

The future of HR 2019: In the Know or in the No: Power & Utilities

Despite the rapid changes seen throughout the energy sector, Power & Utilities (P&U) executives in human resources (HR) are confident about the strategic value of HR.



HR strategic value and guidance

75%

of P&U HR executives believe that HR is seen as a core value driver by senior leadership.

HR leaders are eager to guide their organizations through changes that include:



Workforce skills



Digital transformation



Technology investments

Will awareness result in action?

91%

of P&U executives in HR agree that the workforce will need to be transformed.

This includes recognition that change is needed for how the HR function operates (83 percent) and the skills possessed by the workforce (79 percent).

Focus on people management

56%

of P&U HR executives have made investments that improve managers' ability to perform people management, and 50 percent have made investments that support feedback and performance measurement.

The strong focus on people management may also account for attitudes about the value of artificial intelligence (AI) and machine learning (ML). While 63 percent of HR executives at P&U companies believe that AI and ML can drive significant value, only 41 percent of HR functions have begun to introduce AI.

Although

75%

of HR executives in P&U companies agree that HR has undergone or is undergoing a digital transformation, only 41 percent have a digital workplan in place.

One area that may need careful consideration is where the responsibility for digital labor governance lies: 44 percent of P&U HR executives feel that it is led by IT, while only 38 percent believe that it is led by HR.

How will AI impact the workforce?

31%

believe that HR's primary role in preparing the workforce for AI is change management, and 28 percent believe that it is training the workforce with new skills required.

"There will be a period of transition for employees. Investing in the enterprise's ability to reskill is going to be vital if productivity gains are going to be achieved."

— Robert Bolton

Global People and Change Centre of Excellence, KPMG in the UK

AI is already disrupting many industries, and change is on the horizon for P&U. HR executives in this industry will need to take their existing focus on people management and use it to forge a strong understanding of what the workforce of the future will look like. In this way, P&U will weather the changes and come out stronger as a result.

Source: The future of HR 2019: In the Know or in the No: Power & Utilities results, KPMG 2018

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