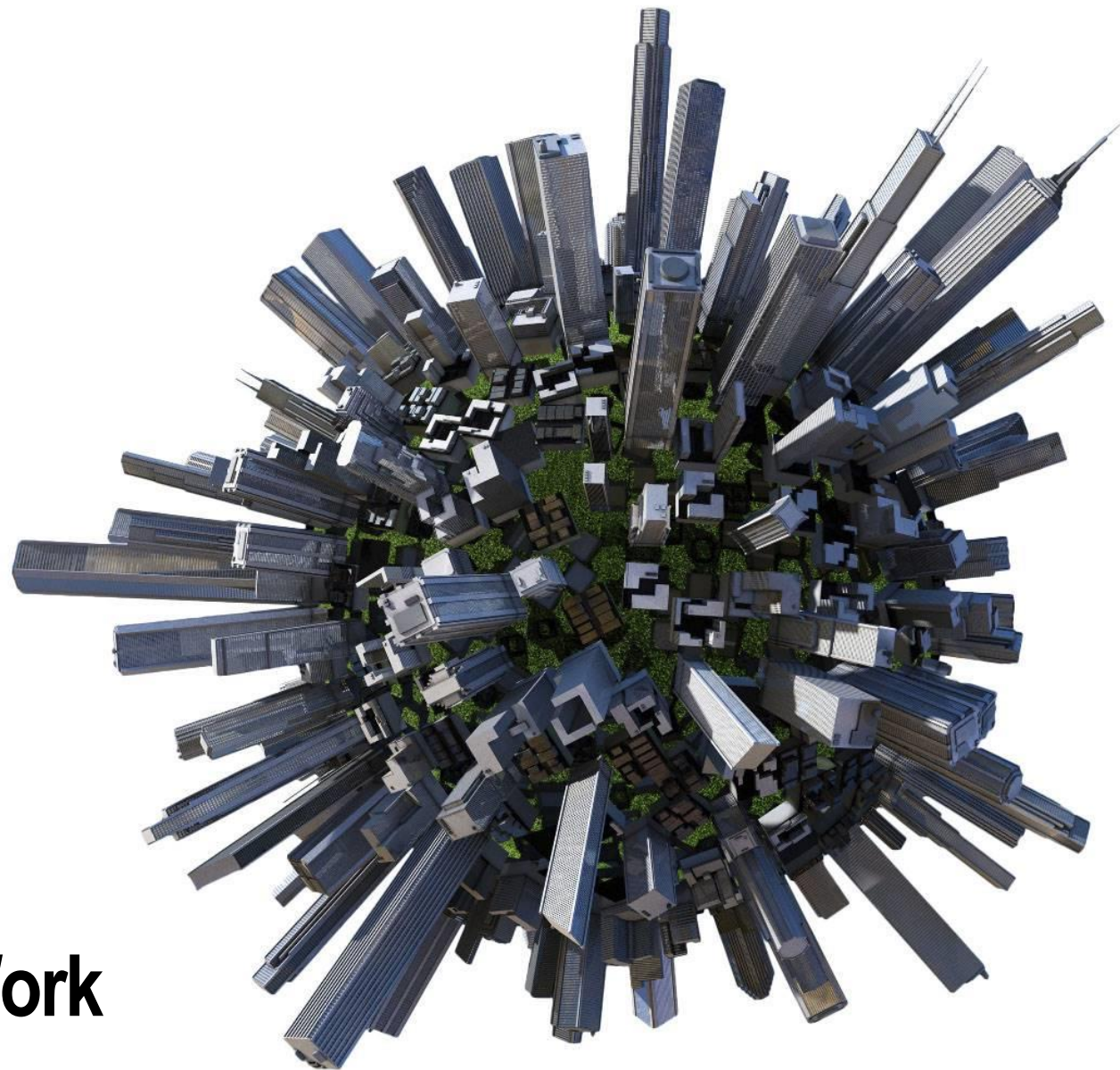


**Deloitte.**



JANUARY 2019

# Future of Work

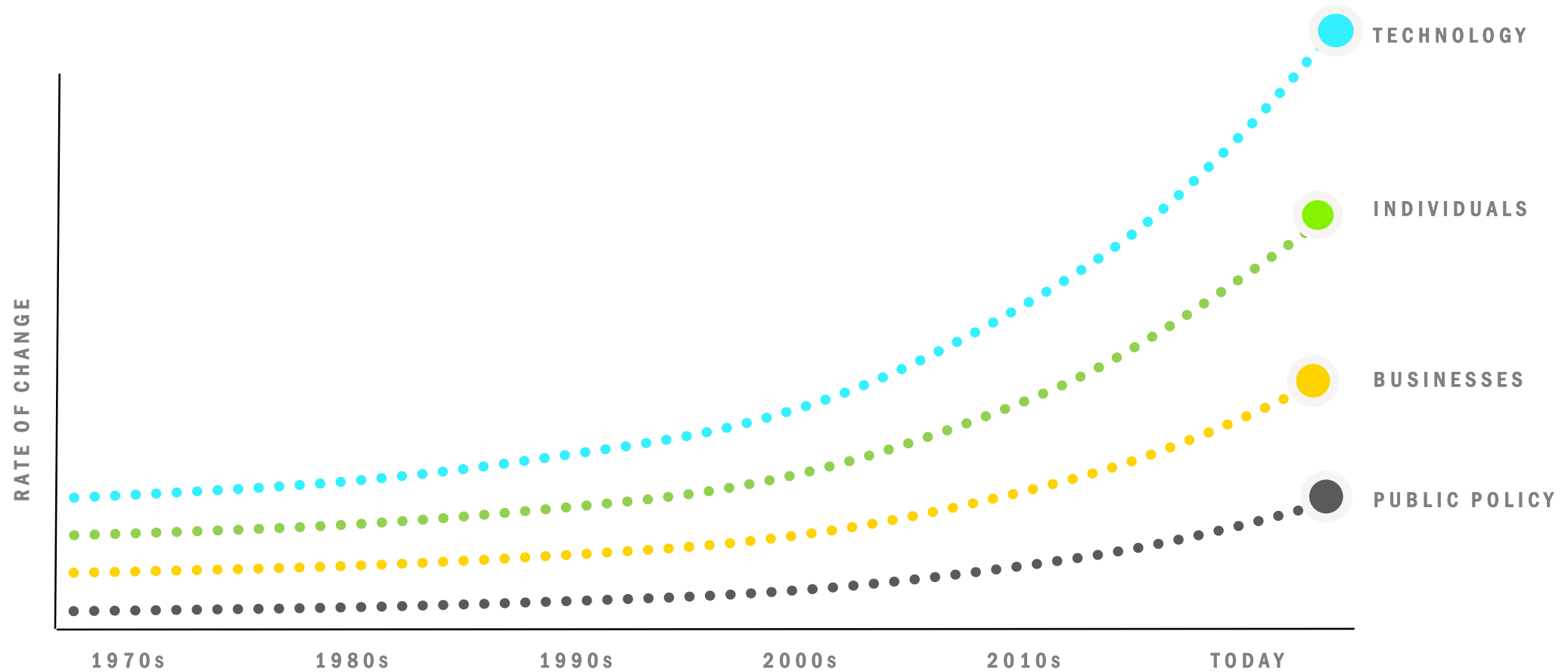
An introduction

ITALIAN FIRM ACTIVATION

# What is the Future of Work?

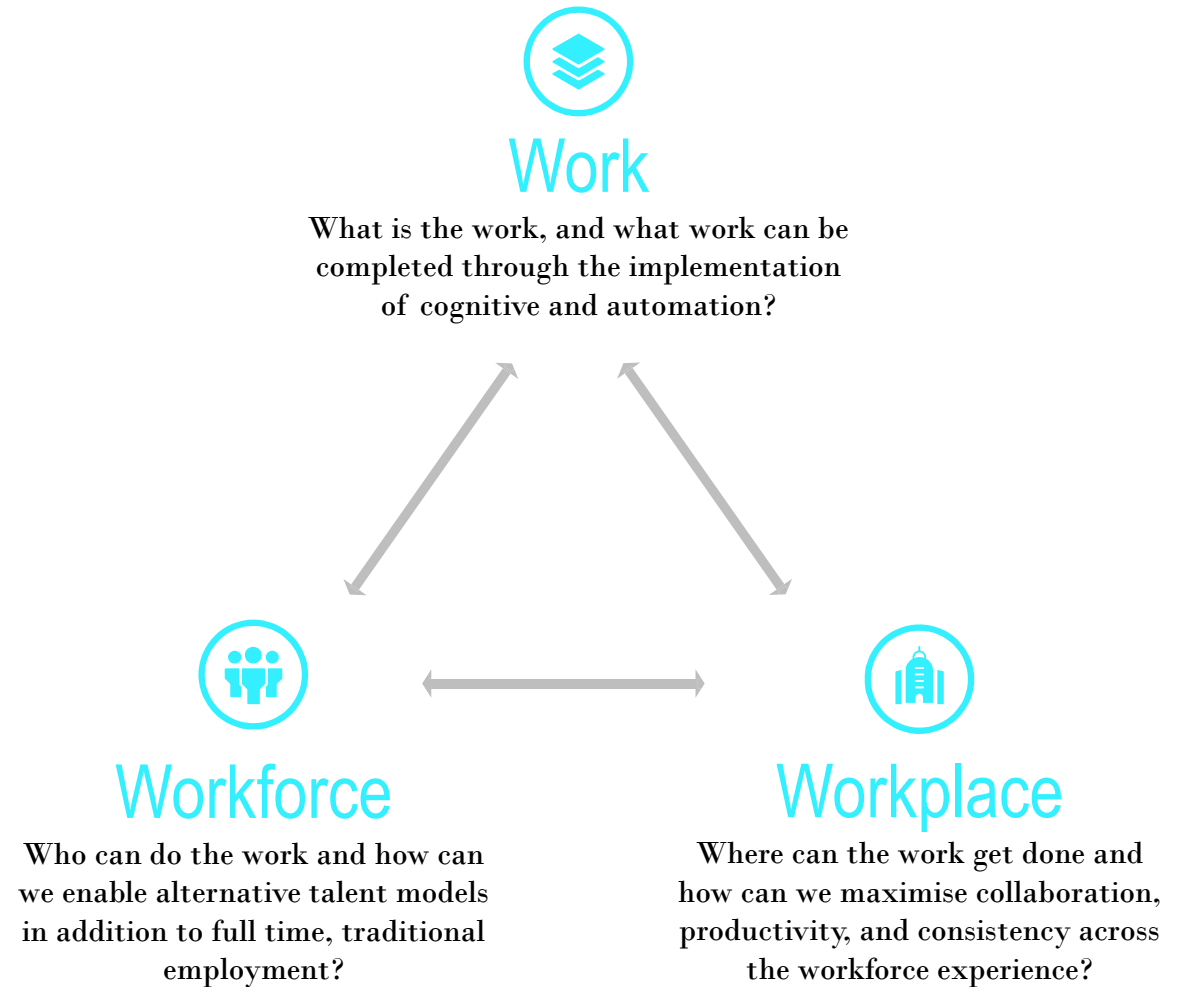


# The future is already here, it just isn't equally distributed



# We analyse three dimensions of disruption...

In exploring the future, we analyse three deeply integrated dimensions of any workforce transformation



# Seven strategic questions...



1. **WHAT** is your future digital strategy? What forces are driving change? What are the work (outputs) required?



2. **WHAT** work can be done by smart machines, robots, and human-machine teams?



3. **WHO** can do the work?



4. **WHERE** can the work be done?



5. **HOW** does the future of work and workforce influence **organization design** and **behavior**?



6. **HOW** does the future of work change **leadership** and **management requirements**?



7. **HOW** does the future of work change **skills, talent models** and **programs**?

# What do we need to start thinking about?

## How work is delivered



A workforce that is augmented by machines and powered by new models of talent

Redrawing the boundaries of our organisations, delivering through an ecosystem of connected entities

## How business is organised



Networks of teams that maximise flexibility and innovation over hierarchy

