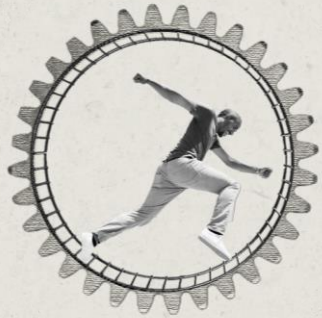


Deloitte Human Capital Trends 2024 (Brunei)



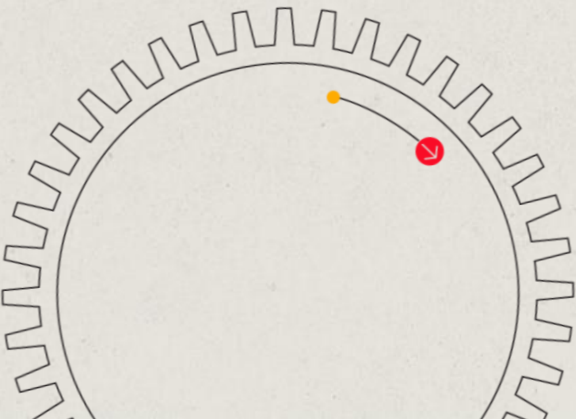
Welcome to a *new reality*

Technological and social changes—including the emergence of generative AI—are accelerating the shifts that characterize the boundaryless world of work.



The new math of *human performance*

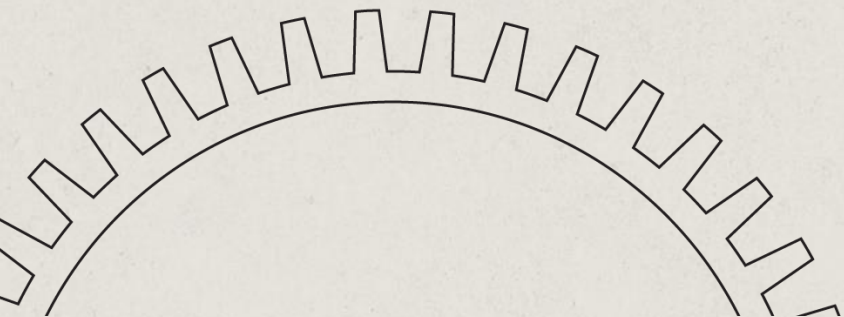
$$\left[\begin{array}{c} \text{human} \\ \text{outcomes} \end{array} \right] \times \left[\begin{array}{c} \text{business} \\ \text{outcomes} \end{array} \right] = \textbf{human} \\ \textbf{performance}$$



IMPACT Organizations that have bridged the gap from knowing to doing are **1.75x more likely** to achieve desired business outcomes and **1.9x more likely** to achieve positive human outcomes.



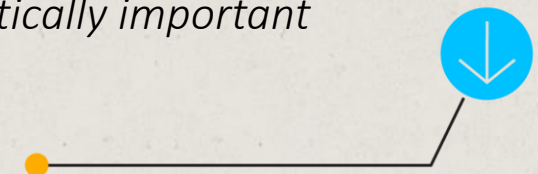
Most leaders already understand that focusing on **human performance** is key to building an organization that can thrive today and tomorrow.



74% *of respondents*

stated this year's trends were very or critically important

but only



10% *of respondents*

believe their organizations are accomplishing great things to address these issues

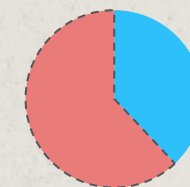
14,000+

responses

95

countries

38% Business



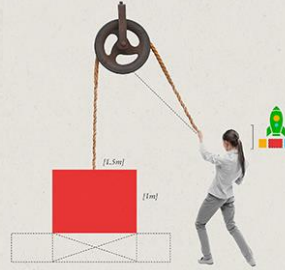
62% HR

Introducing the 2024 Global Human Capital Trends....



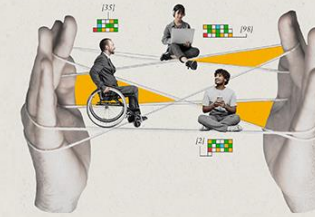
Beyond *productivity*

Redefining performance beyond traditional metrics



Imagination deficit

Imagination & creativity keeping pace with AI



Workplace *microcultures*

Focusing on individual teams for culture development



Human sustainability

Creating value in each organization-human interaction



Leadership

Readiness of leaders to manage the changing times



Transparency paradox

Building trust and transparency between workers and the organization



Digital *playground*

Incorporating digital solutions in the workplace

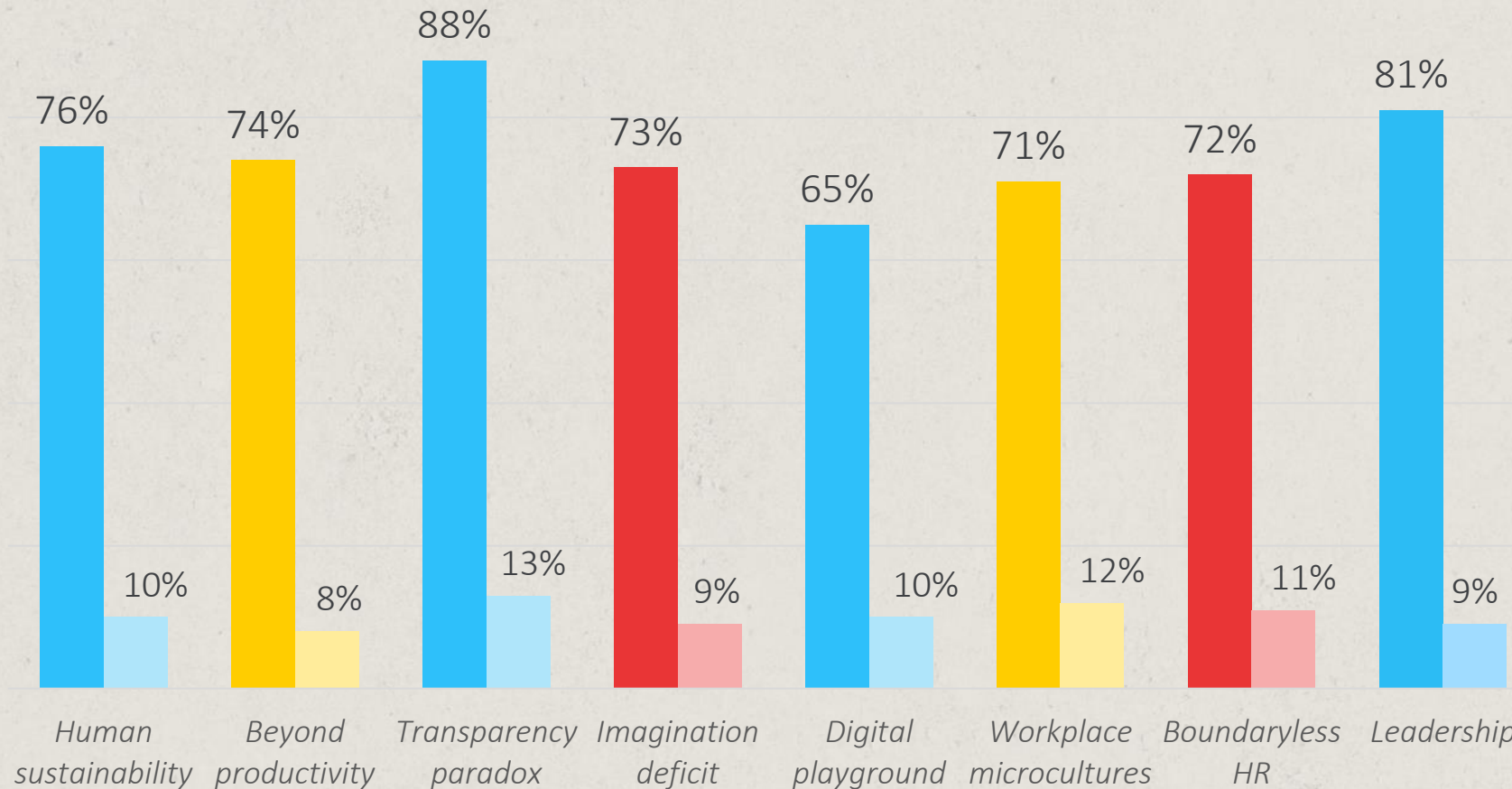


Boundaryless *HR*

Shifting of HR from operational to cross-functional

The *knowing* vs. *doing* gap

To close the gap between knowing and doing, we will need to let go of the mindsets, operating constructs, and proxies of the past.



