



CAPITAL H

Soundbites from Season 5: Exploring the path forward

Capital H: A look back on season 5

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Burt Rea: Welcome to Capital H, the podcast that explores the latest trends and developments associated with work, the workforce, and the workplace. I'm your host, Burt Rea, leader of Deloitte Consulting's Human Capital Research & Sensing offering. I'm joined by my co-host, David Mallon, vice president and chief analyst with Deloitte Consulting Human Capital Research & Sensing. Today we're looking back on our 2020 Human Capital Trends survey and recapping some of our favorite moments from this season. To get started, I'd like to welcome two of our authors of the report, Deloitte's Erica Volini and Jeff

Schwartz, both principals in our Human Capital practice. Jeff, Erica, welcome back to the program as we revisit the three Ps of the Human Capital Trends report: purpose, potential, and perspective.

Erica, Jeff, welcome back to the podcast and thank you for joining David and me today. Erica, if you could give us a little bit about your background. I know you are our lead for Global Human Capital Practice across our entire member firm network based in Phoenix. Thanks for joining us.

Erica Volini: Thanks for having me. Yes, I think you captured it right there. I have been in and around the Human Capital space for the last 22 years, hard to believe it. And now I have the privilege of leading our 12,000 practitioners across the world and helping our clients with everything related to the work, their workforce, and the workplace. So thrilled to be here today.

Burt: Thank you for joining us. And Jeff Schwartz is our leader for US Future of Work. Jeff is also a senior partner with our practice. Jeff, welcome to the podcast.

Jeff Schwartz: Thank you, Burt. Really great to be here today, and building on what Erica said, I'm very fortunate to be one of the leaders of our Future of Work team in the US and globally and to have been involved in our Human Capital Trends research since we started it in 2011. So, I have that experience over the last decade and look forward to sharing that on today's discussion.

Burt: And also introducing my co-host, David Mallon. David will play a dual role today. He was one of the co-authors on our Trends report. So, he'll be able to chime in on the content and discussions. David, welcome to the podcast.

David Mallon: Thank you, Burt. I'm thrilled to be here and to have a chance to chat with Jeff and Erica.

Burt: Wonderful. Well, I'll tell you, we're so excited to be able to wrap up season five with everyone, all of our principal authors on the Trends report, which was focused on the question we explored throughout this season of how organizations leverage the environment that technology creates to humanize the world of work. This question called us to recommend organizations to make three key shifts that we call the three Ps. These are purpose, potential, and perspective. To enable organizations to embrace the paradox facing the world today—how organizations can remain distinctly human in a technology-driven world. And today we're going to revisit some of our favorite moments of the season and expand on some of the great conversations that we've had through the lens of the three Ps.

First, let's discuss purpose. Purpose is made up of the trends belonging to designing work for wellbeing, the post-generational workforce, and purpose is calling for organizations to not just talk about purpose,

but to embed meaning into every aspect of work each day. And, in fact, our top two trends this year came from the purpose section: Belonging and designing work for wellbeing. In both of those episodes, it was brought up that looking forward, especially given current trends and current events, these two trends will become increasingly important to workers. So how have you seen these two trends at play since the start of the global COVID-19 pandemic and its renewed calls for racial justice? And Erica, I'd love to start with you on this topic.

Erica: Yeah, I think the quick answer is we've seen this come into spades. When we talked about purpose, and this was an important distinction that we tried to create, it wasn't about just putting out lofty mission statements or even value statements, it was really about tightening the connection between the individual worker, the team, and the organization itself. And I think we're seeing this play out, not only in the context of the pandemic, but to your point, through the social injustice discussions that have been happening. Individuals want to know not only what their organization is doing, but they want to feel like it's a part of how the organization is bringing it into the culture every single day. That it is reflected in the policies and the procedures, in decisions around succession and leadership, in the way in which they evaluate individuals. They want to feel that, if that's part of the organization's mission, which by the way, it should be part of every organization's mission, that it's connected to the work and the reality of what's happening on the ground every single day. And I think that's what's important. I actually think it's a great example of how organizations need to move from this broad-based concept of purpose at the highest level to truly creating meaning. And this is an area that's very meaningful. In fact, organizations are saying it can't be about talk and money. It has to be about action. And I think we see a lot of leaders starting to really spend the time thinking about, how do we put forth meaningful action that's going to be sustainable, that can be felt by our workers

every single day in what they're doing. And when we achieve that, that's when we will truly embrace purpose.

Burt: I think that's well said. Jeff, I'd like to turn to you. In the context of the future of work, and for so many of us, the future of work is now, how do you align with this idea of meaning and purpose in the context of where work happens, who does the work, how work happens, the nature of work itself?