Reinventing the way our jobs are designed, harnessing the capabilities that make us uniquely human

## How people experience work



Understanding our talent as well as we understand our customers to build an employee centric experience of work

Redesigning the purpose of an office space with digital tools to enable people to work when, where and how they want

## How work is enabled



Architecting an organisation that leads the way by disrupting in the market, instead of being disrupted

Reinventing the traditional role of HR through thinking in new ways and re-directing services to the experts

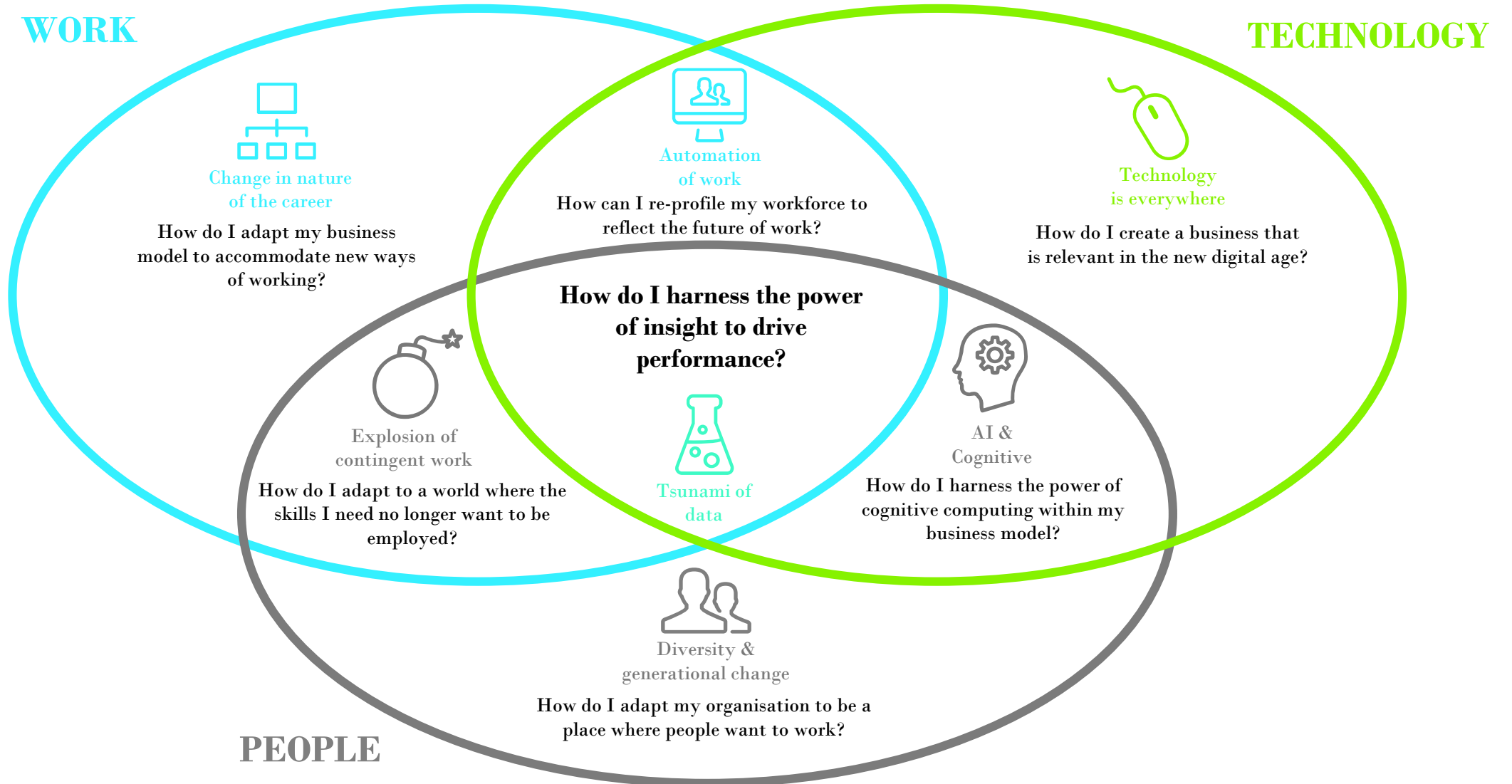
**...to take advantage of the opportunities the Future of Work presents**

Future of work

# How work is delivered...



# Disruption as usual...





# The future world of work...



# Planning for more than just people...

As part of Deloitte's HC Trends report 2018, **37%** of this year's survey respondents expected growth in the use of contractors, **33%** in the use of freelancers, and **28%** in the use of gig workers

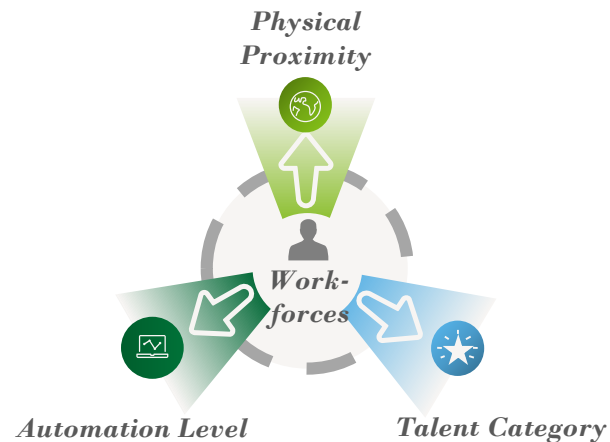
## Linking strategy & work

What work do I need to transform my workforce and survive and thrive given our vision?



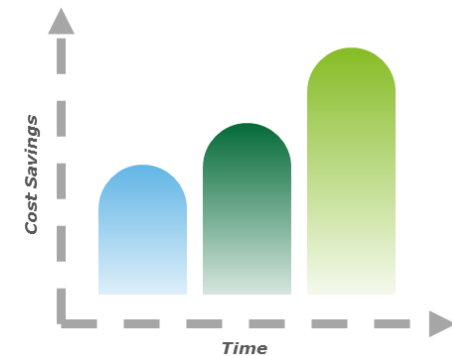
## Profiling the impact on the organisation

How do I decide between what I could do and what I should do in terms of moving to a new organisational model of working?



