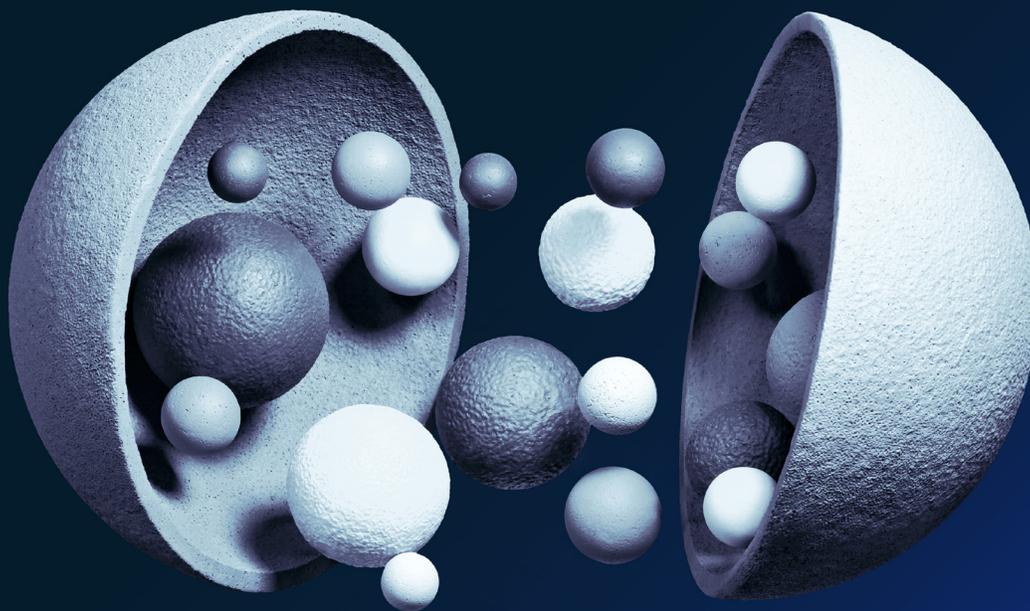


Risk Practice

COVID-19: Briefing note #53, May 5, 2021

How can we prepare the workforce for the postpandemic world?



During the pandemic, we learned to cope; in the postpandemic world, we need to learn to thrive. Companies emerging from the crisis are realizing that workforces require new capabilities to face the digital and environmental future. This week, McKinsey examined what industries should do to develop the talent and knowledge they need.

To flourish during and after the pandemic, companies need a new set of skills, including social and emotional, advanced cognitive, and digital capabilities. In a recent McKinsey Global Survey, 69 percent of respondents said that building the skills of existing staff is more important than any

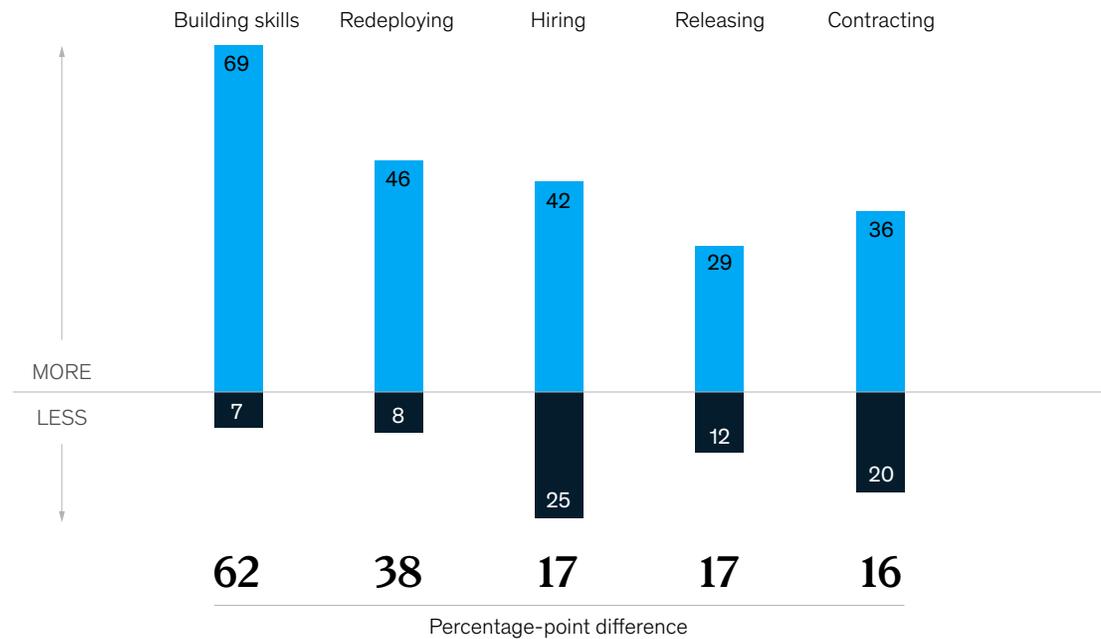
other method of talent building, including hiring (exhibit). It's time for companies to strategize talent development and identify the most effective options, including digital learning and in-person workshops.

Boards and management responded to the pandemic by working harder and collaborating more on crisis management. Having found more effective ways to work together, directors and managers should build on the momentum by continuing to hold some meetings remotely, even when it is no longer required for health reasons, engaging in more formal and informal contact, and focusing on corporate resilience.

Exhibit

Sixty-nine percent of respondents report an increase in skill building during the pandemic, more so than for other actions to close skill gaps.

Changes in actions used to close skill gaps, since the end of 2019, % of respondents¹



¹Respondents who answered "no change" or "don't know" are not shown; n = 700.

Business leaders are feeling good about the global economy. In the April McKinsey Global Survey on economic sentiment, 73 percent of respondents said they believe that conditions will improve in the next six months. The share of executives expecting conditions to worsen has shrunk by more than half in the past three months. Sentiment is most buoyant in North America and Greater China and most negative in India and Latin America, where the pandemic has recently taken a devastating toll.

Meanwhile, workers may be too groggy to feel optimistic about anything. This edition of the *McKinsey Quarterly Five Fifty*, a quick look accompanied by an optional deep dive, examines “the great exhaustion,” in which nearly half of all workers surveyed report symptoms of burnout brought on by hybrid work.

The world could gain a new seventh largest economy by 2030 if Indonesia can return to its prepandemic growth rate. McKinsey proposes ten ways to reignite Indonesia’s economy, including by investing in its healthcare system, adopting modern agricultural technologies, and promoting domestic tourism.

Here are some other key findings from our sector research this week:

- How can companies succeed in their green initiatives? McKinsey examined thousands of companies’ greenhouse-gas-emissions disclosures and identified factors that contributed to success.

- Biotech had a banner year, but to keep building, companies need to find more talent and get better at going to market.
- Medtech must change to take advantage of the digital transformation of healthcare. Patients, not products, need to be the new focus.
- To win market share for battery-electric vehicles in China, Western automakers must understand what the Chinese consumer wants.

Our most recent edition of McKinsey for Kids introduces younger audiences to mangrove forests and explains why building a “business case” for mangroves can help protect Bengal tigers and King cobras. Our Author Talks series features Ohio State University professor Angus Fletcher on his new book, Wonderworks: The 25 Most Powerful Inventions in the History of Literature, about a neuroscience-based method of reading and teaching literature that reveals its power to inspire. For more perspectives, please see the full collection of our coronavirus-related content, visual insights from our “chart of the day,” a curated collection of our first 100 articles relating to the coronavirus, our suite of tools to help leaders respond to the pandemic, and how our editors choose images that help readers visualize the impact of an invisible threat.

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