizing the Benefits of Disruptive Technologies on Projects, determined that a vast majority of innovators, which are defined as high-performing organizations that have a mature digital transformation strategy, indicate the adoption of disruptive technologies has supported significant improvement in meeting or exceeding business objectives.

The pandemic greatly accelerated an expansion of digital technologies, especially tools to enable online collaboration and remote work. The trend toward remote work had been gaining speed, facilitated by digitization and improved connectivity. But any barriers or hesitation about adopting a remote model were swept aside as the ability to work from home became necessary to carry on normal business. This shift looks likely to become entrenched in the foreseeable future.



Companies also rushed to bring new digital offerings to market. According to McKinsey, the rate at which companies introduced products and services that are digital in nature advanced by six years in North America, seven years in Europe, 10+ years in Asia-Pacific and seven years globally. Results vary across sectors, with the most significant increases occurring in healthcare and pharma, financial services and professional services.

Reskilling and upskilling the digital workforce

-
1. Innovative mindset
 2. Legal and regulatory compliance knowledge
 3. Security and privacy knowledge
 4. Data science skills
 5. Ability to make data-driven decisions
 6. Collaborative leadership skills

Become a proficient digital practitioner with PMI's Digital Intelligence Series

Organizations will continue to invest in **AI** to augment skills like decision-making, risk management, data analysis and knowledge management. But *if* and *when* AI proves capable of replacing human-like intelligence is a subject of much debate and speculation.

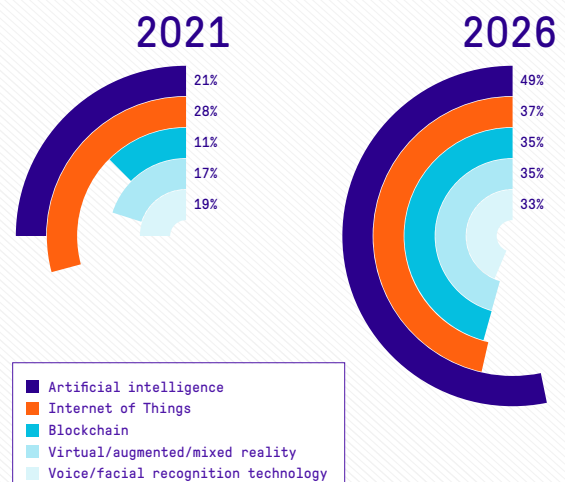
In November 2021, Eric Schmidt, former CEO of Google, joined by former U.S. Secretary of State Henry Kissinger and MIT computer scientist Daniel Huttenlocher, suggested that our future course should neither be to defer to AI nor resist it, **urging us** instead to focus on “shaping AI with human values, including the dignity and moral agency of humans.”

These concerns will require a sharper focus as we advance into the digital future. In order to support meaningful application of AI, organizations will need to invest in acquiring or training IT and data specialists, create a strategy for data governance and maintain transparency.

Data collection is the raw material that fuels the expansion of disruptive technologies and continued digital transformation. Protecting the confidentiality, integrity and availability of data must be an essential part of any response to these future-focused business initiatives.

The topic of **data ethics** is further explored in this report, along with **cybersecurity** and its implications in the modern workplace. Both areas must be approached with heightened awareness and diligence if we are to transition into a reliable future built on digital progress.

Adoption of advanced digital technologies will increase by 2026



Source: PMI & PwC survey (2021)



Innovating for Disruption: Interview With Ade McCormack

Ade McCormack helps organizations around the world transform for the digital age.

We spoke with Ade McCormack, disruption readiness advisor, about a range of digital issues. Here, he shares his views on the digital disruption landscape.

“I think where we are going to see a big push in the next year is in augmented reality (AR) and virtual reality (VR),” says McCormack. Even traditional industries that are currently tied to a physical location, like plumbing, could be disrupted by AR. “Now all of a sudden, the consumer can be looking underneath the sink with an AR map and instructions. There could be one megaplumbing company in, let’s say, Argentina that handles everyone’s plumbing needs. We get complete disruption of the need for physical plumbers.”

But technology isn’t enough if the business model is no longer fit for purpose. Leaders can’t expect to simply “sprinkle your old business model with the latest technologies. That’s not going to cut it,” says McCormack. “We need to move beyond the industrial-era, process-driven factory model to thrive in this increasingly disruptive age. If you enjoy dominance today, it is transient at best. You better be thinking about your next innovation.”

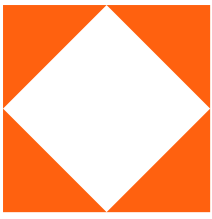
Right now, McCormack feels like there isn’t enough focus on the future. “Employers are more focused on recreating 2019. I think they’re going back to prepandemic ways of working as a kind of comfort blanket. They’re grabbing certainty where they can grab it. But that’s not going to work. Postpandemic disruption is only just beginning.”

“A lot of the attention at the moment is around hybrid working and ensuring we have technologies in place to allow people to work from home securely, which in itself is not necessarily a technology innovation.”

ADE McCORMACK
Disruption readiness advisor

“Training people for new technologies is time-consuming, costly and uncertain. We need to implement a strategic process and make sure projects are aligned with the technologies that have the best chance of success.”

MARCOS LOPEZ REGO
Ph.D., PMP



Climate Crisis

World leaders attending the 2021 United Nations Climate Change Conference (COP26) proclaimed the need for urgent action. However, progress to address climate change has been elusive. Moving forward, sustainability practices will need to be built into every project and process if the world is to arrest the most damaging effects of global warming.

The pandemic has raised awareness of the impact humans have on the environment and the effect environmental degradation has on human well-being and on the world economy. The U.S. and EU have committed to carbon neutrality by 2050, China has pledged to do the same by 2060 and India by 2070. Most renewables are now cheaper than fossil fuels, thanks to investments made over the past decade. And projects have been initiated to remove carbon dioxide from the atmosphere; the AFR100 megaproject in Africa, for example, aims to reforest 247 million acres across 10 countries by 2030.

