

Future of work

Your work. Your future





Where are we?



We are in

THE FOURTH INDUSTRIAL REVOLUTION

New skills, new roles, new structures

With technology enabling more efficient, collaborative, and innovative ways of working



Culture change

Move towards a more agile and technology enabled way of working

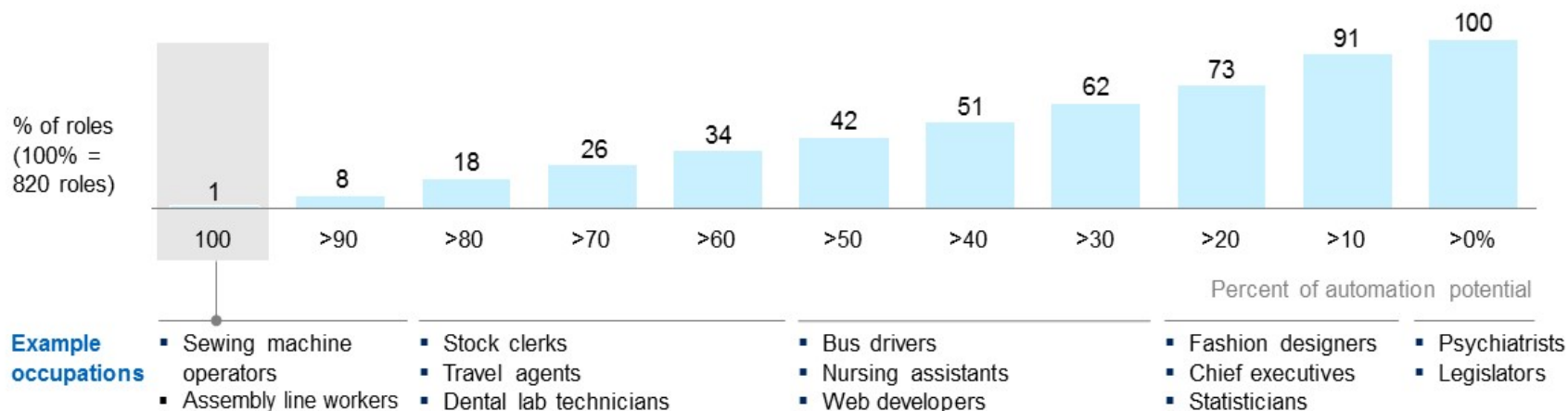




What is the impact on my job?

Certain activities are more susceptible to automation

A small percentage of occupations can be fully automated by adapting current technologies, but almost all occupations have some activities that could be automated



While about
5%
of occupations could have
100%
of tasks automated,

More will have portions of their tasks automated e.g.
60%
of occupations could have
30%
of tasks automated

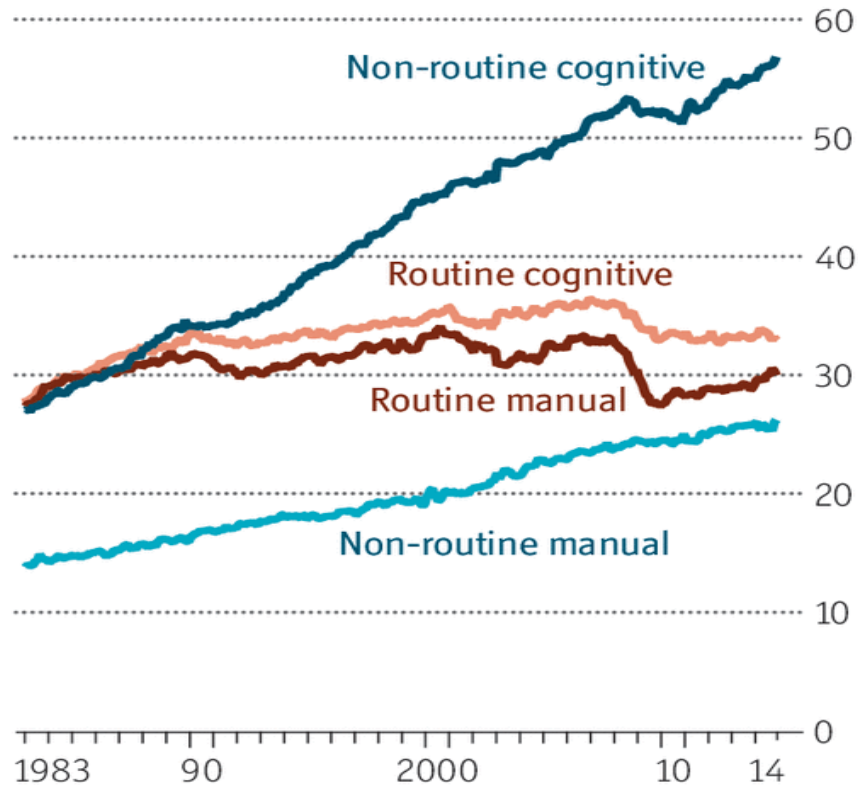
SOURCE: US Bureau of Labor Statistics; McKinsey Global Institute analysis

