Reinventing Work: People. Technology. Time.

Work Reset: The Reinvention of Jobs

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Author and Managing Director

"Legacy, whether mindset or infrastructure, is increasingly the millstone that hangs around the neck of digital transformation, the future of work and the radical "retooling of our profession…
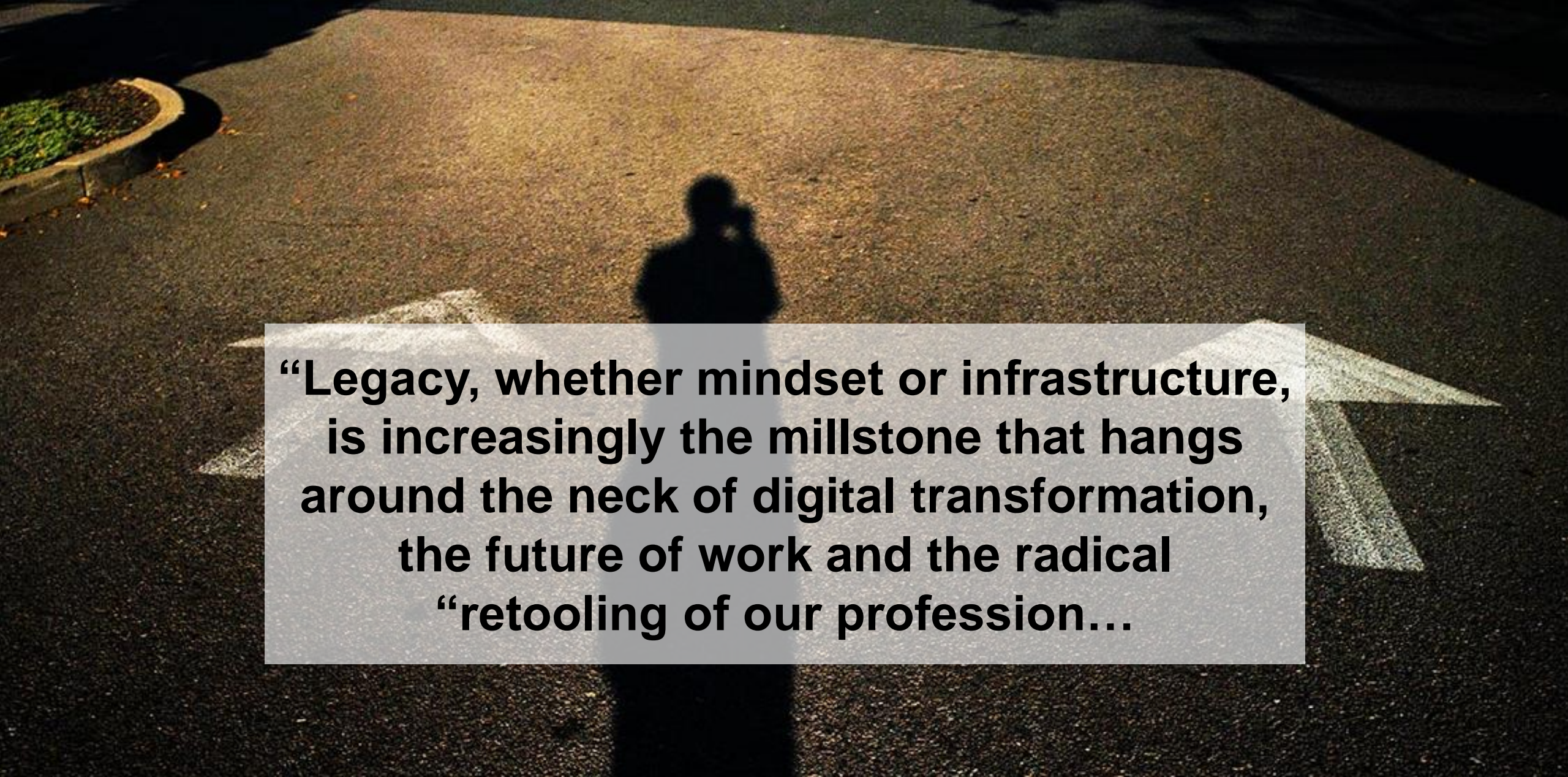
Industrial Revolutions and Work

Second Industrial Revolution
Late 19th – early 20th century –
"The assembly line" – amplification of labor
Features:
- Companies as social institutions
- Organization of work into jobs
- Jobs as careers

Fourth Industrial Revolution / Second Machine Age
2000s – "Uberization" – *The democratization of work*
Features:
- Mobile, sensors, AI and machine learning
- Companies as platforms
- Disaggregation of work into activities
- Talent on demand

The Assembly Line

"Nike-fication"

"Uberi-zation"