## Realising benefits of new workforce

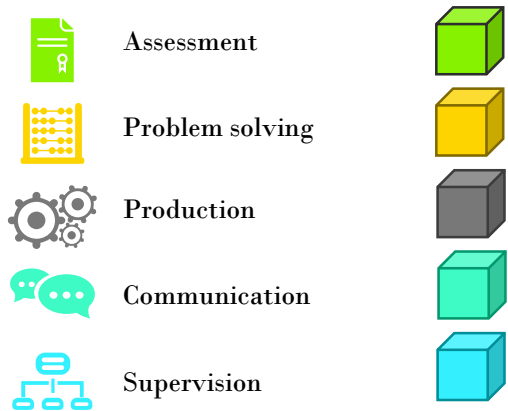
What is the financial and economic benefit associated with adopting the future workforce blueprint?



# We have built a work architecture to describe all work together...

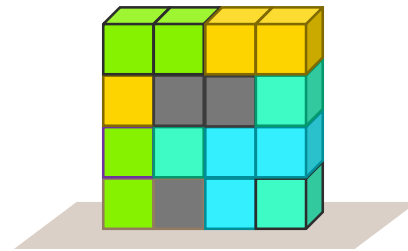
Future of Talent optimisation (*FOTO*) takes an analytical approach to understanding the impact of the future of work

## Work architecture



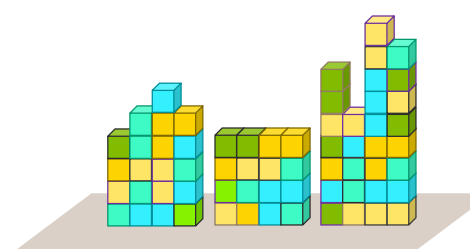
From the component parts of work...

## Work describing roles



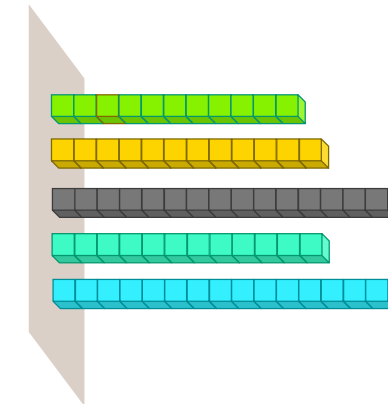
...we can show groups of activities that represent roles...

## Organisational wide work profile



...which can be used to describe the work across occupations and business units...

## Aggregated work output



...and target where work can be transformed across an organisation.

# Disruptors to leverage Future of Work opportunities...

## WORKER

### 2 Who can do the work?

Technological advancements enabling new models for interaction between companies and different worker/talent types (e.g. employees, gig workers, contractors, crowds)

### 2 Talent Category

## WORK

### 1 What work can be done by robots?

Increasing automation, cognitive and AI technologies

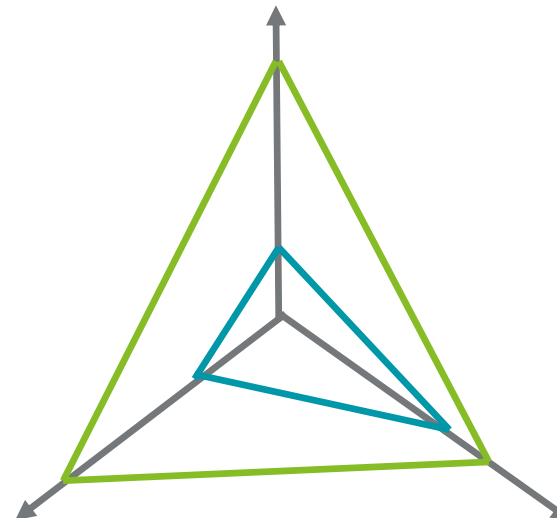
### 1 Automation Level


## WORKPLACE

### 3 Where is the work done?

Rethinking combinations of where work can be done and how workplaces support productivity

### 3 Physical Proximity



 Future work options

 Current work options

# Delivering changes to the workforce...

Deloitte worked with a large financial institution to define their workforce strategy and create a workforce composition plan to improve performance, market position, and to ensure future success

## Business issues

The client had significant challenges where they wanted us to focus

- Mandated an FTE reduction by the Board
- What work will they be completing in the future
- What will be the external impacts on the business

## Approach

Our approach focused on 3 main workstreams

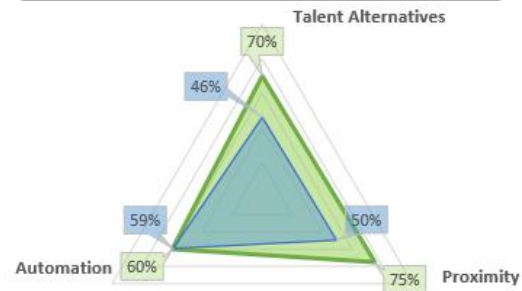
- FOTO methodology
- Capability assessment
- Workforce design choices

## Impact

The following benefits were realised by the client

- Understand size and scale of potential disruption
- Modelling the workforce impact over 3-5 years
- Workforce Strategy and composition plan

