New world. New skills.

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pwc

Agenda

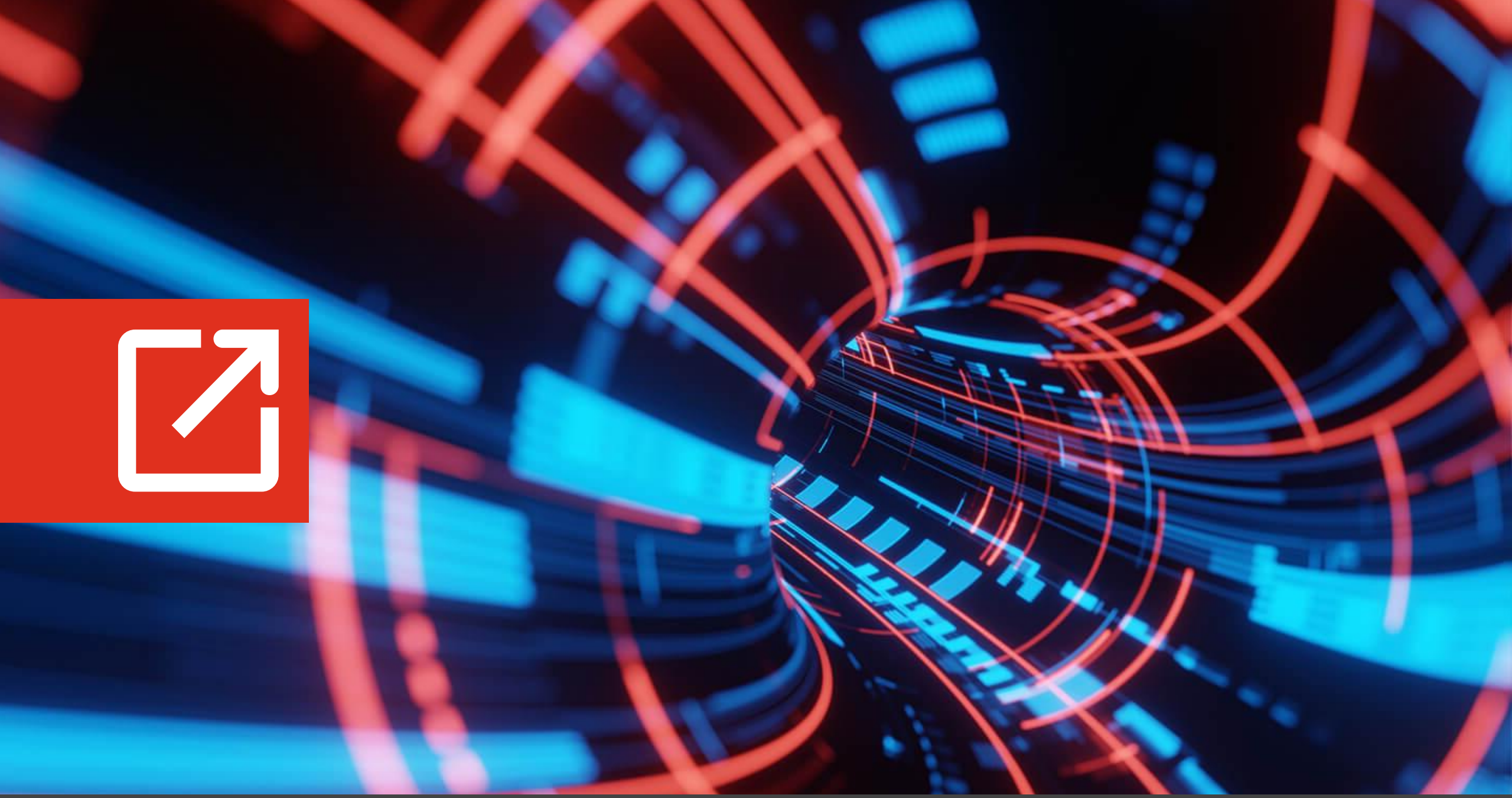
New world.
Are organisations ready for the challenges of the future?

New skills.
What type of competencies organisations are looking for?

Upskilling
How to prepare for the digital future?

Create buy-in
How to create buy-in by aligning reward & incentive packages?

Best practices & Next steps



New world.

Are organisations ready for the challenges of the future?

What is the impact?

80%

of CEOs are concerned about the availability of key skills

37%

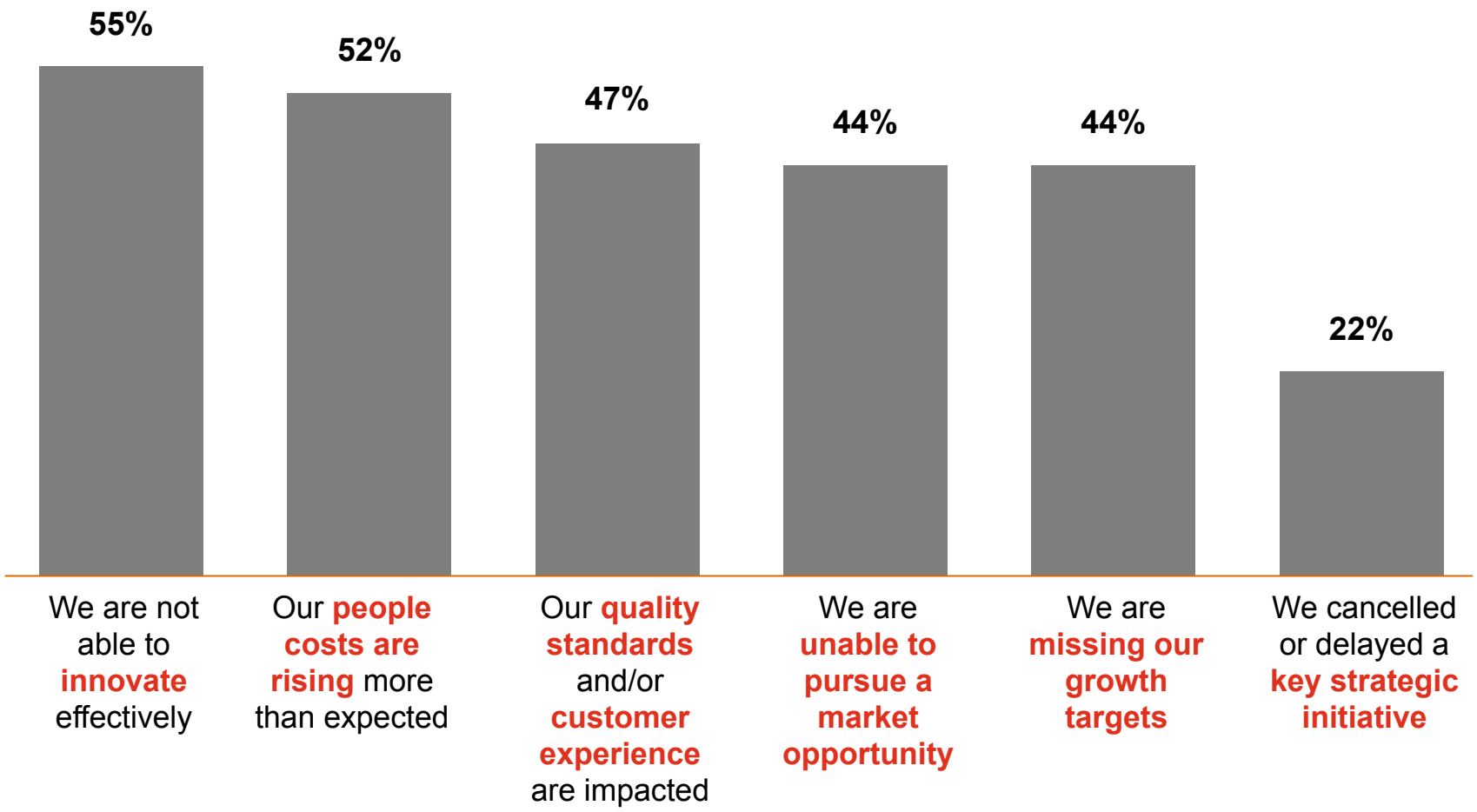
of CEOs are worried about automation putting jobs at risk

60%

think few people will have stable, long-term employment in the future

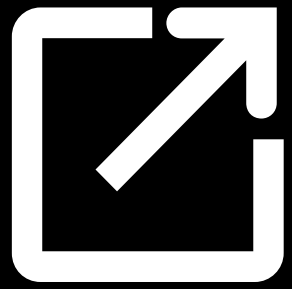
Impact on business performance, innovation and costs

Impact of **'availability of key skills'** on your organisation's growth prospects?



