Adecco

THE REALITY
OF TALENT

Issue Ten - Tomorrow's workplace

2030 PREDICTIONS

- More than 2 billion jobs will disappear by 2030, roughly 50% of all the jobs on the planet – yet there will be many new jobs we have not even thought of yet.

- There will be 5 generations of employees in large organisations – meaning employers will need different ways of engaging with their workforce. Thanks to the ageing population, 16-year-olds will be working side-by-side with 70-year-olds.

- Employees will work for less than 2 years at the same company. While the average length of employment is currently around 5 years, that will fall to less than 2.

- Today's average school leavers will have 17 employers in 5 industry sectors across their lifetime.

- The global population will peak at 8.1 billion by 2052, impacted by a rapid decline in fertility in urban areas.

- The Asian Century will see the dominance of Asian politics and culture in the 21st century. An additional 3 billion Asians could enjoy living standards similar to those in Europe today, and the region could account for over half of global output by 2050. Australia's business and political ties with this region will solidify.

* From a group of futurists organised through Australian Future Projects and BOSS Magazine

FUTURE GAZING: TOMORROW'S WORKPLACE

It took radio 38 years, television 13 years, the internet 4 years, and Facebook 3.5 each to reach 50 million households.

Fed by technology, the human race has become more adept at constant change – in fact, the one defining characteristic of business today is the relentless pace of change.

However, there's a problem: the current trend in businesses to think and plan only for the short to medium term means that forecasting ahead 10 or 20 years is almost non-existent.

Yet it's worth dusting off the crystal ball. If you believe the workplace has changed out of all recognition since 1997 thanks to the internet and subsequent digital boom, you ain't seen nothing yet.

Futurists predict that almost half of existing occupations will be redundant by 2025 as technological advancements transform how businesses operate.*

Another report^ indicates that 1 in 3 current workers believe that within 10 short years, we won't have to go into the office any more.

The modern workplace will look "less like a traditional office and instead, embrace influences from our home lives and places where we relax and play, such as the local café".^

In addition, tomorrow's workforce will communicate in different ways. As instantaneous and omnipresent communication channels take hold, employees will expect new ways to be rewarded and recognised, performance managed, and of course, managed.

*'Fast Forward 2030: The Future of Work and the Workplace' by CBRE and Genesis

^'Life on demand: How technology is transforming daily life' by Microsoft in collaboration with research firm Ipsos

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POLICE BOX

AS LEADERSHIP HIERARCHIES CRUMBLE AND SELF-EMPOWERED EMPLOYEES DICTATE WORK ON THEIR OWN TERMS, ADECCO STEPS INTO THE TARDIS TO EXPLORE WHAT THE WORLD OF WORK WILL LOOK LIKE IN 2030…

WHAT WILL CHANGE?
A SNAPSHOT OF THE FUTURE

1. The definition of an employee is on the cusp of a transformation. Employee attitudes and expectations for flexibility will influence where, when, and how people work.

2. Dynamic and agile team structures will become the norm, and the default mode of employment will look more like a gun for hire (contractor) than employment structures of the past.

3. The location of work will vary widely. Offices will serve as temporary anchor points for human interaction rather than daily travel destinations. Office as a Service (OaaS) will become a strategic tool to land employees in the right place, at the right time.

4. Smart systems will emerge and collaborate with humans, changing the nature of work, and driving a re-imagination of work content and work process.

A second wave of consumerisation via services, 'Servicification', will usher in changes that will be far more impactful than the first wave. The magnitude and speed of disruption will be driven by short software development cycles and wide deployment of services and apps quickly. Hardware changes driven by the iPhone and iPad in the first wave of consumerisation will seem long-lived in comparison.

TOP 5 SOURCES OF 2030 COMPETITIVE ADVANTAGE IN

18% ATTRACTION AND RETENTION OF KEY/TOP TALENT

12% INNOVATION (THINKING OUTSIDE THE BOX)

12% ADAPTABILITY TO CHANGING CIRCUMSTANCES

8% ADOPTION OF TECHNOLOGY

6% ORGANISATIONAL VISION, CULTURE AND PHILOSOPHY

As rated by 70 experts and business leaders, 2015

Fast Forward 2030 / The Future of Work and the Workplace, by CBRE and Genesis

SOCIETAL 'MEGATRENDS'

In 2014, Hay Group and the Centre for Economic Business Research identified 6 'megatrends' that will influence the world – and by default the world of work – over the next 10-20 years. Businesses will need to address each element to continue to attract and engage workers.

