Future of Work
An introduction
What is the Future of Work?
The future is already here, it just isn’t equally distributed.
We analyse three dimensions of disruption…

In exploring the future, we analyse three deeply integrated dimensions of any workforce transformation.

**Work**
What is the work, and what work can be completed through the implementation of cognitive and automation?

**Workforce**
Who can do the work and how can we enable alternative talent models in addition to full time, traditional employment?

**Workplace**
Where can the work get done and how can we maximise collaboration, productivity, and consistency across the workforce experience?
Seven strategic questions…

1. **WHAT** is your future digital strategy? What forces are driving change? What are the work (outputs) required?

2. **WHAT** work can be done by smart machines, robots, and human-machine teams?

3. **WHO** can do the work?

4. **WHERE** can the work be done?

5. **HOW** does the future of work and workforce influence organization design and behavior?

6. **HOW** does the future of work change leadership and management requirements?

7. **HOW** does the future of work change skills, talent models and programs?
What do we need to start thinking about?

How work is delivered
A workforce that is augmented by machines and powered by new models of talent
Redrawing the boundaries of our organisations, delivering through an ecosystem of connected entities

How business is organised
Networks of teams that maximise flexibility and innovation over hierarchy
Reinventing the way our jobs are designed, harnessing the capabilities that make us uniquely human

How people experience work
Understanding our talent as well as we understand our customers to build an employee centric experience of work
Redesigning the purpose of an office space with digital tools to enable people to work when, where and how they want

How work is enabled
Architecting an organisation that leads the way by disrupting in the market, instead of being disrupted
Reinventing the traditional role of HR through thinking in new ways and re-directing services to the experts

…to take advantage of the opportunities the Future of Work presents
How work is delivered...
Disruption as usual...

- **WORK**
  - Change in nature of the career
  - How do I adapt my business model to accommodate new ways of working?
  - Explosion of contingent work
  - How do I adapt to a world where the skills I need no longer want to be employed?

- **TECHNOLOGY**
  - Automation of work
  - How can I re-profile my workforce to reflect the future of work?
  - Tsunami of data
  - How do I harness the power of cognitive computing within my business model?
  - Technology is everywhere
  - How do I create a business that is relevant in the new digital age?

- **PEOPLE**
  - Diversity & generational change
  - How do I adapt my organisation to be a place where people want to work?

**Questions**
- How do I profile my workforce to reflect the future of work?
- How do I create a business that is relevant in the new digital age?
- How do I harness the power of cognitive computing within my business model?
- How do I adapt my organisation to be a place where people want to work?
The future world of work…
Planning for more than just people…

As part of Deloitte’s HC Trends report 2018, 37% of this year’s survey respondents expected growth in the use of contractors, 33% in the use of freelancers, and 28% in the use of gig workers.

**Linking strategy & work**

What work do I need to transform my workforce and survive and thrive given our vision?

**Profiling the impact on the organisation**

How do I decide between what I could do and what I should do in terms of moving to a new organisational model of working?

**Realising benefits of new workforce**

What is the financial and economic benefit associated with adopting the future workforce blueprint?
We have built a work architecture to describe all work together…

Future of Talent optimisation (FOTO) takes an analytical approach to understanding the impact of the future of work.
Disruptors to leverage Future of Work opportunities…

**WORK**
1. What work can be done by robots?
   - Increasing automation, cognitive and AI technologies

2. Talent Category
   - Technological advancements enabling new models for interaction between companies and different worker/talent types (e.g. employees, gig workers, contractors, crowds)

3. Physical Proximity
   - Rethinking combinations of where work can be done and how workplaces support productivity

**WORKPLACE**

**WORKER**
2. Who can do the work?
   - Technological advancements enabling new models for interaction between companies and different worker/talent types (e.g. employees, gig workers, contractors, crowds)
Delivering changes to the workforce…

Deloitte worked with a large financial institution to define their workforce strategy and create a workforce composition plan to improve performance, market position, and to ensure future success.

**Business issues**
- The client had significant challenges where they wanted us to focus
- Mandated an FTE reduction by the Board
- What work will they be completing in the future
- What will be the external impacts on the business

**Approach**
- Our approach focused on 3 main workstreams
  - FOTO methodology
  - Capability assessment
  - Workforce design choices

**Impact**
- The following benefits were realised by the client
  - Understand size and scale of potential disruption
  - Modelling the workforce impact over 3-5 years
  - Workforce Strategy and composition plan
How work is organised...
How work is organised…

The Adaptable Organization (AO) is a fundamental shift in management philosophy. AO enables large organisations to operate with a start-up mindset and drive modern people practices that enable agility through empowered networks of teams.