McKinsey & Company 1

The impact differs based on the type of work

Think

United States employment, by type of work, m



Sources: US Population Survey; Federal Reserve Bank of St. Louis

Economist.com

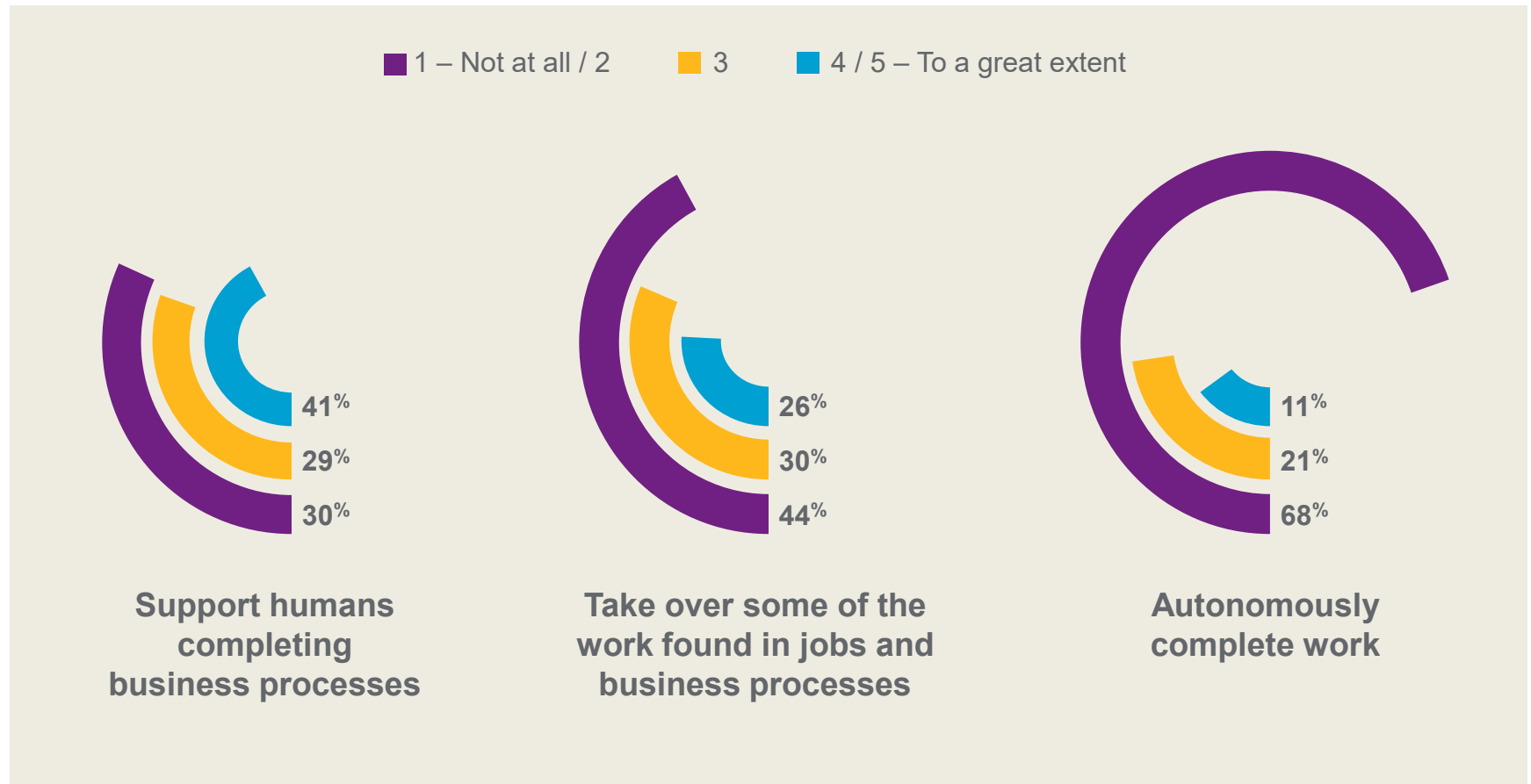
MYTH

Organizations use automation primarily to reduce costs and minimize errors.