These megatrends include:

Digitisation: the ability of workers to publicly, and oftentimes anonymously, disparage a company brand online. This transparency will force businesses to be more responsive, accountable, and engaged with workers.

Globalisation: the shift of economic power from traditional Western economies to emerging markets in Latin America, Eastern Europe, and Asia. The rise of these regions will cause severe shortages in the already stiff war for talent.

Demographic change: with the global economy on the rebound, scores of Baby Boomers are set to retire in the next 5-10 years. Businesses will need to invest the time and energy required for an adequate succession plan and transfer of vital skills.

Individualism: rated as the top concern among organisations, this refers to the idea that workers now expect their needs to be met on a personal level, and will be happy to switch employers if they are unfulfilled. As a result, a 'one size fits all' approach to engagement will no longer be sufficient to retain top talent.

Environmental crisis: climate change and the depletion of raw materials will present many challenges for business operations, requiring companies to find sustainable solutions. Currently, 50% of Millennials (those born in the early 1980s through to the early 2000s) consider a company's social causes before accepting a position, which further underscores the importance of committing to green practices.

Technology convergence: emerging technologies such as cloud computing, portable devices, and nanotechnology will allow for more collaborative environments and opportunities for business partnerships.

Key 2030 trend: 'Returnment' Retirement will disappear, replaced by the concept of 'returnment', which will enable people to work forever. This trend stems from a need to be energised to continue to work until a later age because one wants to, rather than has to.

WORK

THE SHAPE OF OUR WORKFORCE

The 2013 Australian Federal election saw the rise of Twitter analysts. Such a role did not exist at the previous Federal election. In workplaces around the country, the same could be said for social media marketers, sustainability consultants and even Zumba instructors. Today, around 1 in 6 Australians work in jobs that did not exist 20 years ago*.

Jobs today are being conceived before there is a labour market to support these roles – meaning employers effectively have to 'build' their own talent.

Given Australia's current workforce make-up, we can expect:

Knowledge workers: An increasing shift towards the 'knowledge economy'. Knowledge work is defined as work that leverages human intellect, creativity, and analytic skills. These jobs are growing two and a half times faster than transactional jobs, which involve fewer conceptual duties. There is already a shift towards jobs that require a more complex set of skills such as problem solving, judgment, listening, data analysis, relationship building, collaborating and communicating with multinational co-workers. Knowledge workers are likely to shift between part-time corporate roles, while cultivating entrepreneurial opportunities and the pursuit of societal contributions and leisure activities.^

Technical and 'soft' skills: Employees of the future have been branded as 'T-shaped'**, with strong technical skills. However, they will only be successful if they also have strong interpersonal and soft skills to communicate in a global and connected world. In the future, by enabling workforces to be remote, the focus will shift towards output rather than input. The growth in technology will make numeracy skills more critical than ever. Overall however, the employee of the future will need to be agile and able to re-skill as needed.

The impact of technology: The jobs of teachers, policemen, firemen will continue to be in demand, but all these roles will be impacted by automation; technology will be central to these roles. For example, a robot made of nano-technology could enter a burning building and extinguish a fire remotely; or elements of teaching may be replaced by avatars with artificial intelligence.

^Intel Labs white paper, 'The Future of Knowledge Work'
**Australian Workplace and Productivity Agency (AWPA)
*Research from Ancestory.com.au

GLOBAL TALENT RISK

Research from the World Economic Forum indicates that future skill demand will be highest for well-educated professionals, technicians and managers.

All over the globe – in developed, newly industrialised, BRIC and developing countries – demand is soaring for these types of roles. Professionals will be in particularly high demand by companies in trade, transport and communication in developing nations. Healthcare research and development (R&D) will generate enormous demand for skilled labour worldwide, mining companies will need project planners and web designers will be in demand throughout many industries. Demand for other jobs will taper off as technologies render them obsolete.