Third Industrial Revolution / First Machine Age
1960s – 1990s – "Nikefication" and core competencies –
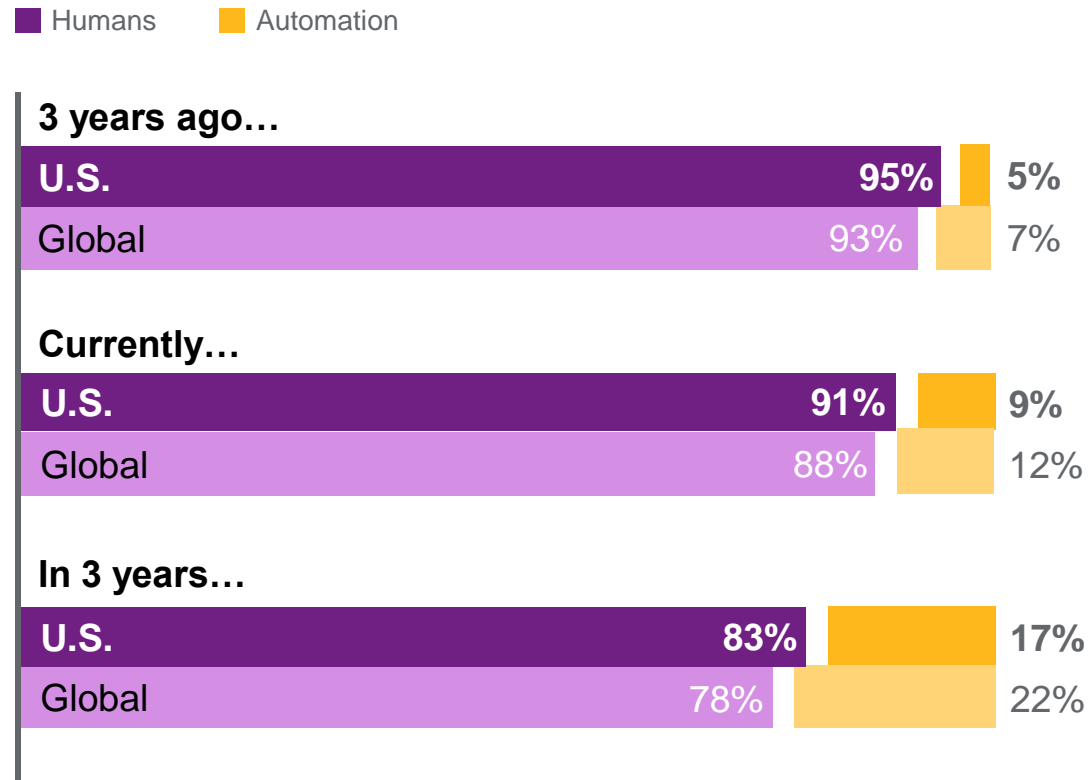*The democratization of information*
Features:
- Technology enablement and the web
- Companies as the nexus of contracts
- Streamlining of jobs to enable outsourcing

Source: Willis Towers Watson

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Use of automation will continue to expand: It is expected to nearly double over the next three years.

Humans **Automation**

3 years ago…

	Humans	Automation
U.S.	**95%**	**5%**
Global	93%	7%

Currently…

	Humans	Automation
U.S.	**91%**	**9%**
Global	88%	12%

In 3 years…

	Humans	Automation
U.S.	**83%**	**17%**
Global	78%	22%

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Source: 2017 – 2018 Willis Towers Watson FOW Global Survey, United States

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Emerging wave: Automating work now has a more transformative role as it augments human capability and creates new work, an evolution from pure labor substitution.
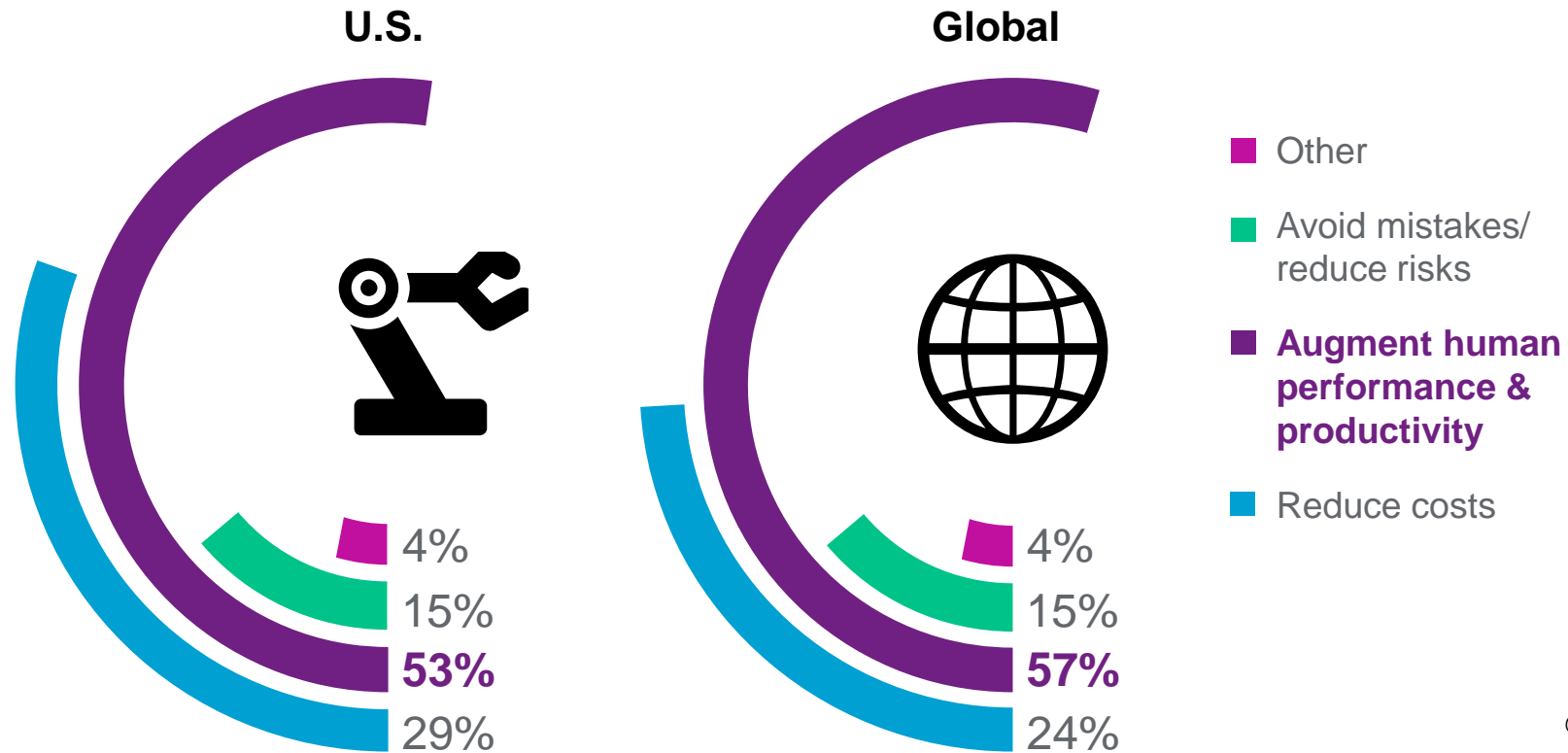
U.S.