Even with such actions, the situation is getting worse.

After a temporary lull in emissions due to the “Great Lockdown,” there is “no sign we are growing back greener,” according to the World Meteorological Organization, which found rising concentrations of major greenhouse gases in 2020 and the first half of 2021.

To help turn the tide, businesses must take on more responsibility. One-fifth of the world’s largest companies have set net-zero targets. Many more need to do the same and they’ll need to join forces with governments, academia and other organizations. Greater investment in sustainability projects is imperative, particularly in industries that produce the most emissions, such as energy production and

transportation. Billions of metric tons of carbon dioxide still need to be removed from the atmosphere each year through reforestation and other means — a process that’s barely begun.

Cutting greenhouse gas emissions: From COP21 to COP26

The Paris Climate Accords, adopted at COP21, is an international treaty to limit global warming, preferably to 1.5 C (34.7 F).

2015 Paris (COP21)

Target: Reduce greenhouse gas emissions to

52.4 Gt*

2021 Glasgow (COP26)

Target: Reduce greenhouse gas emissions to

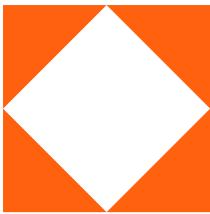
41.9 Gt

2030 Future

Target: Reduce greenhouse gas emissions to

26.6 Gt

* gigatonnes



These efforts are complex and challenging to implement. **PMI research** shows that almost 40% of organizations reported major barriers to improving social impact, with just 33% of projects delivering improvements for the environment. This is primarily due to the lack of financial resources and organizational commitment. Such commitment is only likely to come about if the C-suite is engaged and explicitly recognizes that improving planetary resilience improves business resilience. Encouraging this mindset and connecting projects with purpose can increase retention and improve productivity, paving the way for real action.

The role of chief sustainability officer (CSO), which has seen a dramatic rise in the past decade, can help to achieve this. **Nishita Baliarsingh**, co-founder and CEO of Nexus Power in India, however, cautions that this isn't a panacea — efforts need to take place at an individual level, and it will take time to change people's mindsets. Embedding sustainability practices into every function, process and decision across the value chain will require cross-enterprise collaboration.

Project managers will need to integrate emissions targets into key performance indicators, build emissions management into ways of working and

engage with all stakeholders about sustainability practices. In addition to financial resources and organizational commitment, obtaining the right skills is an essential asset for enabling change.

Crucially, organizations must also be able to assess their energy footprint, costs and impact; otherwise there will be no transparency or accountability and no means to track progress. But knowing what to measure and how to measure it has not yet been standardized. There are many ratings and certification providers, various frameworks for nonfinancial accounting and debate about what metrics to use. Digitalization efforts will also need to ramp up to truly understand the level of resource usage and waste within each business process through data and analytics.

Using what's available, however, is a better alternative than doing nothing, and project professionals will need to work closely with sustainability teams to identify best practices and create a path forward. The **United Nations Sustainable Development Goals** (UNSDGs), supported by PMI, provide a blueprint. Goal 12, for example, urges more sustainable consumption and production patterns by recycling electronic waste and single-use plastics, actions that can be taken on both the individual and corporate levels.





Building Sustainable Products: Interview With Nishita Baliarsingh

Nishita Baliarsingh is CEO and co-founder, with her sister, Nikita, of India-based startup Nexus Power. A PMI Future 50 honoree, she is working on producing a biodegradable electric vehicle battery from agricultural waste.

Electric vehicles (EVs) are seeing massive interest, but charging times, battery safety and the environmental impacts of lithium-ion batteries are concerns. Nishita Baliarsingh and her twin sister, Nikita, had a bold idea: to create a high-performance, biodegradable battery from crop waste that tackles emissions from the burning of crop residue, while also providing farmers with extra income.

“The concept of sustainability is not clearly understood,” explains Baliarsingh. “Many consider it to be ‘saving the planet,’ but really, it’s optimum utilization of resources. You’ve got to look at the entire chain from raw material through production to the sales channel when you’re trying to build a product that is sustainable.”

Progress toward sustainability started at the individual level with small gestures like carrying reusable bags and refillable jars to reduce packaging. Baliarsingh says, “We have seen a lot of change in the last 10 years and

should expect to see much more in the next 10.” She cites recent moves by [Tata Group](#), one of India’s best-known companies, as evidence that large companies are moving from a purely profit-optimized model. “They have significantly improved their carbon footprint and they’re moving to a carbon-neutral space. In the next 10 years they could go carbon negative. So it’s not like effectiveness is not visible,” she stresses.

“Technology will be one of the major game changers in terms of sustainability. The pandemic has really opened doors to a lot of things that earlier we didn’t even think could have been done virtually, such as videoconferencing.”

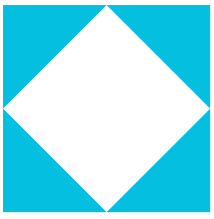
Baliarsingh says the need for project managers to drive sustainability efforts is high. “Project managers will be required everywhere. Everything that we do today is called a project — whether it’s a one-day, 10-day or six-months project — you would need project managers to make sure that the entire process is streamlined. The benefit that project managers bring to sustainability efforts is creating the most optimum way of getting the work done.”



The benefit that project managers bring to sustainability efforts is creating the most optimum way of getting the work done. ”

NISHITA BALIARSINGH

Co-founder and CEO, Nexus Power, India



Demographic Shifts

PMI's 2021 Talent Gap report, a forecast of employment trends for the next decade, predicts that the global economy will need 25 million new project professionals by 2030. With declining fertility rates and an increasing percentage of workers aging out of the workforce, organizations will need to find new ways to alleviate worker shortages and close the talent gap.

