

# 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



c.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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