FUTURE-PROOF YOUR COMPANY

To fill knowledge worker roles, Australian local employers will need to follow the lead of European and US employers by tapping new and underutilised resources. These may include a greater percentage of:

• mature workers
• women
• students
• transient workers
• immigrants

Globally, businesses are likely to leverage a larger percentage of workers from varied sources including contract pools, academic collaborations, open innovation challenges and crowdsourcing.

The ease of workers moving across geographic borders will also need to be addressed, requiring government and corporate cooperation. Globalisation is fuelling mobility, as more companies expand abroad and people consider foreign postings as a natural part of professional development.

To ensure skills remain fresh, and to bridge the gap between what tertiary educators are providing and what businesses require, there will also be greater emphasis on learning on the job. Job requisites and formal job descriptions will be replaced by an emphasis on a candidate's capacity to learn and adapt.

A final tip: Introduce strategic workforce planning. Strategic workforce planning means modelling labour supply and demand for different job families to understand current and future imbalances and developing strategies for addressing them.

OUT THERE? PREDICTED 'FUTURE JOBS' INCLUDE:

Tele-Surgeons: operating on people using robotic tools, rather than human hands

Localizers: helping communities become more sustainable through locally sourced goods and services

Rewilders: undoing environmental damage caused by man-made forces

Nostalgists: interior designers who specialise in recreating memories for wealthy seniors

THE BUSINESS OF DOING BUSINESS IN 2030

To address the knowledge worker/supply imbalance, employers will need to get creative. This imbalance will result in fundamental shifts in the employee-employer relationship. Two approaches already being trialed are:

Agile workplaces

- The concept of 'agile workplaces' has gained traction since the mid 2000s. In 'agile companies', employees will be drawn from varied resource pools based on skills, interests, and availability as needed for specific projects and programs in their company.

- Instead of strict alignment to a corporate organisational structure, employees provide benefit across corporate business boundaries. As such, contributors could come from multiple geographies, and in some instances could be drawn from outside the company to fill gaps for specialised skills

- Technology company Intel suggests that 'talent marketplaces' may provide a way to match skilled employees to programs and projects. Project durations may vary significantly and the employee could find new opportunities once existing projects complete. The role of a manger in this type of environment would shift towards coach, counselor, and facilitator.

Crowdsourcing

The Deloitte Australia's Tech Trends 2014 report, 'Inspiring Disruption', found that businesses are increasingly turning to crowdsourcing to expand in a cost effective way, by utilising the 'knowledge of the crowd'.

Crowdsourcing marketplaces such as Freelancer, an Australian-based start-up that has become one of the world's largest outsourcing portals, are useful talent pools when employers require specialist or abstract expertise on a project basis.

The immediate benefits of crowdsourcing are the availability of a waiting and willing crowd that can generate answers and often execute tasks faster and more effectively than employees. Organisations can also gain access to niche experience, which may otherwise be hard to find and retain in-house.

OUR PHYSICAL WORKSPACE

With fewer workers required in the office, and greater cross-departmental collaboration occurring, what's to become of our traditional notion of the office?

Not having to commute to work has long been the dream of every employee – but will an office even be necessary in the future?

"We will always have buildings that provide quiet areas for focused thought, but increasingly zoned areas in which workers can alternate between business and leisure will become the mainstay," claims trend forecasters Future Laboratory.

The future workspace is set to evolve into a mixed environment where workers can relax and play. It will have the aesthetic and atmosphere of a "multi-purpose apartment or leisure park".

The seeds of this idea are already present in forward-looking workplaces today. Organisations such as KPMG and IBM have adopted activity-based (ABW) workplaces, where people from multiple teams convene to work on a project, collaborate with each other, and then move onto another problem or project. Workers can move desks up to 3 times a day – they literally go where the work is.

ABW workplaces are designed to heighten transparency and creative collaboration. The physical environment in such a workplace is open: comfortable lounge chairs like one might see in a café sit in one corner, while in another corner padded chairs – for sound minimisation – face each other for more intimate discussions.

FUTURE OFFICE:
TOP TIPS:

Many companies are already configuring ABW environments, and the sophistication of these solutions is expected to rise.

Physical space will be configured in consideration of the type of task, the role of the job, and in some cases this will even be reflective of the personality of the worker.