How can you bridge the gap?

Human sustainability





When people thrive, business thrives: **The case for human sustainability**

For true **human sustainability**, organizations need to create value for all people connected to them.

[human · sustainability]

The degree to which the organization creates value for people as human beings, leaving them with greater health and well-being, stronger skills and greater employability, good jobs, opportunities for advancement, progress toward equity, increased belonging, and heightened connection to purpose.

19% *say they have very reliable metrics for measuring the social component of ESG*
of leaders

only
29% *strongly agree they have a clear understanding of how to achieve it*
of leaders

Organizations should create more value for their employees and society



Are likely to recommend their organizations for creating value to society beyond financial returns



Are likely to recommend their organizations for giving their employees meaningful work

*derived from NPS scores





Has your organization left you better off than when you started with your organization? (Asia)





Why do workers feel they have not gained much from their organizations?


Take action to drive *human sustainability*


 Focus on metrics that measure human outcomes.

 Integrate human sustainability governance into the board and C-suite.

 Make the business case for human sustainability.

 Involve workers, future workers, and others in cocreating their roles and human sustainability initiatives.

 Tie leader and manager rewards to human sustainability metrics.

 Elevate managers' human sustainability role and empower them to own it.

IN PRACTICE



PayPal improved the **financial well-being** of its entry-level and frontline workers by reducing **health care costs**, granting **stock awards** to all workers regardless of level or tenure, **raising wages** where appropriate, and providing access to **personal financial education**.

Today, workers report far **less worker financial stress**, and the organization has **reduced absenteeism**.



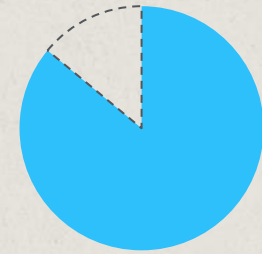
Transparency paradox



The ***transparency paradox***:
Could less transparency be
more when it comes to trust?

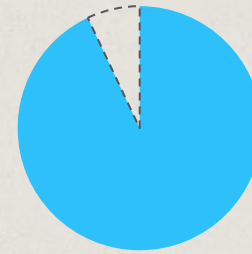
Technology can make almost *everything* and *everyone* in an organization transparent based on data from sensors, software, and systems.

average of
400 sources organizations
use to collect data¹



86% of global leaders

and



93% of Bruneian leaders

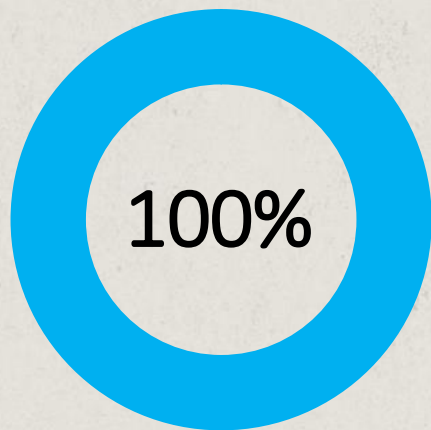
say that the more transparent
the organization is, **the greater
the workforce trust.**

But it's **not that simple.**

¹ Source: Matillion and IDG Survey: "Data Growth is Real, and 3 Other Key Findings,"

Trust is important to Bruneian respondents,
but challenges to achieve it prevails

Effectiveness of evaluating trust



of Bruneian respondents
claimed that their
organizations
are NOT highly effective in
monitoring and evaluating the
level of trust between
workers and the organization

Factors that tend to impact trust



Disappearance of traditional boundaries



Generative AI and automation



Uncertainty: mergers and shifting
business models

So how can we evaluate trust
more effectively?

Take action to navigate the *transparency paradox*



Put transparency in conversation with privacy.



Bring workers together in conversation with leaders about what and why information should be made transparent, to whom, and how.



GO (proceed thoughtfully)

CAUTION (think twice)

	GO (proceed thoughtfully)	CAUTION (think twice)
WHAT will be made transparent?	Leadership priorities and goals	Details about creative processes
WHY is it important to make transparent?	Creating better outcomes for workers	Surveilling or punishing workers
WHO will provide the information, and WHO will receive it?	Information about a worker to a worker or to their coach to help them grow	Individual data about workers beyond themselves, unless it is aggregated or anonymized
HOW will the information be made transparent?	Workers are asked to opt-in to making their data transparent, and told how their data will be used	Leaders don't intend to act on the data and share how it is used

IN PRACTICE



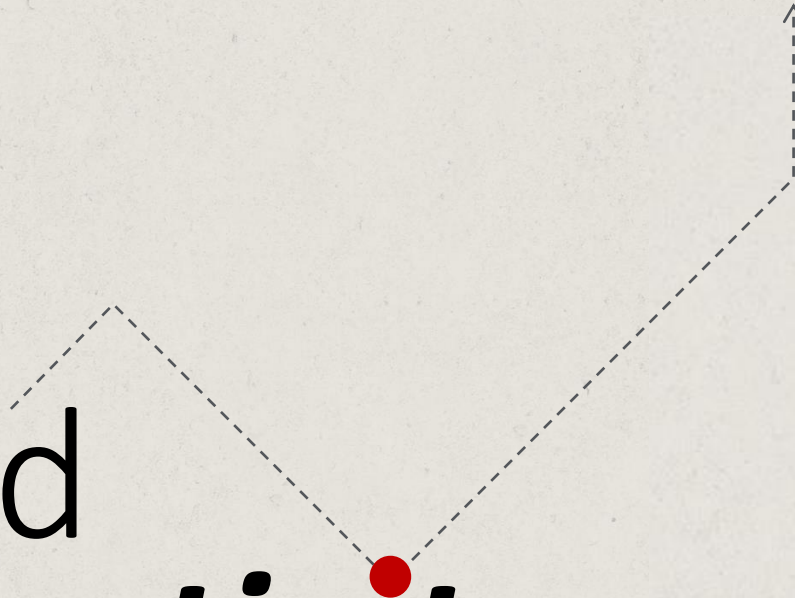
Plantation

Crafted a human-centered change management strategy and plan to facilitate a HR transformation initiative for a government linked company.

The solution focused on fostering trust among employees by providing a clear and consistent platform for accessing and managing critical information related to their roles, compensation, benefits, and career development.

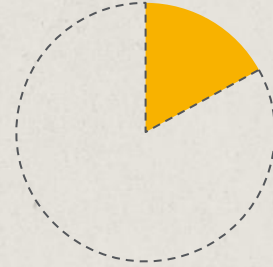
Utilisation of reliable platform build employee confidence in the organization's commitment to data integrity and employee experience.

Beyond *productivity*

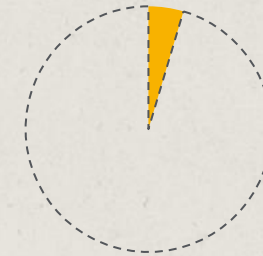


As **human performance** takes center stage, are traditional productivity metrics enough?

New sources of data and artificial intelligence can help organizations shift from measuring only what they *can* to what they *should*.

