



Deloitte 2023 Global Human Capital Trends Report: New fundamentals for a boundaryless world

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MEET YOUR HOSTS



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AGENDA



INTRODUCTION



**COCREATE THE
RELATIONSHIP**



**LEADING IN A
BOUNDARYLESS
WORLD**



**THINK LIKE A
RESEARCHER**



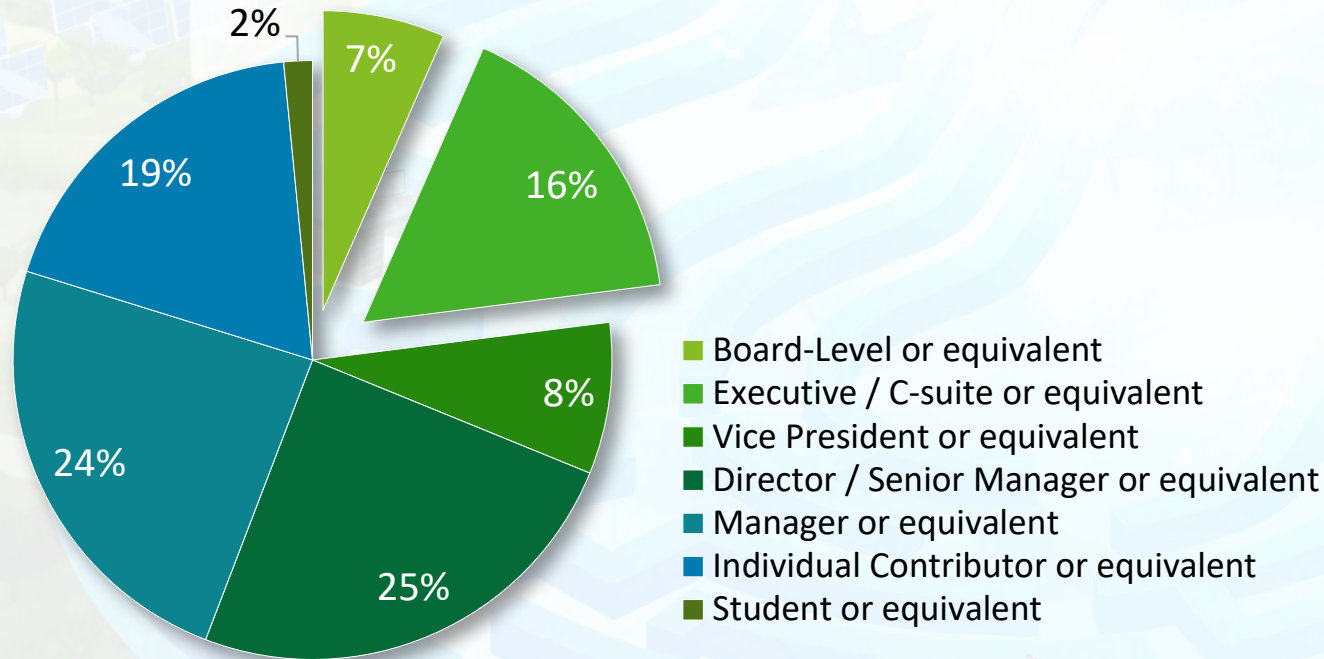
**PRIORITIZE HUMAN
OUTCOMES**



Q&A

How we got our insights for this report

This year's Trends Report surpassed the 2020 response rates by receiving responses from approximately 10,000 professionals across global business and HR organizations in 105 countries.



23% of respondents sit at the Board and C-Suite level

These survey statistics were supported by data from other publications and several interviews with senior leaders across industries.

The boundaries that were once assumed to be the natural order of things are falling away...