Source: PwC, 22nd Annual Global CEO Survey

Do you see an impact of automation and digitisation on the different roles in your organisation?



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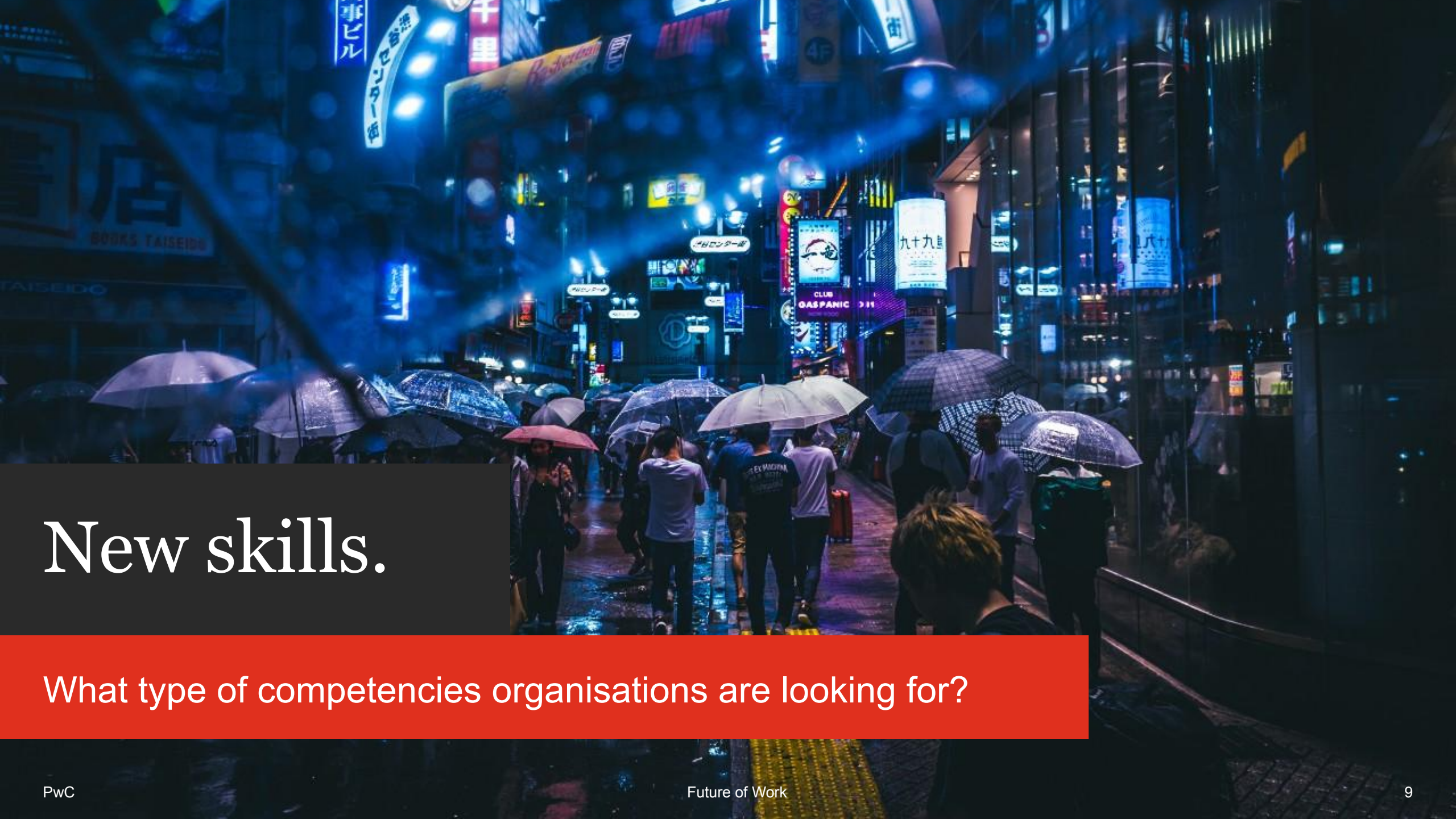
A. No, **nothing** is really changing.

B. Yes, but the impact is **limited.**

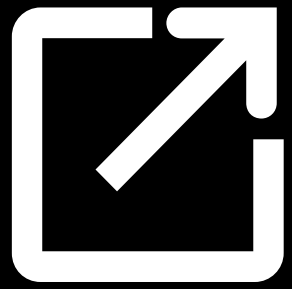
C. Yes, we see an **important impact** on the way of working.



New skills.

What type of competencies organisations are looking for?

What are the competencies that are becoming more important in your organisation?



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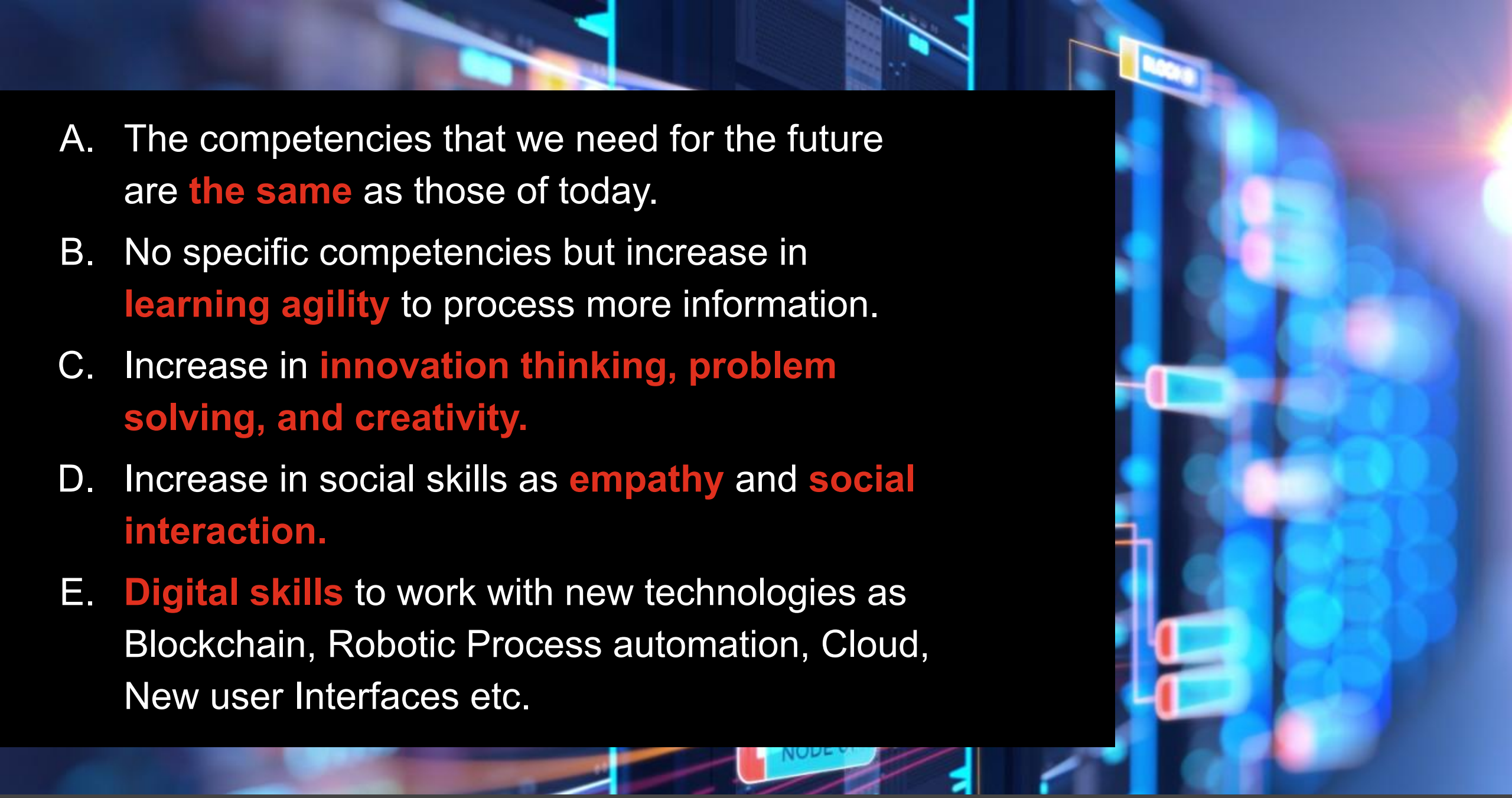