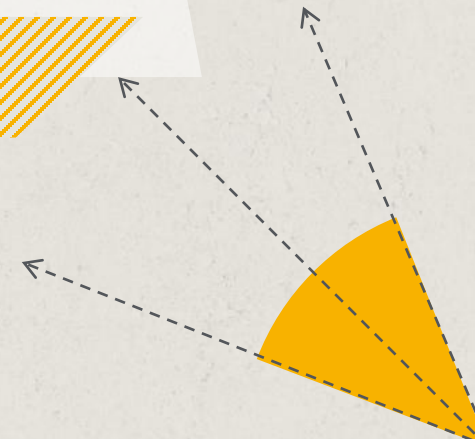


16%
of SEA
respondents

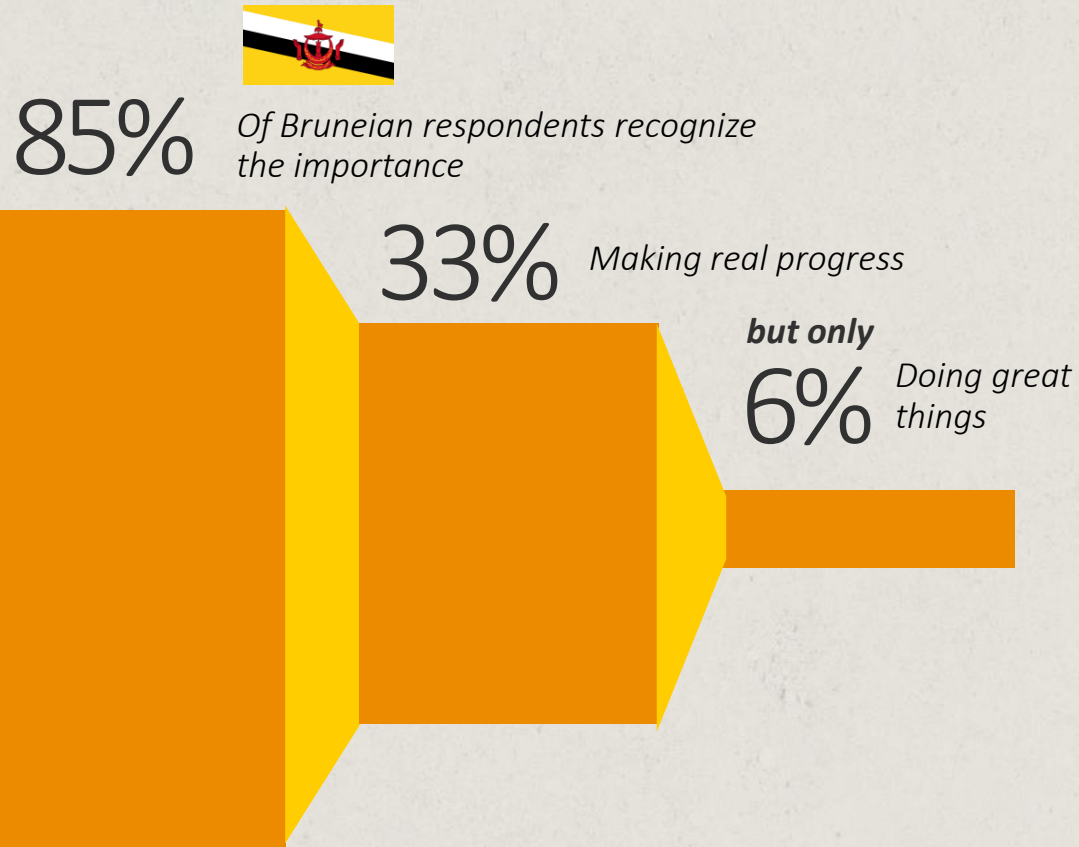


and
3%
of Bruneian
respondents

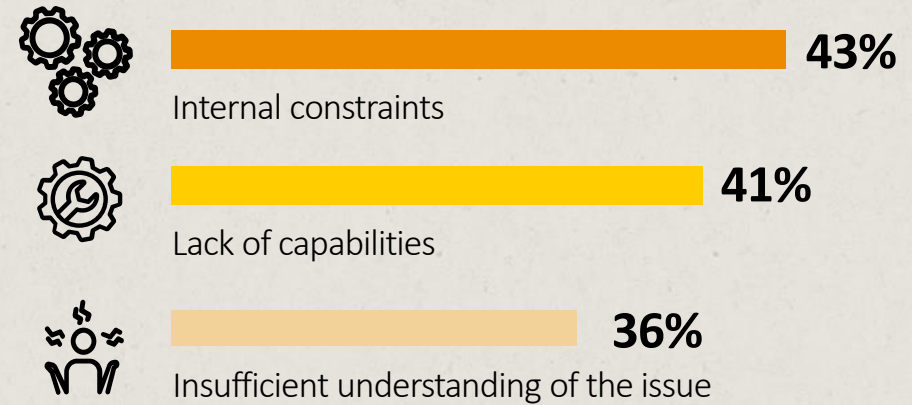
say their organization is very or extremely effective at **evaluating the value created by their workers, beyond tracking activities or outputs.**



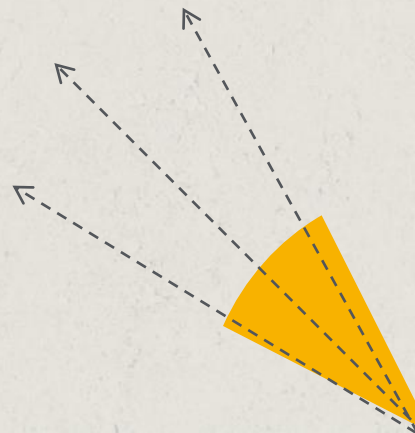
What is stopping organizations from implementing metrics beyond productivity?



Top 3 challenges to tackle transparency paradox



How can you tackle the problem of internal constraints?



Take action to move ***beyond productivity***



Measure what you should, not just what you can.



Integrate new metrics into the processes of other areas of the talent lifecycle.



Cocreate metrics and solutions with workers.



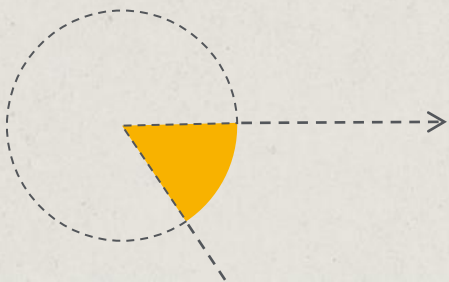
Establish responsible data and AI practices.



Implement these practices in your performance management approach.



Plan now to address tensions around the use of emerging technologies.



IN PRACTICE

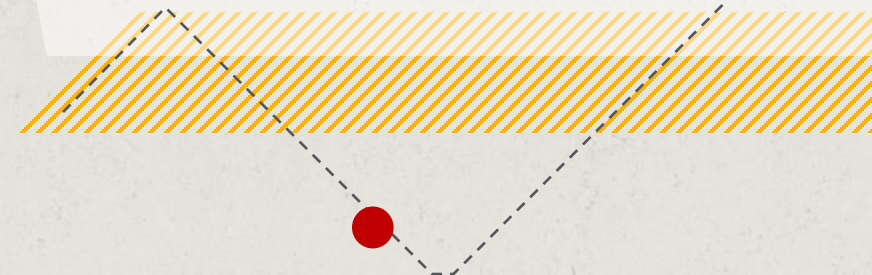


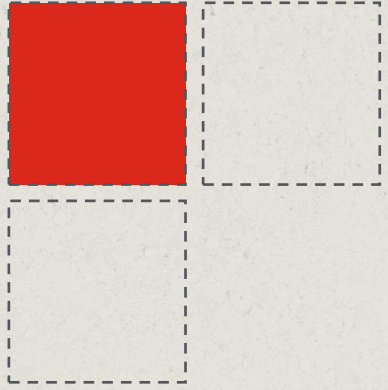
Worked with a state-owned enterprise in Indonesia to conduct HR policy harmonization.

Some of the actions included conducting the performance management system integration and strategic workforce planning with the end goal of helping it to achieve optimal human capital management integration among the operating companies.