Regardless of the physical configuration, an adaptive 'plug and play' wireless workspace will increasingly understand and tailor the environment (compute, displays, etc) to the people and situation.

Intel Labs white paper, 'The Future of Knowledge Work'
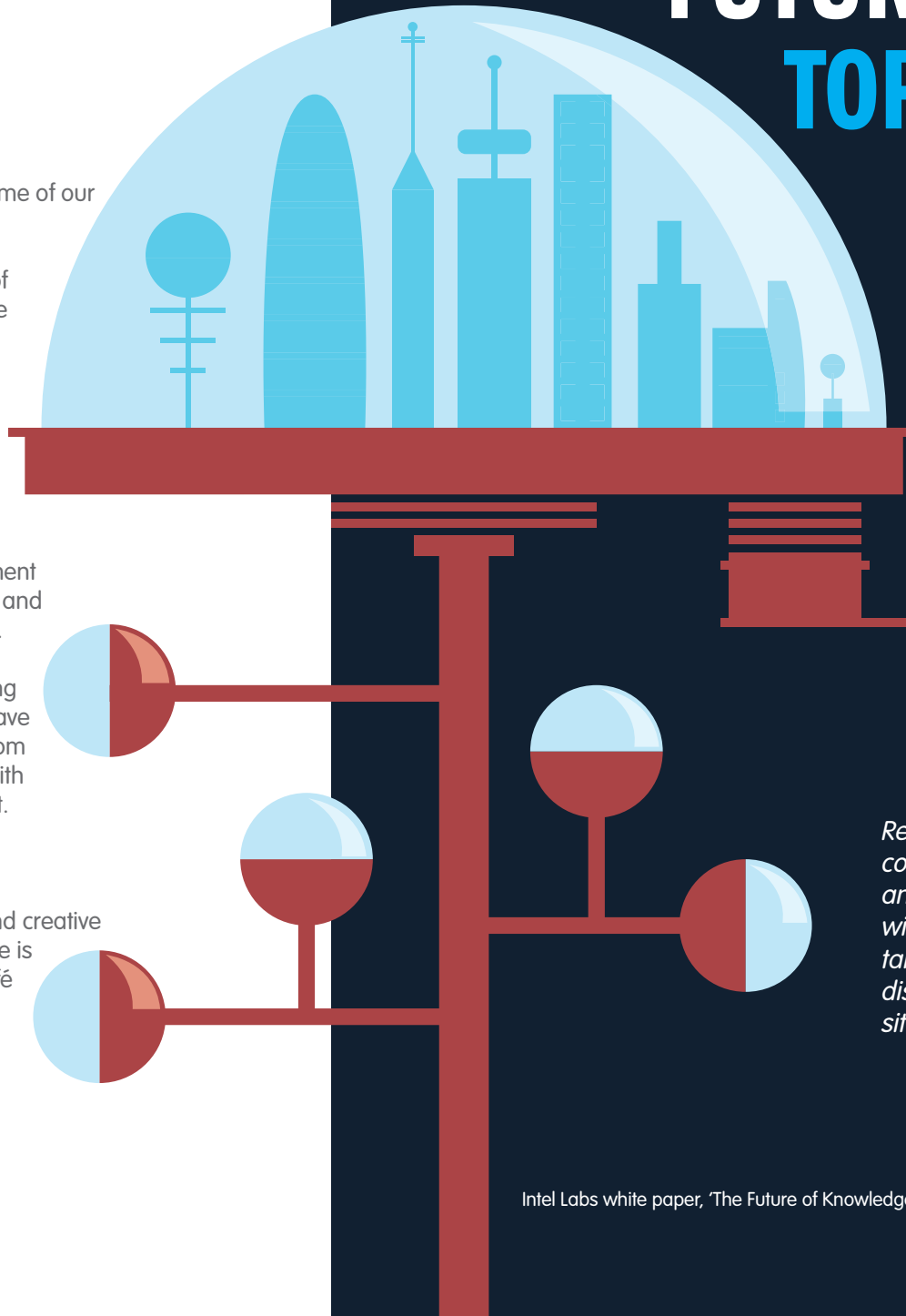
THE DIGITAL AGE: TECHNOLOGY IN 2030

3D printing
In what has been branded as 'The Third Industrial Revolution', 3D (and eventually 4D) printing will revolutionise manufacturing. 'Fabricators' are becoming much cheaper, and the software that drives these devices is becoming easier to use. Eventually people will be able to print very complex items, including electronic devices, with 3D printers – rather than have to buy them. Large-scale, end-to-end manufacturing will likely cease to exist in Australia.