A. The competencies that we need for the future are **the same** as those of today.

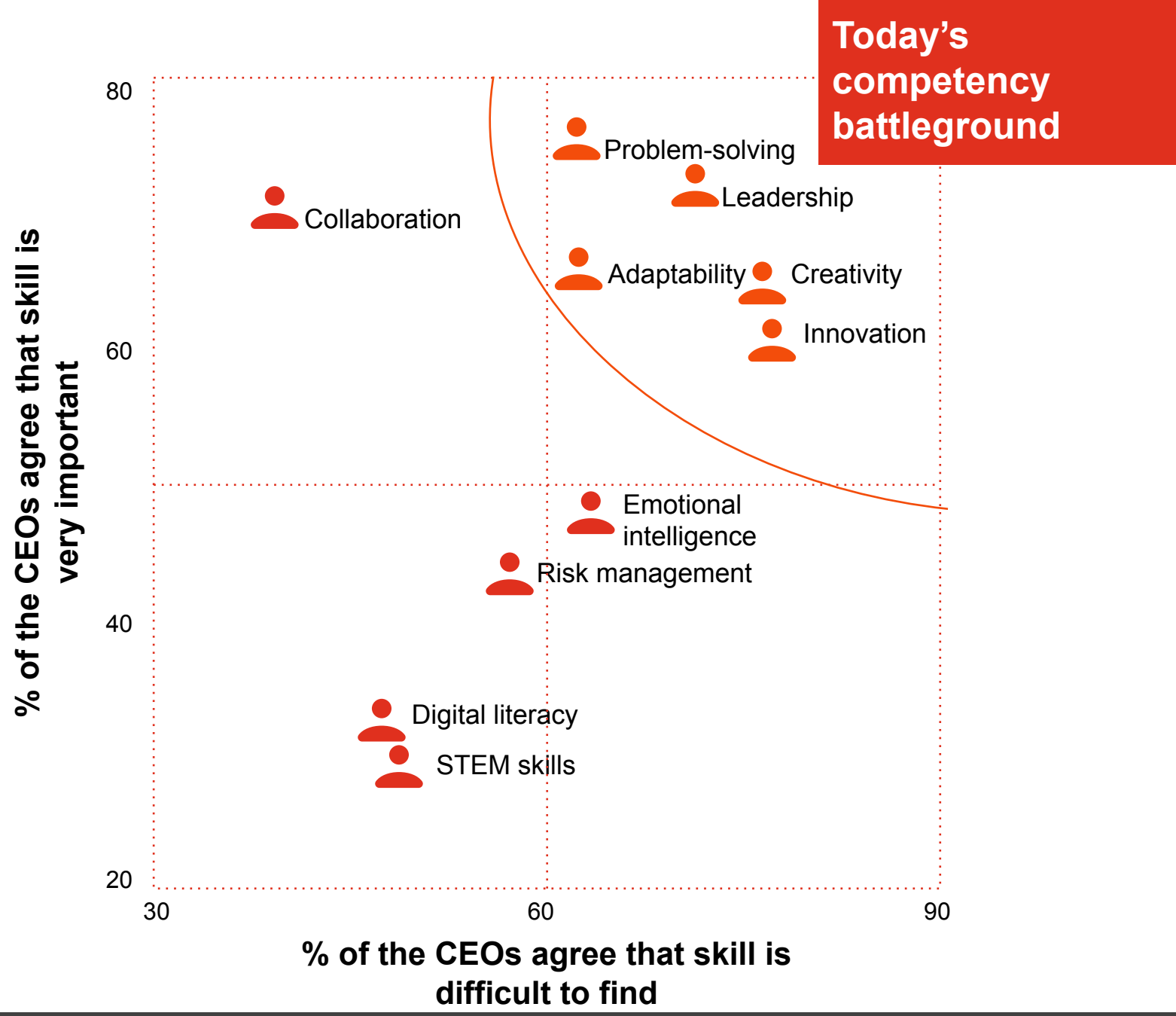
B. No specific competencies but increase in **learning agility** to process more information.