Jeff: I think one of the things we've all experienced since March, when COVID became part of the way that we were all living and working, when we think about it through the lens of the future of work, there are a couple of ways that I would think about it. They're really two sides of the same coin. One is that we say the future is now. And one way that we talk about that, Burt, is we've recognized that the future is closer today than it was before. But let me be very specific. Things that we thought were going to happen by 2025, we're talking about them happening in 2020 and 2021 and 2022. To summarize it, things are happening faster. So, the relationship between purpose and speed is becoming important, as is the relationship between purpose and being personal. It's hard to imagine an era where our work and our jobs have been more closely intertwined between our personal lives and our work lives and our social and our political concerns. So, purpose and the future of work are personal. They're faster. They're also more connected. One of the things that we talk about is, and we've had some great discussions on this, when we do as much remote work and hybrid work as we're doing, and not everyone is working remotely, but many more people are, in a funny way, headquarters is gone. We're all in headquarters. We're all connected to each other. Organizations are flatter, the connections that we're making across the country, across the city, across the world are happening. And we're also trying to figure out, how do we connect people and technology? Because one of the things we've seen in this year while we've been rolling out

and talking about the trends is an increasing role for automation. And that really goes to the heart of what Erica and the team are talking about this year, which is how do we balance and manage the paradox between more technology and more humanity in a world that is faster, more connected, and more personal?

Burt: David, I'd love to get your thoughts on this. And especially in the context of your role as our chief analyst for Research and Sensing. How does this link into some of the research that we're putting out right now, thinking about planning workforce design in this context of belonging and wellbeing?

David: I'm going to pick up on something, I think a thread that Jeff was pulling on. Patterns and interaction in work have changed. And well, we're already changing. I think what's happened in the context of the pandemic is it's forced organizations to pay attention to changes that were already underway. The good news is that more organizations are focused on talking about giving recognition to topics like wellbeing and to belonging. And that's not restricted to any particular industry or sector. It's not about just those that are most hard hit by the economics of this. It's not about those that have more employees that are on-site versus hybrid versus those that are 100% virtual. It's all organizations that are recognizing that these things are important because of these patterns of interaction and the work itself has shifted, and shifted so fast. To your question specifically, what we're seeing in our high-impact workforce research is the companies that seem to be showing the most maturity, the companies for which there is a sort of demonstrated connection to outcomes that we all care about, they're meeting their financial targets, they have happy customers, and so on, is a recognition that, well, in the past we could figure out what our business model was. And that meant that we're going to need to be able to do certain kinds of work. We could then build some workplaces for that work to happen in, and then we could figure out who our workforce

was. And those things happened in sequence. And in relatively waterfall fashion. And we would only occasionally connect them again periodically when circumstances warranted. And what we're finding is that can't happen anymore. Things change too fast. And so, we have to figure out how to address the work, the workforce, and the workplace in parallel, in constant dialogue. And where each is informing the other, one is not necessarily dictating the other, each is informing the other. The mixed bag of now is that even though we have this broad consensus, lots of organizations, lots of leaders of organizations talking about these issues of things like belonging and wellbeing, that broad consensus is not necessarily translating into a kind of broad consensus as to how and where to address it, how to get beyond the Band-Aid, how to get beyond just talking about basic questions of safety compliance, to really rethinking the work and the workforce and the workplace and how to engage all the right people in that conversation.

Erica: And, David, if I could just build upon that for a minute. It's not just about consensus on how to move forward, but it's the reality that most organizations aren't organized and don't have the culture to be able to work across functional and organizational silos to get this done. And I think that's actually the biggest barrier that we're seeing right now. It's fascinating to me because in 2018, in our Global Human Capital Trends report that we called the Rise of the Social Enterprise, the number one trend that year was what we called the symphonic C-suite. I know we were surprised that it ended up being the number one trend, but to see it's so resonant in every conversation that we have, I feel like everything we talk about comes down to, do you know how to work symphonically? Do you know how to cut across your organization? And even organizations who have truly embraced teams, which we've seen as an enormous trend that's taken place, their ability at the top to really work together on these pressing issues, like

the future of work, like becoming more adaptable and more digital, like social injustice, which is another one of those challenges. It's really a barrier. And I think organizations need to double down and work on that. Figure out how to embed it into their leadership attributes, their leadership development programs, because to me, it's going to be one of the most important capabilities for leaders and I mean leaders at every level to have over time, if we're going to tackle these issues. So just to add on one more dimension, I actually think that is becoming the pressing organizational issue of our time.

Burt: And, Erica, it really strikes me that this idea of teaming, collaboration, connectedness, belonging, wellbeing all serve as muscle for this idea of resilience in both individuals and organizations to get through and deal with these disruptive times that we're in and the completely new and novel issues that we're seeing and facing in the world, in the macroeconomic economy, in our social issues that are so poignant. It feels like this idea of resilience is so critical as a muscle and an outcome of some of these concepts.