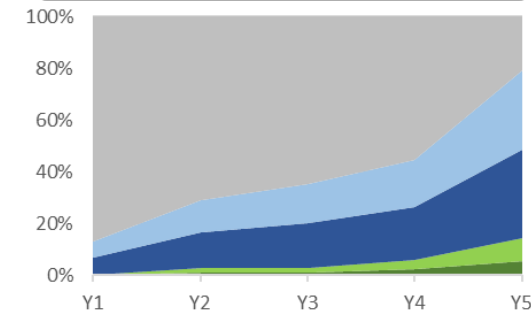
### WORKFORCE COMPOSITION



### GREENHOUSE LABS

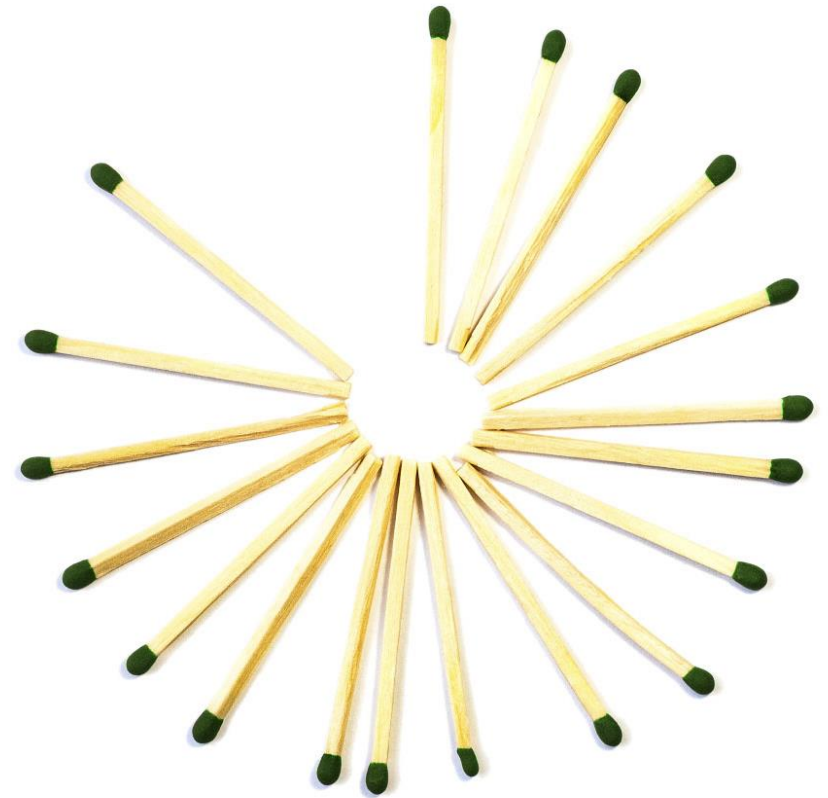


### WORKFORCE MIX



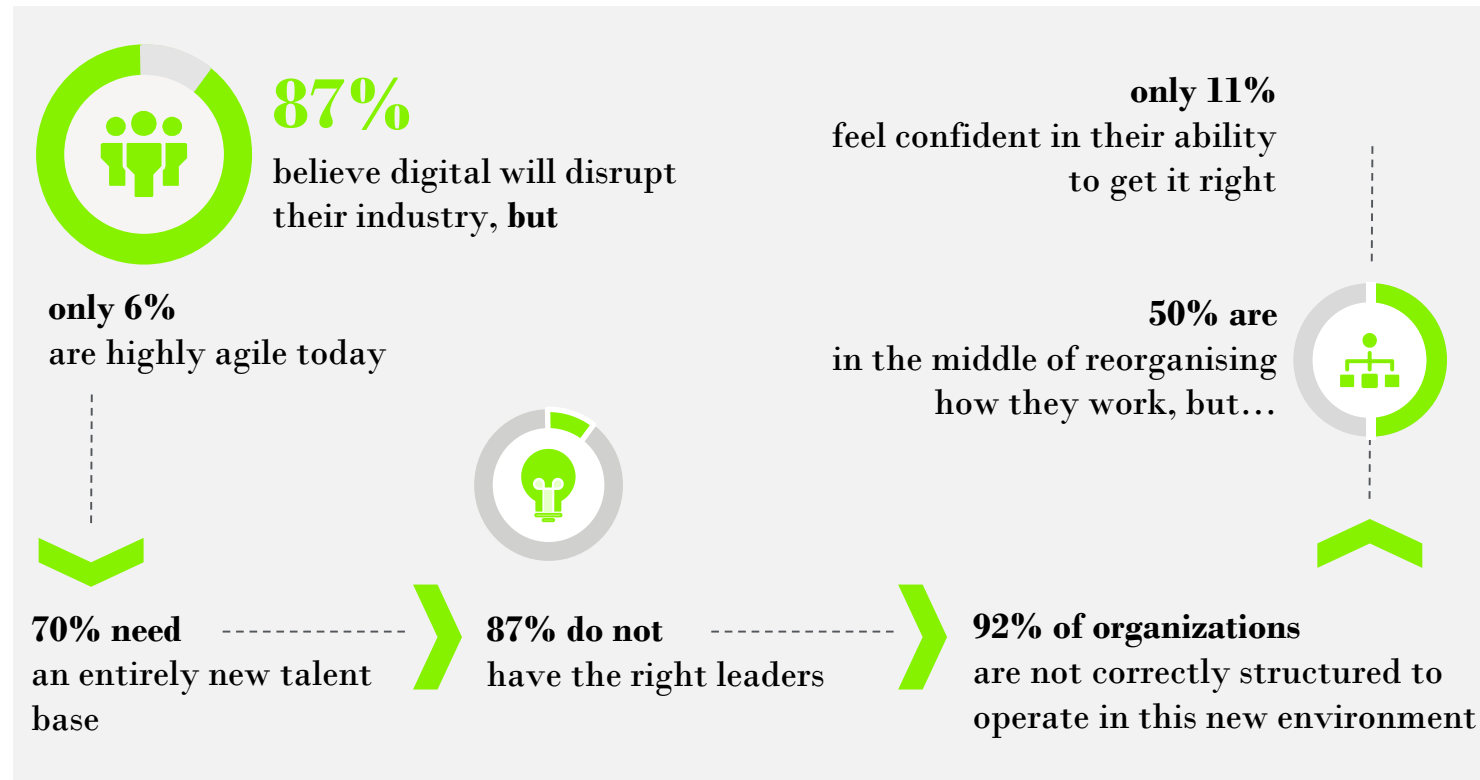
Future of work

# How work is organised...



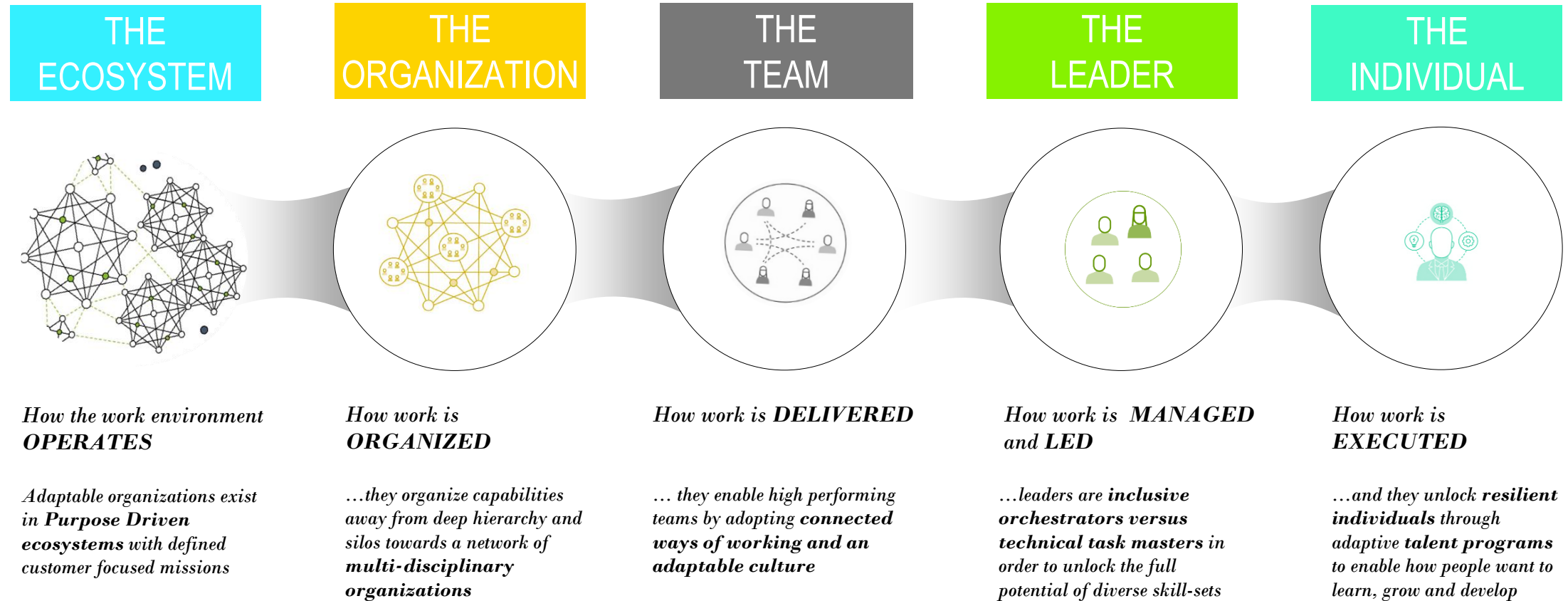
## How work is organised...

**The Adaptable Organization (AO)** is a fundamental shift in management philosophy. AO enables large organisations to operate with a start-up mindset and drive modern people practices that enable agility through empowered networks of teams.



AO prepares organizations for the future of work and unforeseen changes in the environment.

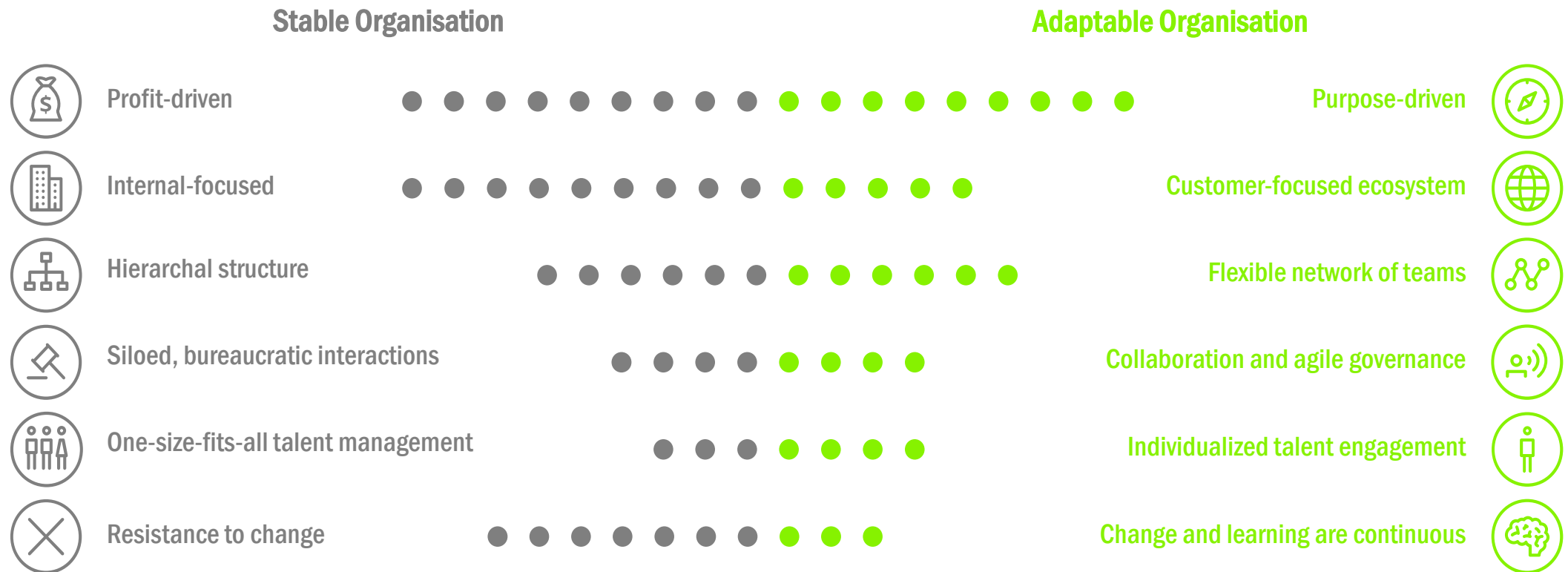
# Adaptable Organisations are viewed through 5 layers...