Global

- Other
- Avoid mistakes/ reduce risks
- **Augment human performance & productivity**
- Reduce costs

U.S.
4%
15%
53%
29%

Global
4%
15%
57%
24%

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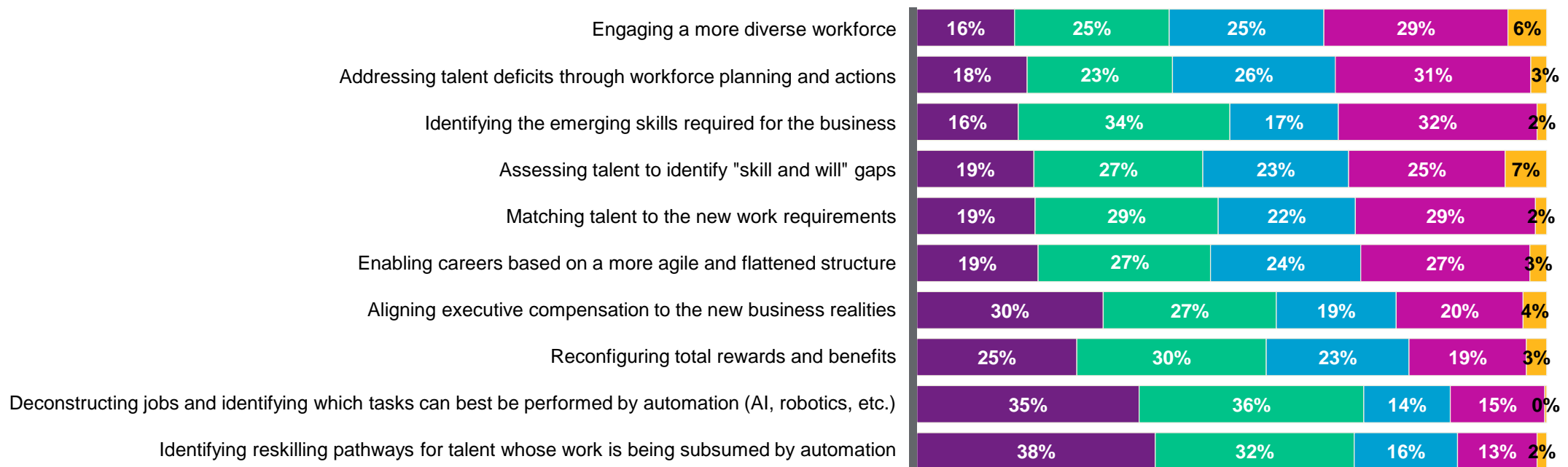*Note*: Percentages may not add up to 100% due to rounding

Source: 2017 – 2018 Willis Towers Watson FOW Global Survey, United States

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Some recent research

Early actions being taken: HR functions have started to take actions to prepare for organizational change, but are unprepared for deconstructing and reconstructing jobs and identifying the new reskilling pathways required for the business with automation.