Erica: Absolutely. Resilience is the word of the year at a minimum. I don't know if this is really the Webster's definition, but resilience is the ability to thrive through disruption, and we're facing incredible disruption right now. When the pandemic ends, there will be many more disruptions to come. So, the ability to be resilient, to be able to continue to thrive is critical. And I think that's where these capabilities come into play. We just talked about one critical capability, which is the ability to work cross-functionally, across organization. That's essential. But if you think about the world we're in right now, and what's necessary for resilience, it's the ability to listen and have empathy. We're in a virtual remote world. We can't see our employees face to face. How do we have the listening skills and the level of empathy and those capabilities that allow us to keep our workforces engaged and productive? That's important to building

resilience. We can't just think about resilience as, oh, that's a buzzword. I think it's, how do we translate resilience to a set of capabilities that every leader, every employee needs to have, whether it's related to their own skills or whether it's related to how to drive and promote teamwork, or whether it's being able to flex organizational and business strategies.

Jeff: Erica, I agree. I don't think there's a question that resilience is one of the words of the year. What's interesting about resilience is it's being used in different ways. And as you've just summarized, as we've been talking about over the last few minutes, resilience is an attribute for individuals. How do they bounce back? How do they thrive in uncertainty? And we sometimes talk about it as a trait. How can people be more resilient? How can they be more adaptable? How can they be more courageous? What we're also talking about when we talk about the symphonic C-suite is resilience is the characteristic of a team. We can build resilient teams. Resilient teams will have more members working together in new ways, and they will adapt and thrive better than a set of individuals who are particularly resilient. The other thing that we're looking at is how do we build resilient, as you've put it, capabilities and programs and infrastructure so that in addition to the individuals and the teams, the organization can flex and move and sense in response to an environment that we think is going to continue to be dynamic and, in some ways, turbulent. So, the different views of resilience is a very powerful part of this. We started with the discussion on purpose, and purpose as it links to resilience for individuals, for teams, for the organization, integrating our work and our lives, and thinking about how resilience fits into that. It seems to be very timely as we're in the last part of 2020.

Burt: So, I'd love to move on to one of the other highlights of our season five series. Let's rewind and listen to a clip from Swarm Vision's Suzan Briganti about our post-generational workforce trend. And in that episode, Suzan talks about innovation being

less about age and more about being able to thrive under uncertain times, and she mentions COVID-19 as a way of pushing that idea even further.

Suzan Briganti: And so that's why we find that it's not age related, this innovation capability. It's about being able to thrive in uncertainty and ambiguity and change. And that's the kind of scene we're getting into here. So, I think companies are learning to or starting to think about how to design for change. And there are structural aspects of that, which we don't really get involved in, but sort of maximizing your surface area of the organization to have a lot more interaction with the outside world, becoming more externally facing, but there's also this big talent piece to it.

The other big thing I see is that customers are now starting to talk with us about using Swarm to build a future fit workforce. People who can thrive in uncertainty, that sort of scale learning that you talked about, who can innovate every day and continuously renew their organizations versus sort of waiting to be forced to do it by an external crisis.

So, I think while our research was really with innovators to drive innovation, what we're finding as a side effect is that the people with these eight skills or several of them tend to have more elastic minds. They tend to see growth opportunities in crisis more easily. So, I think that's really exciting that this whole idea of being able to thrive in uncertainty, drive growth, drive innovation every day, rather than it being sort of an episodic thing or something you can only do through acquisition. I think in a way it's been a shock to the system that will in the end be good for the largest organizations, if they grab ahold of it and use it as a time to rethink their approaches to talent and structure and governance, and really design themselves for change going forward.

Burt: That was Suzan Briganti from our post-generational workforce issue. David, I'd love to start with you to get reactions to that.

What steps have you seen organizations take during this time to rethink their approach to be able to make their organization and their talent more flexible to uncertainty? What are you seeing in your research?

David: Well, the first thing I would say is just picking back up on the conversation Erica and Jeff were just having about resilience. What Suzan is basically suggesting is another or maybe complementary definition for resilience. And that's going to connect to what we've been calling these enduring human capabilities, these things that define us as human that are not context dependent, they're timeless. They're what allows us to continue to grow and reinvent and adapt as individuals, and the degree to which organizations are beginning to figure out how to not just hire for them, because that's generally been our response in the past was to hire people who demonstrated these potentials, but to also invest in strengthening them to cultivate them. Because our point of view is that there are seeds for them. They're in everyone. And an organization can build resilience, can build this flexibility, by doing just that, by trying to find those seeds and to hone those muscles so each individual has a more elastic mind.

When I think about this conversation about resilience, one of the things that Erica mentioned, what would be the textbook or dictionary definition? I think it might have been that we had maybe a thick skin, we could ride out challenge. We could ride out disruption. But that sort of assumes that there's another side, that we're going to land in some kind of steady state, that we just need to hold on for a little while. And so resilience was that if we could just keep that stiff upper lip and we'll get to the other side. But I think that's not true anymore. I think this notion that there is another side is not true anymore, and resilience is more about understanding purpose. It's about understanding what are we in this for? And there isn't another side to get to, it's a "we understand exactly what it is we're trying to accomplish." And so that gives us an ability to

kind of live in the event horizon. I will maybe posit, as I hand over to my colleagues, that my early candidate for the word of next year will be emergence, because it's this notion of sort of celebrating becoming versus being. I think that's a lot of what we're talking about in this context, resilience. And I think it's what Suzan's hinting at in the notion of cultivating these skills that represent an elastic mind.