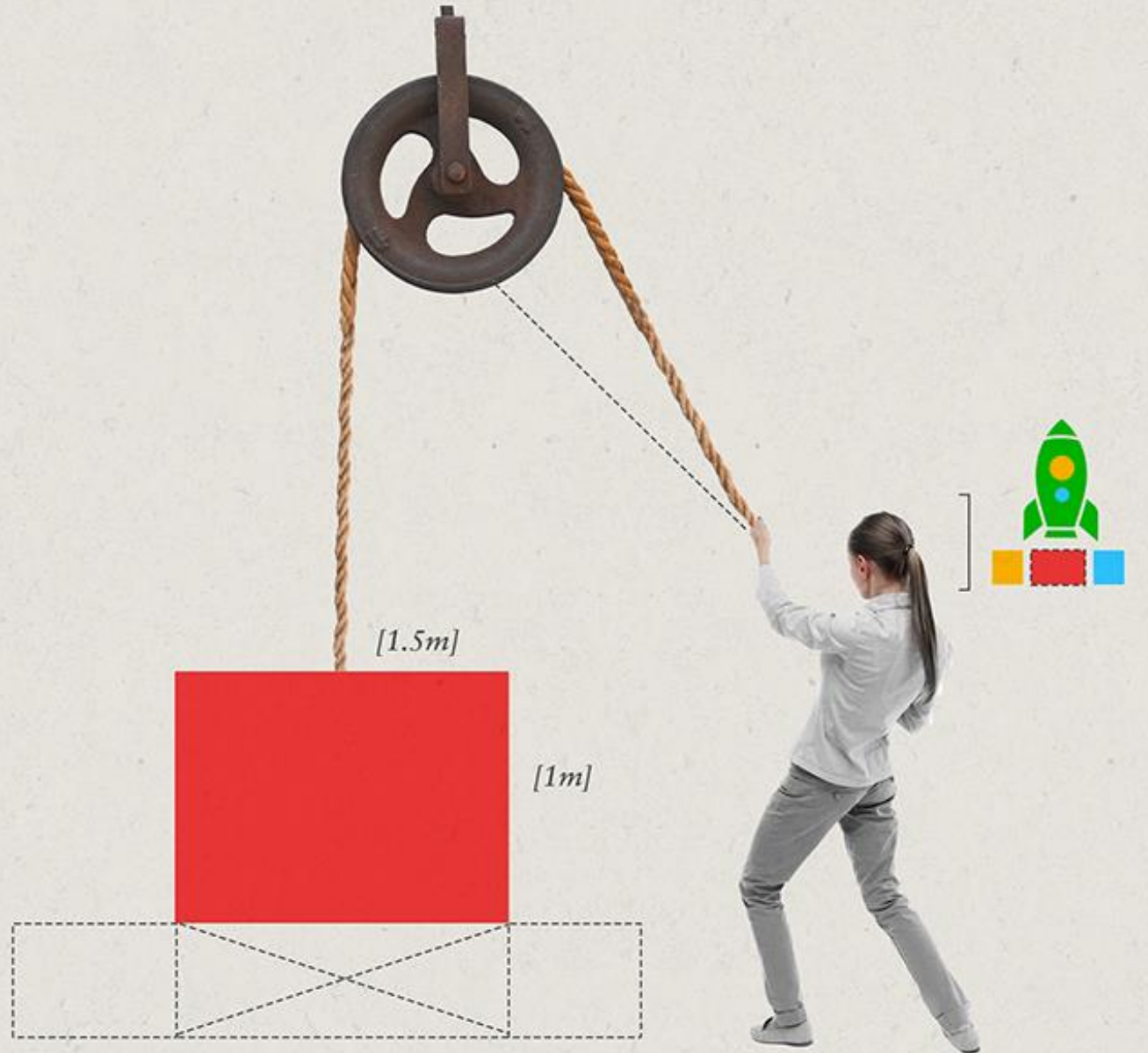


– Energy, resources and industrials

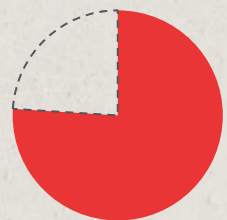




Imagination *deficit*



Generative AI and other technologies are exposing a potential **imagination deficit**.



76%
of workers

say it's important for their organization to help them imagine how their job may change in the future

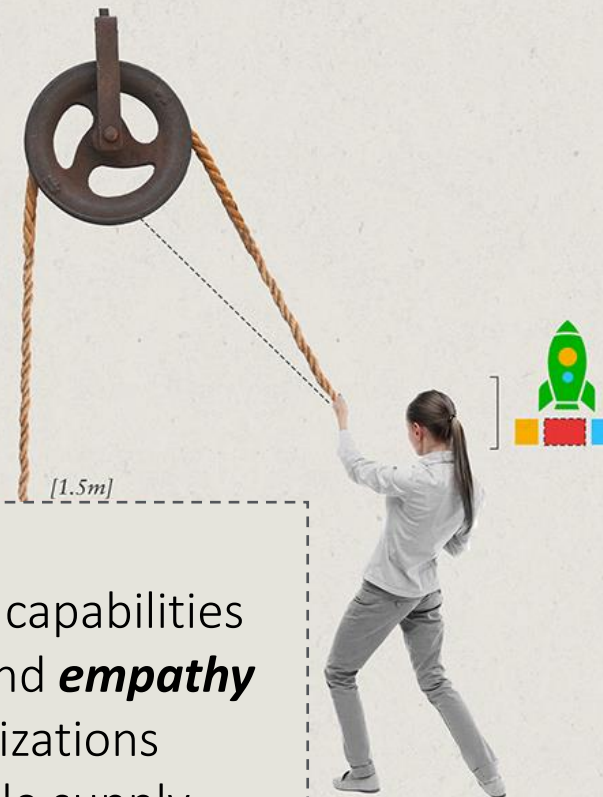


43%
of organizations

but only

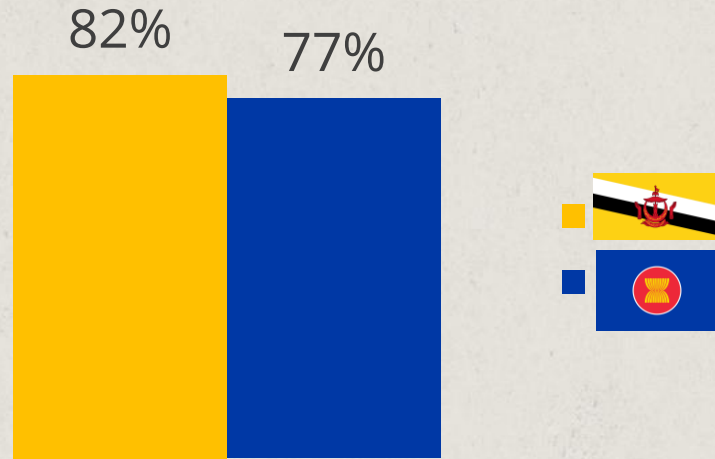
are helping workers imagine how their jobs may change in the future

Scaling human capabilities like **curiosity** and **empathy** can help organizations ensure an ample supply.



Is tackling imagination deficit important and who's *ready to act*?

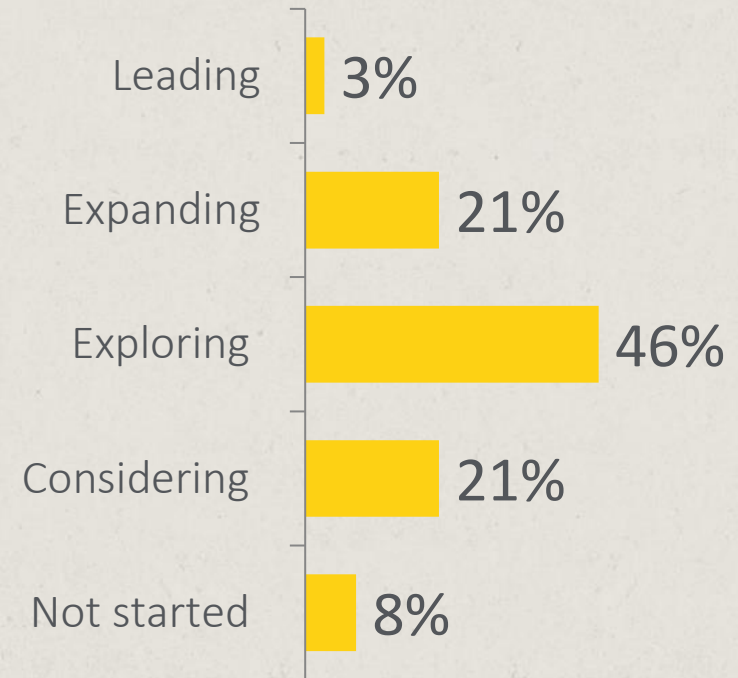
How important is it?



of survey respondents emphasize the importance for imagination and curiosity to keep on pace with technological innovation

but who's taking action?

How ready is your organization?



What actions should we take?

Take action to address the *imagination deficit*



Operationalize human capabilities as part of overall workforce strategy.



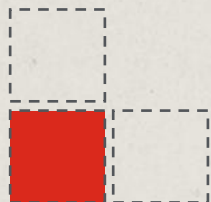
Highlight for workers, teams, and managers the need to prioritize human capabilities.



Practice imagination in service of human sustainability.



Provide opportunities and venues for workers to explore, experiment, disrupt, and cocreate.