# How adaptable is your organisation?

Rather than imposing on people how they should work, the Adaptable Organisation organises itself around people's natural work and communication patterns. **Where on the scale of the behavioural traits does your organisation sit?**

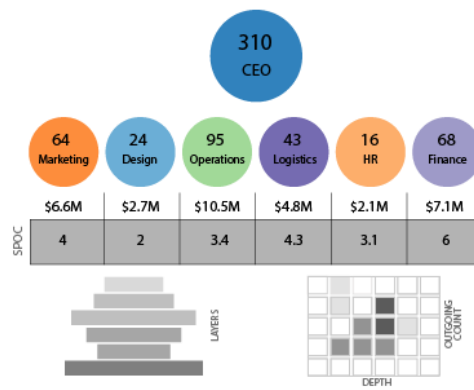


# Marrying the visible and the invisible to drive adaptable health...

Before today, no single tool existed that provided a comprehensive diagnosis of our clients organizational health. In today's world of complex and ambiguous problems, AONA allows us to combine tools covering formal structure analysis, network analysis, work complexity and customer mission alignment for a complete examination of an organization's adaptive health

## X-Ray

Traditional process of scanning only help us understand formal organizational relationships.



## MRI

Current techniques consider things like relationship of performance and tenure with the org structure.



## Brainscan

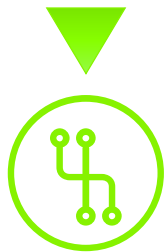
Network analysis goes beyond the surface of the formal network to understand how information flows, and how people actually work together.



# AONAs innovation in adaptability metrics...

Organisational Network Analysis sheds light on valuable diagnostic information. But, we are taking it further. As part of the organisational assessment, four new metrics have been created to assist AONA

How different are the **formal and informal networks**?



## 1. Structure to Network Comparer

*This metric quantifies the difference between an individual's team members in an org chart and their informal collaborators. It is a good indication of the type of work they should be doing.*

What parts of the organization would benefit from **organizing cross-functionally**?



## 2. Cross-Functional Identifier

*This metric compares formal and informal networks to understand what extent someone needs to collaborate to do their job.*

How much **effort** are people **expending** to engage with the individuals they need today or in future scenarios?



## 3. Effort Analyzer

*This metric examines how much effort it takes for an employee to reach the people they need in order to do their job, both currently and in possible scenarios.*

How ready is the **organization** to become an Adaptable Organization?

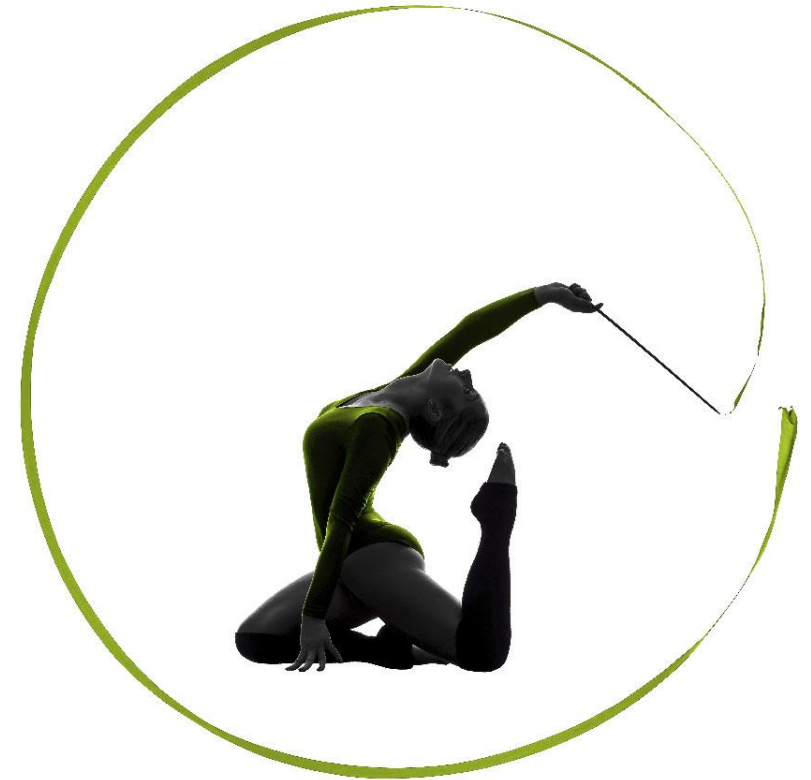


## 4. Adaptable Readiness

*Structure is only part of the adaptable story. This measure creates hunches around who is ready (or pre-disposed) for working in an adaptable/network based environment.*

Future of work

# How work is experienced...



**How work is experienced...**



**The world has  
changed**

**Technology has become pivotal to everyday life except in our workplaces...**

**What work is, organisations are and how we want to fit them into our lives is no longer the same...**

**The opportunity to differentiate who you are, win in the war for talent and drive productivity through great experiences is here...**

**We're redefining the enterprise**

**It is time to work the way You Live**

# Employee Experience (EX) brings and drives customer and business benefits...

EX covers **all interactions between an employee and the organisation** encompassing the physical, digital and organisational work environment

## Employees are your first customers

Interactions between employees and the organisation influence the levels of service workers provide to customers. We can help you Define, Imagine and Deliver a plan around the shared **moments that matter** across your organisation to positively impact business results

### Productivity



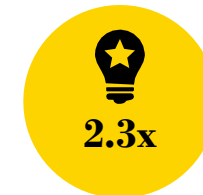
Companies in the top quartile of employee experience are **25% more profitable** than competitors in the bottom quartile <sup>1</sup>

### Customer Satisfaction



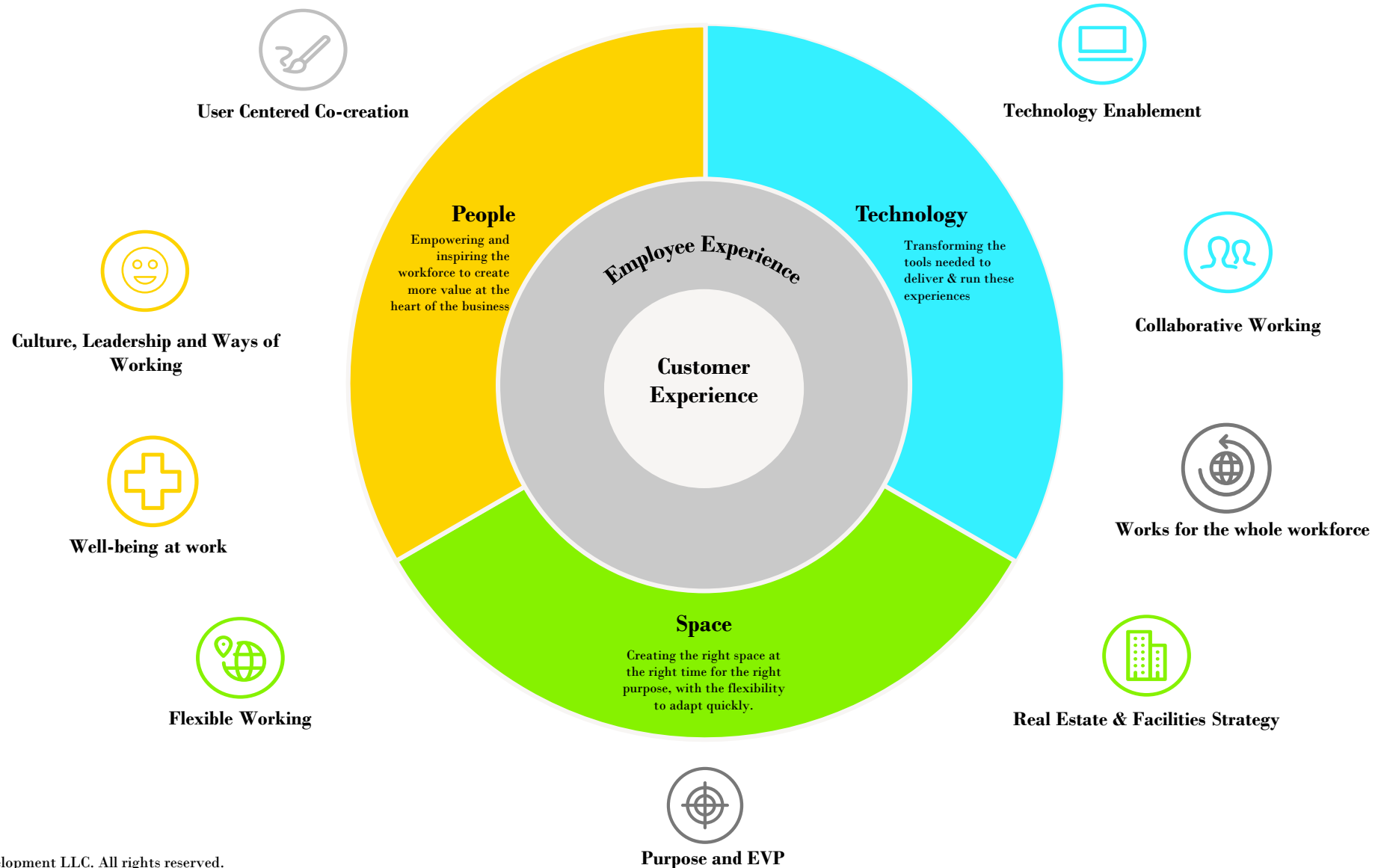
**Double the Customer Satisfaction** reflected in the net promoter score in companies able to build seamless and innovative employee experiences<sup>1</sup>