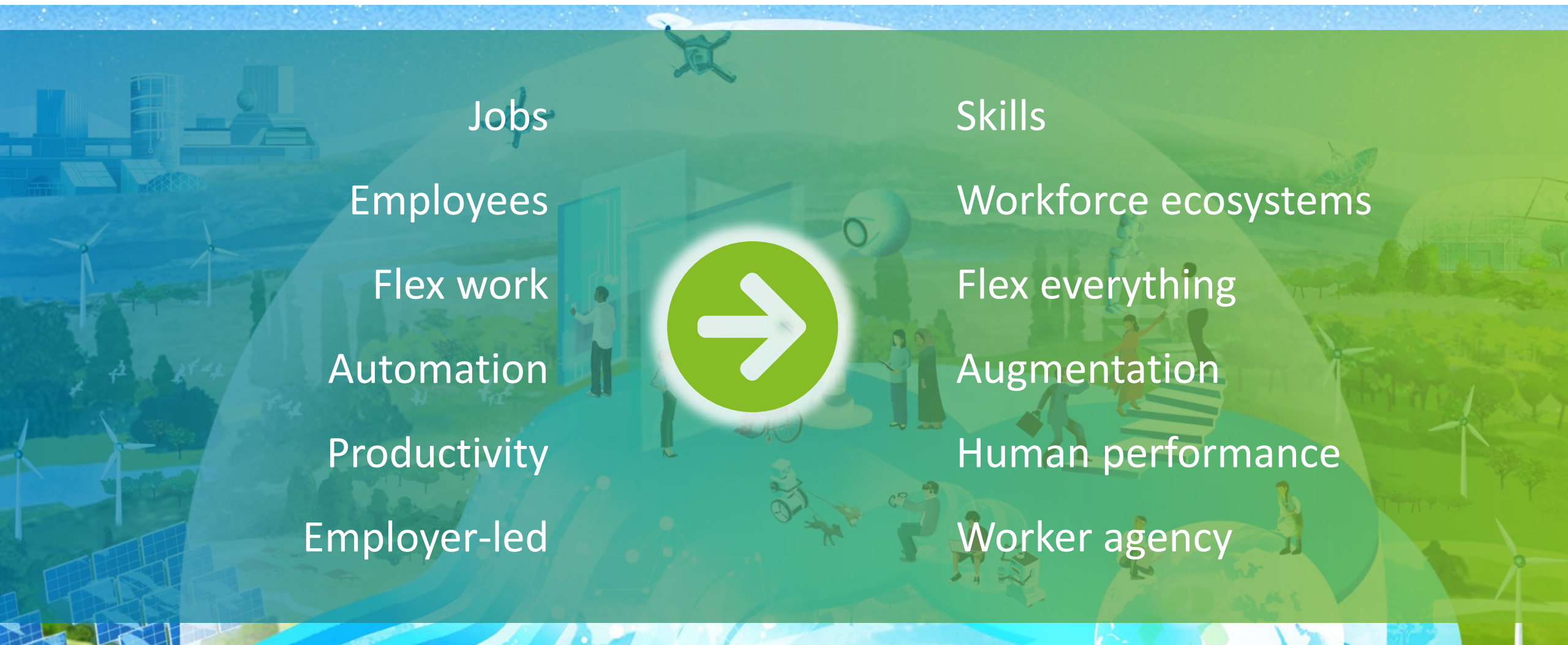


The implication for organizations is that they are traversing a new landscape as they lose those traditional boundaries that kept things packaged and orderly, and gain permission to experiment, pilot, and innovate to define new fundamentals.

New fundamentals for a boundaryless world

Key shifts have transformed the world of work and have created a boundaryless world.

For those who get it right, the boundaryless world becomes one of infinite possibility instead of chaos and confusion.



Jobs

Employees

Flex work

Automation

Productivity

Employer-led

Skills

Workforce ecosystems

Flex everything

Augmentation

Human performance

Worker agency

2023 Global Human Capital Trends Report

New fundamentals for a boundaryless world



FRAMING THE CHALLENGE
THINK LIKE A RESEARCHER



CHARTING A NEW PATH
COCREATE THE RELATIONSHIP



DESIGNING FOR IMPACT
PRIORITIZE HUMAN OUTCOMES

2023 Global Human Capital Trends Report

New fundamentals for a boundaryless world



THINK LIKE A RESEARCHER



COCREATE THE RELATIONSHIP



PRIORITIZE HUMAN OUTCOMES



Navigating the end of jobs



Powering human impact with technology



Activating the future of workplace



Negotiating worker data



Harnessing worker agency



Unlocking the workforce ecosystem



Taking bold action for equitable outcomes



Advancing the human element of sustainability



Elevating the focus on human risk

LEADING IN A BOUNDARYLESS WORLD



Framing the challenge: Think like a researcher



Navigating the end of jobs

Skills replace jobs as the focal point for matching workers with work

Since the dawn of the industrial age, the *job* has been the defining structure for organizing and managing every aspect of work.

That approach made sense when business changes occurred slowly and workers were just pieces in the industrial machine.

The solution?

A skills-based approach to managing work and workers, delivering business agility and worker autonomy by enabling work to be performed beyond formal job boundaries.



Navigating the end of jobs

Skills replace jobs as the focal point for matching workers with work

The readiness gap



93%

of our respondents said moving away from a focus on jobs is important or very important to their organization's success

20%

believe their organization is very ready to tackle the challenge

Organizations that match the right talent to work effectively can unleash worker potential to drive greater value and are:

52%

more likely to be innovative and

57%

more likely to be agile

Navigating the end of jobs

Skills replace jobs as the focal point for matching workers with work

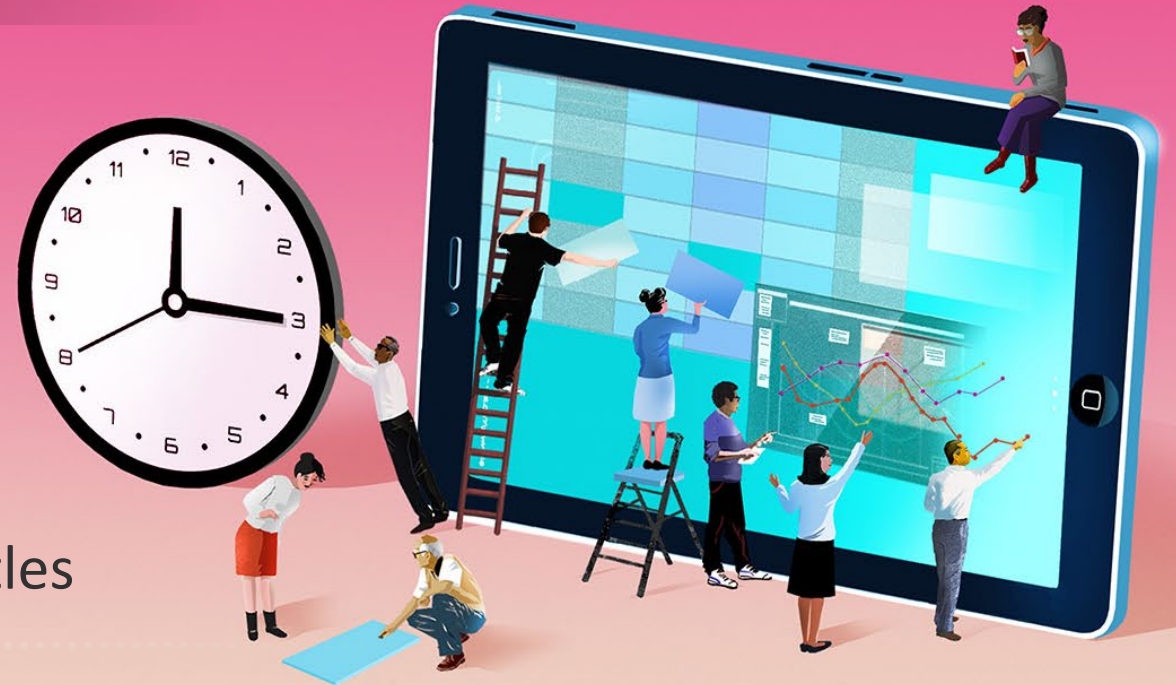
NEW FUNDAMENTALS

Define work based on the skills required

Collect and analyze data about worker skills

View workers based on their skills, not job titles


Make decisions about workers based on skills



Powering human impact with technology

Technology contributes to making work better for humans and making humans better at work™

New workplace technologies are emerging that help them improve their own personal and teaming capabilities...



...helping humans become better humans and teams become better teams.

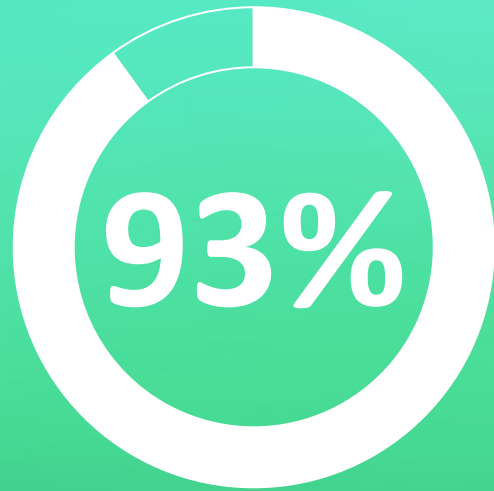
This is more than just wearables. It's technology supporting humans in countless ways to foster new behaviors...

...helping workers become better versions of themselves.

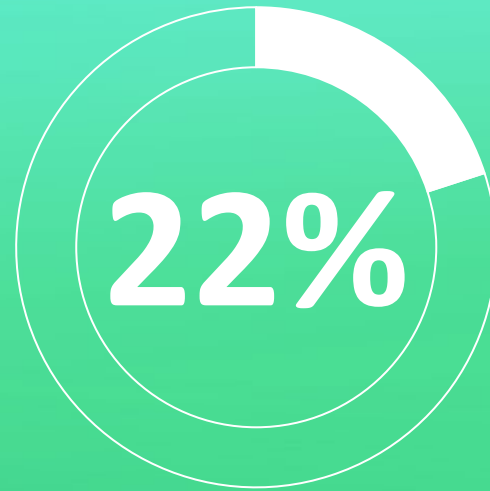
Powering human impact with technology

Technology contributes to making work better for humans and making humans better at work™