	Unprepared	Considering actions to take to become prepared in the future	Planning to take actions this year to become prepared	Already taken some actions and are somewhat prepared	Already fully prepared
Engaging a more diverse workforce	16%	25%	25%	29%	6%
Addressing talent deficits through workforce planning and actions	18%	23%	26%	31%	3%
Identifying the emerging skills required for the business	16%	34%	17%	32%	2%
Assessing talent to identify "skill and will" gaps	19%	27%	23%	25%	7%
Matching talent to the new work requirements	19%	29%	22%	29%	2%
Enabling careers based on a more agile and flattened structure	19%	27%	24%	27%	3%
Aligning executive compensation to the new business realities	30%	27%	19%	20%	4%
Reconfiguring total rewards and benefits	25%	30%	23%	19%	3%
Deconstructing jobs and identifying which tasks can best be performed by automation (AI, robotics, etc.)	35%	36%	14%	15%	0%
Identifying reskilling pathways for talent whose work is being subsumed by automation	38%	32%	16%	13%	2%

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Legend: Unprepared | Considering actions to take to become prepared in the future | Planning to take actions this year to become prepared | Already taken some actions and are somewhat prepared | Already fully prepared

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Source: 2017 Willis Towers Watson FOW Global Survey
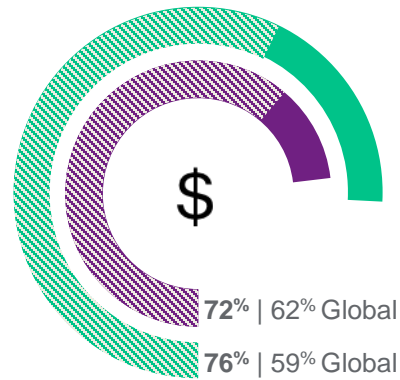
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Skills dichotomy: As jobs are deconstructed and certain tasks automated, new types of work and skills will be required.

Successful re-construction of jobs matches skills and activities, and also takes into account motives and attributes.
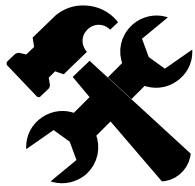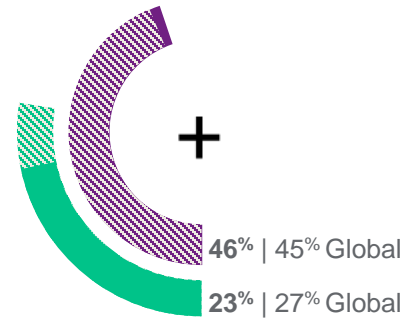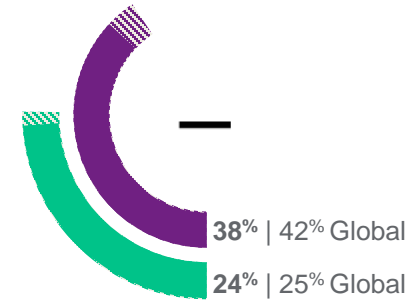
Impact of Automation

Today
- U.S.
- Global

In 3 years
- U.S.
- Global

72% | 62% Global
76% | 59% Global

Requiring us to pay more for employees with certain skill sets

46% | 45% Global
23% | 27% Global

Changing the way we design jobs so they can be done by employees with *more* skills