BUSTED!

Over half of employers say the key goal of automation is to augment human performance and productivity.

Talent at the center: Automation and digitalization are used to support, not replace, humans.



Source: 2017 Willis Towers Watson FOW Global Survey



MYTH

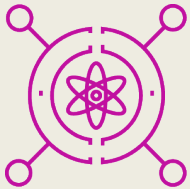
Workplace automation will have a largely negative impact on workers and jobs.

BUSTED!

Automation will result in new combinations of work, talent, skill requirements and work relationships (e.g., FTE, PT, contingent).

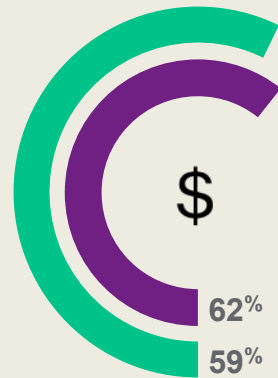
Skills dichotomy: As jobs are deconstructed and certain tasks automated, new types of work will be required. Skill premiums at both the high and low end will shift.

Successful re-construction of jobs matches skills and activities, and also takes into account motives and attributes.

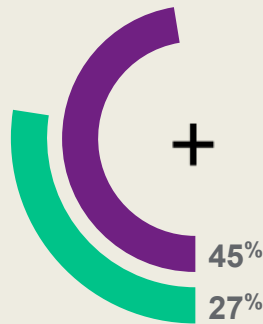


Impact of Automation

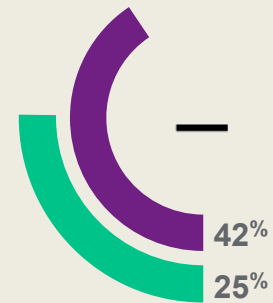
Today In 3 years



Requiring us to pay more for employees with certain skill sets



Changing the way we design jobs so they can be done by employees with *more* skills

