

The future of the workforce Drivers and Challenges



Drivers



77 million millennials (more than half the workforce) expect a mobile work environment, are fuelling the new "freelance economy" and will change employers after 16 months on average.



42%¹ surveyed expect to increase the use of **robotics** and **cognitive technologies** AND 20 percent expect automation to increase hiring levels.



76%¹ surveyed expect automation will require **new workforce skills** in the next one to three years.



42%¹ surveyed expect to increase the use of **contingent workers** in the next three to five years.



Wage growth has been the strongest for those with **BOTH cognitive and social skills**.²

Impacts



A **'hollowing out'** of the labour market is seen in some markets, leading to growing inequality in skills and earnings.



Measuring the workforce is becoming more unclear. For one company it could be 18000, 30000 or 57000 depending on **how the worker is defined**.



A **shifting balance** of work time to leisure time, more specialization, and a cultural evolution



A **need for more skills**, including digital know-how, management capability, creativity, entrepreneurship and complex problem solving.



Technology can make **learning** available **anywhere, anytime to anyone**.



"Once done and done" education and career models are dead.

The future - what it means

Inclusive economic growth



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Business must be responsible for experience-based **learning** and helping employees learn how to learn. But a true tripartite approach to education and learning is fundamental.

Education, skills and career development will be more critical than ever to inclusive growth.



Policies must support a **dynamic workforce** that can constantly upskills and reskill, and enable innovation and workforce inclusiveness.



We must avoid fuelling greater **inequality** within our economies. Significant societal implications loom - culture, ways of living, hours spent at work, income distribution.

The workforce



Don't get caught up in the STEM hype to the detriment of humanities. **Quality learning** is needed across both.



Those able to **apply knowledge** will fare best.



Success will take not just the right heads with the right skills but the right **mix of heads** both in the workforce and delivery teams.



The learning curve may not be the earning curve. Workers may have to **upskill continually** to simply stand still financially.

¹ Deloitte Human Capital Trends 2016

² Deming, D. J., (2015) The Growing Importance of Social Skills in the Labor Market. NBER Working Paper No. 21473 Issued in August 2015 (<http://www.nber.org/papers/w21473.pdf> downloaded 13 June 2016).