Companies have been quick to recognize the opportunities that exist to meet the needs of aging populations, particularly through technology. **IBM**, for example, has developed smart home environments that leverage the IoT and cognitive computing to monitor daily health and activities. **MyndVR** offers immersive solutions to combat social isolation among seniors, and Austria-based traffic technology group **SWARCO** offers a smart traffic light app that adapts to changing mobility patterns.

Many developed economies are experiencing a rise in the effective retirement age, which has implications for redesigning workspaces to accommodate older employees, recruitment, physical and mental well-being, and performance management.

Working more years, however, won't offset the overall decline in working-age populations. The need for skilled project managers and other changemakers is only going to increase as industries become more projectized. This talent gap is being exacerbated by COVID-related travel restrictions and the Great Resignation, the wave of resignations that began during the pandemic.

As people rethink work-life balance, and despite some older generations remaining in the workforce, organizations will seek to attract younger employees. Project managers will have to develop the necessary

leadership skills and work closely with human resource managers to implement equitable and inclusive policies to support age-diverse personnel.

PMI's 2021 talent gap research points to five actions to help avert a talent crisis:

1. **Embrace technology.** Automation and AI can reduce the burden on project managers.
2. **Get creative about finding and retaining talent.** Just 38% of organizations make it a priority to attract younger talent.
3. **Look for talent abroad.** Regions like Africa, Southeast Asia and Latin America offer pools of young talent, which also fosters healthy diversity, equity and inclusion (DE&I).
4. **Harness the power of all changemakers.** No-code/low-code platforms can leverage existing employees in a more efficient and cost-effective manner.
5. **Preserve knowledge from departing workers.** Less than one-half of organizations have a formal knowledge transfer process.



Developing the Next-Gen Workforce: Interview With Takeshi Hayama, Ph.D., PMP

Takeshi Hayama is a technology strategist at NTT DATA Corp. and vice president of the [PMI Japan Chapter](#).

Japan is home to the world's oldest population, and although it's highly prepared to meet the challenges this brings, many issues remain. We spoke with Takeshi Hayama, technology strategist at NTT DATA Corp. in Tokyo, to get his views on this important topic.

Although many older people are working past retirement age, industries that require a high degree of specialization are facing a talent crunch as they seek the next generation of workers. Hayama explains that AI and robots are being used to alleviate the shortage of skilled workers. "Especially in the area of maintenance of public infrastructure, technologies such as IoT, AI and drones are used for early detection of defects and reduction of repair costs."

Hayama says that globalization and IT development have polarized the Japanese labor market into occupations that require high skills and creativity and ones with low wages. "Young people can no longer rely on Japan's traditional lifetime employment system or on retraining programs provided by companies. As a result, they must improve their capabilities independently. Professional associations, like PMI, and industrial organizations are playing a part in supporting their development."

To support the development of young project managers, Hayama believes there is a need for education that enhances practical skills. "In Japan," Hayama says, "project management is often a component of a job rather than a profession, so it is assumed that the project manager has advanced knowledge of the business domain and sufficient soft skills. Educational technology is critical to both young people and society for efficient and autonomous learning to adapt to change."

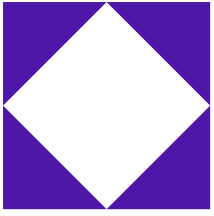


Educational technology is critical to both young people and society.

For Japan, we have no choice except to select globalization. We need to collaborate with the United States. We need to keep in touch with a wide range of countries to mitigate the risks of depending on a few specific countries. ”

TAKESHI HAYAMA

Technology strategist, NTT DATA Corp. and vice president of the [PMI Japan Chapter](#)



Economic Shifts

The stresses created by the pandemic have led to supply chain disorder and the rethinking of globalization. The issue is complex. Rebuilding domestic supply chains is a long-term undertaking, and permanent pullbacks are not certain. However, there are strategies that can be applied to mitigate global supply chain risks and facilitate cross-border collaboration.

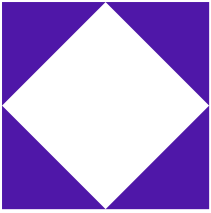
The COVID-19 pandemic has exposed long-standing supply chain vulnerabilities, particularly overreliance on single-source vendors and suppliers. These vulnerabilities — combined with demand spikes, **labor shortages**, weather events and other factors — have decimated port and shipping capacity, pushed transport costs to new highs, created massive shortages of goods and components, raised consumer prices and increased inflation. As a result, some countries are looking to restart core manufacturing industries and diversify single-source supply chains.

A key question is, given existing skills and worker shortages: Where will talent come from in countries that abandoned traditional manufacturing capabilities? **PMI research** shows the global manufacturing and construction sector has one of the biggest gaps between current and projected jobs in project management-oriented employment (PMOE), with the growth rate of 13.2% in PMOE expected to be higher than for overall employment in this sector. Training will take time and investment. So will rebuilding domestic supply chains. For example, it takes multiple years and billions of dollars to construct a semiconductor fabrication plant. Electric vehicle (EV) battery production takes even longer to ramp up, as does attaining self-sufficiency in rare-earth extraction, processing and refining.

Globalization has recovered from severe setbacks in the past and remains at historically high levels. The **DHL Global Connectedness Index 2021 Update**, a measure of U.S. business sentiment, found companies eager to increase their international presence. Moreover, global digital connectedness helped many businesses survive the pandemic, but also risked opening a **digital divide**, the possibility of poorer, less-connected countries falling behind. The report concluded that stronger ties would accelerate the world's recovery.

Regional supply chain strategies, within a global framework, can also improve resilience to worldwide events while taking advantage of global economic shifts. Members of the Association of Southeast Asian Nations (ASEAN) and six regional partners, including Australia and China, recently signed what is arguably the largest free trade agreement in history, the **Regional Comprehensive Economic Partnership (RCEP)**.