Burt: So, Erica, we've talked a lot over the years about generations in the workplace and how they're different and how they have different wants and needs. With this concept of post-generational workforce, we really see a blending and a learning across those traditional lines and really thinking of more in common with each other and this feeling of we're all in this together, which is so poignant now in the current disruptions that we're all experiencing. How would you tie that together with what we see happening, as David mentioned, as we start to thrive and emerge in this time of disruption?

Erica: Well, first of all, I just have to say, I love the word emergence. It's such a sophisticated word, David. We'll have to see if that becomes the word of the year, but I love the concept. So, post-generational workforce, I don't know that it was fully about the commonality per se. What it was about is an acknowledgement that generation is a generalization that is baked in so many assumptions that are no longer true that we have to move past it. What I think it speaks to as it relates to thrive and emergence, and this fluidity and continuing to develop capabilities, is that if you want people to reach their optimum potential, if you want them to continue to be able to flex and to grow in this environment, as they thrive, then you need to be supporting that individual and meeting them where they are. You need to understand the individual at a much deeper level. You need to understand their characteristics beyond what may be surface. It's easy to know that I'm a Gen Xer. But is it easy to understand that I'm an introvert and therefore getting me to be able to really adapt these new capabilities in this thrive environment, you may have to approach my development in a different way? And that's really the call to action in post-generational workforce.

This is a classic case of where we need to blend technology and humanity. We have the technology that's going to give us the data and insights to allow us to get to this level of detail. Now we have to apply the understanding of humans into that, to really maximize the value that that technology can provide, because providing the insights is one part of it, but then using those insights to really understand your workforce at a deeper level, and then thinking about how to craft workforce programs and strategies to maximize each individual's potential. That's the humanity side of it. When we put both together, that's how we're going to build the resilience. That's how we're going to build the ability to thrive, so that's how I see those two pieces fitting together. And I honestly think it's a huge wake-up call for organizations. To me, this is one of the biggest shifts that we identified in trends, maybe beyond the reskilling chapter, was this call to action in terms of workforce segmentation. And we have to change that in a world where we want to embrace purpose, potential, and perspective, and where we want to really maximize what it means to be essentially human.

Burt: It's no surprise that people are more complex and more sophisticated than a one-dimensional segmentation strategy might have predicted. Jeff, I'd love to turn to you for our next topic—potential—and how this lines up with our thinking around the future of work. I see them as so synchronized. In our potential trend, we talked about super teams, knowledge management, and beyond reskilling, and potential really calls organizations to design and organize in such a way to maximize what humans are capable of thinking, creating, and doing in context with the world of machines and automation.

So, despite the apocalyptic predictions of humans being replaced by machines, leading organizations are taking a different approach, looking for strategies to partner with machines to improve jobs and ways of working, as discussed in our knowledge management trend and our beyond reskilling trend. Our 2020 trends data shows that only 16% of our respondents are using AI to assist workers in developing insights. So, looking

ahead, what are some of the ways you think AI could improve the quality of jobs and knowledge management?

Jeff: I'm reflecting on the quote, "as a bridge," connecting our discussion on purpose and potential. What's becoming increasingly important, especially in the COVID and the post-COVID era, is what the workforce and teams are capable of doing. Not the boxes that we have put them in. Whether I'm a Boomer or you're an Xer, or you're a Millennial or you're in Generation Zed, we tend to think of the people that work for us relative to what we recruited them to do and the jobs that they have done for us. And what we've seen, especially in the last few months, is that organizations that can see and access and put together teams that leverage what people can do and what they want to do and what they're capable of doing may be more valuable than the relatively mechanistic view we've taken of potential, which has been to take skills inventories and to assume that people are relatively static when they are not.

The other part of this to come specifically to this question of people and machines working together, this has been and will likely continue to be perhaps the major frontier, one of the major frontiers in the future of work, as we're looking at rearchitecting work. And it is the shift from a substitution mindset to a mindset that looks at augmentation and collaboration. It's a shift that moves beyond asking the question, "What work can we do with machines and eliminate what people are doing?" And ask the question, and we've put some interesting language out there. We're talking about super jobs. We're talking about super teams. What we're talking about in essence is, "How do we combine the work that you do and that we do so that the people and technology can go further, do more, and create more value?"