IN PRACTICE

IKEA

IKEA is using AI technologies to transform its global call center operations, shifting the focus of their roles from procedure and process to **creativity and human connection**. IKEA implemented an AI bot to handle most routine customer asks and invested in a comprehensive **upskilling initiative** for their call center workers to **strengthen** design skills and **human capabilities**.

Digital *playground*



How play and experimentation in **digital playgrounds** can drive human performance

[digital · playground]

A mindset and an approach in which technologies are curated with intention and opportunities to use them are democratized; a safe space for workers to build confidence, learn new skills, and hone their human capabilities.

Digital playground technologies could include: Generative AI, digital twins, digital doppelgangers, augmented and virtual reality, and more.

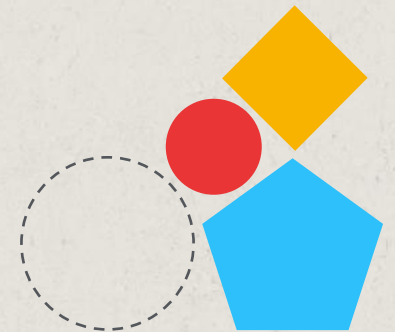
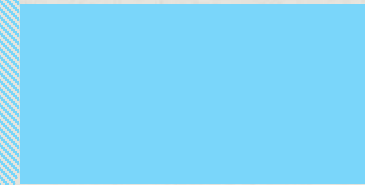
85% of organizations in **Asia Pacific** expect their workers to understand generative AI in coming years



but only

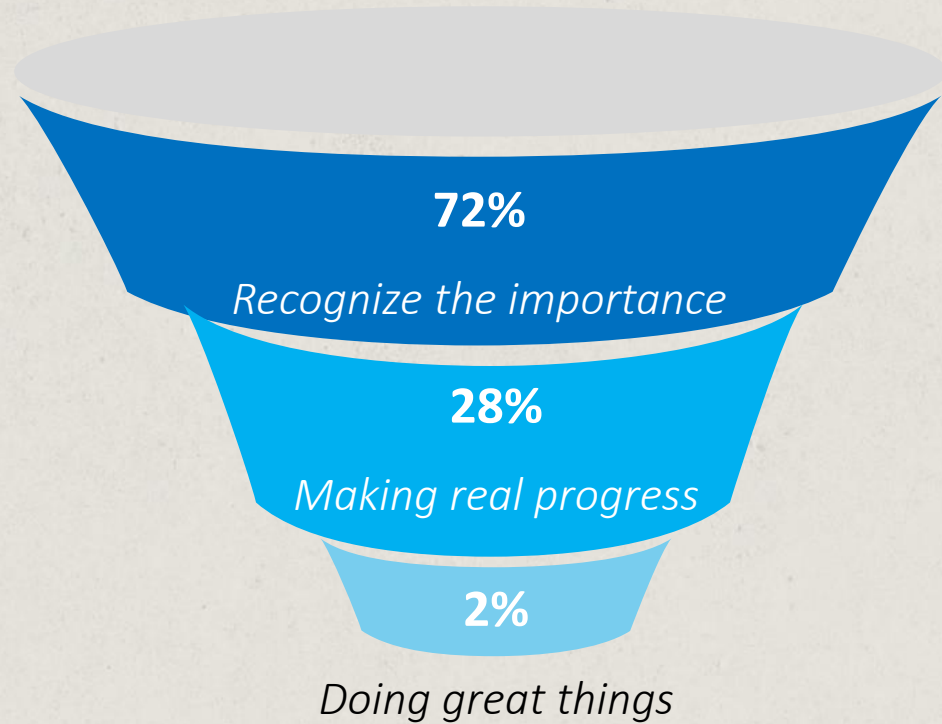
32%

of workers in **Asia** had been offered technology-related skills training in the past year



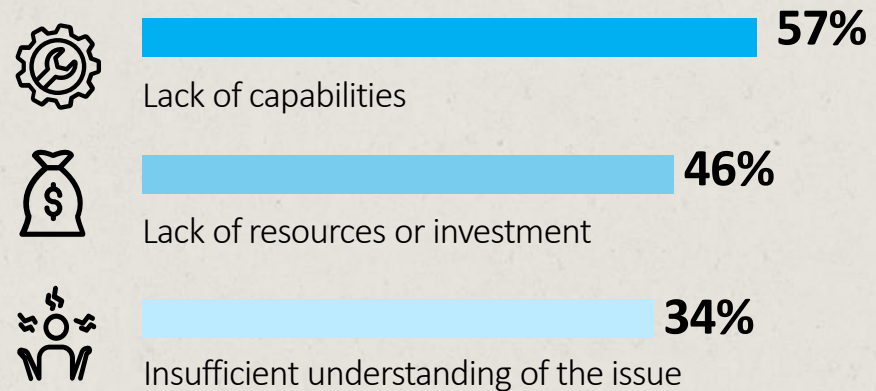
Respondents are not taking much action despite knowing its importance, *why?*

The data shows the difference of recognition and action



The key challenge stopping Bruneians from achieving Generative AI workplace is the lack of capabilities.

Top 3 challenges to achieving digital playground



Do you have a plan to build capabilities?

Take action to create *digital playgrounds*

- Democratize access to the digital playground.
- Encourage play.
- Connect play to work.
- Use digital playgrounds to cocreate.
- Focus on human sustainability.
- Negotiate worker data.

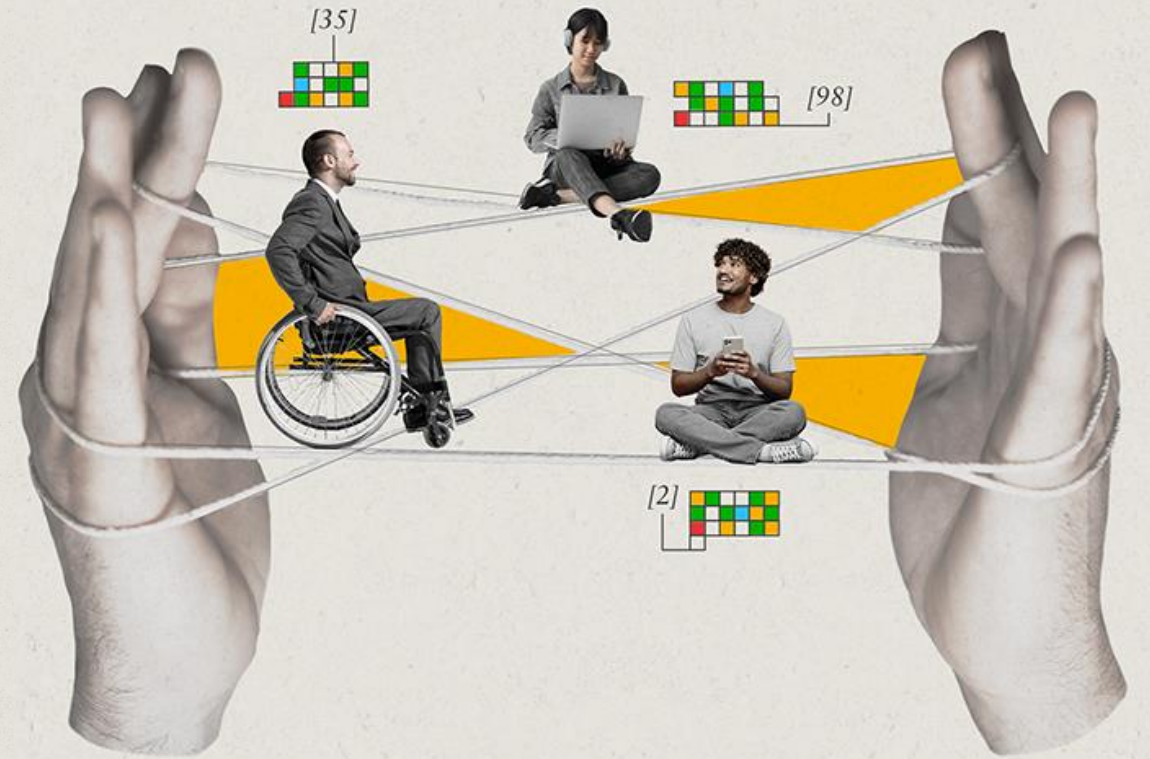
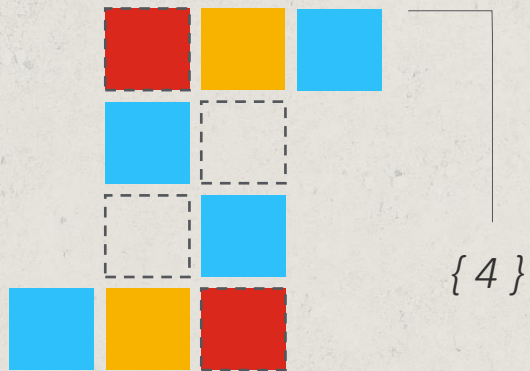
IN PRACTICE



Vancouver Airport Authority launched a real-time interactive representation of the airport. This platform was expressly created with **experimentation** in mind, using a mix of a **virtual space** with data collected in real-time from **sensors** and other Internet of Things (IoT) tools throughout the facility. Data is used to **inform daily decision-making** and **collaboration** and explore future opportunities for improvement or **innovation**.



