



## Deloitte 2024 Human Capital Trends Energy, Resources & Industrials Industry Companion Report

# Introducing the 2024 Global Human Capital Trends

## Human Sustainability



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

## 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.

## Beyond Productivity



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

## Workplace Microcultures



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

## Transparency Paradox



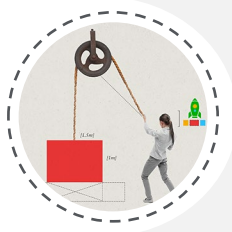
Technology can make almost everything and everyone in an organization transparent based on data from sensors, software, and systems.

## Boundaryless 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.

## Imagination Deficit



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

## Leadership



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



# ER&I | Power, Utilities & Renewables

Quantitative and qualitative insights indicated that there were three trends of particular importance to organizations in the PU&R



**Human Sustainability**



**Beyond Productivity**



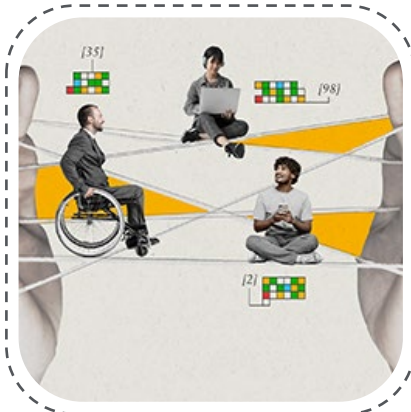
**Transparency Paradox**



**Imagination Deficit**



**Digital Playground**



**Workplace Microcultures**



**Boundaryless HR**



**Leadership**

# Executive Summary

Demographics | 2.75% of total survey respondents were from PU&R sector

## Key Finding 1:

Perception Gaps | Financial Results, Societal Impact, Purpose

### Key Takeaway

- **PU&R executives are significantly more likely than executive respondents globally** to affirm that their **organization delivers on financial results**, consistently provides meaningful work for workers and provides broader value for its customers, communities, and society.

## Key Finding 2:

Evolving the Role of the Manager and Management

### Key Takeaway

- A significant majority of both **PU&R and global respondents** perceive **evolving the role of the manager and management** to fit new ways of working as critical to their organization's success
- However, **PU&R respondents are more likely** than global respondents **to believe that evolving the role of the manager and management will be a #1 impact** on their organization in three years
- PU&R respondents cite **lack of leadership alignment** or commitment and internal constraints as the primary barriers to addressing this issue

## Key Finding 3:

Imagination and Curiosity

### Key Takeaway

- **PU&R respondents are less likely** than global respondents to prioritize ensuring **imagination and curiosity** prioritize ensuring imagination and curiosity keep pace with technological innovation as a top impact on their organization this year
- Accordingly, while 9% of global respondents believe that they are leading in terms of addressing this issue, just 3% of PU&R respondents hold the same belief

# Human Sustainability

## What the data shows...

- Globally, PU&R executives are significantly more likely to affirm their organization’s financial performance, creation of broader value, and provision of meaningful work compared to executives in other industries.
- However, a noticeable disparity exists between the views of PU&R executives and nonexecutives

## The implications

Perception gaps between executives and nonexecutives can lead to a range of notable implications. This includes potential impacts on organizational culture and employee engagement, impact on strategic alignment within the organization that can subsequently impede the organization’s overall performance, and potential damage to reputation which could affect the organization’s capacity to attract and retain high-caliber talent.

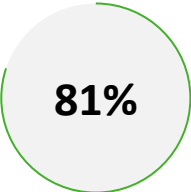
## Why this is happening...

- Industry Trends and Growth:** The PU&R industry is experiencing significant growth leading to strong financial performance. This growth could be driven by factors, such as increased demand for renewable energy, electricity, government incentives, or technological advancements.
- Sustainable and Social Impact:** The renewable energy sector inherently creates societal value, which may make executives more likely to affirm their organization’s societal contributions.
- Long-term Investment and Stability:** The PU&R industry involves long-term projects and investments and often predictable rates of return on these capital projects. These can lead to stable, consistent financial results viewed positively by executives.

The noted disparity between the views of executives and nonexecutives within the PU&R industry suggests that these positive perceptions might not be shared across all levels of the organization. This could be due to a variety of factors, such as communication gaps, discrepancies in benefits or job satisfaction, or differing views on the organization’s direction and impact.

# Leadership

of PU&R respondents



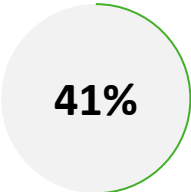
### What the data shows...

perceive **evolving the role of the manager and management** to fit new ways of working as critical **to their organization's success**

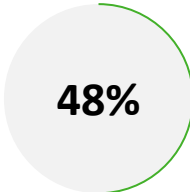
### Why this is happening...

The sector has experienced a tremendous degree of change in recent years. Utility organizations are entrusted with meeting rising electricity demand with clean energy, improving grid reliability and stability, maintaining low electricity costs for consumers and accelerating the pace of innovation to achieve a 2050 net zero power sector goal all within a backdrop of an aging workforce. Several rapidly evolving technologies, including Smart Grid technologies, Internet of Things, Renewable Energy Integration, and Artificial intelligence now form essential infrastructure of utility organizations and as such, have accelerated the need for managers to leverage new ways of working required to succeed.

When asked about the primary barriers to addressing this issue...



cite lack of leadership alignment or commitment



cite internal constraints

### The implications

As a result, managers need to adapt in multiple ways:

- Stay abreast of the latest technologies, and understand how to integrate them into their operations efficiently
- With the industry's push toward sustainability, managers are also tasked with driving innovation and implementing strategies that align with these goals
- Additionally, they must deal with workforce issues, including managing an aging workforce, attracting new talent, and ensuring adequate skills training. Overall, success in the evolving utility industry landscape requires managers to navigate these complex challenges with strategic foresight and adaptability.

# Imagination Deficit

## What the data shows...

PU&R respondents were less likely than respondents in other industries to rank **ensuring imagination and curiosity to keep pace with technological innovation as a #1 or #2 impact this year**

## The implications

PU&R companies need to keep up with the pace of technological innovation:

- Neglecting to foster a culture of curiosity and imagination will lead to loss of competitive advantage, decreased productivity and efficiency as they miss out on opportunities to optimize operations and reduce costs.
- This also directly impacts talent attraction and retention and managing evolving customer expectations. Utility customers expect and demand innovative solutions that meet their changing needs.

To mitigate these risks, it's important for PU&R companies to invest in keeping up-to-date with technological advancements. This requires a commitment to innovation at all levels of the organization, from senior leadership to individual employees.

## Why this is happening...

A majority of PU&R respondents categorize themselves as “exploring” and “expanding” related to ensuring that the imagination and curiosity of human in the organization keep pace with technological innovation.

- **PU&R Companies in the “exploring” stage** are beginning to understand the importance of fostering a culture of innovation and are taking steps to promote curiosity and creativity among their staff. This involves encouraging employees to experiment with new ideas and approaches and starting to create a safe space for failure but doing so within the boundaries of a culture of safety given the nature of the industry's work
- **PU&R Companies in the “expanding” stage are fostering a culture of innovation.** They are now looking to scale their efforts by investing in technology and tools that can support and enhance innovation, training leaders and managers to foster a culture of innovation and creating an environment where people feel empowered to push the boundaries of what's possible while maintaining a safety focus





#### About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the “Deloitte” name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more about our global network of member firms.

Copyright © 2024 Deloitte Development LLC. All rights reserved.

Designed by CoRe Creative Services RITM1808955