AO prepares organizations for the future of work and unforeseen changes in the environment.
Adaptable Organisations are viewed through 5 layers…

**THE ECOSYSTEM**
Adaptable organizations exist in Purpose Driven ecosystems with defined customer focused missions.

**THE ORGANIZATION**
How the work environment OPERATES…they organize capabilities away from deep hierarchy and silos towards a network of multi-disciplinary organizations.

**THE TEAM**
How work is ORGANIZED…they enable high performing teams by adopting connected ways of working and an adaptable culture.

**THE LEADER**
How work is DELIVERED…leaders are inclusive orchestrators versus technical task masters in order to unlock the full potential of diverse skill-sets.

**THE INDIVIDUAL**
How work is MANAGED and LED…they unlock resilient individuals through adaptive talent programs to enable how people want to learn, grow and develop.
How adaptable is your organisation?

Rather than imposing on people how they should work, the Adaptable Organisation organises itself around people’s natural work and communication patterns. Where on the scale of the behavioural traits does your organisation sit?

<table>
<thead>
<tr>
<th>Stable Organisation</th>
<th>Adaptable Organisation</th>
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<tbody>
<tr>
<td>Profit-driven</td>
<td>Purpose-driven</td>
</tr>
<tr>
<td>Internal-focused</td>
<td>Customer-focused ecosystem</td>
</tr>
<tr>
<td>Hierarchal structure</td>
<td>Flexible network of teams</td>
</tr>
<tr>
<td>Siloed, bureaucratic interactions</td>
<td>Collaboration and agile governance</td>
</tr>
<tr>
<td>One-size-fits-all talent management</td>
<td>Individualized talent engagement</td>
</tr>
<tr>
<td>Resistance to change</td>
<td>Change and learning are continuous</td>
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Marrying the visible and the invisible to drive adaptable health...

Before today, no single tool existed that provided a comprehensive diagnosis of our clients' organizational health. In today's world of complex and ambiguous problems, AONA allows us to combine tools covering formal structure analysis, network analysis, work complexity and customer mission alignment for a complete examination of an organization's adaptive health.

**X-Ray**
Traditional process of scanning only help us understand formal organizational relationships.

**MRI**
Current techniques consider things like relationship of performance and tenure with the org structure.

**Brainscan**
Network analysis goes beyond the surface of the formal network to understand how information flows, and how people actually work together.
AONAs innovation in adaptability metrics…

Organisational Network Analysis sheds light on valuable diagnostic information. But, we are taking it further. As part of the organisational assessment, four new metrics have been created to assist AONA

1. Structure to Network Comparer
   This metric quantifies the difference between an individual’s team members in an org chart and their informal collaborators. It is a good indication of the type of work they should be doing.

2. Cross-Functional Identifier
   This metric compares formal and informal networks to understand what extent someone needs to collaborate to do their job.

3. Effort Analyzer
   This metric examines how much effort it takes for an employee to reach the people they need in order to do their job, both currently and in possible scenarios.

4. Adaptable Readiness
   Structure is only part of the adaptable story. This measure creates hunches around who is ready (or pre-disposed) for working in an adaptable/network based environment.
How work is experienced...
How work is experienced…

The world has changed

We’re redefining the enterprise

Technology has become pivotal to everyday life except in our workplaces…

What work is, organisations are and how we want to fit them into our lives is no longer the same…

The opportunity to differentiate who you are, win in the war for talent and drive productivity through great experiences is here…

It is time to work the way You Live
Employee Experience (EX) brings and drives customer and business benefits…

EX covers all interactions between an employee and the organisation encompassing the physical, digital and organisational work environment.

Employees are your first customers

Interactions between employees and the organisation influence the levels of service workers provide to customers. We can help you Define, Imagine and Deliver a plan around the shared moments that matter across your organisation to positively impact business results.

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<tr>
<th>Productivity</th>
<th>Customer Satisfaction</th>
<th>Revenue Growth Rate</th>
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<tr>
<td>25%</td>
<td>Double the Customer Satisfaction</td>
<td>2.3x</td>
</tr>
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</table>

Companies in the top quartile of employee experience are 25% more profitable than competitors in the bottom quartile.

Double the Customer Satisfaction reflected in the net promoter score in companies able to build seamless and innovative employee experiences.

Organisations with highly engaged employees experience a 3-year revenue growth rate 2.3 times greater than average (20.1% growth vs. 8.9% growth).