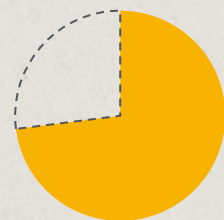
Workplace *microcultures*



One size does not fit all: *How **microcultures** help workers and organizations thrive*

[micro · cultures]

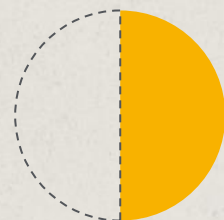
Subtle variations in how work gets done in different teams, functions, and geographies while aligning to global values



73%

of global workers

have left a job due to poor cultural fit



50%

of global executives

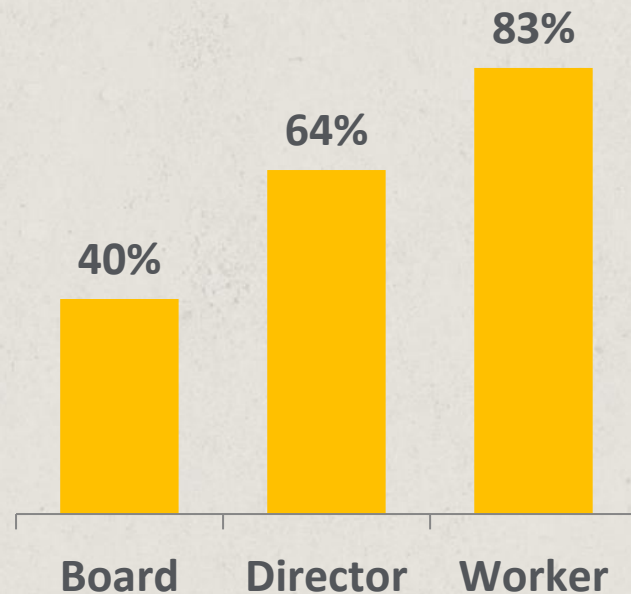
report that an organization's culture is most successful when there is a moderate degree of variation

Yet executives ranked this as the **most difficult** trend to address.



Fostering workplace microculture is **important** but few are making **enough progress**

There is a disconnect between senior leaders and workers when it comes to the importance of microcultures.



These current trends make microculture **increasingly relevant** to workers:



Hybrid and remote work arrangements



Increasingly diverse workforce




Merger and acquisition activity

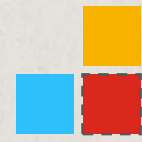


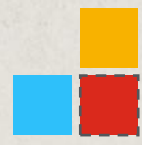
Rising worker expectations & influence

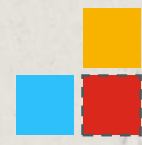
How does microculture play out in your organization today?

Take action to foster *workplace microcultures*

 Define a microculture by focusing on the work.

 Tap managers, leaders, and boundary spanners to be “modular” across microcultures.

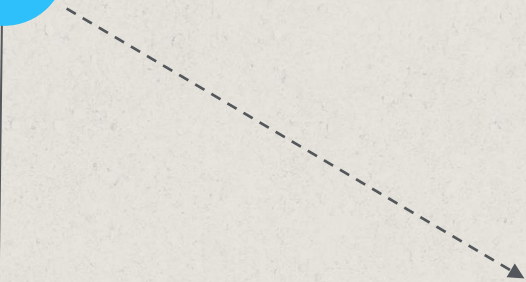
 Integrate microcultures into the talent lifecycle.

 Provide the tools and data needed to enable ongoing sensing.

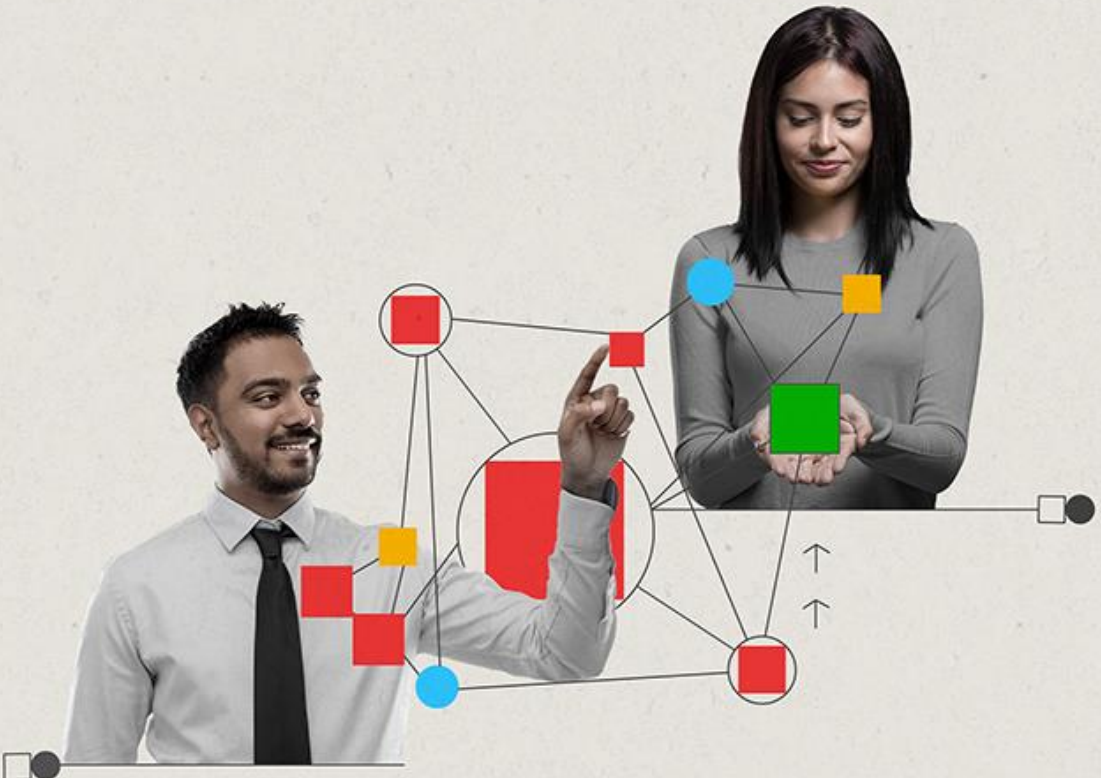
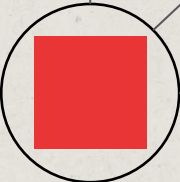
IN PRACTICE



Google Cloud is embedding microcultures into its performance management processes. Because Google Cloud is a business-to-business company, unlike the rest of Google, the Google Cloud People team recognized the need to have a **unique microculture** that reinforced customer empathy. The tenets of customer empathy are **embedded** in the Teamwork attribute of Google’s **performance review process**, so while all Googlers are expected to exemplify teamwork, Cloud Googlers’ Teamwork assessment is tied to the customer empathy culture tenets.