C. Increase in **innovation thinking, problem solving, and creativity.**

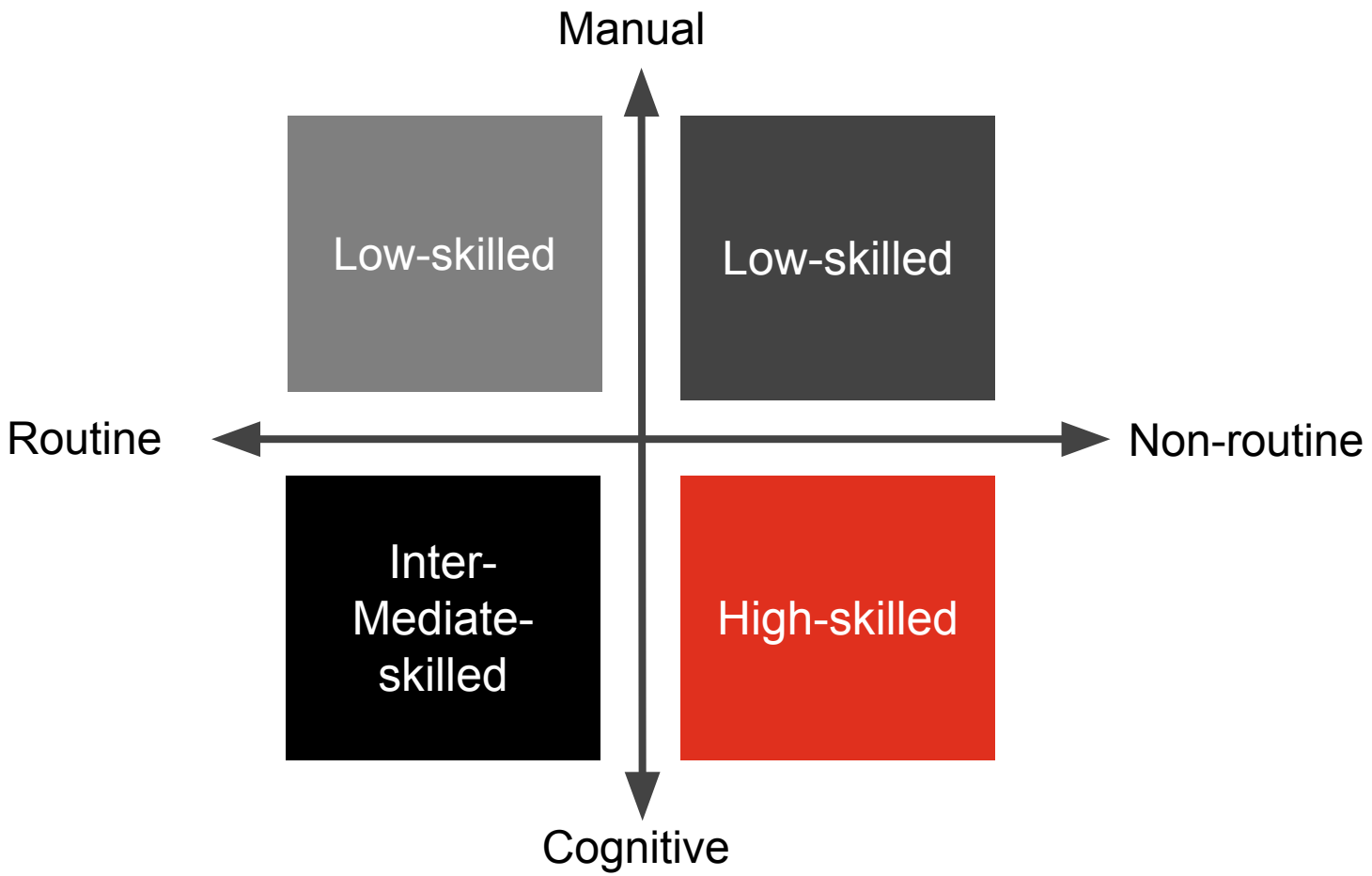
D. Increase in social skills as **empathy** and **social interaction.**

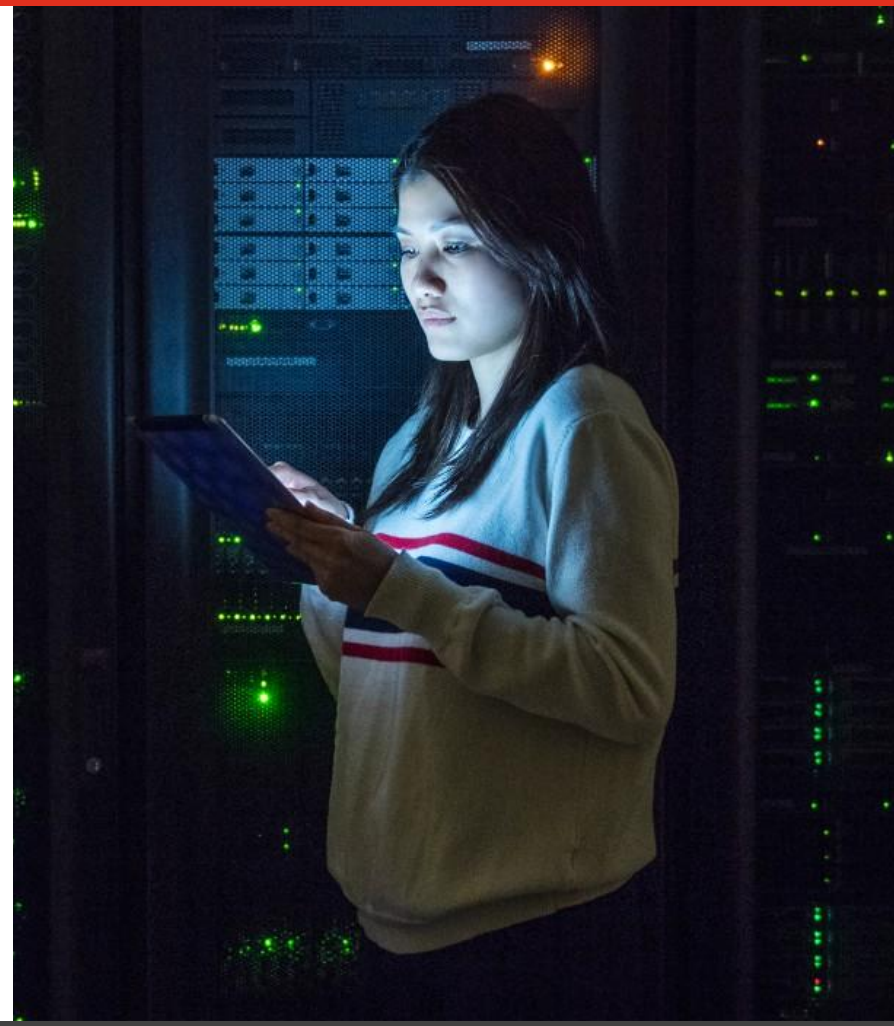
E. **Digital skills** to work with new technologies as Blockchain, Robotic Process automation, Cloud, New user Interfaces etc.

Look for human skills that add value.



Which jobs are mostly impacted by automation?





3 Lenses to look at the Workforce of the Future

Workforce Strategy

"What capabilities do we need?"

Workforce Experience

"How can our people thrive?"

Workforce Environment

"What is our optimal place mix?"

Workforce Strategy

- Strategic workforce planning
- Skills & competency assessment
- Talent & performance management
- Redeployment & reskilling
- Contingent / "gig" workers
- Shared services / outsourcing
- Transition & succession planning