1 Building Business Value with Employee Experience, MIT Cisr Research Briefing, Vol. 17, No. 6 (2017)
2 2017 Deloitte Global Human Capital Trends
The best organisations have an integrated approach to EX…
Where are you on the journey?

We have a clear purpose and culture

We understand our employee segments and their respective needs, and we are focussed on improving the overall EX

We collaborate and co-design with our employees and business to improve EX

We’ve connected EX to business goals, measure and continually improve

We permeate our values at every touchpoint of EX and are recognized as a great place to work

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Our employee experience approach is grounded in our observations and assessment of the current employee experience and delivers a vision of the future, an actionable roadmap and a governance model to create a sustainable framework for continuous improvement.

1. **Scan the Organization**
   - Review the organization and existing data

2. **Set the Vision**
   - Align leadership behind the desired employee experience

3. **Define Priority Personas**
   - Create personas for critical employee segments

4. **Develop journey maps with Moments that Matter**
   - Depict current and future state experiences using Moments That Matter

5. **Develop governance, data strategy & roadmap**
   - Outline the plan to operationalize and sustain the envisioned employee experience
How work is enabled...
The world is changing and the future is arriving now

...disruptive forces are driving how we live and how we work, creating an imperative for new solutions
The world is changing and the future is arriving now

What’s happening?

Tsunami of data¹

9x more in the last 2 years

Average company lifespan of S&P 500 companies is only 15 years²

5 10 15

People worldwide trust business more than government³

What does it mean for your organization?

Gain competitive advantage with hyper-connected insights

Disrupt or be disrupted

Invest to benefit the workforce and society

Sources:
¹ https://www-01.ibm.com/software/data/bigdata/what-is-big-data.html
² Professor Richard Foster from Yale University
³ Edelman Report

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The world is changing and the future is arriving now

What’s happening?
Careers are 50+ years long:

10 25 50

Millennials are more than 50% of workers:

Half-life of skills is only 2 – 5.5 years:

2 5.5

By 2020, 40% of workforce will be contingent:

What does it mean for your organization?

Access talent from the full workforce: employees, gig, crowd, automation

Cultivate diversity and inclusion for strength through varied ideas and perspectives

Foster workforce experience and rewards for productivity & growth
The world is changing and the future is arriving now

What’s happening?

Technology is everywhere…

- 6bn+ smartphones in 2020
- 61% redesigning jobs with
- 2 trillion in business value

What does it mean for your organization?

- Reimagine work with digital
- Drive agility through teams leading teams
- Reinvent the workplace – physical and virtual – to innovate and simplify
- Humans and Robots must become co-workers
- It’s no longer just about efficiency, it’s about changing how work gets done

Sources:
2. Global Human Capital Trends 2018

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What does this mean for HR?

The Future of Enterprise
- Sense the community and shift to become a social enterprise
- Drive innovation and agility through workforce development
- Extend the enterprise with a partnership ecosystem

The Future of the Workforce
- Curate an inclusive workforce with non-traditional talent
- Orchestrate the workforce experience to invigorate teaming and productivity
- Forecast future capabilities and enable continuous learning

The Future of How Work Gets Done
- Reimagine the work across the enterprise and in HR with digitalization and automation
- Leap to a fit-for-purpose HR Operating Model to suit the enterprise
- Advance the workplace to enable workforce collaboration

HR must take the lead for enterprises to reimagine the future – today
What is the Future of HR?

ENABLERS
Advanced Technology

Integrated Systems
UNIFIED ENGAGEMENT PLATFORM
Usability
PRODUCTIVITY

LENS
High-Impact HR Operating Model

Work Redistribution
EXPONENTIAL HR PROFESSIONAL
Compliance & Control
TRUST & EMPOWERMENT

FOCUS
HR Customer Centricity

Center-Driven Solutions
HUMAN-CENTERED SOLUTIONS
HR Program & Process Design
VALUE CREATION INITIATIVES

MIND-SET
Digital Traits and Behaviors

Transformation to
SUSTAINED PERFORMANCE
Doing Digital Things
BEING DIGITAL
What is the Future of HR?