I'll give one small example. When we talk to people like Eric Topol, who wrote *Deep Medicine*, and he talks about the role that AI will play in radiology, there are two stories that are told. One story is that AI will replace radiologists. Actually, a couple of years ago, that was the dominant narrative. When I

interviewed Eric Topol last year, and we talked about this, and he talks about this in his book, he says, “The really exciting way to think about it is to think about the Renaissance radiologist. The radiologist who is combining technology and humanity, and an understanding of medicine and an understanding of patients and their families. And to think about, ‘What does that combination of AI and the radiologist create that we couldn’t do before?’”

So, one way of looking at super jobs and super teams is to ask, “What’s the Renaissance version of the work we’re doing today? How do we create those super teams where people and technology are going further, doing new things, and operating at this intersection of technology and humanity?” If you hear some energy in my voice, it’s because I really do think that this is one of the hot topics that’s coming up both through 2020 and into 2021 and 2022.

Burt: Absolutely great, Jeff. Thank you. Erica, thoughts on this idea of AI, to steal David’s word, an emerging capability. It seems that many organizations are playing with it, but not really tying it to business outcomes, business purpose.

Erica: You just hit the nail on the head right there. In the Trends report, I think one of the best graphics that we created in that report was that very simple graph with the two-by-two that talked about the move from a substitution strategy to an augmentation strategy and ultimately to collaboration. And the fact that if you really want to move from cost to value and ultimately to meaning, you need to think differently about AI and its potential. And that really resonates in the conversations I’m having, because the truth is that, yes, organizations have embraced AI. But our study showed and our surveys showed and validated that most organizations are using AI purely as a substitution strategy. And that’s going to get you efficiency gains, it’s going to get you those cost savings, and I think in part it’s created this view that it’s having an impact. Well, it is, but efficiency can only go so far. How much can you cut until there’s literally nothing left to cut?

If you actually want to turn this into value and make an impact on things like productivity or meaning, as we talked about earlier, as it relates to belonging and purpose, then technology and AI needs to be viewed as an augmentation of human capabilities and ultimately a collaboration. That’s what Jeff was talking about as it relates to super teams. And I think that simple concept just kind of helps to frame what the opportunity is. I love the examples that we wrote in the report, especially the one from NASA because it really showcased what true collaboration can look like between AI and humans, where the AI is bringing out the best in what humans can do and humans are really bringing out the fundamentally unique capabilities that AI provides, and that’s what we mean by collaboration. That’s the opportunity that’s ahead of us. I’m totally encouraged because here we are, we think AI is making the biggest difference in the world right now. By the way, it is. And yet, what we’re saying is we’re at the starting point of a long line on the graph that we still need to go. I mean, if that’s not optimistic or give people a sense of optimism, I don’t know what would.

Burt: I absolutely agree, and I think that that optimism comes from a place of a growth mindset. In other words, our objective is to improve, to innovate, to better the world, to grow. If our only motivation is to cut costs and try to do the same with less, that’s almost a dead-end street. Much prefer to think of it as a growth objective and a growth enabler, a growth engine.

David: Burt, I do want to pick up, maybe not to necessarily entirely squash Erica’s optimism because I share it, but I do think the shift in mindset is not trivial and actually kind of goes back to what Erica was talking about in our first question around symphonic C-suite.

I’ve noticed even among our own conversations internally around this notion of rearchitecting work and what the potential of this is. I think we’re all in agreement that work is shifting from a model in which it is about tasks and processes and activities to one where it’s increasingly about outcomes

and flows and practices. I think we agree about that. But yes, all the tools that we’ve used so far to define work have been processes and value chains. So, all the metrics and all the data we track are about those processes and those value chains, about productivity measures, traditional notions of productivity, of efficiency, of activity, and throughput and output, and quality data, and then some. These are what we use for tracking, but that restricts our aspirations. What Erica is describing is a world in which we started from scratch almost to say, “You know what? If the human is actually able to do the best of what the human can do here.” And we’re in a world in which, to get to a certain outcome, we may never take the same path twice, the same process twice. That means that, to some degree, our aspirations are saying, “Look, we’re trying to create value that we haven’t even thought of yet. We can’t even articulate it yet,” but that’s the point here is you’re trying to put humans in a place where that’s what they’re capable of doing is to ask questions we haven’t even thought of to ask yet. And that’s a really hard thing in the context of business to kind of get your head around, “Well, how do I design for that? How do I make that business case for that?” And I think that’s our challenge right now is to build that bridge so we can aspire to things that are beyond the incremental.

Jeff: I love this discussion, David, and two of our colleagues, John Hagle and John Seely Brown, for years have been talking to us about the notion that the most value you can create in an organization is by answering questions that have not yet been asked. Now that may sound a little bit esoteric, but let me flip it around. Robert Solow at MIT won the Nobel prize in economics for pointing out that innovation is what drives growth. Innovation is another way of saying ask and answer questions that others have not asked and answered. And how we do that at scale with people and machines, in an age that is personal and fast and connected, as we talked about earlier, is a very interesting opportunity. So, optimistic, pessimistic, how fast is it going to come, as you’ve summarized, the conditions are changing, and that’s one of the big challenges right now.