Project managers can also find ways to facilitate cross-border projects through remote collaboration and knowledge sharing. Indeed, we cannot go it alone if we are to find solutions to the world's biggest environmental, social and governance challenges. As globalization recalibrates, there is hope that it may emerge kinder and gentler, with a greater social consciousness at its core.

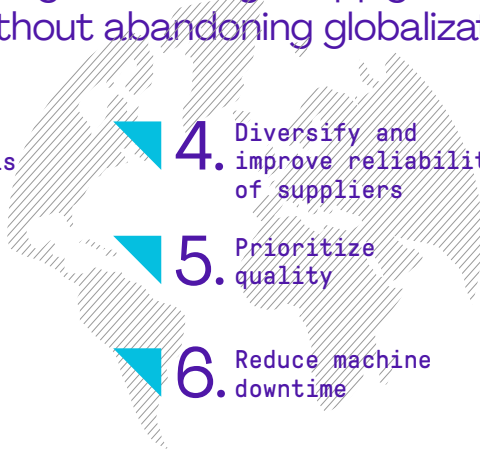


Eight ways to manage supply chain risks without abandoning globalization

1. Manage production and inventory levels more effectively
2. Stockpile critical components
3. Reduce the length and complexity of supply chains

4. Diversify and improve reliability of suppliers
5. Prioritize quality
6. Reduce machine downtime

7. Make process improvements
8. Implement new technologies





Rebuilding Local Industry: Interview With Marcos Lopez Rego, Ph.D., PMP

Marcos Lopez Rego is a professor at IAG Business School – Pontifical Catholic University of Rio de Janeiro (PUC-Rio) and Fundação Getulio Vargas (FGV) and a senior researcher at the Brazilian Navy Research Institute.

“Will the pandemic drive a long-term decrease in cross-border people flows? Yes, definitely yes,” says Rego. “It’s going to be more intense in the future.” Strategically, the COVID-19 pandemic revealed the severity of the world’s dependence on supplies and consumer goods from some countries.

To combat this dependency, political and strategic decisions will need to be implemented. “Project management is going to be an essential capability because projects will be more and more important.” Rego says.

“The main problem is the lack of resources to implement this. In some industries local capabilities were lost, so it will be necessary to start public policies on education and training, which is very time-consuming, costly and uncertain.” Rego thinks technologies like 3D printing and robotics are promising tools, but it’s going to be a long time before service-oriented economies can pivot toward the domestic production of critical components.

Rego also believes that knowledge- and service-oriented industries will become more deglobalized as well. But, he adds, “It’s important to make sure that local projects are aligned with the global trends. Project management and communication skills are fundamental for this.”

“Globalization definitely has a lot of benefits in terms of improving trade, exchanging technology, exchanging culture and exchanging a different kind of understanding. A stable economy would need a proper balance of internal trade and manufacturing as well as global trade, so it has to be balanced.”

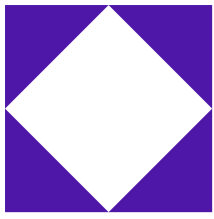
NISHITA BALIARSINGH

Co-founder and CEO, Nexus Power, India

“A benefit of deglobalization is that people within countries are able to lead what they feel is best for their communities. But I would hope that this change does not mean that we do not collaborate with each other anymore, because that’s also not what we need for a thriving global economy.”

ANGELINA HOWARD

Senior product manager, Amazon Web Services (AWS), U.S.



Labor Shortages

There is an exodus of employees and a loss of institutional knowledge happening at organizations around the globe — and it's shaking up the workplace in ways we haven't seen or prepared for. How organizations react will determine whether this is a long-term trend or just a reset.

Over the last year, many companies have faced a reckoning as large numbers of employees quit their jobs, launching a movement of sorts that Anthony Klotz, professor at Texas A&M University, Texas, USA, named the Great Resignation.

In January 2022, the U.S. Bureau of Labor Statistics announced that **4.5 million Americans left their jobs in November** — the highest level since the agency began tracking this data in 2000. The quits rate once again reached 3%, rebounding to a recorded high first set in September of 2021.

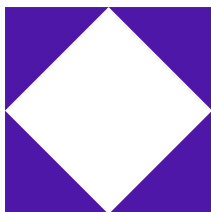
The Organisation for Economic Co-operation and Development (OECD), which includes 38 member countries, **found** that 20 million fewer people are working now compared to before the pandemic with a slow rebound predicted. A **recent survey** conducted for the Bertelsmann Foundation reported that 66% of company decision-makers in Germany, Europe's largest economy, said they are currently short of skilled workers, an increase from 2020. In **Australia**, 40% of employees said they plan to look for a new job within the next six months. And in **Singapore**, 49% of employees surveyed as part of Microsoft's 2021 Workplace Work Trend Index said they are considering leaving their employers this year.

The period that initiated these rising quits rates can be traced to the onset of the COVID-19 pandemic when millions of employees around the world were laid off or

furloughed. In some countries, unemployment benefits and government relief funds provided individuals the opportunity to remain at home for health reasons and to take care of their families. But even now, as vaccination rates increase and organizations begin to normalize working environments, and as more companies offer bonuses and incentives for new employees, millions of positions remain unfilled.

These historic labor shortages are further complicated by the disproportionate marginalization of women, a situation exacerbated by inequalities in caregiver roles and opportunity. At the beginning of the pandemic, workforce sectors with jobs primarily filled by women, such as the hospitality industry, were more at risk. In Latin America, **research** found that the pandemic stalled progress the region had previously made toward gender equality in the workforce, with 12 million women leaving the regional workforce due to the elimination of jobs.

Even as companies actively seek employees, many women are having trouble resuming or starting new careers. The National Women's Law Center (NWLC) **reports** that women's labor force participation was just 57.3% in October 2021, the lowest participation rate since 1988. Unemployment rates for Black women and Latinas exceed the figure for women overall.