The Internet of things
The Internet of Things (IoT) will perhaps have the most far-reaching impact on our economy and the way we work. The IoT refers to physical goods which combine technology and hardware to simplify day-to-day activities. This will enable habits to be tracked and translated into metrics. This will be accelerated by the predicted 30+ billion autonomously connected 'objects' (cars, fridges, running shoes) that will be wired to the internet by 2020. Experts predict* businesses will use these new technologies to track their workers step by step and, by using location-based beacons, they will bridge the gap between digital and physical interactions.

All-wireless environments
#GenMobile will prize collaboration, connectedness and mobility. Already, 63% of those surveyed by Aruba Networks believe their mobile devices help them manage their lives better. This figure will only escalate. Employers will need to ensure this group can work remotely, using a mobile device, outside traditional working hours. Employers will also need to redesign their workspace with this in mind – ABW, hot-desking and communal collaboration spaces are just the start. A significant trend is the growth of the all-wireless workspace. Such offices are centred on high-performance mobile networks which enhance connectivity through unified communications and eliminate restrictions from fixed data and phone lines. This mobile network will need to:

- Support security
- Be stable when facing heavy demand
- Be smart enough to prioritise important applications
- Be user friendly enough for everyone to use

*The Future Workplace: Key trends that will affect employee wellbeing and how to prepare for them today', by Unum

MANAGING TELEWORKERS

By 2020, it's estimated at least 12% of employees will have a formal telework arrangement. 'Work' will increasingly become not so much about what you do, but rather where you do it.

Despite this shift, employers are hesitant about embracing this ever-burgeoning trend. In one survey to tie in with Australia's 2013 Teleworking Week, 83% of surveyed HR managers said they find it more challenging to manage remote workers compared to workers on-site.

"If I can't see them, I can't manage them". That's been the catch-cry of managers since time immemorial. Old habits are hard to break.

Yet it's highly likely that come 2030 managers will need to be adept at providing clearer objectives, accountability, giving feedback and rewarding outcomes; all with the employee 'off-site', working from home or on the road. A virtual environment requires a stronger focus on quality of output within agreed timeframes. It will become increasingly important to recognise and reward workers who can be trusted to take direction, who can use their own initiative and who can produce quality work on time.

Yet just as technology has enabled teleworking to become a reality, so too will it alter how managers keep tabs on virtual workers. In sales and/or service environments technology can measure key inputs and outputs alongside effectiveness of such activities. This information will provide leaders with relevant information to make decisions on high value activities.

NEW GENERATIONS, NEW EXPECTATIONS

What will 'Gen 2020' (those born after 1997) expect from the workplace?

Organisational structures
The days of the autocratic leader are numbered – so too is the concept of 'moving up the corporate ladder'. Without hierarchies, employers will need to provide a 'corporate lattice' – and employees will have to become adept at moving sideways, undertaking short-term secondments and projects in order to progress their careers. Career development will also be achieved through job rotations and 'job shadowing' – an on-the-job form of mentoring.

Compensation
Intel's The Future of Knowledge Work white paper predicts that compensation systems will need to change to accommodate new work models. Employee compensation is likely to be more closely tied to results produced rather than hours worked. This may require a delicate balance of assigning and tracking the completion of deliverables while incentivising organisational teamwork. In some cases employees may choose to distribute a portion of their compensation to leverage other employees as sub-contractors. Intel predicts that employees will also exercise more control over work selection, workload, and salary.

Training & education
Instead of being spoon-fed career development opportunities, Gen 2020 will expect to be empowered to do it themselves. 'Self-service' will mean that employees will be able to plot future career pathways and then undertake the training required to get to those future roles. Mentors and training systems (possibly with the aide of 'Siri'-like virtual intelligence) will proactively identify courses and projects to build worker skills. Employers will also benefit: in an environment of worker scarcity, creating a path to grow worker knowledge will help address future needs and help connect employees to their company.