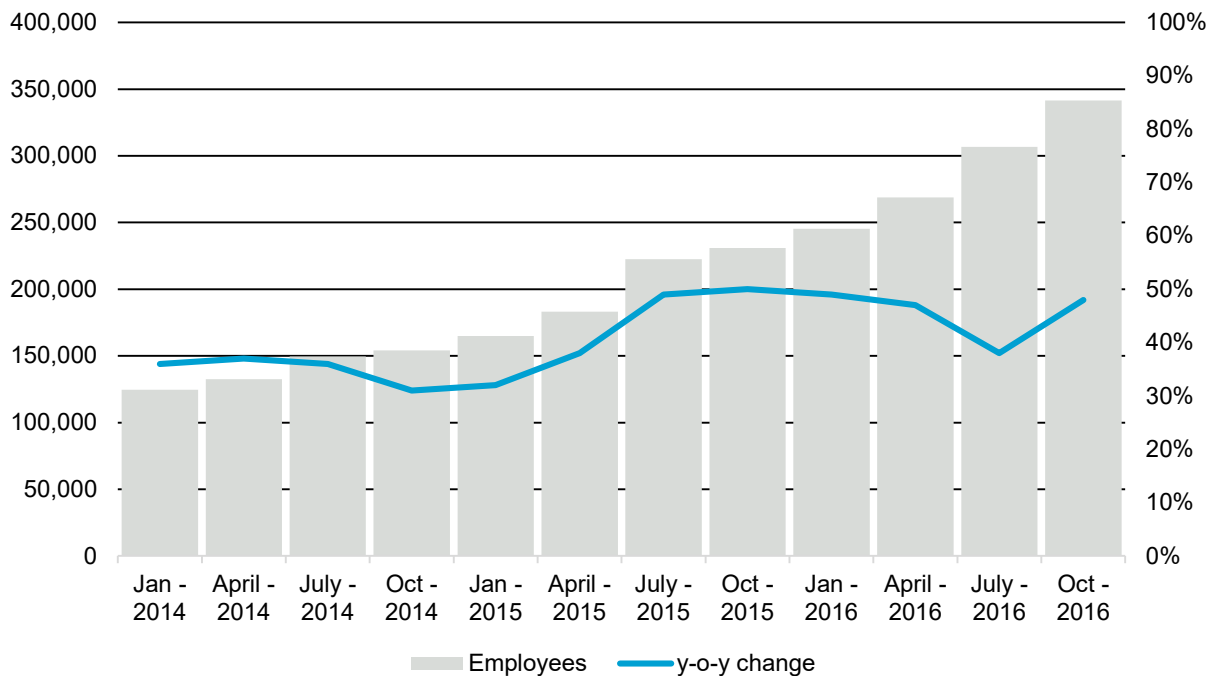


Changing the way we design jobs so they can be done by employees with *lower* skills

Source: 2017 Willis Towers Watson FOW Global Survey

As Automation Kills some Jobs, it Creates Others

Amazon has over the last three years increased the number of robots working its warehouses from 1,400 to 45,000. Over the same period, the rate at which it hires workers hasn't changed



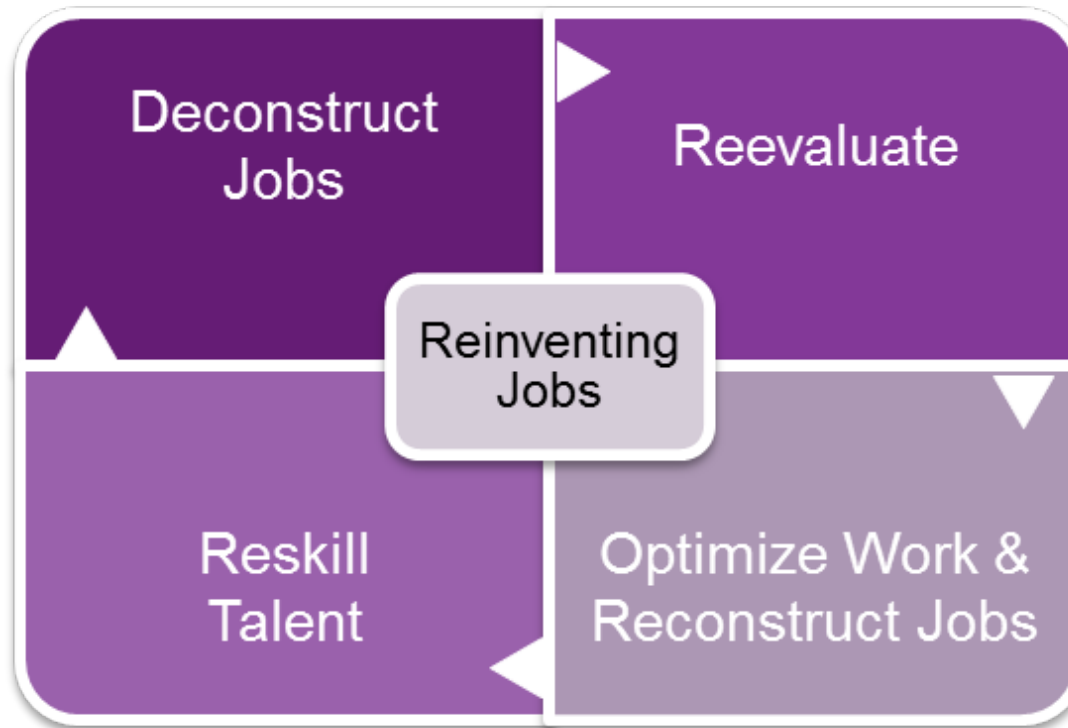
Source: Amazon, 2017

- ☐ So what is different?
- ☐ Has Amazon changed its strategy?
- ☐ Can we consider the implications of the change?
- ☐ Is Amazon going digital?
- ☐ What is digital?



What could my job look like?

Deconstructing and reinventing jobs



IN ACTION: Deconstructing the Bank Teller Job

Consider the role of the Bank Teller job. As we look at the tasks and activities of the job, what is the nature of each of them?