38% | 42% Global
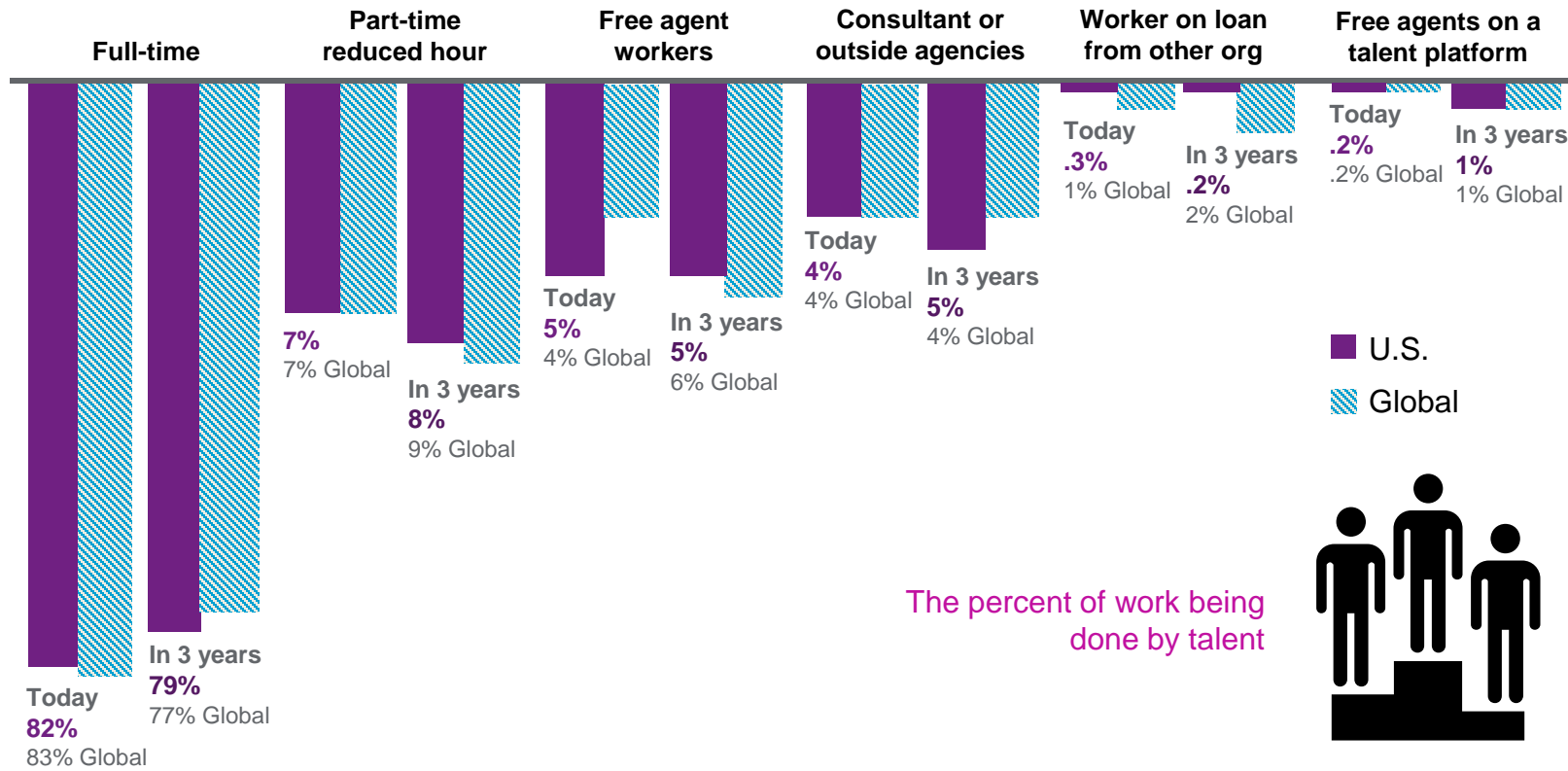**24%** | 25% Global

Changing the way we design jobs so they can be done by employees with *lower* skills

Source: 2017 – 2018 Willis Towers Watson FOW Global Survey, United States

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Losses and gains: While organizations expect to reduce the percentage of full-time employees, they also anticipate using more contingent workers.

Full-time

Part-time reduced hour

Free agent workers

Consultant or outside agencies

Worker on loan from other org

Free agents on a talent platform

Full-time

Today
82%
83% Global

In 3 years
79%
77% Global

Part-time reduced hour

7%
7% Global

In 3 years
8%
9% Global

Free agent workers

Today
5%
4% Global

In 3 years
5%
6% Global

Consultant or outside agencies

Today
4%
4% Global

In 3 years
5%
4% Global

Worker on loan from other org

Today
.3%
1% Global

In 3 years
.2%
2% Global

Free agents on a talent platform

Today
.2%
.2% Global

In 3 years
1%
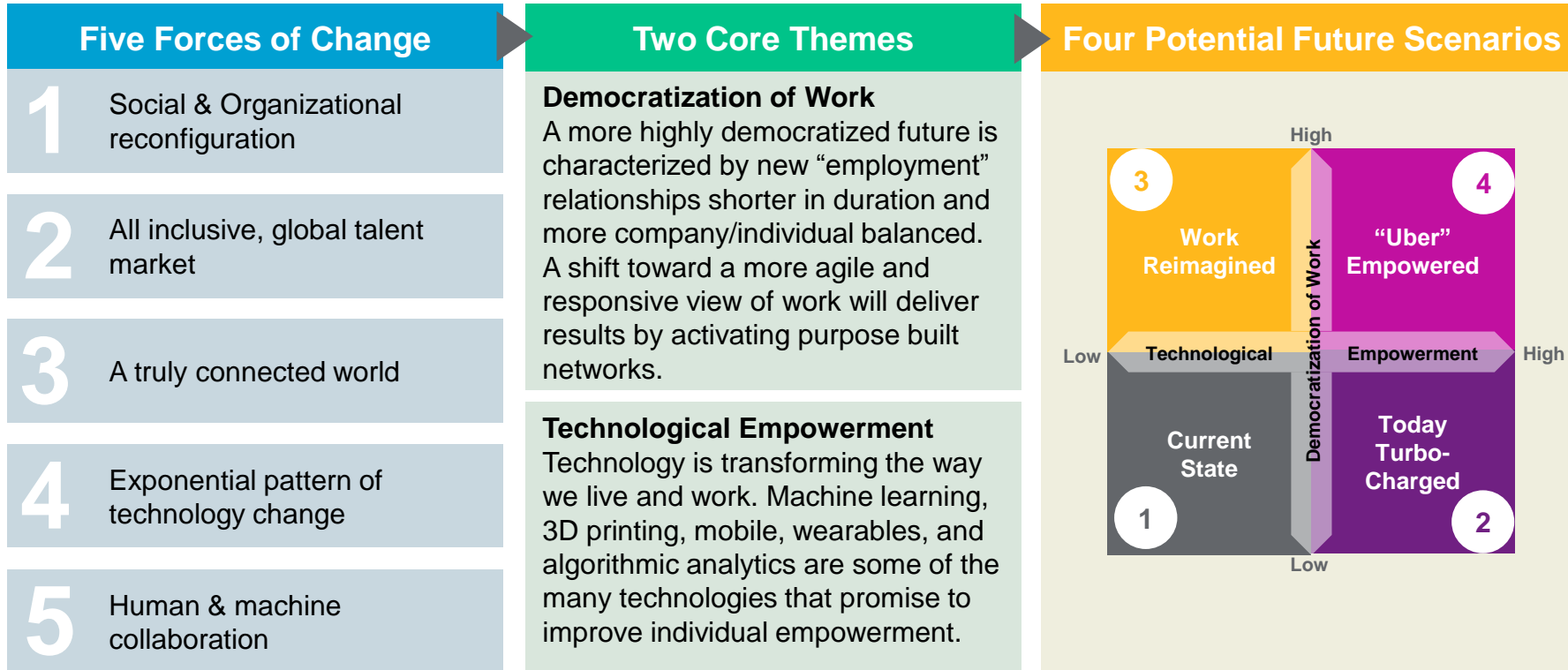1% Global

■ U.S.