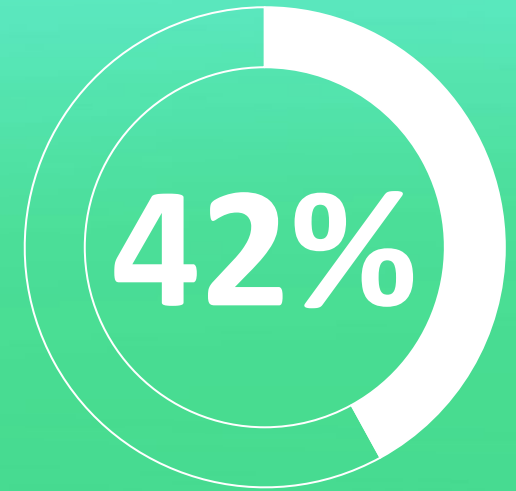
The readiness gap



of surveyed business leaders believe that using technology to improve work outcomes and team performance is important or very important to their organization's success



believe their organizations are very ready to use technology to improve work outcomes and team performance



of business leaders expect that technology will help drive better organizational outcomes by nudging workers and teams to perform better

Powering human impact with technology

Technology contributes to making work better for humans and making humans better at work™

NEW FUNDAMENTALS

Enable
technology to
work on the
worker (and the
team)

Use
interventions
and nudges to
make humans
better

Scale insights for
greater impact



Activating the future of workplace

The workplace evolves to be an input to the work itself

The ideal workplace is not just a physical site dictated by tradition, right, or necessity —but wherever the work is best done.

Organizations need to challenge traditional boundaries and design physical, digital, or hybrid environments that fit varying work needs, while respecting worker preferences and meta objectives such as culture, community, and teamwork.

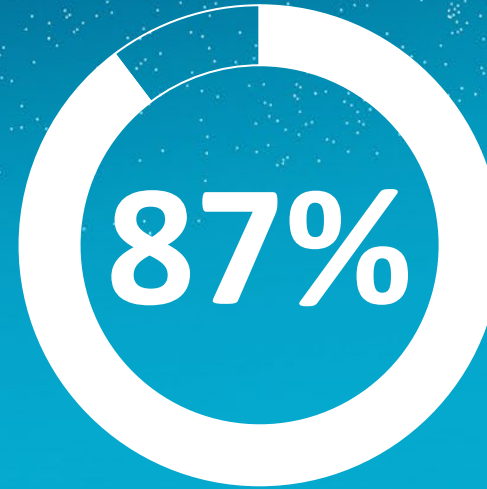
Workers can then determine when, where, and how to best accomplish the work within broad guidelines aimed at enabling, not constraining, these decisions.



Activating the future of workplace

The workplace evolves to be an input to the work itself

The readiness gap



believe that developing the right workplace model is important or very important to their organization's success



feel their organization is very ready to address this trend

Activating the future of workplace

The workplace evolves to be an input to the work itself

NEW FUNDAMENTALS

Let the work drive the workplace decisions

Deliberately design the experience in service of outcomes and value

Empower the individual, the team, and the ecosystem

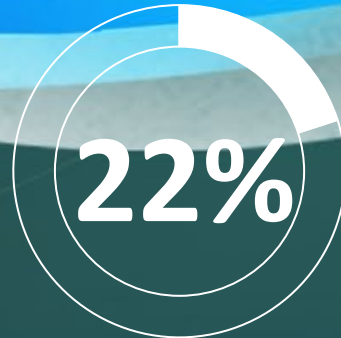
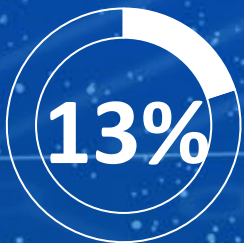


Think like a researcher: Readiness gap



feel their organization is very ready to navigate the **end of jobs**

Nordics



believe their organizations are very ready to use **technology** to improve work outcomes and team performance

Nordics



feel their organization is very ready to address activating the **future of workplace** -trend

Nordics





Charting a new path: Cocreate the relationship

Negotiating worker data

Organizations and workers vie for control of worker data when they should focus on mutual benefits

As organizations continue to expand the worker data they collect – data about behavior, communications, social connections, and even keystrokes and mouse clicks – a negotiation is emerging over who controls that data and how it gets used.

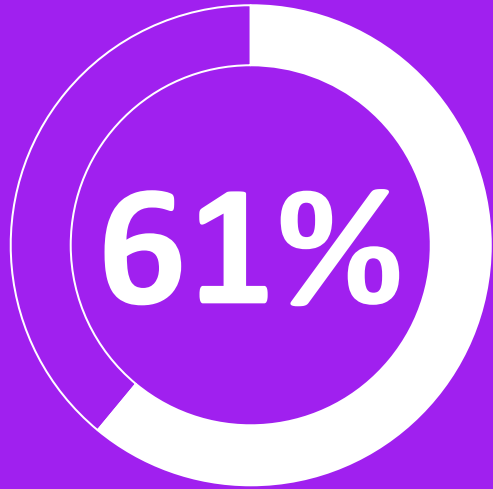
The key to success is finding ways to use worker data, which benefits organizations and workers alike, - even as regulations continues to evolve.