Burt: Speaking of John Hagle, I'd love to bring in an excerpt from our reskilling episode, where John talked about this idea of skills and capabilities. John is our former colleague now, recently retired from Deloitte. Let's hear what John had to say.

John Hagle: And I think in the context of skills and capabilities, the interesting issue to us is that when everybody in business now is talking about reskilling, we need to reskill, lifelong learning, very few people talk about what's the motivation to do that. Why? That's a lot of time and effort. Why would anybody do that? And the unstated answer, usually not stated, is, well, fear. If you don't do it, you're going to lose your job, so get to it. Reskill, upskill, develop capabilities.

Our belief is while fear can motivate people to do some learning, it's nowhere near as effective as a motivation where people are excited about the opportunity to learn and driven to learn more and have more and more impact.

Burt: I think that's so well said. So, John is talking about the role of that passion and excitement and how that can play in driving a successful reskilling mindset. Again, I think it comes back to that idea of growth versus cost-cutting. Erica, to you, what recommendations do you have for organizations to cultivate this concept within their reskilling programs? What's the mindset we're trying to propose here?

Erica: Well, let me say, I fundamentally agree with John. It shouldn't be one of fear, of "I need to do this because otherwise, I'll lose my job." I can't think of a worse motivating factor than that. I think there's a couple of steps organizations can take. One is making it not about the jobs that only sit within the four walls of the organization. If we're really talking about building resilience, then we need to recognize that we can't just build resilience for our own organizations. We have to build resilience in the communities and in society overall. That is the new role that organizations have to play as social enterprises. And by sending that message, that indicates to the employee you have

their best interest in mind. Of course, we still need to make sure that each organization has the capabilities they need to deliver value to their shareholders and investors. No doubt about it. But when we open up the aperture even broader, when we start to think about what the capabilities are that will help to build worker resilience when and if they leave the organization, and allow them to still make an impact, a significant impact, that's when we're really turning the page on this topic. And that's an action I think every organization can take to really start to look and define the set of capabilities that will help workers for the long term, regardless of where they are and signaling that to employees so that they understand that that's the mindset the organization is taking. That's one important thing.

The other is, and we talked about this in the chapter, we can't look at reskilling programs in the traditional frame of learning. It can't just be pushing content at people. It needs to be about how to make every experience, every interaction that they have in the workplace an opportunity to learn. We call it learning in the flow of work. That's been the term that's been used to describe it or the phrase. But it really is looking at every experience as a growth experience and framing it that way. I remember saying to my brother, when he started work, just to make it personal, he was like, "I'm on this project right now and I don't know, it has nothing to do with what I want to do." And I said, "You know what? You can't think about this in the context of the technical skills that you're building. What are the capabilities that you are having the opportunity to learn as you're doing this? Relationship skills, the ability to analyze data, the ability to navigate uncertainty, which is a critical capability today." And I think sometimes it takes a mentor or a team leader or a manager to be able to frame it that way to employees, so they understand this is all part of what it means to build resilience. And I think, therefore, we will get more uptake. We will get people to start to understand every experience is a learning experience in this new future of work.

Burt: Things are changing fast. We've got to pay attention. Well, I want to get to our last theme, perspective. Perspective is made up of the compensation conundrum trend, governing workforce strategies and ethics in the future of work. And perspective is calling for organizations that encourage and embrace a future orientation, not just how to optimize for today, but also how to create value for tomorrow. And that's really a theme I think we've been talking about on this recap episode.

As we think back to March, many jobs changed overnight in a matter of weeks, whether it's shifting from working in the office every day to working fully remote or repurposing manufacturing facilities to produce PPE, or creating a completely virtual customer journey. So, as we think back on that and the journey that many of our organizations have been on, how have these shifts changed the way we think about creating value as workers and organizations? And, Jeff, I'll start with you because I think this really does tie closely to the future of work.

Jeff: The themes that we're exploring in our perspective trends is how do we make bold decisions in an age of increasing uncertainty. Now, we were writing about that late 2019/early 2020, way before the COVID and the post-COVID era hit us, and it's obviously become more and more relevant. I saw a statistic this morning that said that 61% of the people that are looking for jobs in the United States are expecting and interested in changing their industry to find work. That's an astounding statistic. To put it another way, our employees and our workers are ready to make the changes. They have shown us that they will work virtually. They will work in hybrid ways. They will work in very difficult, socially distanced and protected workplace environments. They recognize that they need new skills and capabilities. They recognize that to keep working and for their livelihoods, they need to maybe not only go to a new company or a new job in that company but even to shift industries. From the perspective of business leadership and organizational leadership, the perspective question becomes, "Are we ready to lead organizations going through these shifts?"