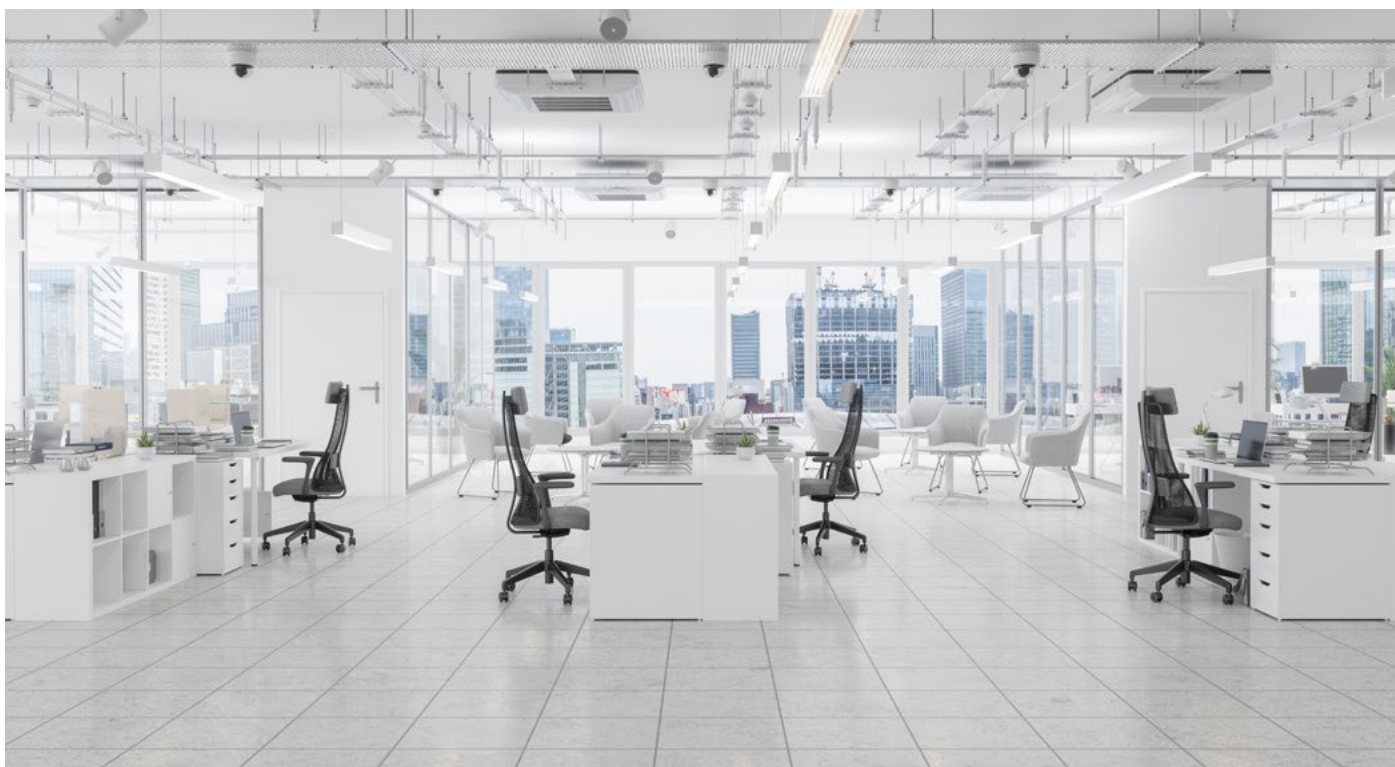


The pent-up desire to seek a better work experience and greater flexibility is being released as the restrictions brought about by the pandemic recede. This additional factor has organizational leadership questioning how they can retain the employees they have while attracting new talent. To find the answer, leaders must be willing to address the surge of disillusionment felt by many employees about work-life balance, and what they now want from their jobs and the organizations they work for.

With 25 million new project professionals needed by 2030, according to PMI's 2021 **Talent Gap report**, these labor shortages will only intensify the challenges of delivering projects that are on time, on budget and that meet customer expectations. In the near-term at least, many organizations may experience significant

turnover and schedule delays as team members and stakeholders alike leave for new opportunities. If not closely monitored and controlled, quality could decline as the burden put upon remaining team members grows.

While the Great Resignation has not hit home in every part of the world or every industry, the threat of labor shortages and discontented employees looms large. Organizations will need to reset the employer/employee relationship to create a successful retention culture, aligning on social impact initiatives of importance to workers, and providing greater recognition and rewards for employee contributions. It's a shift to the world of work that promises to last for decades to come.





Helping Women Claim Value: Interview With Susan Coleman, J.D., MPA

Susan Coleman is a U.S.-based consultant with over 30 years of experience training and facilitating tens of thousands of people around the world in negotiation and collaborative strategies to build common ground. Her main focus now is empowering women through negotiation.

In Coleman's view, the fact that the COVID-19 pandemic has forced millions of women out of work reinforces some truths about their place in the world. "As long as we are not in the top rung, as long as we are supporting the next one up, people are okay with that. But if we actually had true gender equality, I think there would be a lot of pushback. For women who want to be professionals and also want to be a mom, childcare is key and if there isn't access to good childcare, women are going to drop out," Coleman says.

"While things are much more difficult for women around the world since COVID happened, I don't think that we are going backward. The trend of women entering the workforce has been one of the largest shifts in organizational life for a long time. And women, we are changing things."

Remote work has provided flexibility, but Coleman says, "We are in a big conversation in the world, about whether we are really in this together or whether we choose polarization. One of the fundamental choices you have to make when you negotiate is whether you're doing things collaboratively or competitively. Collaboration is really win-win. For women, it's about building up our awareness of what the skill set is and how to increase our negotiating capacity. With negotiation, a lot of it's about claiming value, receiving value, being asked for what you want."