Negotiating worker data

Organizations and workers vie for control of worker data when they should focus on mutual benefits

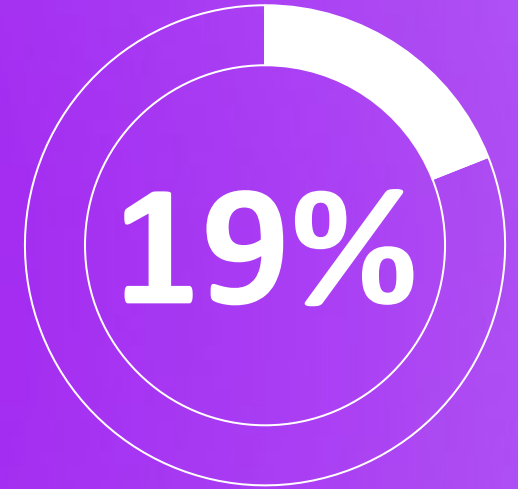
The readiness gap



of organizations described their data ownership structure as either shared or worker-owned – a significant departure from the traditional model of total organizational control.



believe that leveraging worker data to create benefits for both the organization and its workers (while building trust and confidence in how worker data is used) is important or very important to their organizations' success



believe they are very ready to do so

Negotiating worker data

Organizations and workers vie for control of worker data when they should focus on mutual benefits

NEW FUNDAMENTALS

Build trust and seek mutual benefits

Embrace workers' desire to control their data

Use expanded worker data to create more, and mutual, value



Harnessing worker agency

Organizations drive value and strengthen their relationship with workers by embracing rising worker influence

Workers today have more choices and influence than ever before—and are increasingly willing to use that newfound influence to shape the actions and agendas of their organization.

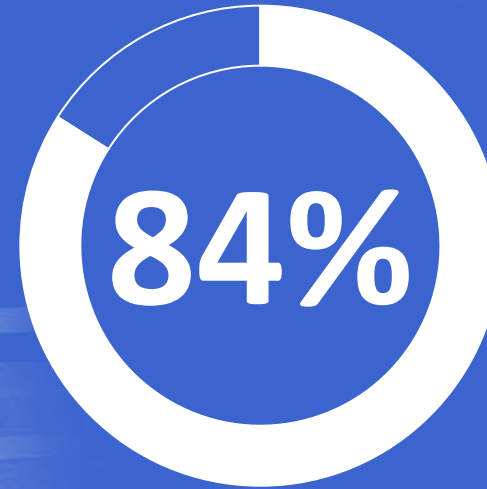
Business leaders need to harness worker passion and energy to create mutual benefits for everyone—not just for their workers and organization, but for the world as a whole.



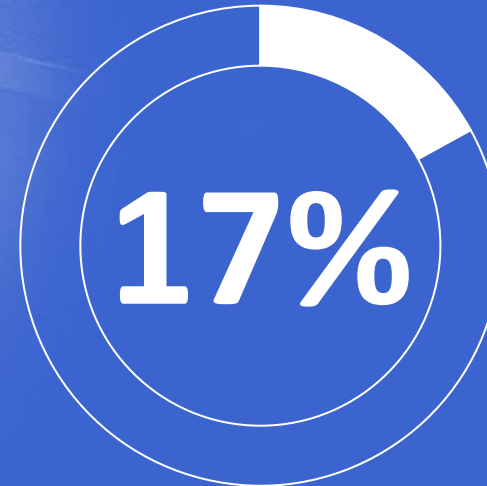
Harnessing worker agency

Organizations drive value and strengthen their relationship with workers by embracing rising worker influence

The readiness gap



84% of the business leaders we surveyed say worker agency is important or very important to their organizations' success



17% feel they are very ready to address the issue, the second lowest readiness score among all the trends surveyed

A third of Gen Z and Millennials would leave their job even without another job lined up

2 in 5 Gen Zs and Millennials have rejected a job or assignment because it did not align with their values

Harnessing worker agency

Organizations drive value and strengthen their relationship with workers by embracing rising worker influence

NEW FUNDAMENTALS

Embrace the moving target



Shared journey, shared outcomes



Focus on specific decisions that support your worker-organization relationship aspirations



Commit to making it real



Unlocking the workforce ecosystem

Removing traditional employment distinctions unlocks access to a true workforce ecosystem—and with it, critical skills and worker potential

To unlock the full benefits of the entire workforce – which include improved business agility and scalability, expanded access to talent, and improved worker productivity and performance – you need to think of your workforce as an all-inclusive, boundaryless ecosystem, where different types of workers have different needs and make valuable contributions in different ways.

This requires workforce strategies, processes, systems, and programs that maximize the unique contributions of different worker types while supporting them all in a more consistent way.