Boundaryless *HR*

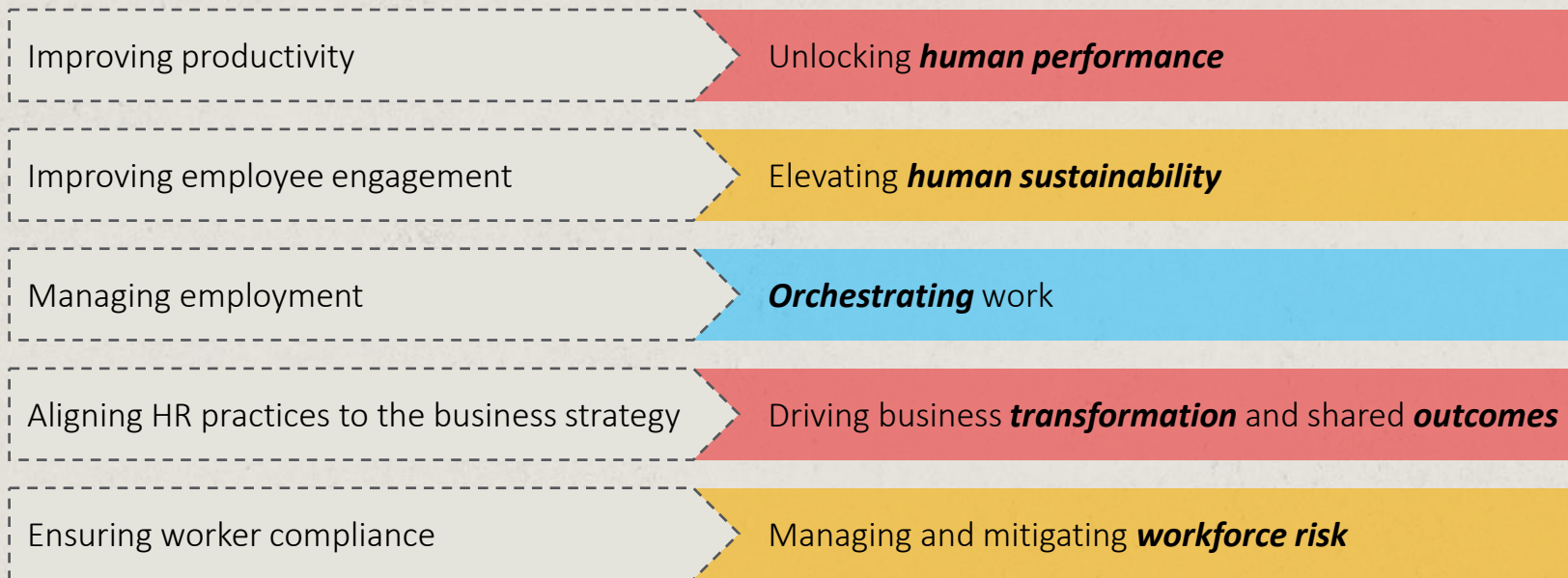


From function to discipline: *The rise of **boundaryless HR***

[boundary · less · HR]

The shift of HR from a specialized function that owns most workforce responsibility to a boundaryless discipline, cocreated and integrated with the people, business, and community it serves.

Major changes for HR to shift from compliance and deliverables to cross-disciplinary strategy:



only
29%
of Bruneian
executives



And
31%
of SEA
executives

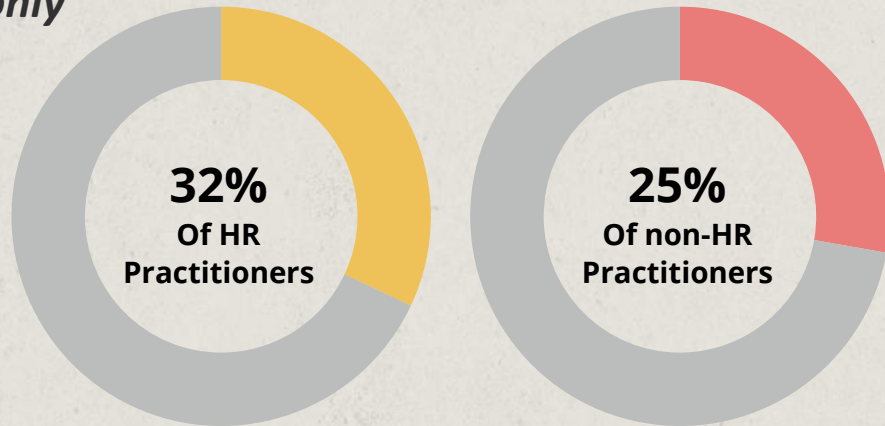
agree that HR has a large scope of influence and impact on the organization.

HR's role evolve with organizational needs

Perception of Influence of HR

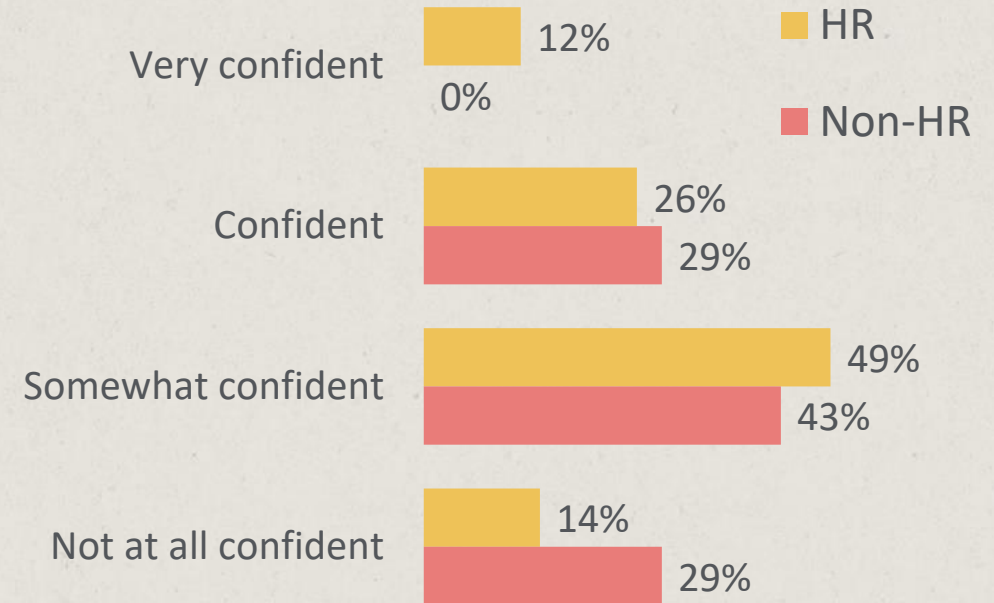


only



agree that HR has a large scope of influence and impact on the organization

Level of confidence in HR's ability to navigate changes in the next 3-5 years



How do we get HR to have a higher level of impact and become strategic enablers in the organization?

Take action to adopt a ***boundaryless HR*** approach

- 1. Redefine the role of the manager to be people leader.
- 2. Create new metrics and analytics shared across functional areas.
- 3. Democratize people practices and data with AI and other digital tools, creating science-based processes that unlock performance.
- 4. Create cross-functional teams or cross-functional “integrator” roles to tackle business problems and people issues.
- 5. Transform workers into producers of people practices, not just consumers.
- 6. Pursue collaborations and partnerships with external entities.

IN PRACTICE

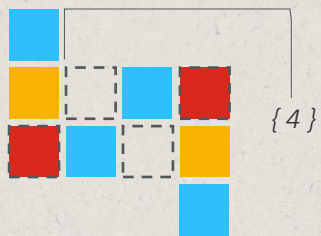


Worked with a government linked company to re-establish effective management practices across different functions.