▨ Global

The percent of work being done by talent

Note: Percentages may not add up to 100% due to rounding

Source: 2017 – 2018 Willis Towers Watson FOW Global Survey, United States

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Reinventing Work: People. Technology. Time.

Five Forces of Change

1 Social & Organizational reconfiguration

2 All inclusive, global talent market

3 A truly connected world

4 Exponential pattern of technology change

5 Human & machine collaboration

Source: CHREATE

Two Core Themes

Democratization of Work
A more highly democratized future is characterized by new "employment" relationships shorter in duration and more company/individual balanced. A shift toward a more agile and responsive view of work will deliver results by activating purpose built networks.

Technological Empowerment
Technology is transforming the way we live and work. Machine learning, 3D printing, mobile, wearables, and algorithmic analytics are some of the many technologies that promise to improve individual empowerment.

Four Potential Future Scenarios

- **3** Work Reimagined
- **4** "Uber" Empowered
- **1** Current State
- **2** Today Turbo-Charged

Axes: Democratization of Work (Low/High), Technological Empowerment (Low/High)

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The Emerging "Robo-gig" Economy

Technology, Digital Media and Robotics are Transforming Work and Jobs

A truly connected world

Social & Organization

Reconfiguration

Rapid Increase

Digital robots

Virtual personal assistants

$2.7BN GDP boost
by talent platforms in < 10 years

850,000 Technologists on TopCoder.com
(from 6k 10 years ago)

77% of organizations list missing skills as the single biggest impediment to digital transformation

38-40 Million Skilled Worker Deficit

90-95 Million Low-Skilled Worker Surplus

Human & machine

69%
Use of digital media for work

3.6 BN

Mobile Users

41%
of companies have contingent employees

Global Talent Market

collaboration …

All inclusive

Sources: Digital Media & Society, World Economic Forum in collaboration with Willis Towers Watson; Willis Towers Watson Research; also reference McKinsey & Co

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Enablers of work automation

Tasks	Robotic Process Automation	Cognitive Automation	Social Robotics
	Routine High-volume	Non-routine creative	Routine collaborative
Maturity	High	Emerging	Medium
Impact	Medium	High	High

Source: Jesuthasan, Zarkadakis and Malcolm, Harvard Business Review, 2016

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The Three things Cognitive Automation can do

1
**Automate & re-engineer
tasks and processes**

2
**Develop new
products & services**
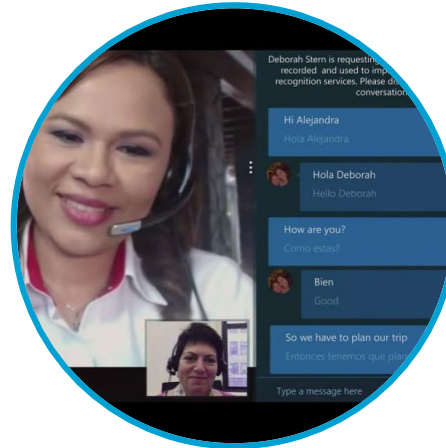
3
**Gain new
Data insights**

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What Does This Mean for the Future of Work?

Changing Requirements of Work

Humans vs. machines – the skills that will differentiate us

The top 10 skills that will be in demand by all employers by 2020

Future of Jobs Survey, World Economic Forum, January 2016

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10 Cognitive flexibility

9 Negotiation skills

8 Service orientation skills

7 Judgment and decision making

6 Emotional intelligence

5 Coordinating with others

4 People management

3 Creativity

2 Critical thinking

1 Complex problem solving

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Not "binary" anymore: the employment relationship is changing

A plurality of work is already here…
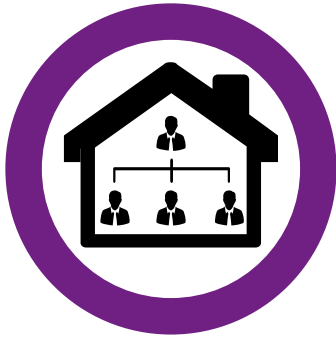
Traditional employees
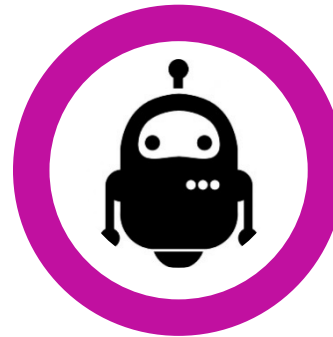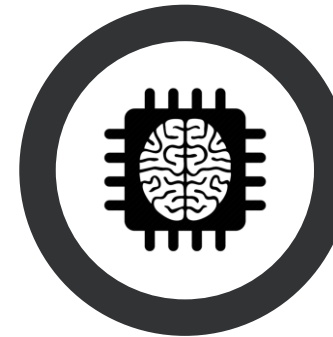
Outsourcing
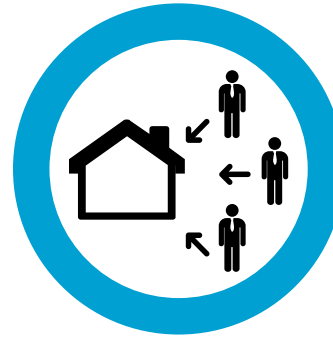
Free agents