### Revenue Growth Rate



Organisations with highly engaged employees experience a **3-year revenue growth rate 2.3 times greater than average** (20.1% growth vs. 8.9% growth)<sup>2</sup>

# The best organisations have an integrated approach to EX...



# Where are you on the journey?



**We have a clear purpose and culture**

**We understand our employee segments and their respective needs, and we are focussed on improving the overall EX**

**We collaborate and co-design with our employees and business to improve EX**

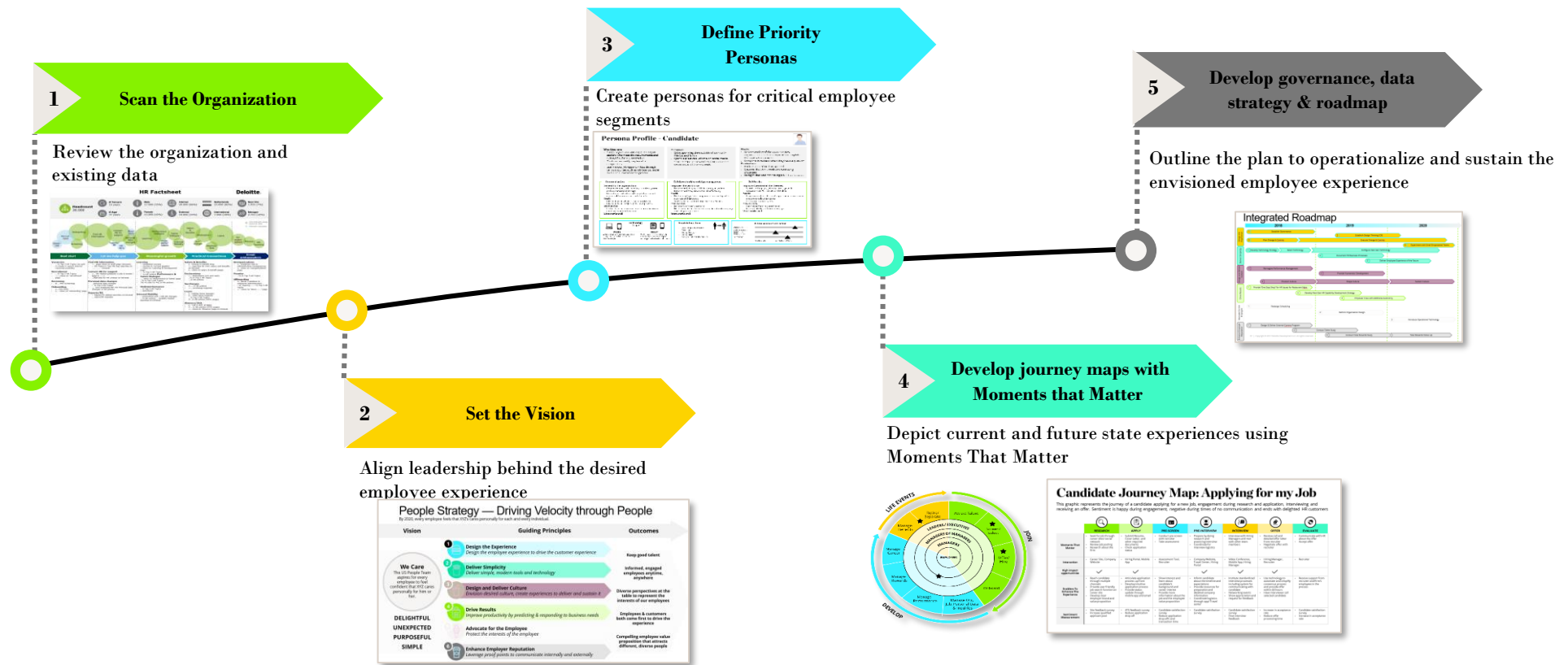
**We've connected EX to business goals, measure and continually improve**

**We permeate our values at every touchpoint of EX and are recognized as a great place to work**



# Our roadmap for crafting the employee experience

Our employee experience approach is grounded in our observations and assessment of the current employee experience and delivers a vision of the future, an actionable roadmap and a governance model to create a sustainable framework for continuous improvement



Future of work

# How work is enabled...

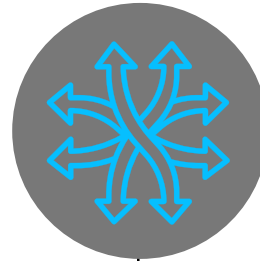
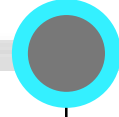


# The world is changing and the future is arriving now

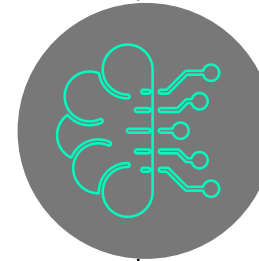
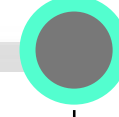
The Future of  
**Enterprise**



The Future of the  
**Workforce**



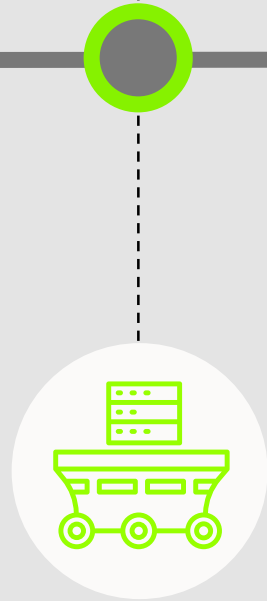
The Future of  
**How Work Gets Done**



**...disruptive forces are driving how we live and how we work, creating an imperative for new solutions**

# The Future of Enterprise

## The world is changing and the future is arriving now



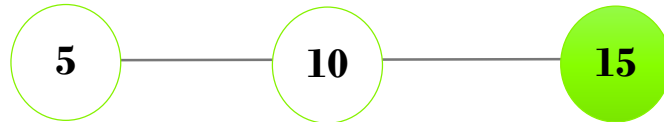
### What's happening?

Tsunami of data<sup>1</sup>

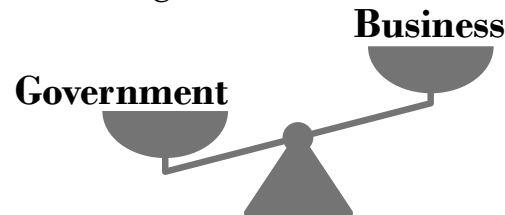
**9x** more in the last 2 years



Average company lifespan of S&P 500 companies is only 15 years<sup>2</sup>



People worldwide trust business more than government<sup>3</sup>



### What does it mean for your organization?



Gain competitive advantage with **hyper-connected insights**



**Disrupt** or be disrupted

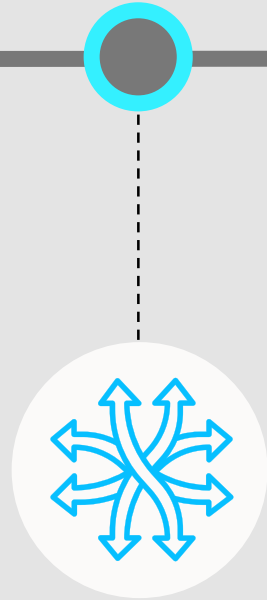


**Invest** to benefit the workforce and society

Sources:  
1 <https://www-01.ibm.com/software/data/bigdata/what-is-big-data.html>  
2 Professor Richard Foster from Yale University  
3 Edelman Report

# The Future of Workforce

## The world is changing and the future is arriving now



### What's happening?

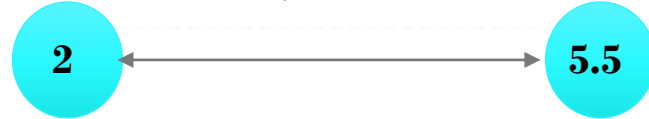
Careers are 50+ years long<sup>1</sup>



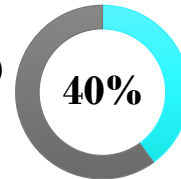
Millennials are more than **50%** of workers<sup>2</sup>



Half-life of skills is only 2 – 5.5 years<sup>4</sup>



By 2020 **40%** of workforce will be contingent<sup>3</sup>



### What does it mean for your organization?



Access talent from the full workforce: employees, gig, crowd, automation



Cultivate diversity and inclusion for strength through varied ideas and perspectives



Foster workforce experience and rewards for productivity & growth

Sources:

1 Annual Global Millennial Study, <https://www2.deloitte.com/uk/en/pages/about-Deloitte-uk/articles/millennial-survey.html>

2 <https://www.newscientist.com/article/mg23130810-800-the-100-year-life-how-should-we-fund-our-lengthening-lives/>

7 Intuit 2020 Report: Twenty Trends that will Shape the next Decade [https://http-download.intuit.com/http.intuit/CMO/intuit/futureofsmallbusiness/intuit\\_2020\\_report.pdf](https://http-download.intuit.com/http.intuit/CMO/intuit/futureofsmallbusiness/intuit_2020_report.pdf)