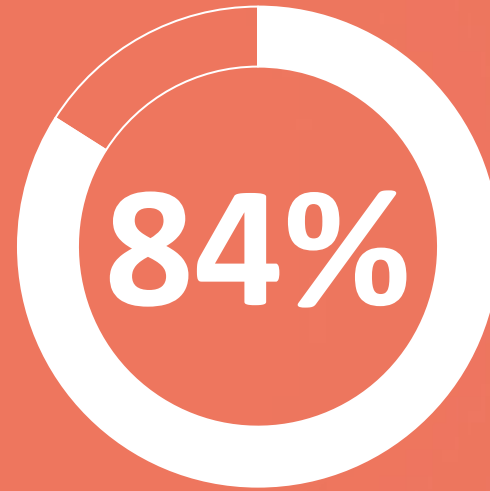
Unlocking the workforce ecosystem

Removing traditional employment distinctions unlocks access to a true workforce ecosystem—and with it, critical skills and worker potential

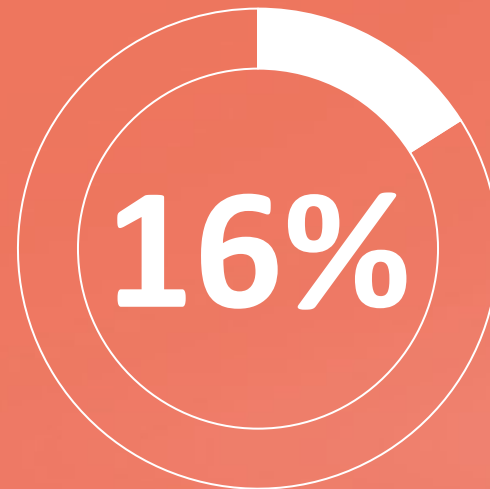
The readiness gap



of workers say they already have, or are likely to, switch employment models throughout their careers



of business leaders recognize the importance of inclusively leading an expanding workforce, including those inside and outside the organization



believe they are very ready to do so, representing the lowest readiness score

Unlocking the workforce ecosystem

Removing traditional employment distinctions unlocks access to a true workforce ecosystem—and with it, critical skills and worker potential

NEW FUNDAMENTALS

Adopt a workforce ecosystem mindset



Take a skills-based approach



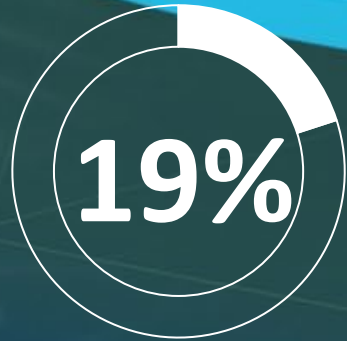
Create an open workforce platform



Pivot from directing to orchestrating

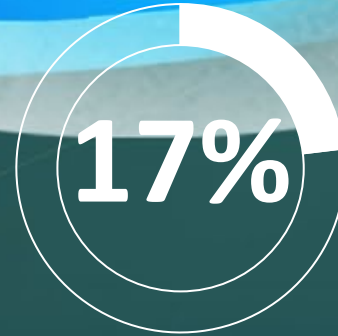


Cocreate the relationship: Readiness gap



believe their organizations are very ready to leveraging **worker data** to create benefits for both the organization and its workers

Nordics



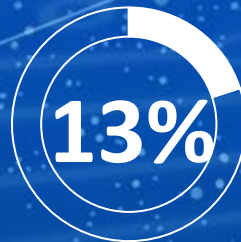
feel their organization is very ready to harness **worker agency**.

Nordics



believe they are very ready to address workforce ecosystems, representing the lowest readiness score.

Nordics





Designing for impact: Prioritize human outcomes



Taking bold action for equitable outcomes

The DEI conversation shifts from activities to outcomes

Diversity, equity, and inclusion (DEI) are often treated as a single monolithic objective, rather than separate but mutually reinforcing sets of actions—with diversity and inclusion being necessary prerequisites to achieve equitable outcomes.

DEI progress has traditionally been measured based on activities and effort—often with little consideration for actual outcomes achieved. DEI actions should be in service of achieving equitable outcomes in the workforce—and broader society—while boosting an organization’s innovation, competitiveness, and long-term business success.



Taking bold action for equitable outcomes

The DEI conversation shifts from activities to outcomes

The readiness gap



More than **1,000**

public DEI commitments

\$210 billion

to DEI initiatives

In the last two years, large multinational organizations made more than **1,000 public DEI commitments** and pledged more than **\$210 billion** to DEI initiatives, inviting increasing accountability for DEI-related promises



86%

of the business leaders we surveyed say embedding DEI into everyday ways of working and teaming while measuring outcomes is important or very important to their organizations' success



25%

feel they are very ready to address the issue

Taking bold action for equitable outcomes

The DEI conversation shifts from activities to outcomes

NEW FUNDAMENTALS



Re-orient to outcomes, not activities

Focus on the system not the individual

Produce disaggregated actionable insights,
not aggregated descriptive data

Center DEI as intrinsic to, versus separate
from, the business

Advancing the human element of sustainability

Human sustainability rises to the fore of organizations' sustainability strategies

Enterprises' initial efforts to address sustainability issues have been largely driven by public relations or brand defense—with less regard for meaningful outcomes. More recent efforts, such as reducing emissions in operations or manufacturing, are producing real but incremental improvement at the fringes of the business.