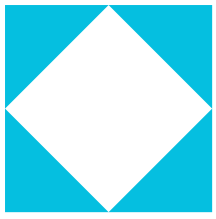


For women, work is not just about making money – it's also how we have a voice, how we have influence, how we grow as humans.

If you can create a really good working environment that is collaborative, that is really building people's capacity, that's learning, all of these things, you will get the best out of people. ”

SUSAN COLEMAN

Organizational development consultant, susancoleman.global, U.S.



Civil, Civic and Equality Movements

Despite ongoing restrictions due to the COVID-19 pandemic, social protests continued to spill into the streets in 2021. We expect these protests to endure as the economic effects and rising inequalities intensified by the pandemic contribute to the drivers for social unrest. But increasingly, we will also see boardrooms, office suites and project sites become the settings for real change and collaboration in response to civil, civic and equality movements.

While organizations have increased diversity, equity and inclusion (DE&I) efforts, it's been a challenge to make them effective because of the all-encompassing changes required. The appointment of chief diversity officers (CDOs) — which has risen over the past five years and saw a massive spike in 2020 — will certainly help achieve this. The need to blunt the effects of **labor shortages** will be a strong motivator for companies to build more inclusive cultures. At the same time, the impacts of the pandemic have fallen more heavily on communities of color and globally have hit the hardest in emerging markets and developing economies.

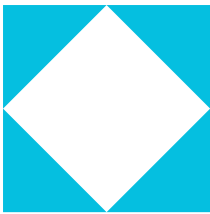
Although numerous recent studies have shown how important DE&I is for business success, women and ethnic minorities continue to remain underpaid and underrepresented at corporate levels. A recent **McKinsey study** demonstrates the business case for diversity in executive teams, with companies in the top quartile for gender diversity 25% more likely to have above-average profitability than companies in the fourth quartile. The likelihood of outperformance is even higher for ethnic diversity.

Without the “E” and the “I,” there is no “D.” Diversity must take in many dimensions, and true equity and inclusion means creating conditions that give everyone the same chance to contribute, grow and thrive. A **recent U.K.-based study** found that only 16% of employees with disabilities said they felt included at

work compared to 25% of their colleagues. And even though many Fortune 500 companies have inclusion policies for LGBTQ employees in place, most countries still do not provide legal protections. **Catalyst** reports that “fear prevents LGBTQ employees from bringing their full selves to work.”

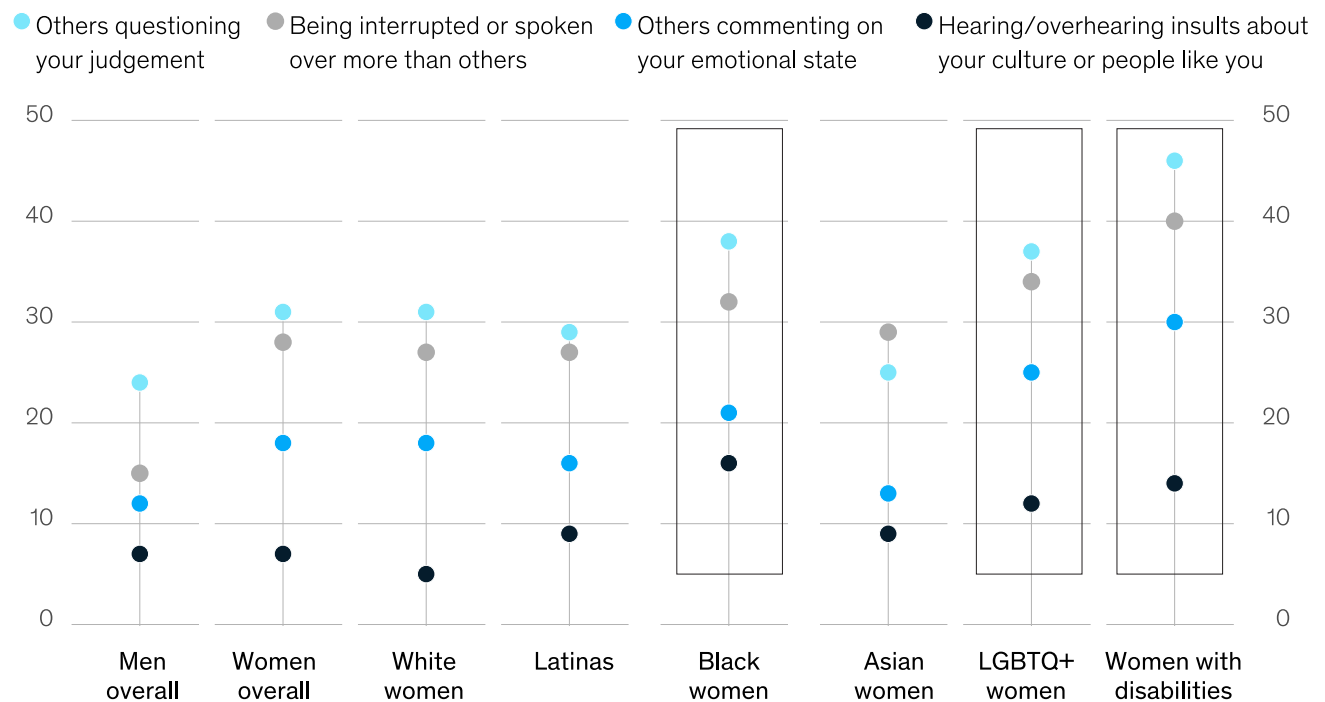
Despite the challenges, remote work has been a great leveler for people who are subject to bias in the workplace. Many women of color are reluctant to return to the office, according to a recent **The New York Times** article. Remote work has eased the stress of working in predominantly white workspaces and reduced exposure to microaggressions and discrimination. A 2021 **Future Forum survey** of over 10,000 knowledge workers in the U.S., Australia, France, Germany, Japan and the U.K. found that Black men reported a better employee experience while working from home.