Communication and collaboration
An evolution from directed 1:1 conversation (email, phone) to multi-point communication is currently underway. Enterprise social networks such as Yammer are projected to yield significant productivity gains – particularly in relation to teleworking and geographically dispersed employees.
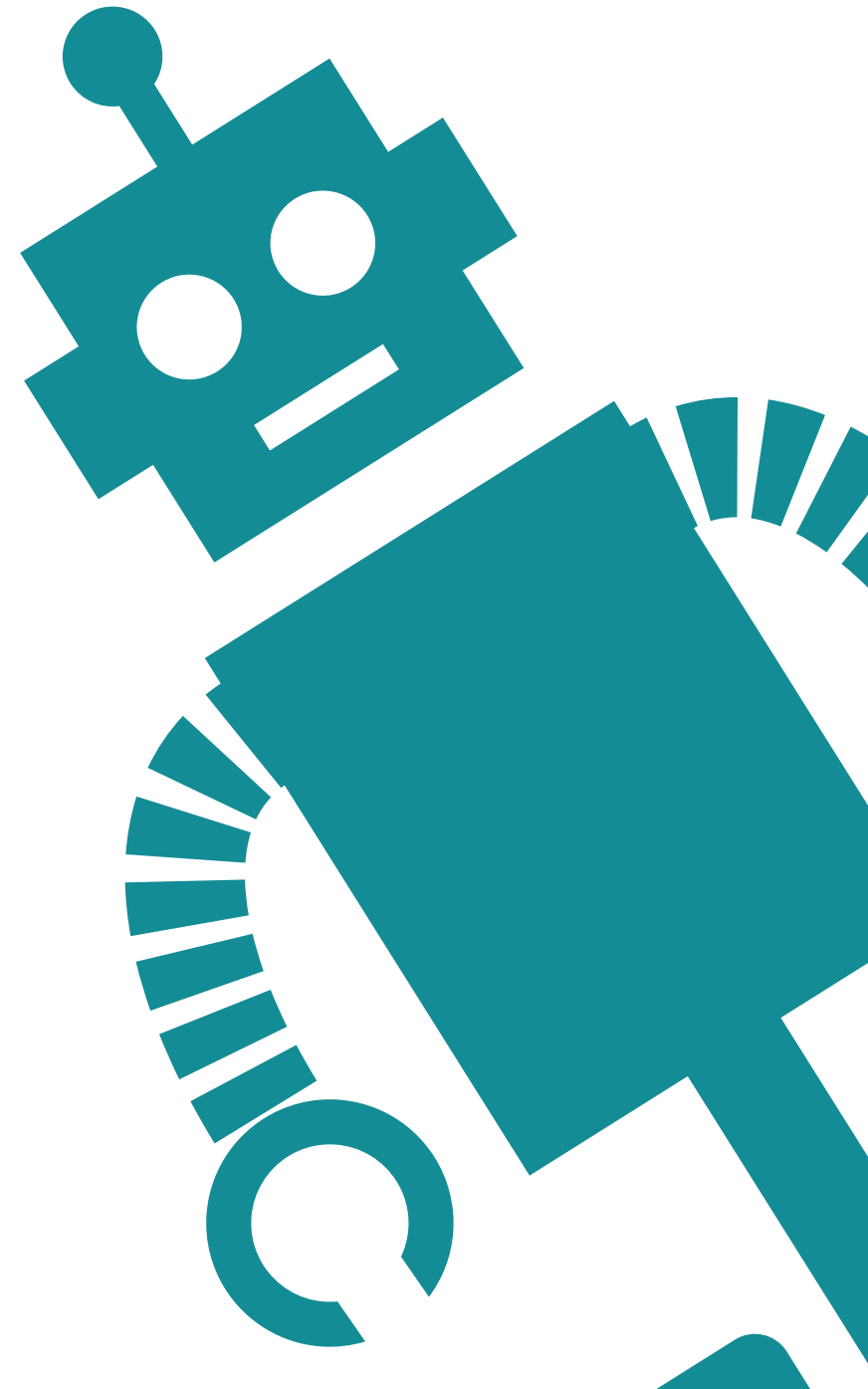
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