Are we ready to really work hard on some really tough questions, compensation and equity questions? Are we ready to look at workforce governance questions in an expanded way, not in a mechanistic way? As John points out, when he talks about going from fear to passion, what he's reminding us is that for many, many decades, we've been managing employees as if they are mechanistic beings to be managed. And we're flipping a switch and realizing that people are amazing, that they are resources, that they actually have choices, that they can bring ideas, that they are sources of innovation.

How do we manage the workforce? How do we govern the workforce? What scorecards do we use to lead a workforce that is trying to achieve its potential in very new ways? And, of course, the number of ethical questions that have come up. And then again, we started talking about this late 2019/early 2020, ethical questions around physical safety, ethical questions around privacy and security, ethical questions around the relationship between people and technology in the workforce, working together, ethical questions around cybersecurity, ethical questions about how do we work together when we're all looking into each other's homes on a daily basis, or that's how I feel, suggest that leaders need to be as flexible, adaptable, resilient, develop emerging capabilities, to build on David's comment, to actually lead boldly and to change boldly, given the uncertainty and the number of things that are going on.

Burt: I think the natural human tendency and uncertainty is to hunker down and wait and see, when in actuality, we need to be bold, we need to lead. Let's hear from a clip on this idea of ethics. This is from our episode on that topic, which is an interview that Jim Guszczka and Paula Goldman from Salesforce did. And in this clip, Paula discusses how diversity can be an important insight when taking an intentional look at ethics.

Jim Guszczka: So, when we're doing things like consequence scanning and consequence sweeping in the midst of these advisory

council discussions or other deliberations about ethics, to what extent is diversity an important input into that?

Paula Goldman: Great question. I talked about how the Office of Ethical Use is part of the Office of Equality. It's because diversity is crucially important. Thinking about who products are being built for, who they might unintentionally exclude. How product use and product design can protect vulnerable populations, especially now, especially when we're in the middle of a racial justice crisis and a pandemic, which is disproportionately affecting people of color and poor people. These are the most important questions from my perspective. In my mind, there is no tech ethics without thinking about the who and bringing in the perspectives of folks that are most impacted by these problems.

Burt: So really provocative thinking there. Erica, I'd love to hear, in your experience and with clients that you're speaking with and working with, what stories have you heard about companies who are grappling with the ethics of technology and the diversity implications of that?

Erica: I think every organization is grappling with this in some way, because the power of the ability to use technology is so strong and it's so easy. We've made it so simple to be able to use technology and embed it in different ways, whether it's in the interviewing process, whether it's in screening candidates, whether it's in sensing what's going on with the workforce, gathering data, it's prevalent. And I totally agree that we can't have a conversation on tech ethics without really considering the human implications. I think that's absolutely true. The way we framed the chapter in our Trends report was not "could we," but "how should we?" We just need to take the time to think through the implications. And I think it's honestly that simple. It's really understanding the implications on the individual, on the culture, on the leaders, and how you can mitigate those implications through different actions.

We never want to get to a place where we say the ethical issues are so big that we just can't use this technology. That would be a terrible end state. But what we have to do is make sure that we're asking the right questions. And I'll go back to my point around symphonic leadership, because I think it fits in extremely well here. What organizations who are doing this well are doing is they're not limiting that conversation to the chief ethics officer. What they're doing is bringing in HR and IT and finance and the business, everyone together cross-region. And they're understanding, because there are nuances to all these implications. They're different in one country versus another. There are different implications if you're thinking about the human side or the technology side, or what's the financial implications for brand. What's the impact going to be on your organization's brand or how might your customers start to feel about it? You need to have all those voices at the table asking those questions and debating it, and to me, that's very much the key here.

Burt: I love this idea of collaboration and a symphonic approach to grappling with these issues because there's no one perspective that's going to give us the right answers. So, Jeff, Erica, David, to wrap up our episode, we wanted to ask you, what do you see as you look ahead to the last quarter of 2020? What's coming? And Jeff, we'll start with you.

Jeff: When we started 2020, we did not expect the roller coaster that we've been on. Two very quick observations. One is, as we were thinking through the Trends report and our thinking for 2020, as we've done the interviews, Burt, that you and David have conducted, one of the things that I've heard is where leaders have been leaning in to the future and leaning in to accelerating the future, they were, in general, incredibly well-positioned for the crisis that emerged. I'm reminded of the very famous story told by President Kennedy when he talked about that the Chinese word for "crisis" is the combination of the characters for "danger" and "opportunity." And I think as we're pivoting through 2020 and the fourth quarter

and into 2021, balancing risk and opportunity is absolutely critical. If we only manage the risk, and we don't focus on opportunity and growth and potential and innovation, we will have wasted the crisis. We need to do both. And I think that's where many of our clients and many of the conversations that we're having are focused on—if we're not going to waste this crisis, we've got to balance managing the risk, and pursuing and aggressively accelerating the opportunities.

Burt: And if we don't capture those opportunities, someone else will.

Jeff: Absolutely right.

Burt: Erica, your thoughts? How do you see things playing out over the next one to two quarters?