FIRST: Deconstruct the Bank Teller job into its work activities or tasks	SECOND: Identify the nature of each of the activities or tasks		
Tasks and Activities	Independent vs. Interactive	Repetitive vs. Variable	Physical vs. Mental
Greeting and welcoming customers	Interactive	Repetitive	Mental
Receiving customer request for cash withdrawal	Interactive	Repetitive	Mental
Verifying customer account balance contains sufficient funds	Independent	Repetitive	Mental
Processing the withdrawal to debit the customer checking account	Independent	Repetitive	Mental
Counting and giving the cash to the customer	Independent	Repetitive	Physical
Counseling customers when account balances are insufficient to process the transaction	Interactive	Variable	Mental
Engaging the customer in conversations	Interactive	Variable	Mental
Detecting customer receptivity to additional banking services	Interactive	Variable	Mental
Recommending and describing additional banking services	Interactive	Variable	Mental
Referring customer to other bank employees for further services products	Interactive	Repetitive	Mental
Collaborating with bank product designers and process leaders to improve products and processes	Interactive	Variable	Mental

IN ACTION: Reevaluating the Bank Teller Job

The tasks of the bank teller are divided into two categories – many of the tasks that are repetitive and independent can be replaced by technology (Automated Teller Machines (ATMs))

Tasks and Activities	Repetitive vs. Variable	Independent vs. Interactive	Physical vs. Mental
Greeting and welcoming customers	Repetitive	Interactive	Mental
Receiving customer request for cash withdrawal	Repetitive	Interactive	Mental
Verifying customer account balance contains sufficient funds	Repetitive	Independent	Mental
Processing the withdrawal to debit the customer checking account	Repetitive	Independent	Mental
Counting and giving the cash to the customer	Repetitive	Independent	Physical
Counseling customers when account balances are insufficient to process the transaction	Variable	Interactive	Mental
Engaging the customer in conversations	Variable	Interactive	Mental
Detecting customer receptivity to additional banking services	Variable	Interactive	Mental
Recommending and describing additional banking services	Variable	Interactive	Mental
Referring customer to other bank employees for further services products	Repetitive	Interactive	Mental
Collaborating with bank product designers and process leaders to improve products and processes	Variable	Interactive	Mental

Best suited for a machine to do



ROIP:

Reduce risk by automating financial transactions

Best suited for a person & technology to do



ROIP:

Improve value by providing data-generated recommendations

Best suited for a person to do



ROIP:

Improve value by encouraging 1:1 personal engagement with clients

IN ACTION: Reskilling talent for the Reinvented Job

How do you develop employees to meet the new needs of the job?

PERSON & TECHNOLOGY

New Skills Needed

- ✓ Business Intelligence & Data Analysis
- ✓ Risk Management
- ✓ Data Mining & Queries

Path to New Skill Development

On Project, job or assignment



Retraining or reskilling



PERSON

Old Skills

- × Transactional efficiency
- × Attention to Detail
- × Multitasking
- × Accuracy

New Skills

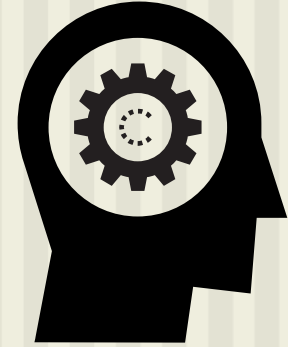
- ✓ Empathy/Emotional Intelligence
- ✓ Attentiveness
- ✓ Adaptability
- ✓ Clear Communication
- ✓ Effective Listening
- ✓ Patience



What do I need to do?

And what skills will you need to have?

Top 10 skills in demand by all employers



NOW

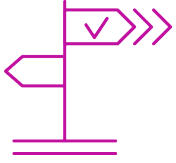
- 10 Character
- 9 Technical competency
- 8 Collaborative skills
- 7 Working under pressure
- 6 Numeracy
- 5 Negotiation and diplomacy
- 4 Business understanding
- 3 Communication skills
- 2 Analytical skills
- 1 Complex problem solving

2020

- 10 Cognitive flexibility
- 9 Negotiation skills
- 8 Service orientation skills
- 7 Judgment and decision making
- 6 Emotional intelligence
- 5 Coordinating with others
- 4 People management
- 3 Creativity
- 2 Critical thinking
- 1 Complex problem solving

Enterprise Risk Management

Future of Jobs Survey, World Economic Forum, January 2016



1 ➤

Understand how technology and automation are impacting [your] work

2 ➤

Engage and lead around the new ways of working in [your] organization

3 ➤

Make use of [your] new skill opportunities

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