Alliances

Talent platforms

Volunteers

Robotics

Artificial Intelligence

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Lead the Work Map

The Assignment

- Jobs
- Collected
- Employment Relationship

- Tasks
- Dispersed
- Virtual or Market Relationship

⟷

The Organization

- Self-contained
- Detached
- Insular
- Rigid

- Permeable
- Interlinked
- Collaborative
- Malleable

⟷

The Rewards

- Permanent
- Collective and Consistent
- Traditional

- Impermanent
- Individualized & Differentiated
- Imaginative

⟷
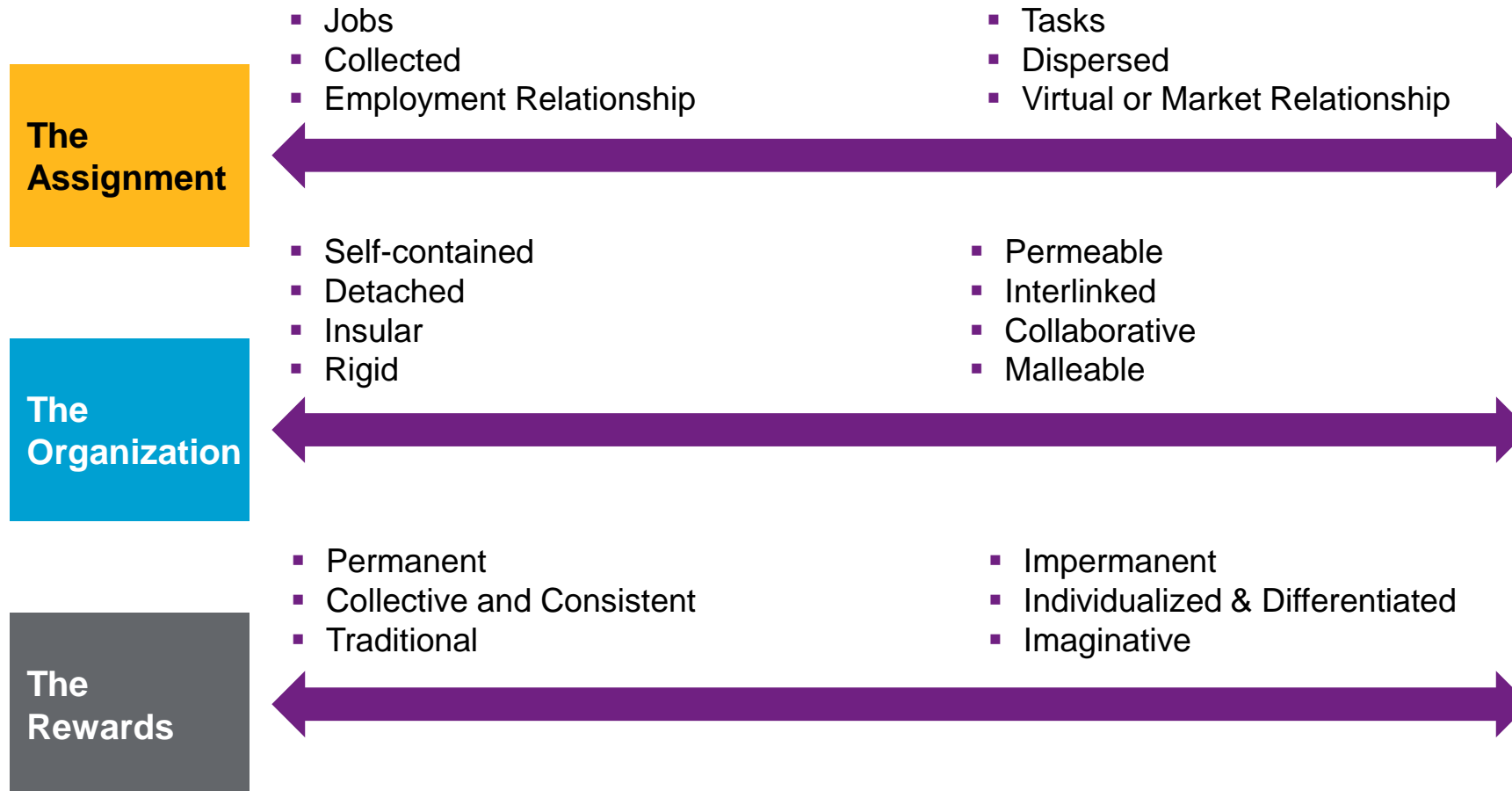
Source: John Boudreau, Ravin Jesuthasan and David Creelman

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Changing Requirements of Leaders

