

Boardroom Questions

Future workforce



Millennials, baby-boomers, freelancers and robots. What will the shape of global businesses' workforce look like in the future?



Possibility of a role being automated?



95%

Accountant



1%

Surgeon



0.50%

Working age population in the US engaged in 'gig' work in some way
Rustat/KPMG conference, 2017



50%

Chance of a child born today living to 100 with 3 generations in the same company
Rustat/KPMG conference, 2017



100m

The number of global knowledge workers who could be impacted by robotic process automation by 2025
Pew Research Center, 2014



Escalating labor costs in emerging markets



The shrinking talent pool with changing demographics in China, Japan and the West

Why is this relevant?



As more and more **robots and other cognitive technologies** work side by side with a **human labor force**, leaders are increasingly challenged to integrate and make the most of **both kinds of labor**

The challenge is significant:

- HR leaders will need to identify the **new skills and capabilities** that will realistically be required in the future
- Those current employees willing and able to be **upskilled and retrained** will need to be identified
- New talent will need to be **attracted, retained and integrated** into the business

New ways of working will need to be developed and formalized

Potential risks and opportunities



Risks

- Lack of communication with employees might lead to talented people leaving for companies which have transparently addressed the issue
- Competitors may implement a more effective workforce mix leading to greater profitability



Opportunities

- Retention and loyalty of key employees
- Increase productivity at lower cost
- A magnet for talent

Boardroom Questions



- 1 What will our **workforce of the future look like** including millennials, baby-boomers, freelancers and robots?
- 2 How do we successfully **integrate digital and human** labor?
- 3 How does this change what "**career**" means in our organization?
- 4 If entry level jobs are automated, where will the **mid level professionals** come from?
- 5 How will our operating model evolve to remain **relevant and competitive**?
- 6 How do we **retain and grow employee commitment** in an environment where job security is seen as **increasingly threatened**?

Questions for senior management



- 1 Can you identify the new skills and capabilities that will realistically be required in the future?
- 2 Have you identified current employees who are willing and able to be upskilled and retrained?
- 3 What are the culture changes needed to support a people and digital workforce of the future?
- 4 What are the barriers and how can we develop plans for new ways of working and nurturing employee commitment?
- 5 How can we communicate that labor solutions are built to automate the gaps in the operations where critical thinking, empathy and human knowledge is not needed?
- 6 Is our current Learning and Development function adequately resourced and appropriately organized to deliver the level of re-skilling that the organization is likely to need?

What actions can the Board consider?



In moving to greater automation, consider how we align our future workforce with our strategy through:

- **Focusing on the culture changes** that are needed to support a people and digital workforce of the future
- Creating **workforce plans** that re-shape the workforce including developing the new skills and capabilities for strategic execution
- **Building the capacity** to manage the change management effort involved in moving from experimentation with bots to wide-scale deployment
- Requesting the People function start a formal and **continuous 'workforce shaping'** activity that plans for the likely implications of digital disruption and Artificial Intelligence on the workforce. This activity should be formally connected to medium-term business scenario planning and strategy development

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