Workforce Experience

Social Sphere

- Social Resilience
- Autonomy
- Agility & Adaptability

Work Sphere

- Personal purpose
- Good leadership
- Intrapreneurship

Physical Sphere

- Tackle stress & burnout
- Boost Vitality

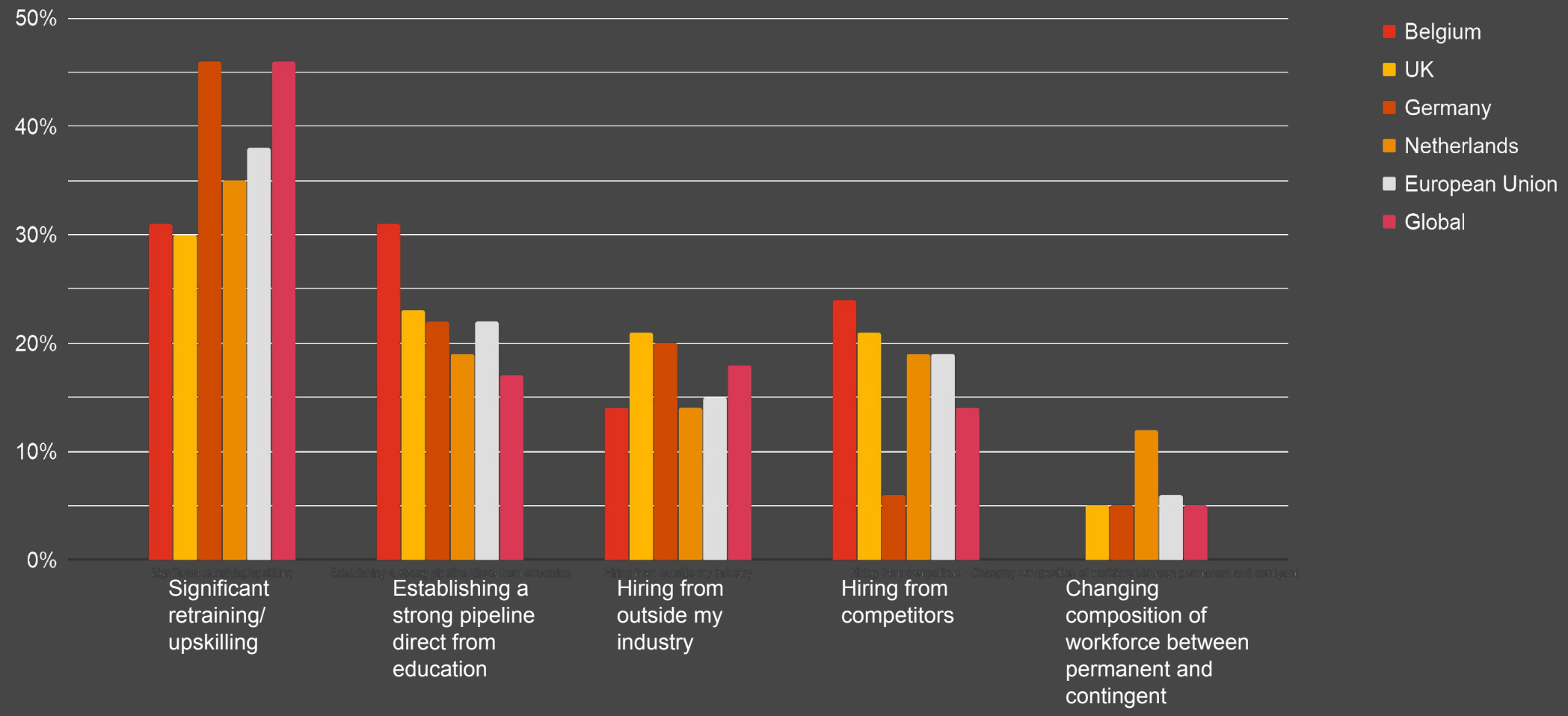
Workforce Environment

- Technological infrastructure
- Employee productivity suites and tools
- Enterprise collaboration / connectivity
- Global mobility strategy
- Onshoring / offshoring strategies
- Workspace design
- Foster autonomy and flexibility

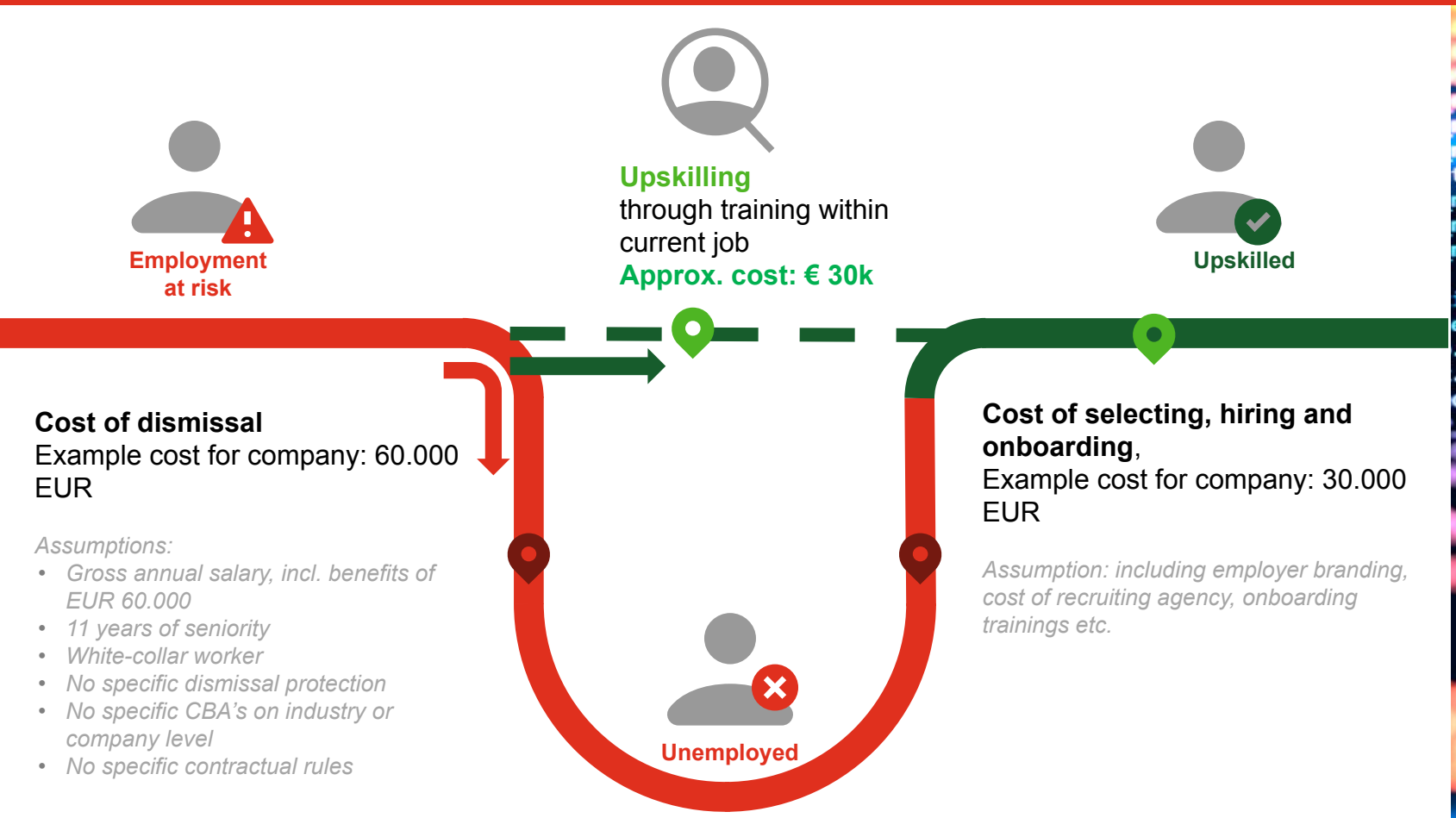
Upskilling

How to prepare your workforce for the digital future?

How are you going to close the skills gap?



Why not fire and hire?