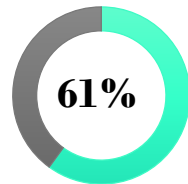
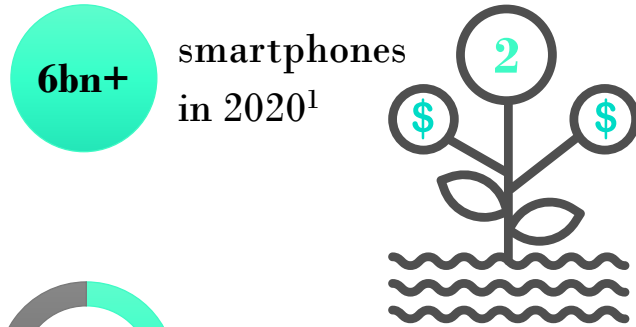
4 <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/HumanCapital/dttl-hc-english-opentalentecconomy.pdf>

# The Future of How work gets done

## The world is changing and the future is arriving now

### What's happening?

Technology is everywhere...



redesigning jobs with<sup>2</sup>



AI



New  
business  
models



Robotics

### What does it mean for your organization?



Reimagine work with  
**digital**



**Drive agility** through  
teams leading teams



**Reinvent the  
workplace** – physical  
and virtual – to  
innovate and simplify



Humans and Robots  
must become  
**co-workers**



It's no longer just  
about efficiency, it's  
about **changing how  
work gets done**

Sources:

1 <https://www.cnbc.com/2017/01/17/6-billion-smartphones-will-be-in-circulation-in-2020-ihc-report.html>

2 Global Human Capital Trends 2018

# What does this mean for HR?

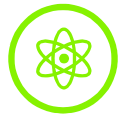
## The Future of Enterprise



Sense the community and shift to become a **social enterprise**

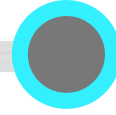


Drive innovation and agility through **workforce development**



Extend the enterprise with a **partnership ecosystem**

## The Future of the Workforce



Curate an inclusive workforce with **non-traditional talent**

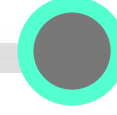


Orchestrate the **workforce experience** to invigorate teaming and productivity



**Forecast future capabilities** and enable continuous learning

## The Future of How Work Gets Done



Reimagine the work across the enterprise and in HR with **digitalization and automation**




Leap to a **fit-for-purpose HR Operating Model** to suit the enterprise



Advance the **workplace** to enable workforce collaboration

**HR must take the lead for enterprises to reimagine the future – today**

# What is the Future of HR?

 **ENABLERS**  
Advanced Technology


Integrated Systems **UNIFIED ENGAGEMENT PLATFORM**  
Usability **PRODUCTIVITY**

 **LENS**  
High-Impact HR Operating Model

Work Redistribution **EXPONENTIAL HR PROFESSIONAL**  
Compliance & Control **TRUST & EMPOWERMENT**

 **FOCUS**  
HR Customer Centricity

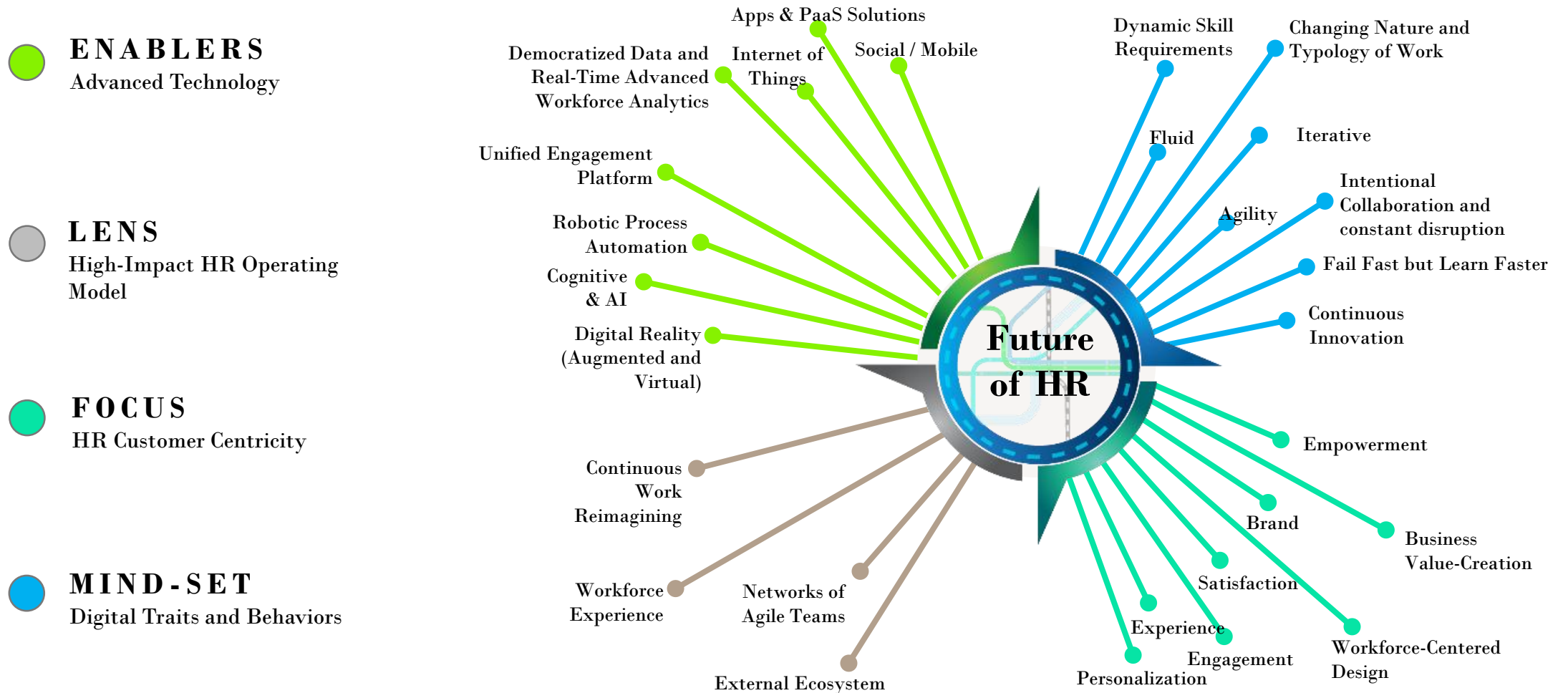
Center-Driven Solutions **HUMAN-CENTERED SOLUTIONS**  
HR Program & Process Design **VALUE CREATION INITIATIVES**

 **MIND - SET**  
Digital Traits and Behaviors

Transformation to **SUSTAINED PERFORMANCE**  
Doing Digital Things **BEING DIGITAL**



# What is the Future of HR?



# Shift to the Future of HR for Business Outcomes...

The Future of  
**Enterprise**

The Future of the  
**Workforce**

The Future of  
**How Work Gets Done**

 **ENABLERS**  
Advanced Technology

**Win in the market and community...**

*...reshaping culture and behavior to act with agility & collaboration*

 **LENS**  
High-Impact HR Operating Model

**Delight the enterprise's customers...**

*...accessing, curating, and engaging an innovative workforce*

 **FOCUS**  
HR Customer Centricity

**Empower leaders and workgroups...**

*...reimagining work across roles in and outside HR*

 **MIND - SET**  
Digital Traits and Behaviors

**Maximize the workforce's potential...**

*...gaining advantage through cognitive and digital automation*

# There is no single path to driving value through HR...

Your route will be unique to your journey

In today's disruptive world, it may be the path less traveled that leads you to the ultimate destination

**What will be your route?**

## See

---

### Sense

Understand trends and disruptors; uncover opportunities informed by your where the enterprise and workforce are going into the future

### Engage

Explore the possibilities for your organization and generate the case to launch the adventure

## Think

---

### Aspire

Envision the future that solves for the needs, motivations, and drivers of the workforce and enterprise

### Decide

Make strategic choices to refine the capabilities and enablers you want to infuse into the organization – set the route for success

## Do

---

### Create

Apply human-centered design and product mind-set to deliver solutions that enable your future enterprise and access the workforce