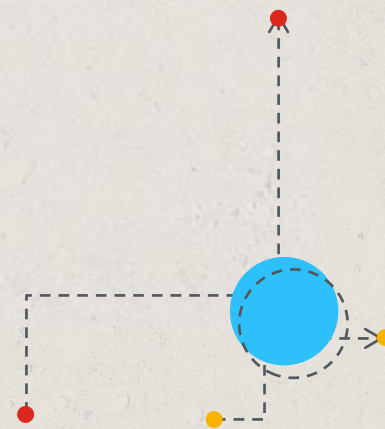
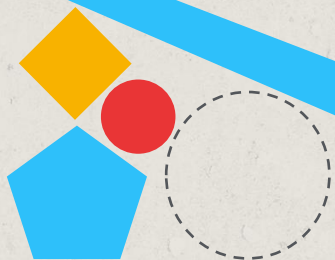
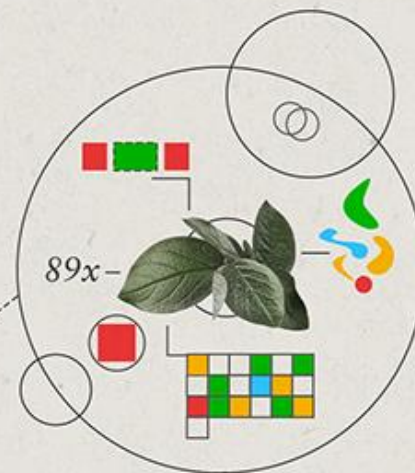
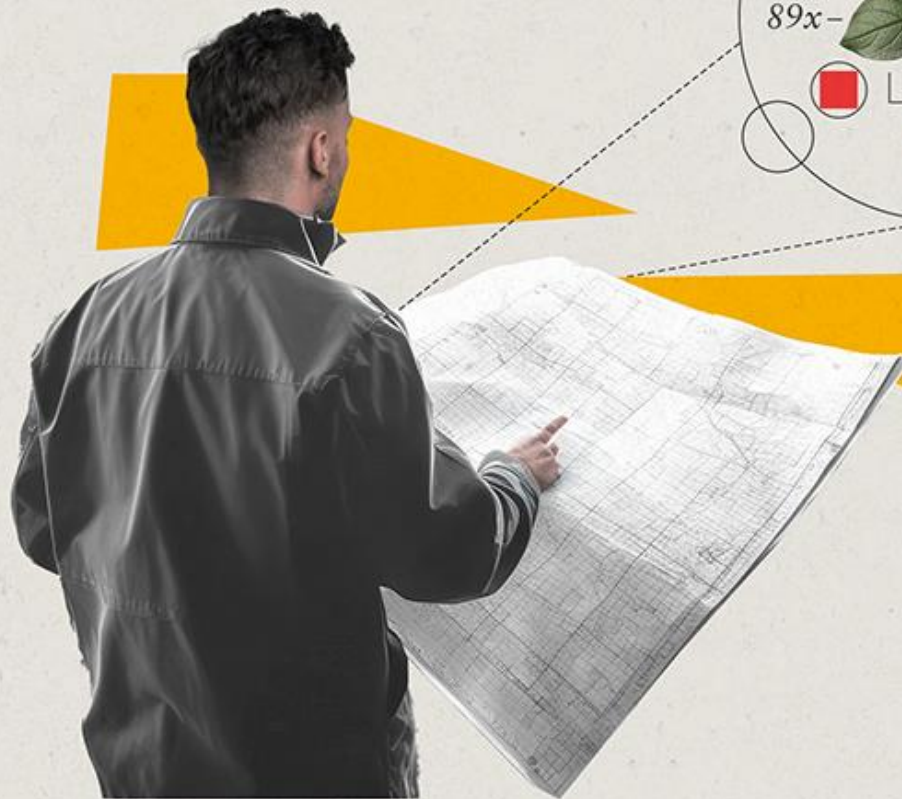
Through a series of coaching frameworks and workshops, empowered every manager to transform people behaviors and re-define new ways of working and take charge of performance to achieve common goals.

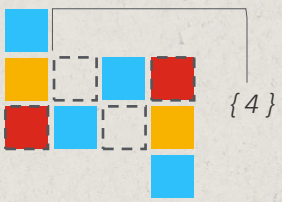


– Energy, resources and industrials



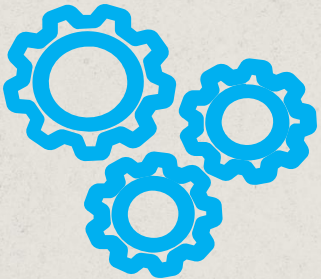
Leadership



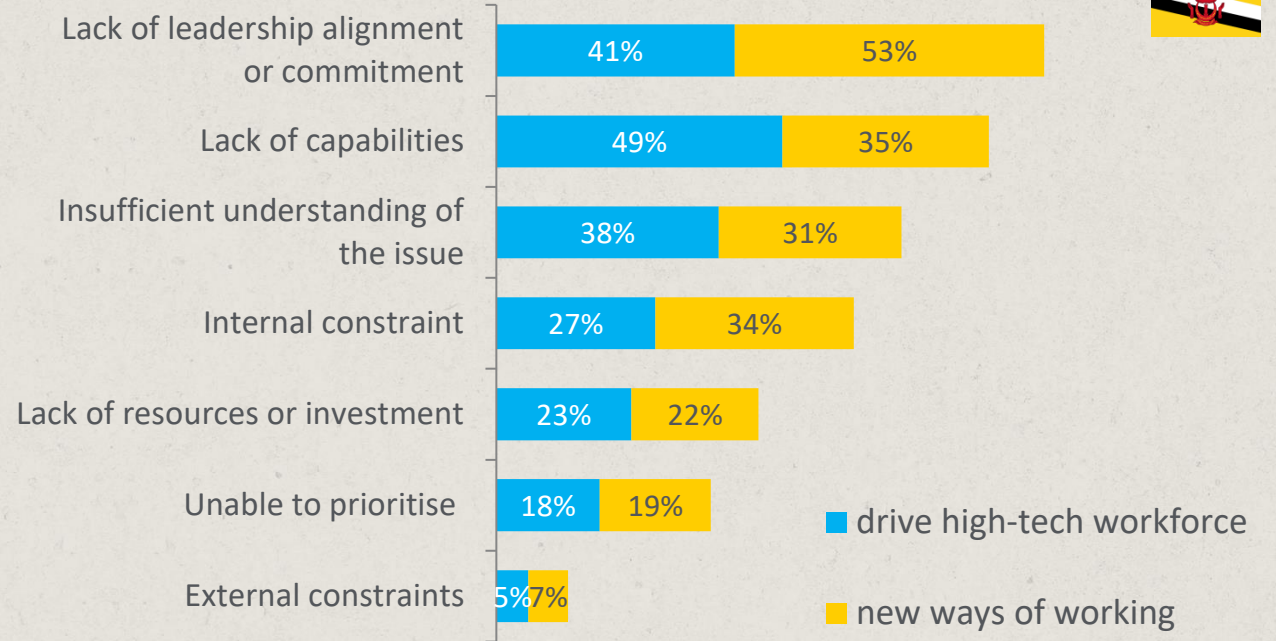


Orchestrating human performance from **the top**

How can leaders embrace and drive both **high-tech workforce** and **new ways of working**?

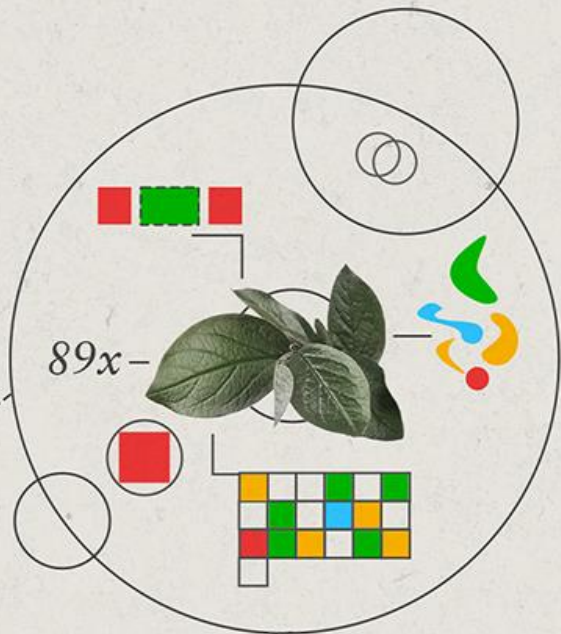


Let's look at some of the key challenges



The key challenges to building resilient leaderships are the **lack of leadership alignment or capabilities**.

*Framing the organizations and leaders' **mindset** and **responsibilities** is key to solving the lack of capabilities and leadership alignment.*



Workers and leaders aren't looking to make work more human at the **expense** of business outcomes and priorities, but as a path toward **improving** business outcomes and priorities.

Leaders have an opportunity—and a responsibility—to help their organizations **create new paradigms** geared toward human performance:



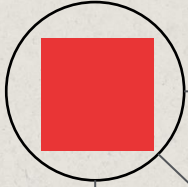
Resetting organizational priorities



Evolving governance structures



Fostering psychological safety for their teams



*'Insanity is doing the same thing
over and over again and
expecting different results'.*



Thank you.





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