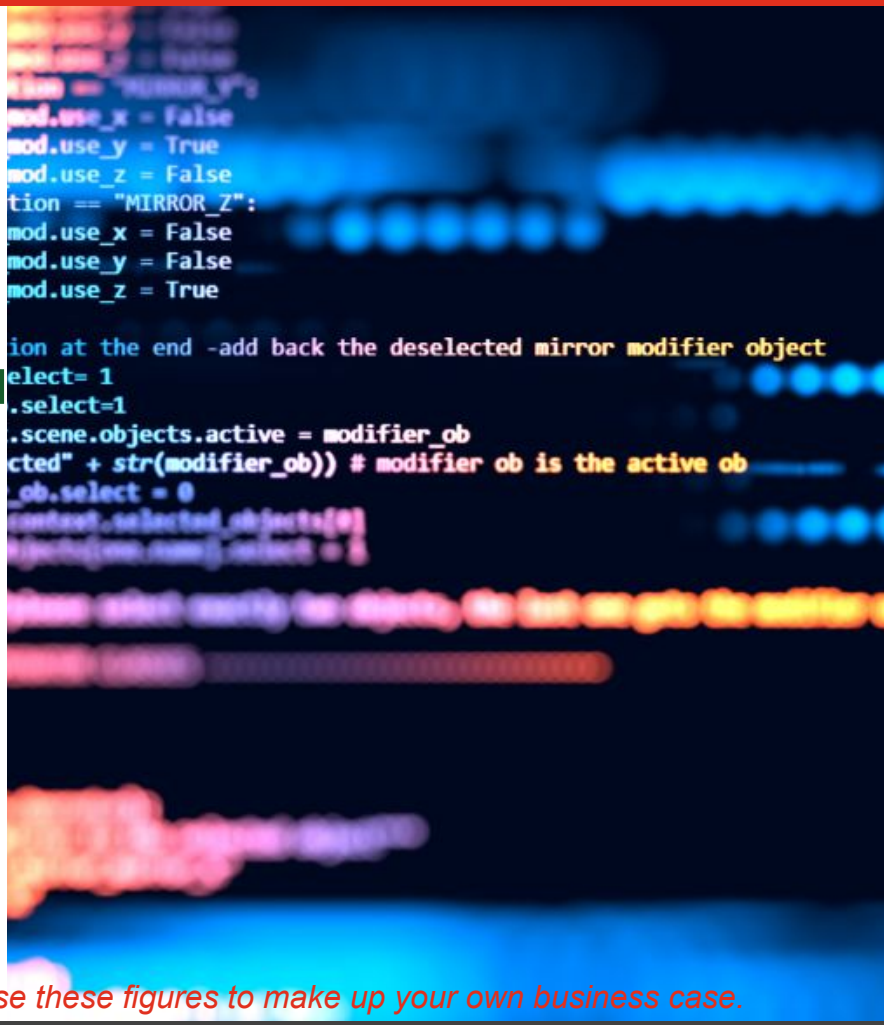


Cost of dismissal
Example cost for company: 60.000 EUR

Assumptions:
- *Gross annual salary, incl. benefits of EUR 60.000*
- *11 years of seniority*
- *White-collar worker*
- *No specific dismissal protection*
- *No specific CBA's on industry or company level*
- *No specific contractual rules*

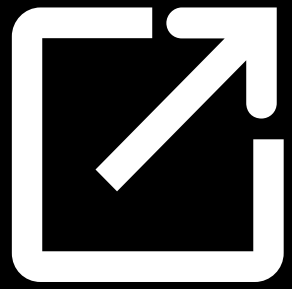
Cost of selecting, hiring and onboarding,
Example cost for company: 30.000 EUR

Assumption: including employer branding, cost of recruiting agency, onboarding trainings etc.



Note: All costs / savings are estimates, based on specific assumptions within the Belgian context. Do not reuse these figures to make up your own business case.

Do you know how your workforce has to change to support your future strategy?



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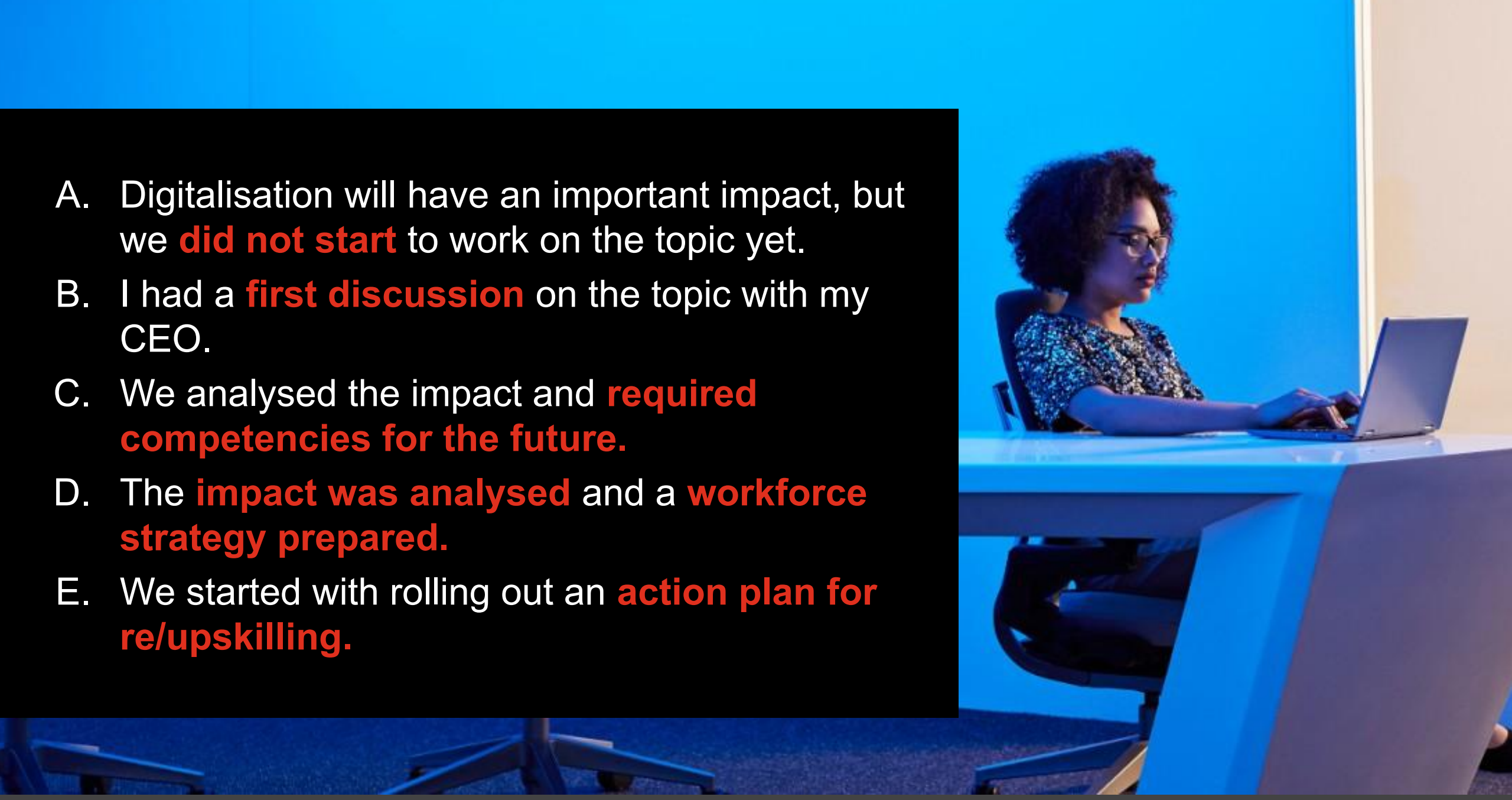
A. Digitalisation will have an important impact, but we **did not start** to work on the topic yet.

B. I had a **first discussion** on the topic with my CEO.

C. We analysed the impact and **required competencies for the future.**

D. The **impact was analysed** and a **workforce strategy prepared.**

E. We started with rolling out an **action plan for re/upskilling.**



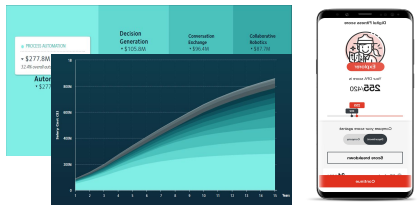
Workforce of the future framework

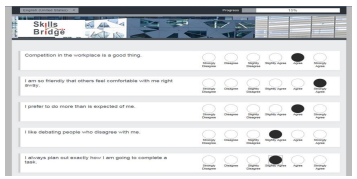
External Disruption

- Social
- Technology
- Demographic
- Tax / Legal / Regulatory
- Government support for skills building