Erica: Oh, good, one to two quarters. I was going to say, I don't think anyone can predict further out than that. I know David challenged my optimism, but I'm going to stick with that theme. The next one to two quarters is when I think most organizations are going to return to work in some way, shape, or form. We're going to start to face the new challenge, which is, okay, when it's not only one way of working, when it's not only virtual and remote, how do we actually make this thing work?

And I think that's going to be the next challenge that we face over the next three to six months. I think it's going to either open up possibilities or expose massive challenges. I think the organizations that are thinking it through, that are taking a step back and truly rearchitecting work, which is how we're framing it, will meet the challenge head-on and have tremendous opportunity moving forward, and untapped productivity, and see those gains.

I think the organizations that try to go back to the way they were, or not really embrace the true rearchitecting of work, but simply just say, "Well, this is one shift and we're just going to have some virtual remote practices,"

they won't just go back to where they were. They're actually going to go backwards. They're going to face a new challenge because they're not going to relate to the workforce and what the workforce is thinking right now. They're not going to set the stage for really optimizing human potential. And frankly, they're not going to send the right signal to the marketplace in terms of their brand being focused around innovation and embracing change and disruption, which is what customers, investors, shareholders want to see right now.

So, I think we're going to be at an inflection point, and I think it's tremendously exciting. I think it's a huge opportunity. It's also a huge challenge, like any good opportunity is, but I feel confident that most organizations are up to the task, and they may need a little help to get there. And hopefully we'll be part of that journey.

Burt: Certainly seeing a lot of organizations figuring it out and figuring out how to thrive in this disruptive time.

Jeff: I want to very quickly add a story to what you're describing, Erica, which is in *Alice in Wonderland* by Lewis Carroll, they talk about living in the world of the Red Queen. And just to put it in context, in the world of the Red Queen, you need to run twice as fast as you ever ran before to make any progress. Because if you just run as fast as you're used to running, you're going to stay in place.

And that's the world that we're living in. We need to run as fast as we can just to deal with the crisis and the risk, the danger. In order to make progress, we do need to run twice as fast. And that's part of the leadership challenge. That's why this symphonic C-suite discussion hopefully is both energizing and inspiring for the leaders that we're talking to in this podcast.

Burt: And I think recognizing that can be a relief for a lot of people to say, "Yes, you do have two jobs right now." David, please share your thoughts as we close out.

David: Absolutely. And I'm going to react to a couple of things that both Erica and Jeff have just said and tied back to, you referenced our high-impact workforce research, which is just releasing this month. The good news is organizations already have what they need to live and to thrive in the world of the Red Queen. They have their people. As Jeff said, we're amazing, humans are, our ability to grow, to reinvent, to adapt. And what we're finding, what at least I hope, this is where Erica and I share an optimism, I think. We in Research and Sensing, formerly known as Bersin, we've been part of the story that is talent management for pretty much as long as those words have existed. But what we're seeing in the research is it's time to probably retire those words.

As Jeff said, we've seen talent workforce, we've seen this as a supply chain, something that we could manage mechanistically. There are business plans, we've got talent plans, we've got pipelines, and we're trying to connect all of these talent processes to close gaps, and then some. That assumes that we can see the future in a way that we really can't. It assumes that we can plan for outcomes and logical paths to get to those outcomes in ways that are not true. We need to shift. And I think what we're seeing, what I think we're going to see in the next little while, is a shift where yeah, we still have all those other things to do. We still have things like performance and talent planning and so forth. We still need to connect them, but we're connecting them to turn our people and the ability of our people to constantly reinvent, turn that into platform, the platform on which the organization continues to reinvent, the platform on which the organization thrives in that world of the Red Queen. And that notion of kind of creating a workforce architecture that becomes the source of the organization's potential is absolutely what I think we're going to see more and more of going forward.

Burt: Wonderful. Well, thank you. Thank you, Jeff, Erica, David, for sharing your thoughts. I think we've invented some new words here today and given our audience a wonderful recap of season five. Thank you all for joining us. Take care.

Erica: Thanks, Burt.

Jeff: Thank you.

Burt: During this season of Capital H, we took a deeper dive into the human capital trends that make up the three Ps of our 2020 Global Trends report: purpose, potential, and perspective. From reskilling to the post-generational workforce, to super teams and knowledge management, organizations should get familiar with the 2020 trends to be better prepared for the future of work. Capital H would like to extend a huge thank you to all our guests this season, including Swarm Vision's Suzan Briganti, Textio's Jensen Harris, Salesforce's Paula Goldman, Bob Gibbs from NASA, Hans Visschers from Philips, Sarah Gretczko from Mastercard, Allison Salisbury from Guild Education, Judy Fimiani from Learning Care Group, and all our Deloitte contributors. In addition to tuning in to our podcast series, you can also read the report online at www.deloitte.com/HCTrends. Thanks for listening.



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