The shift that will be asked of you

From		To
Organizing and filling jobs		Deconstructing, automating/redeploying and reconstructing
A mindset of "learn, do, retire		A mindset of learn, do, learn, do, rest, learn,..
Employment qualifications		Work readiness
Salaries for intact jobs		Market prices for activities and tasks that can be aggregated in multiple ways based on each person's unique circumstances
Job architectures and movement from one job to another		Work architecture that provide seamless and continuous matching of skills to tasks
Traditional career ladders or lattices		Reskilling pathways that reflect individual motivations, attributes, enabling skills and technical competencies

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Reinventing Jobs, Jesuthasan and Boudreau, Harvard Business Review Press, 2018

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The Emerging Pivotal Skills
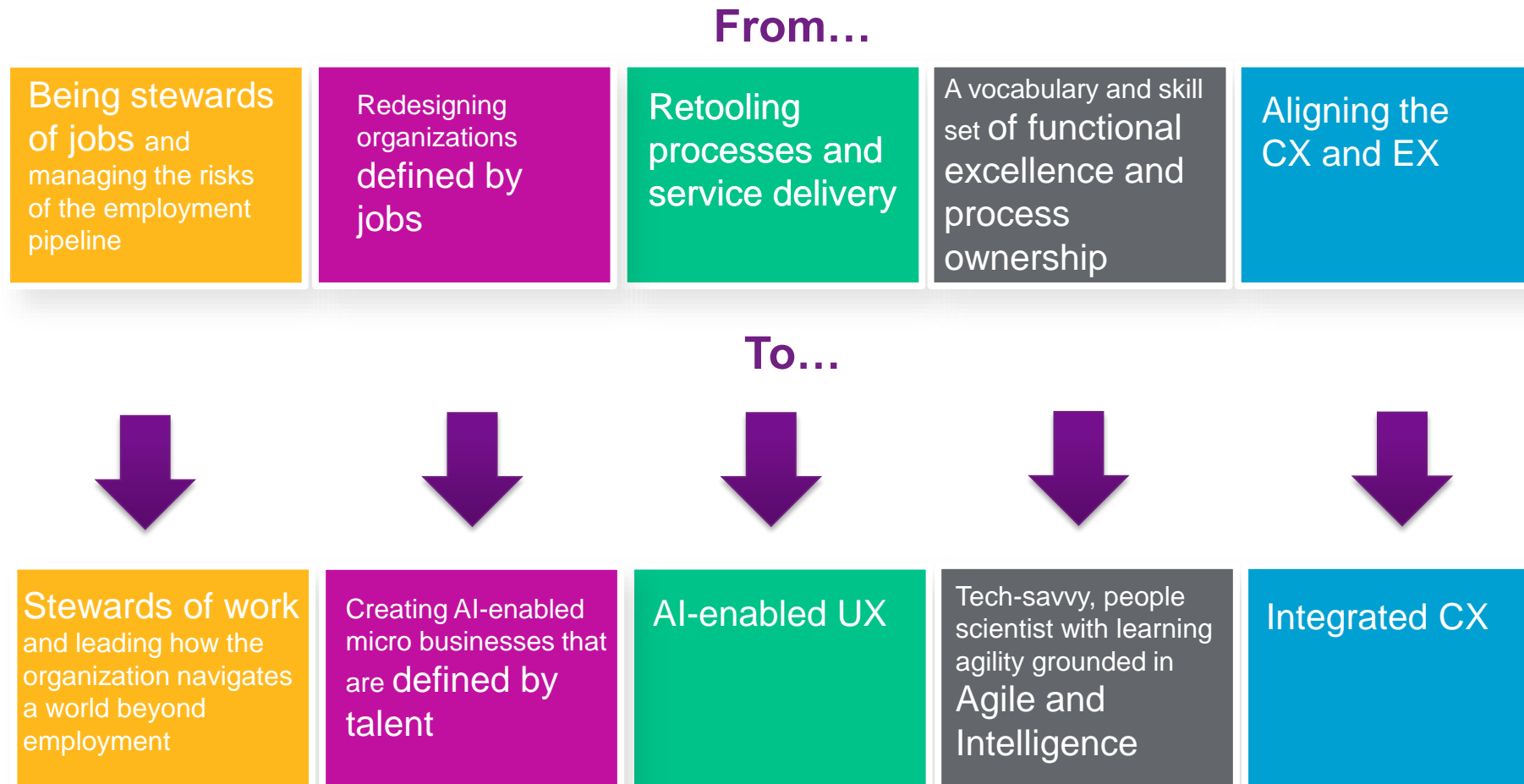
- Leaders: **Orchestration** of a new ecosystem of work to optimize the business model

- Managers: **Coordination** of alternative options to execute strategy

- HR: **Curation** of the optimal set of experiences (rewards, development, engagement, etc.) for all types of talent

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Developing a framework that lasts

From…

Being stewards of jobs and managing the risks of the employment pipeline	Redesigning organizations defined by jobs	Retooling processes and service delivery	A vocabulary and skill set of functional excellence and process ownership	Aligning the CX and EX

To…

Stewards of work and leading how the organization navigates a world beyond employment	Creating AI-enabled micro businesses that are defined by talent	AI-enabled UX	Tech-savvy, people scientist with learning agility grounded in Agile and Intelligence	Integrated CX

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Agile Means Perpetual Obsolescence

Why?

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