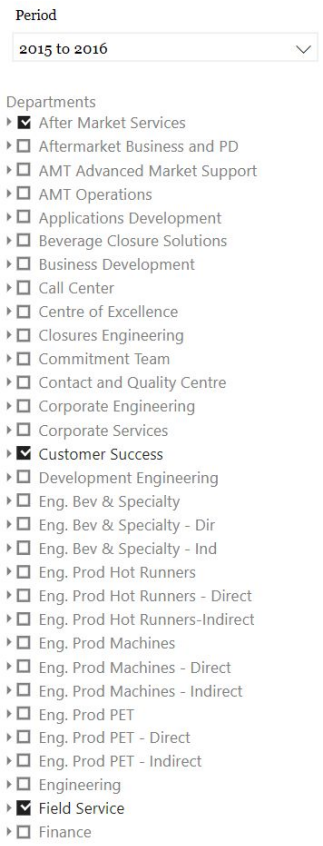
Upskilling for the digital future

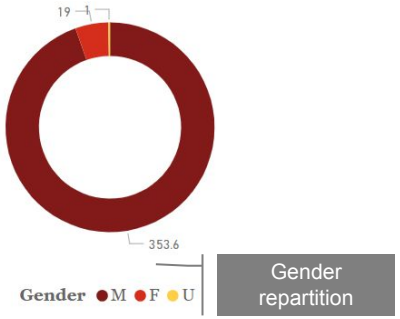
Assess current environment & identify skills gaps and mismatches	Build a future-proof skills strategy	Lay the cultural foundation	Develop and implement upskilling	Evaluate return on investment
Define future workforce and understand impact of automation	Rapidly review and refresh upskilling strategy	Create a cultural shift and the right behaviours	Create buy-in and align rewards and incentives	Measure Return on Learning investment
Assess current workforce capabilities	Make inclusion a priority	Inspire citizen-led innovation	Free up time for learning	Track Employee Engagement
Understand the organisational culture	Improve effectiveness of Learning Organisation & Tech	Nurture physical vitality and mental wellbeing	Design for an engaging learning experience	Benchmark the L&D function
Identify skills gaps, mismatches and role adjacencies	Test strategic alternatives and scale best-performing programmes		Build digital understanding	
Validate the case for change			Focus on targeted personal transformation journeys	
			Deliver training	

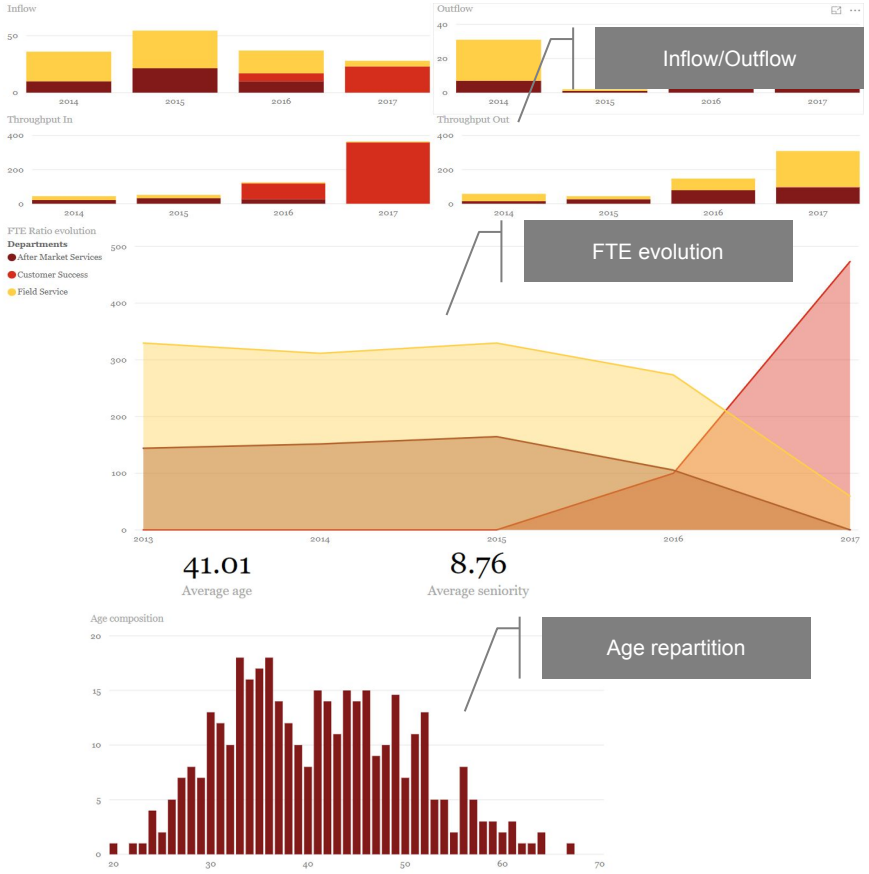




Mapping your workforce competencies and strategy







Predictive Workforce Solution provides you with **past and future workforce data visualisations** per year (in the past and future) such as FTE, gender repartition and ages among departments in order to ensure an **optimal workforce planning and strategic decision making**.

Create buy-in

How to create buy-in by aligning reward and incentives packages?

> In the future, performance reviews, compensation models, and job markets will need to adjust to emphasise human values, rather than only the technocratic and cognitive elements that can be done better by computers.

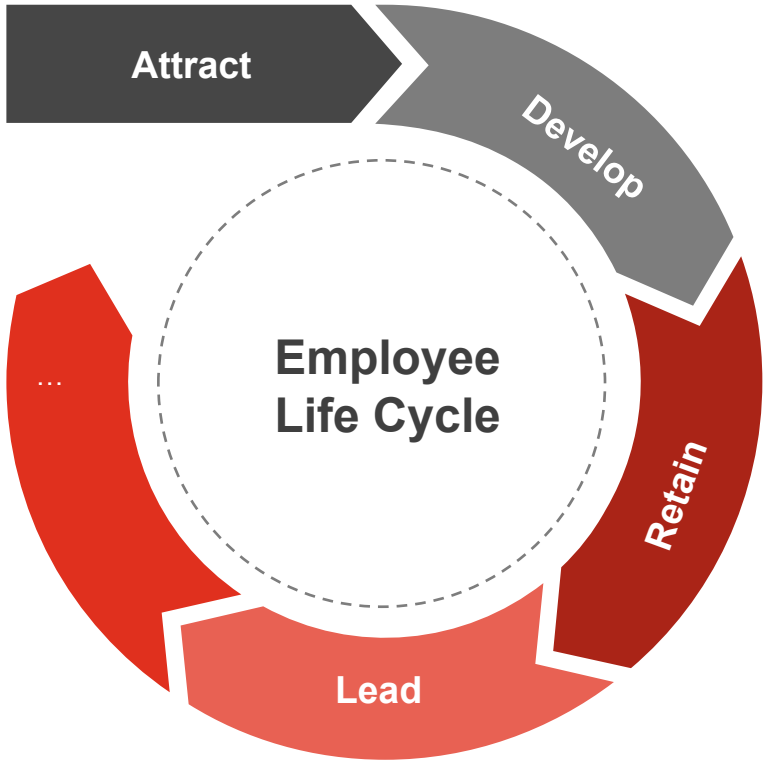
*PwC report, Human value in the digital age.

Part of a larger context

- **Job Framework**: how to move from a job occupancy driven by seniority to an occupancy driven by competencies, skills and learning objectives?
- **Performance Evaluation**: How to get continuous feedback with focus on learning and acquired competencies and skills?
- **Compensation & Benefits**: how to move to a Reward Strategy that supports your talent agenda?

Part of a larger context

> Without a reward strategy, you are unable to support the delivery of behaviours and performances needed to achieve strategic goals.



Best Practices & Next steps

How to get started?