**ENABLERS**
- Advanced Technology

**LENS**
- High-Impact HR Operating Model

**FOCUS**
- HR Customer Centricity

**MIND-SET**
- Digital Traits and Behaviors

**Future of HR**
- Dynamic Skill Requirements
- Changing Nature and Typology of Work
- Fluid
- Iterative
- Intentional Collaboration and constant disruption
- Fail Fast but Learn Faster
- Continuous Innovation
- Empowerment
- Brand
- Business Value-Creation
- Workforce-Centered Design
- Experience
- Engagement
- Personalization
- Workforce Experience
- Networks of Agile Teams
- Continuous Work Reimagining
- Digital Reality (Augmented and Virtual)
- Cognitive & AI
- Robotic Process Automation
- Unified Engagement Platform
- Democratized Data and Real-Time Advanced Workforce Analytics
- Internet of Things
- Social / Mobile
- Apps & PaaS Solutions
- Fluid
- Iterative
- Intentional Collaboration and constant disruption
- Fail Fast but Learn Faster
- Continuous Innovation
- Empowerment
- Brand
- Business Value-Creation
- Workforce-Centered Design
- Experience
- Engagement
- Personalization
- Workforce Experience
- Networks of Agile Teams
- Continuous Work Reimagining
- Digital Reality (Augmented and Virtual)
- Cognitive & AI
- Robotic Process Automation
- Unified Engagement Platform
- Democratized Data and Real-Time Advanced Workforce Analytics
- Internet of Things
- Social / Mobile
- Apps & PaaS Solutions

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Shift to the Future of HR for Business Outcomes…

ENABLERS
Advanced Technology

LENS
High-Impact HR Operating Model

FOCUS
HR Customer Centricity

MIND-SET
Digital Traits and Behaviors

The Future of Enterprise
Win in the market and community…
reshaping culture and behavior to act with agility & collaboration

The Future of the Workforce
Delight the enterprise’s customers…
accessing, curating, and engaging an innovative workforce

The Future of How Work Gets Done
Empower leaders and workgroups…
reimagining work across roles in and outside HR

Maximize the workforce’s potential…
gaining advantage through cognitive and digital automation
There is no single path to driving value through HR…

Your route will be unique to your journey

In today’s disruptive world, it may be the path less traveled that leads you to the ultimate destination

What will be your route?

<table>
<thead>
<tr>
<th>See</th>
<th>Think</th>
<th>Do</th>
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<tbody>
<tr>
<td><strong>Sense</strong></td>
<td><strong>Aspire</strong></td>
<td><strong>Create</strong></td>
</tr>
<tr>
<td>Understand trends and disruptors; uncover opportunities informed by your where the enterprise and workforce are going into the future</td>
<td>Envision the future that solves for the needs, motivations, and drivers of the workforce and enterprise</td>
<td>Apply human-centered design and product mind-set to deliver solutions that enable your future enterprise and access the workforce</td>
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<table>
<thead>
<tr>
<th>Engage</th>
<th>Decide</th>
<th>Realise</th>
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<tbody>
<tr>
<td>Explore the possibilities for your organization and generate the case to launch the adventure</td>
<td>Make strategic choices to refine the capabilities and enablers you want to infuse into the organization – set the route for success</td>
<td>Embrace disruption to achieve value beyond efficiency and effectiveness to realize and sustain business outcomes</td>
</tr>
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Future of work

Re-cap
We solve workforce issues across a spectrum of transformations…

Imagine

Imagine the possibilities of the future by leveraging industry-specific data analytics and insights to define your ambition and strategy for transforming the workforce for the future.

Compose

Analyse work, workforce and workplace options that maximise the value of automation, alternative talent sources, and collaborative workplaces.

Activate

Align workforce development programs to access skills, curate next generation experiences and engage the workforce of the future.
By integrating our collection of solutions, we can ACTIVATE your workforces.
Future of Work lab experience

**What the lab offers..**

The Future of Work lab experience sets the foundation for understanding the new drivers, realities, and implications of the Future of Work for your business. It will seek to answer questions like:

- What drivers are reshaping work, workforce, and workplaces?
- What are the organisation, leadership, and culture impacts?
- How can we unlock value creation through our workforce?
- How do we create a future forward workforce strategy?

**What you’ll experience..**

- **DISCOVER**
  Understand the implications of the future of work on your business, workforce and talent

- **VISION**
  Align on the future vision and shape ideas on key themes to bring the vision to life

- **PRIORITIZE**
  Develop a roadmap based on strategic choices to plan out next steps and the journey ahead

**What you’ll get..**

- Immersive experience designed to get your leaders thinking differently
- Deep dive on disruptive workforce and technology trends
- Explore workforce data relevant to client industry or function
- Introduction to Deloitte’s proprietary Future Workforce Planning Solution
- Actionable planning process to establish a game plan for further progress

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THANK YOU