### Realise

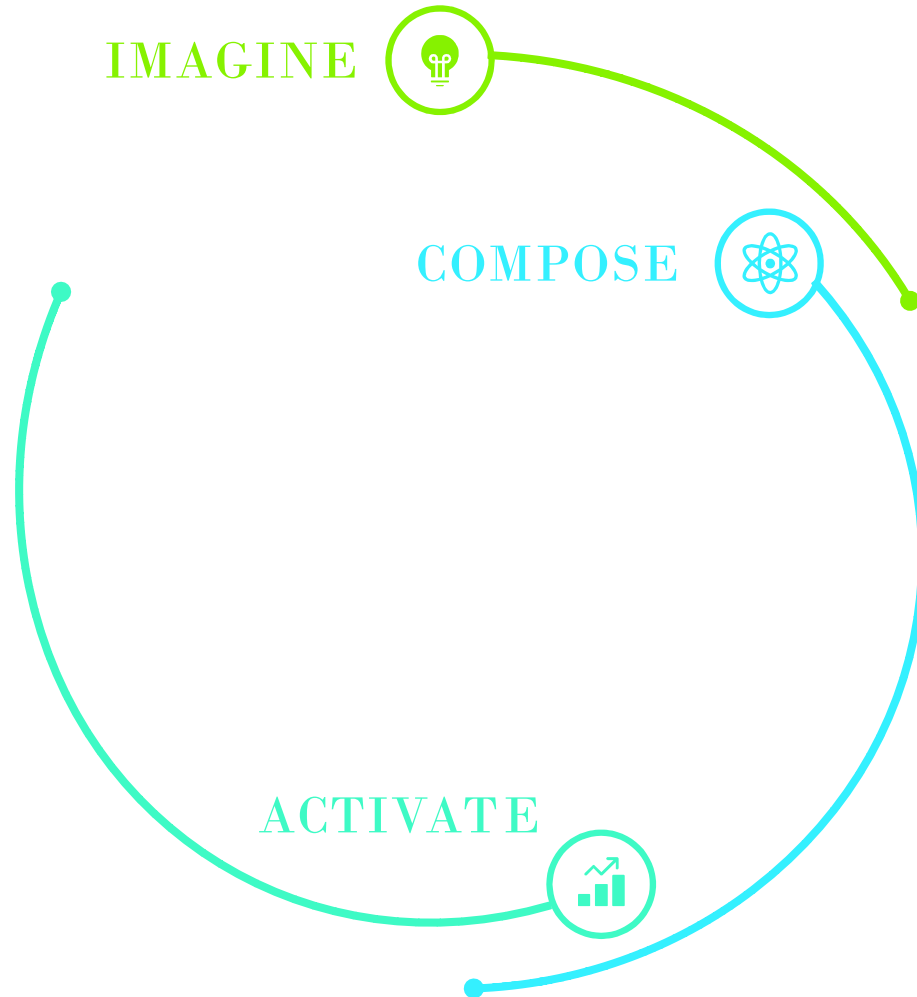
Embrace disruption to achieve value beyond efficiency and effectiveness to realize and sustain business outcomes

Future of work

# Re-cap



# We solve workforce issues across a spectrum of transformations...



## Imagine

Imagine the possibilities of the future by leveraging industry-specific data analytics and insights to define your ambition and strategy for transforming the workforce for the future

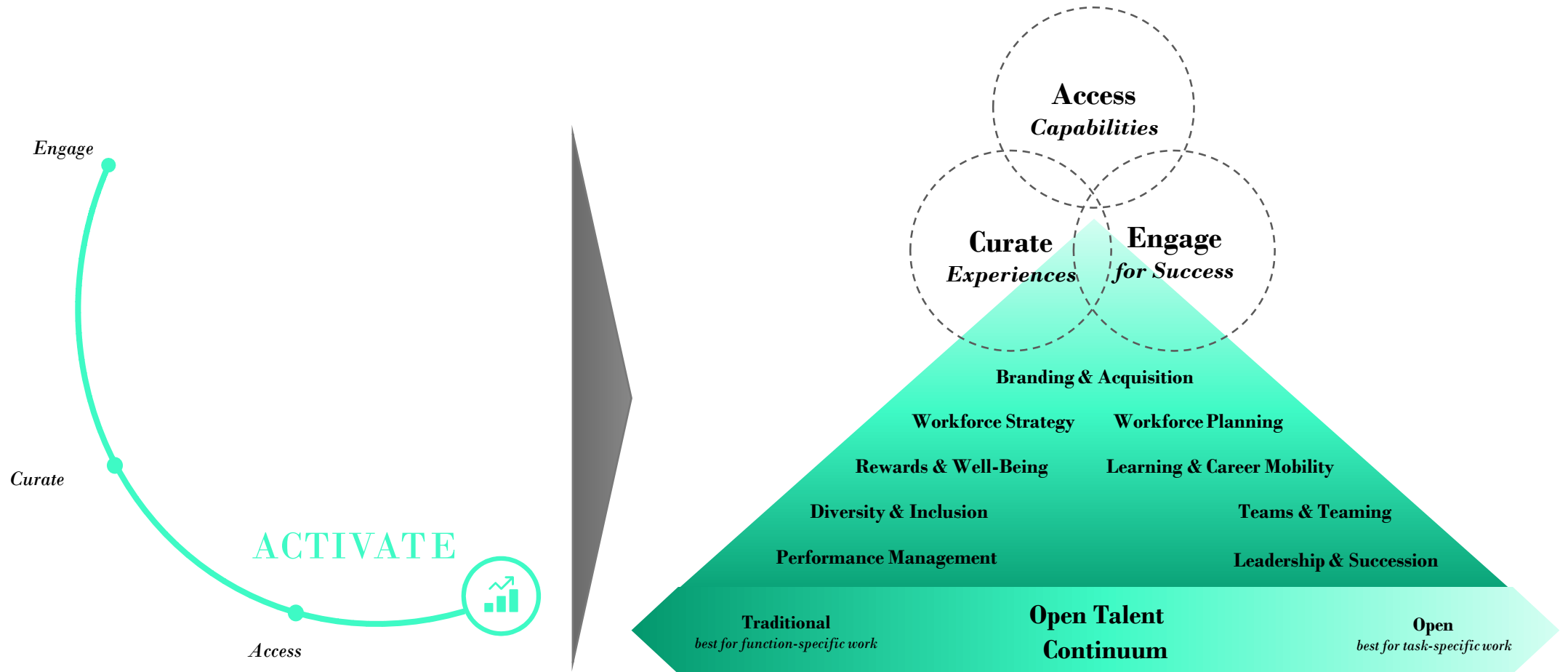
## Compose

Analyse work, workforce and workplace options that maximise the value of automation, alternative talent sources, and collaborative workplaces

## Activate

Align workforce development programs to access skills, curate next generation experiences and engage the workforce of the future

# By integrating our collection of solutions, we can **ACTIVATE** your workforces



# Future of Work lab experience

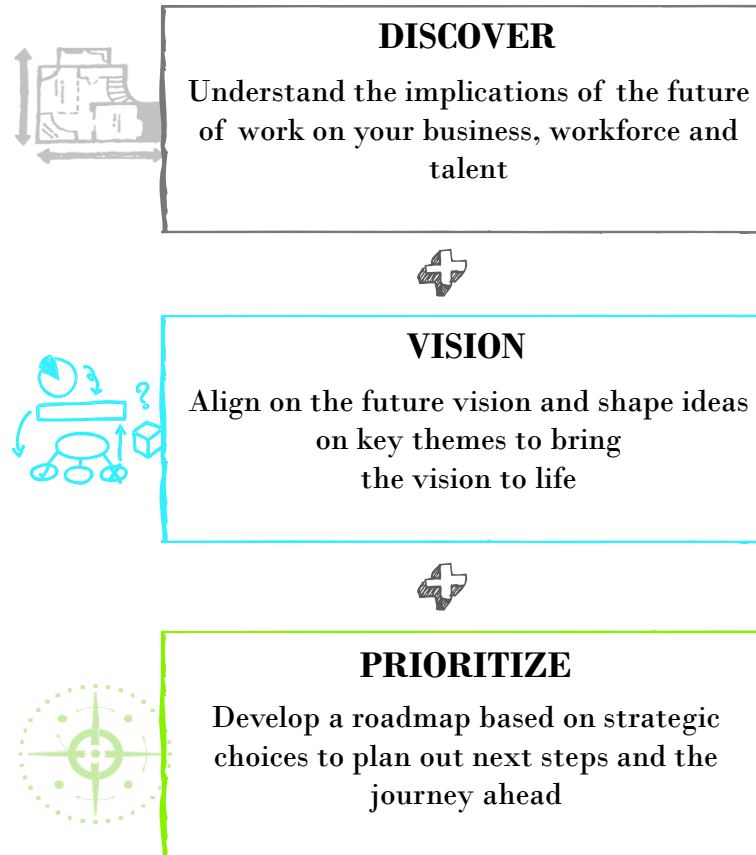
## What the lab offers..

The Future of Work lab experience sets the foundation for understanding the new drivers, realities, and implications of the Future of Work for your business. It will seek to answer questions like:

- What drivers are reshaping work, workforce, and workplaces?
- What are the organisation, leadership, and culture impacts?
- How can we unlock value creation through our workforce?
- How do we create a future forward workforce strategy?



## What you'll experience..



## What you'll get..

- ✓ **Immersive experience** designed to get your leaders **thinking differently**
- ✓ Deep dive on **disruptive workforce and technology trends**
- ✓ Explore **workforce data** relevant to client industry or function
- ✓ Introduction to Deloitte's proprietary **Future Workforce Planning Solution**
- ✓ **Actionable planning process** to establish a game plan for further progress

# THANK YOU

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

The information contained herein is not intended to substitute for competent professional advice.

Copyright © 2019 Deloitte Development LLC. All rights reserved.

