

Boardroom Questions

Future workforce



Millennials, baby-boomers, freelancers and robots. What will the shape of global businesses' workforce look like in the future?



100 Mio.
The number of global knowledge workers who could be impacted by robotic process automation by 2025

Pew Research Center, 2014



50%
Chance of a child born today living to 100 with 3 generations in the same company

Rustat/KPMG conference, 2017



ca. 50%
Working age population in the US engaged in 'gig' work in some way

Rustat/KPMG conference, 2017



Escalating labor costs in emerging markets



The shrinking talent pool with changing demographics in China, Japan and the West

Possibility of a role being automated?



95%

Accountant



1%

Surgeon

Why is this relevant?



As more and more **robots and other intelligent technologies** work side by side with **a human labor force**, leaders are increasingly challenged to integrate and make the most of **both kinds of labor**. The challenge is significant:

- HR leaders will need to identify the **new skills and capabilities** that will realistically be required in the future.
- Those current employees willing and able to be **upskilled and retrained** will need to be identified.
- New talent will need to be **attracted, retained and integrated** into the business.

Potential risks and opportunities



Risks

- Lack of communication with employees might lead to talented people leaving for companies which have transparently addressed the issue
- Competitors may implement a more effective workforce mix leading to greater profitability



Opportunities

- Retention and loyalty of key employees
- Increase productivity at lower cost
- A magnet for talent

Boardroom Questions



- 1 What will our **workforce of the future look like** including millennials, baby-boomers, freelancers and robots?
- 2 How do we successfully **integrate digital and human** labor?
- 3 How does this change what “**career**” means in our organization?
- 4 If entry level jobs are automated, where will the **mid level professionals** come from?
- 5 How will our operating model evolve to remain **relevant and competitive**?
- 6 How do we **retain and grow employee commitment** in an environment where job security is seen as **increasingly threatened**?

Questions for senior management



- 1 Can you identify the new skills and capabilities that will realistically be required in the future?
- 2 Have you identified current employees who are willing and able to be upskilled and retrained?
- 3 What are the culture changes needed to support a people and digital workforce of the future?
- 4 What are the barriers and how can we develop plans for new ways of working and nurturing employee commitment?
- 5 How can we communicate that labor solutions are built to automate the gaps in the operations where critical thinking, empathy and human knowledge is not needed?

What actions can the Board consider?



In moving to intelligent automation, consider how we align our future workforce with our strategy through:

- Focusing on the culture changes that are needed to support a people and digital workforce of the future
- Creating workforce plans that re-shape the workforce including developing the new skills and capabilities for strategic execution
- Building the capacity to manage the change management effort involved in moving from experimentation with bots to wide-scale deployment

About the KPMG Board Leadership Center

The KPMG Board Leadership Center offers support and guidance to board members. We equip you with the tools and insights you need to be highly effective in your role, enabling you to focus on the issues that really matter to you and your business. In addition, we help you to connect with peers and exchange experiences.

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