Developing skills for Luxembourg companies

The Luxembourg government has mandated PwC to build the **first National multi-stakeholder upskilling toolbox.**

This project is cross functional: public sector and people & organisation departments have been working together to **develop a 3 phased approach:**

1. Feasibility study
2. Pilot project scoping and preparation
3. Roll out of a pilot and upskill the workforce

LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère du Travail, de l'Emploi et
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FINANCIAL TIMES

Europe's 100 digital champions

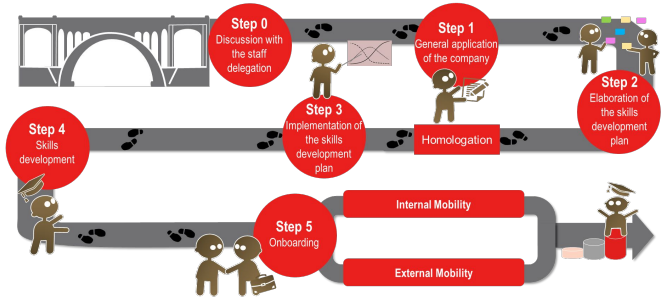
Explore the people and companies leading Europe's growth in five categories

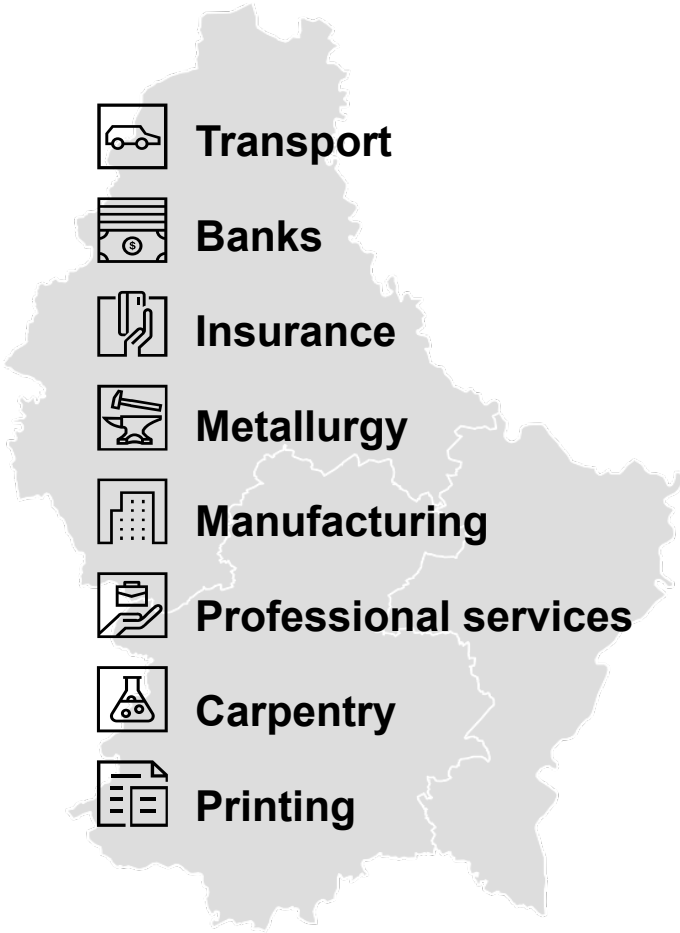
- Leading individuals
- Corporate digital transformations
- New technologies and business models
- Technology training
- Using technology for social challenges

20 applications

11 companies

The Skills Bridge process in a nutshell





Upskilling Platform for the financial industry in Singapore

Upskilling Platform serves to help financial institutions to identify job adjacencies and associated skills gaps in their workforce transformation planning.

Inputs for the tool

- Incorporate the Skills Framework for Finance & ICT and other relevant skills frameworks
- Incorporate relevant findings from the study on "*Impact on the Wider Integration of Data Analytics and Automation on Manpower in the Singapore Financial Services Sector*"
- Incorporate up to 30 job descriptions in up to 5 financial institutions (Banking/Insurance Operations)
- Additional inputs from the current job market in Singapore: incorporate 2100 real job vacancies from 51 financial institutions and banks

Purpose of the tool

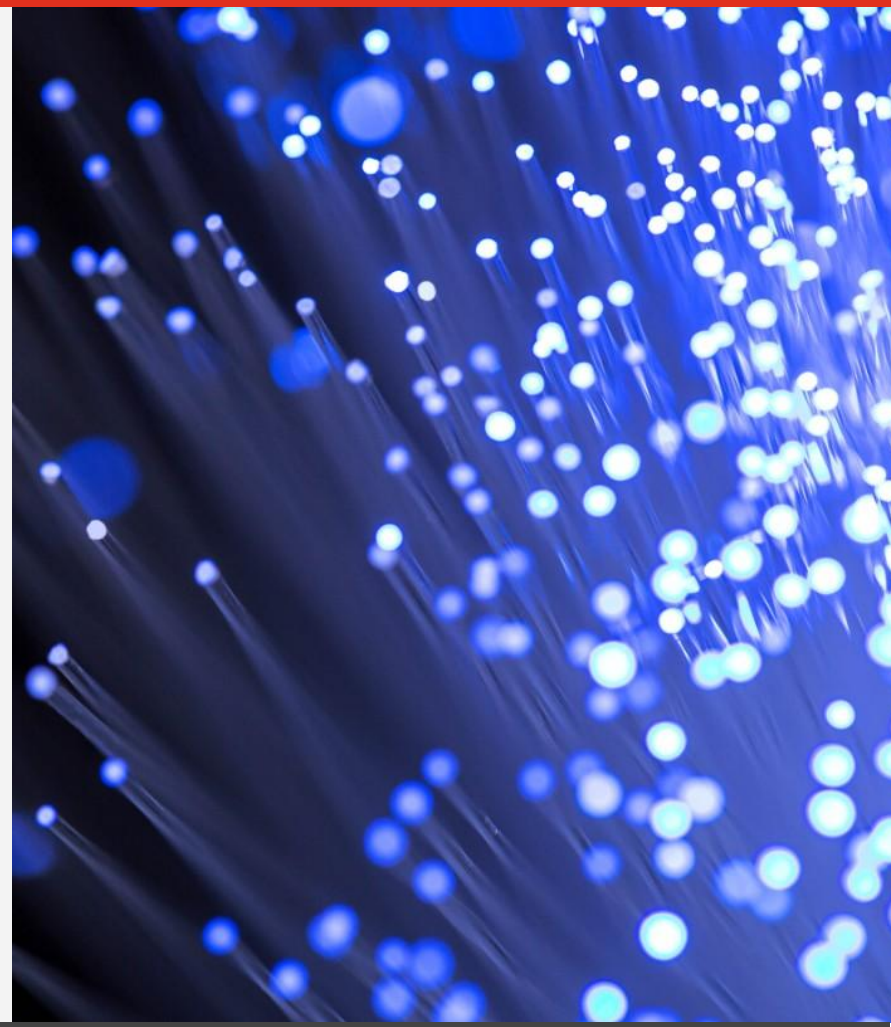
- Analyse role proximity / mobility between the current and new roles
- Perform a skills gap analysis and identify additional skills required to transition from current to new roles

Technical details of the tool

- Developed in a cloud-based environment
- Developed on a modular basis, using an agile methodology
- Allows for scalability for wider industry implementation and customisation
- Allows for API connectivity
- User-centric and provides good user experience

Key next steps to start preparing for the workforce of the future

- Generate insights in how **technologies and external factors** are impacting your sector.
- **Map the impact,** of a changing corporate strategy, **on your workforce** for the coming 5 years.
- Build a **workforce strategy**.
- Prepare a **Up/Reskilling strategy** and **career paths**.
- Adjust **leadership style** to competencies of the future.
- Create a **culture that encourage future behaviors**.
- Adapt your **Compensation & Benefits and Performance Systems**.



Thank you

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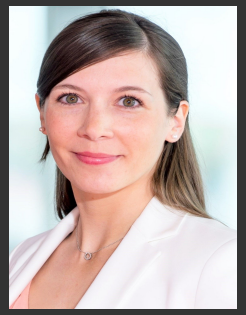

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