A particular challenge will be embedding DE&I in every function, process and decision throughout the value chain. PMI anticipates that key practices will involve engaging employees in creating policies and setting goals, incorporating DE&I in training and establishing employee resource groups. Forward-thinking organizations are using robust AI tools to recruit diverse talent, partnering with groups that promote diversity and reaching out to youth. Applying a data-driven approach to measuring and reporting on progress will be a critical success factor.



Black women, LGBTQ+ women, and women with disabilities are much more likely than women overall to experience microaggressions as professionals.

Microaggressions by type, % of respondents¹



McKinsey & Company

1. Question: In the past year, during the normal course of business, have you experienced any of the following?
Source: Women in the Workplace 2021, LeanIn.Org and McKinsey, 2021

Overall, a culture that embraces different perspectives will enable creative thinking and adaptability and result in improved business outcomes.

CDOs have their work cut out for them. DE&I is not an issue that can be addressed by issuing some boilerplate statement and speaking strictly in legal and compliance terms. It demands being authentic and transparent. It demands everyone letting down their guard, being

uncomfortable, being vulnerable and willing to share emotions in their most raw state — be it sadness, anger, frustration or fear — because, at its core, real business connections begin and end with genuine human connections.



Driving DE&I Initiatives: Interview With Innocentia Mahlangu, Pr Eng, MSc, PMP

Innocentia Mahlangu has devoted herself to driving DE&I initiatives. She is a senior engineer and project manager for the Project Delivery Group at Hatch in South Africa. A PMI Future 50 honoree, she founded SHEngineers, a nonprofit virtual mentorship network for women in engineering.

Early in her career, Mahlangu noticed she was often the only woman in the room. “I work across sectors which are largely male-dominated: engineering, construction, project management and technology,” she explains.

Among those recently qualified as job candidates in engineering, just over 50% are women, but among registered professionals, only 12% are women according to the Engineering Council of South Africa. “We try to attract women to the industry, but retention is a big issue, and we have what many call the leaky pipeline where at different stages of development you lose women,” Mahlangu says. “That tells you that somewhere along the way between becoming a registered professional and the candidate category, women are just not getting through, and that really emphasizes the scale of the problem.”

The problem according to Mahlangu: “Organizations are not really committed to DE&I and there’s misalignment between corporate strategies. Some perceive this as an add-on to their normal way of working. They haven’t adopted it as a core area and therefore they’re not driving it from the highest level of the organization; some don’t even have long-term strategic targets or measurable outcomes.”

But Mahlangu insists diversity must go beyond increasing the participation of women in the workforce. “There is a misconception that diversity only refers to gender, and very often leaders don’t realize that when we talk about diversity, we imply a broad range of categories and we want our industries and workplaces to be diverse and inclusive, and value people’s uniqueness — people from different cultures, of different ages, who speak different languages, who have different abilities and other differentiating qualities. I think when we fully embrace all forms of diversity, then we achieve diversity of thought where you actually achieve greater business success and greater project success as well.”

Mentoring Women in Tech: Interview With Julissa Mateo Abad

Julissa Mateo is the founder of a community for women in tech (@MujeresTICsRD) in the Dominican Republic. Mateo is a PMI Future 50 honoree for raising the role of women in tech.

While attending tech events as an information and communications technology (ICT) engineer, other people thought Mateo was the girlfriend of one of the men in the room. “One day I heard something that I wasn’t

sure was correct, so I raised my hand and asked the speaker to explain it again. One of the speakers later reached out to me and said, ‘Why don’t you give us a talk and share your interest with other women because you really like these events, so probably more women will like them too.’”



That was the first step toward @MujeresTICsRD, a community of women in technology fields who mentor one another, network and support each other's career development. The organization started in the Dominican Republic and is now expanding to Bolivia and Guatemala. "We are trying to get more representation that I think the world needs," Mateo explains.

Mateo and her colleagues work with organizations to help them understand the meaning and value of diversity, equity and inclusion (DE&I). "Companies are just trying to get people inside for numbers — to say I have three women, four men, one Black person," is how Mateo describes the obstacles. "But actually, when we are trying to say we are diverse, we are trying to get into equality — when you understand people's way of behaving, the way they act, how it's part of their culture — it's all a part of them.

"Sometimes, we as women don't believe in other women who are doing the job because we have never seen people who look like us doing it before. That's why we try to provide mentors. And even if you come from zero, because I can tell you I come from minus 20, you can grow exactly to the place you want to be. You need to have people around you who also understand your vision."

Mateo says inclusion also enhances the customer experience: "I'm trying to make sure tech companies understand the value of DE&I because we are creating the tech of the future. If you don't consider the people who are going to be using this technology, we are going to end up with technology that doesn't fit us, and this is something that we have to eliminate."

“If it doesn't start at the top and it's not entrenched in the company's strategic vision, then it's more likely to be unsuccessful.”

INNOCENTIA MAHLANGU

Senior engineer and project manager, Hatch, South Africa

“I think every single person, regardless of how big or small the role is, has a significant impact that they can contribute to a team or to a project.”