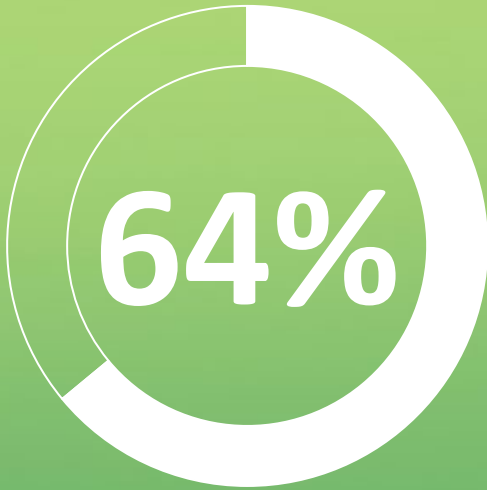
Now it's time to take the next step to achieve tangible outcomes by focusing on the human element —by operationalizing people-enablers in the organization, planning for the right technical and soft or human skills, making work better for humans, and designing for human sustainability. This is where fundamental and lasting change takes root and outcomes are can be achieved.



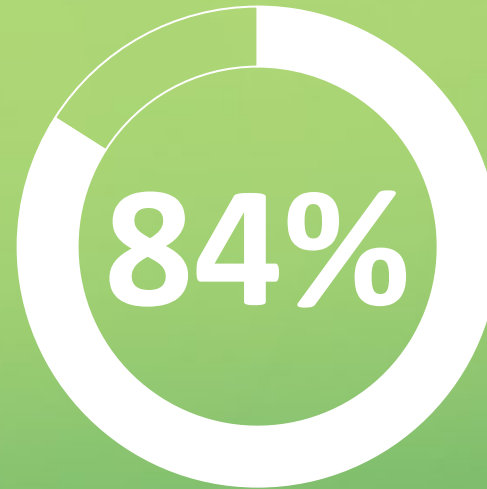
Advancing the human element of sustainability

Human sustainability rises to the fore of organizations' sustainability strategies

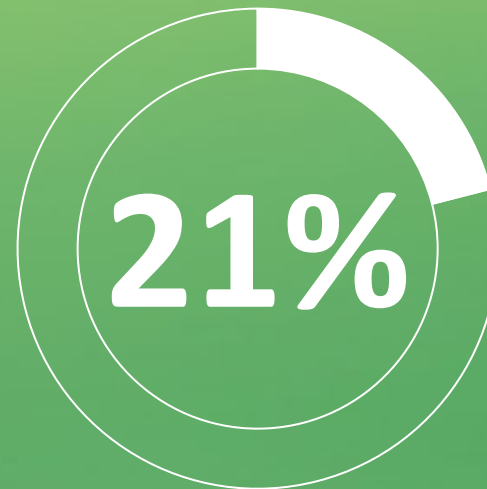
The readiness gap



workers said they would be more attracted to and remain at an organization that creates value not just for shareholders, but for workers as human beings and society in general.



of respondents acknowledge that understanding the impact of sustainability on their organization and defining ownership for driving progress and outcomes is important to their organizations'



believe that their organizations are very ready to address such issues

Advancing the human element of sustainability

Human sustainability rises to the fore of organizations' sustainability strategies

NEW FUNDAMENTALS

Embed sustainability into purpose, strategy, and culture

Plan strategically for sustainable skills needs

Make work better for humans

Design for human sustainability



Elevating the focus on human risk

Opening the aperture and changing the lens on risks to focus on the human element

As C-suites and boards of directors grapple with contingencies for a growing list of disruptive external risks—including environmental, social, technological, political, and economic issues—they should consider expanding their focus beyond the operational and financial effects of those risks, to include the human implications.

It is imperative they understand that, the impact of these disruptive risks on humans (both —inside and adjacent to organizations) —is substantial, as is the linkage between the human impact and that of the organization at large. Seeing these disruptive risks through a human lens paves the way for greater resiliency, enables superior business results, and creates a more effective, and informed set of solutions for mitigating—and thriving in the face of—these disruptions.

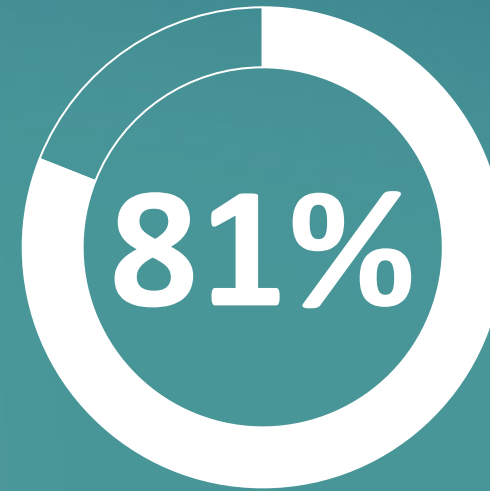


Elevating the focus on human risk

Opening the aperture and changing the lens on risks to focus on the human element

The readiness gap

Only **40%** of organizations have a clear definition of workforce risk and less than **10%** of executives say they are satisfied with how their organization monitors risk



of respondents acknowledge the importance of anticipating and considering broader societal and environmental risks like political instability and social injustice when making workforce decisions



believe their organizations are very ready to address those risks when making workforce decisions

Elevating the focus on human risk

Opening the aperture and changing the lens on risks to focus on the human element

NEW FUNDAMENTALS



Consider a more expansive set of risks and create a framework for monitoring them

Create organizational agility through expanded insights

Instill responsibility at the board-level so it cascades through the organization

Prioritize human outcomes: Readiness gap



feel their organization is very ready to embed DEI into everyday ways of working and teaming while measuring outcomes

Nordics



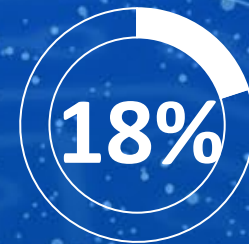
believe they are very ready to address the impact of sustainability on their organization and defining ownership for driving progress and outcomes

Nordics



believe their organizations are very ready to address human risks when making workforce decisions.

Nordics



A vibrant, futuristic illustration of a world where technology and nature coexist. A large, white, dome-shaped structure dominates the center, with a blue sky and stars above. Three blue drones fly in the sky. In the foreground, a man in a white shirt interacts with a large, glowing blue screen. A woman in a blue dress and a man in a black suit stand nearby. A person in a wheelchair is also present. A blue robot arm is visible. In the background, a man in a white shirt and a woman in a red dress walk up a set of blue and white stairs. A wind turbine is visible on the right. The overall scene is bright and optimistic, representing a boundaryless world.

Leading in a boundaryless world

Leading in a boundaryless world

Reshaping the way that you lead and influence others

How do you lead in a boundaryless world in which work is no longer defined by jobs, the workplace isn't a specific place, many of the most important workers aren't traditional employees, and leadership isn't determined by the organization chart?



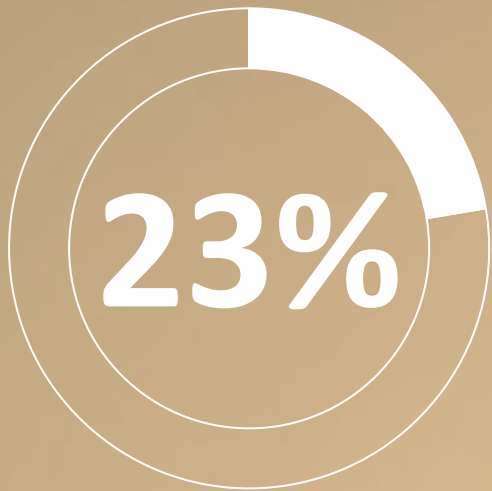
To thrive, leaders must evolve in tandem with their organizations and adopt a new set of fundamentals to mobilize workers and teams against new outcomes.

Leading in a boundaryless world

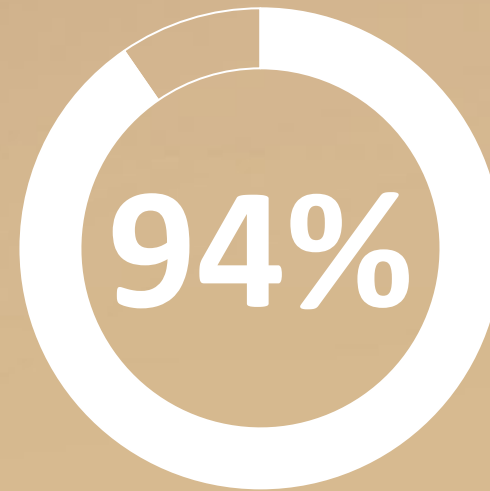
Reshaping the way that you lead and influence others

The readiness gap

Half of survey respondents say their organization's leaders are struggling to identify what to prioritize because they are overwhelmed by the number and frequency of disruptive shifts.



believe their organization's leaders currently have the capabilities necessary to manage in a disrupted, boundaryless world



of respondents believe leadership capabilities and effectiveness are important or very important to their organization's success, representing the highest importance score across all trends



Leading in a boundaryless world

Reshaping the way that you lead and influence others

NEW FUNDAMENTALS

Framing the challenge: Think like a researcher

Charting a new path: Cocreate the relationship

Designing for impact: Prioritize human outcomes





Q&A



Although the potential for disruption is real, so is the opportunity for an extraordinary reimagination of what the work, workforce, and workplace can be.

Are you ready to embrace the possibilities?

To learn more, read Deloitte's 2023 Global Human Capital Trends report online at: www.deloitte.com/hctrends



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