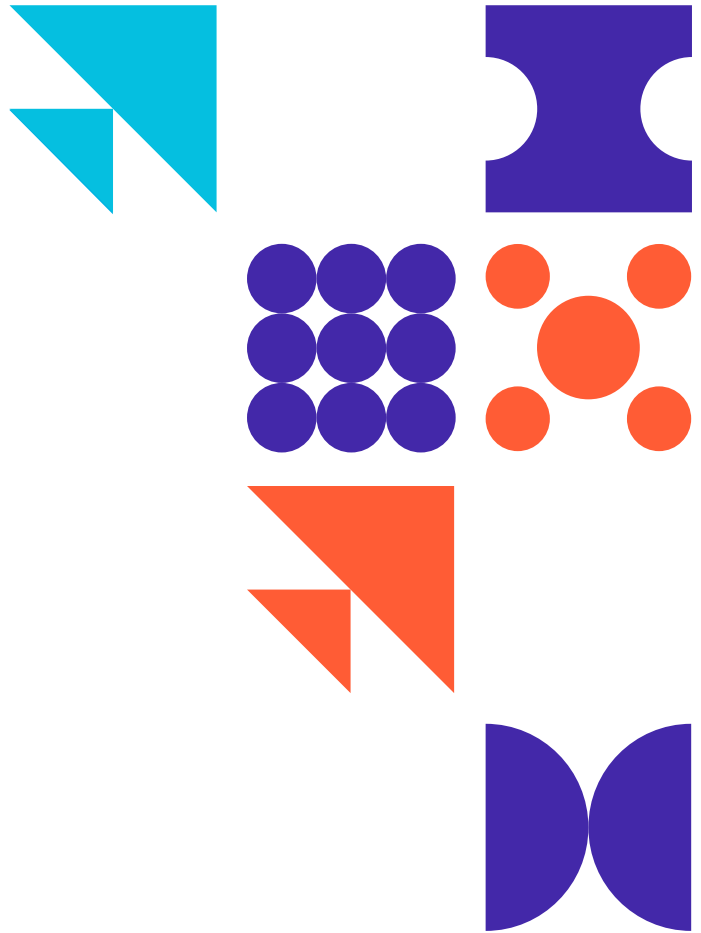
JORDAN CHANETSA

LGBTQIA+ rights activist, Zimbabwe

“If you don't have clear policies, you will end up with people leaving the company as soon as they get another, better solution for themselves.”

JULISSA MATEO

Founder, @MujeresTICsRD, Dominican Republic



Conclusion

This is a year to reset and resolve to move forward and meet the challenges that Global Megatrends 2022 presents. The last two years have been a reckoning of sorts for our failure to confront problems and design and implement solutions. But there is an opportunity to reimagine the path forward — one that is greener, more equitable and with benefits more widely distributed.

We must be more mindful of the goals we set, the approaches we use to reach them and how the outcomes will affect all people around the world.

For project professionals, this means drawing upon an entire toolkit of capabilities. Changemakers employ new ways of working, including technological savvy and technical project management skills, as well as power skills like communication and empathy. They need to understand the context of their projects within the macro environment and their organization's strategic goals. And they need to supercharge their creativity and innovative thinking — and that of everyone around them — to adapt to extraordinary circumstances and find extraordinary solutions. By doing so, we can make ideas a reality and solve the world's most pressing problems.

Visit [Global Megatrends 2022](#) for more on these trends and watch video interviews with experts and thought leaders.

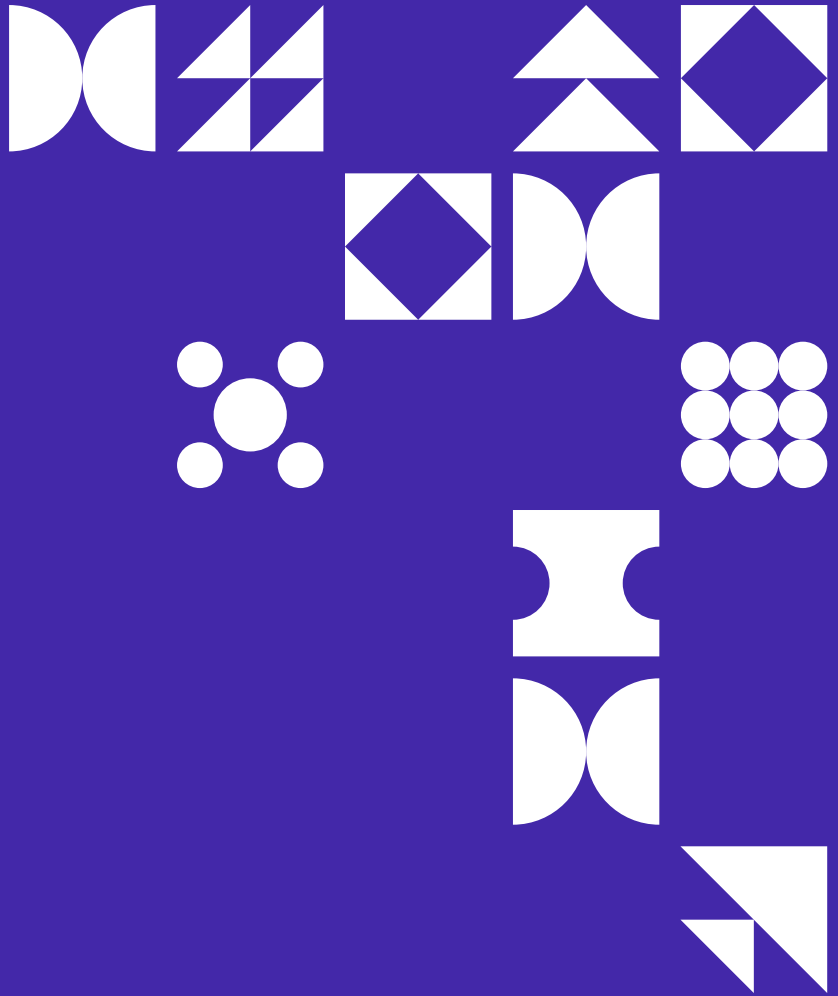


The future isn't something you sit around waiting for.
The future is the reality you decide to create. ”

[PMI – MAKE REALITY](#)

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Project Management Institute | Global Headquarters | 14 Campus Blvd Newtown Square, PA 19073-3299 USA | Tel: +1 610 356 4600

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