The Future of Work
How to Futureproof your organisation
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Introduction and Summary

Change has never happened so fast. For example, just five years ago, who would have believed that a house in China could now be built in five hours with a 3D printer and cost less than €4,000?

The world is changing at an incredibly rapid pace – and so is how we work and the workplace itself.

Over the past decades, both industry and the economy have undergone sustained and systemic change. The adage of ‘8 hours work, 8 hours play, 8 hours rest’ applies less and less. The separation of work and life is increasingly blurred. Our motivations for work have been similarly transformed. We now expect work to enrich us in more than one way. Amidst this rapid change, our understanding of the world of work must also change. What is work? Is it where we go, or is it what we do? Is it who we are, or who we work for?

Back in the Fifties

Imagine for a moment working back in the 1950s, when your only connected device would have been a telephone, and you could collaborate only when you met your colleagues face to face. Now we have smartphones, tablets, online meetings, web video conferencing, whiteboards, online document sharing, social media, TelePresence, etc. The global amount of new technical information doubles every two years. The Internet of Everything is reshaping multiple aspects of our lives – changing how we work.

Wearable technology will soon be as familiar as our wristwatches. Robots are moving in from the factory floor to the office. Technological change also means huge developments in when and where we work. Tools for collaboration and mobility along with always-on connections will increasingly blur the distinction between work and ‘free time’. More flexible work and an open, collaborative, free-flowing work environment will promote greater creativity and can also increase productivity.

Challenges and opportunities

Increased connectivity, demographic changes and globalisation are forcing us to rethink how we work, when we work and who will work. All this brings many challenges, but, by adapting to and taking advantage of the changes, we can open up many opportunities.

We must recognise the trends and keep up to date with new ones. We must marry the trends to company strategy.

A combination of mega-trends is redefining the world of work. This white paper considers the challenges, spells out what they mean for you and your company, and indicates how you can not only adapt to but actually benefit from all the changes – so that the future of work brings with it your future success.
The Future Brand

The importance of business branding cannot be underestimated. Either you are branding yourself – or you are being branded by others. In the age of technological transparency, it is imperative that companies stand for something bigger than their product. In a crowded marketplace, branding is necessary to not only stand out from the crowd, but also to attract the right crowd.
Do you know your own company?

Can you answer the following questions?

- Do your customers like your product or doing business with you?
- Do the next generation of workers know you exist?
- Do your employees like working for your company?

As you build your workplace of the future, you need to know the answers to these questions. They will not only determine who works for you but also whether customers need you.

Building your future brand

Communicating with consumers

Consumers are bombarded with more than 5,000 marketing images and messages a day. This ‘communication fatigue’ means they ignore most messages. More and more companies are turning to novel branding approaches to make themselves heard. By using social media effectively, companies can cultivate and communicate with customer advocates who spread the word about their product or service.

For example:

**Dollar Shave Club** enlisted 12,000 customers in two days when its YouTube video went viral. Its success rested on its humorous, engaging and authentic message. It quickly garnered an online community of brand loyalists. It is set to earn $60 million in revenue this year. Ten years ago this would not have been possible.

**Obermutten**, a village in Switzerland, launched a Facebook page to promote tourism. The village mayor promised that anyone who liked the page would have their profile printed and posted on the village bulletin board. This village of 79 now has over 45,000 fans. Four out of five fans are continuously active on the page, which outdoes Coca-Cola’s Facebook page. From an investment of 10,000 Swiss francs, the village earned 2.4 million francs.

Understanding the customers’ perceptions

You are what your customer perceives you to be. Brand is shaped by the customers’ experience of it. You can advertise a phone as the best smartphone on the market, but in the end it’s the customers who will determine this: they will ultimately create the brand. Fox News brands itself as being “fair and balanced”; its viewers believe this to be true, while critics pour scorn upon the claim. However, the critics are not the target audience so their perceptions matter little. It is the perceptions of its target audience that determine Fox News’ brand and likeability. It understands its target audience and caters to them.

Firstly, it’s essential to understand customers’ perceptions:

**McDonald’s** attempted to forge a deeper connection through its Twitter campaign, ‘#McDStories’. But the hoped for forum for heart-warming stories immediately became an opportunity to share horror stories. The campaign ended up not as #McDHappyMeals, but as #McDHorrorStories.

Companies should focus on brand perception: measuring customer perception through feedback or surveys. Disney and Apple rely heavily on such methods.

“Brands are not what companies claim they are, but what customers say they are.”

How user experience is crucial

Brands are not what companies claim they are, but what customers say they are. That is why companies also need to focus more on user experience, which after all shapes the customers’ perception of the brand overall.

Many companies focus on the product or service itself, leaving the experience as a by-product. Taxi and hotel booking services are not new, but customer satisfaction and experience are driving the success of Uber and Airbnb. Experience itself tells a story and reinforces the brand.

User experience is set to play a large role in the future brand:

**Uber**, the premium car service app, centres its brand on its incredible user experience. It offers luxury at a small premium and as a result enjoys rave customer reviews.

**Airbnb**, a community marketplace that connects those who want to rent space with those who have a place to stay, focuses strongly on the end-to-end experience of its users and thus builds strong relationships with them.

Part of the user experience that should not be overlooked is online customer service. Customers are looking to social platforms to resolve their issues,

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1 [http://www.fastcompany.com/3023073/leadership-now/3-ways-to-create-magnetic-brand](http://www.fastcompany.com/3023073/leadership-now/3-ways-to-create-magnetic-brand)
2 [http://www.businessweek.com/articles/2014-05-16/dollar-shave-plots-to-take-over-your-bathroom](http://www.businessweek.com/articles/2014-05-16/dollar-shave-plots-to-take-over-your-bathroom)
4 [https://gigaom.com/2013/10/22/square-airbnb-and-why-experience-really-is-design/](https://gigaom.com/2013/10/22/square-airbnb-and-why-experience-really-is-design/)
and demanding responses in real time. Capturing this trend can generate customer advocates: according to NM Incite, 71% of customers who’ve received quick and effective brand response are likely to recommend it to others, compared to 19% who did not receive any response. Providing employees with the right training so they can represent your brand in the best possible way across multiple channels will become increasingly crucial.

**Establishing emotional connections with the consumer**

It’s not just about effective communication, and understanding the customer’s perceptions and user experience. The future brand also demands deeper connection with the consumer. Marc Mathieu, senior vice-president for marketing at Unilever, believes marketing needs to go back to its roots: to marketing for the people instead of marketing at the people.

While 80% of companies think they connect well with people, just 8% of people think they do. To build intimacy with customers, companies need to work harder at understanding their customers’ needs and expectations. The female market demonstrates this. Most women feel that advertisers do not market effectively to them. They want a brand that understands them. Dove interviewed 3,000 women in 10 countries and found that only 2% described themselves as beautiful. Dove saw this as an opportunity, and launched its ‘Real Beauty’ campaign. ‘Real Beauty’ tackled narrow definitions of female beauty and established an emotional connection that increased Dove sales by 20%.

Future marketing campaigns will focus on a story that is deeper than the product itself. The best storytellers will forge the strongest brands.

**Aligning company culture with your brand**

‘**Culture eats strategy for breakfast**’

A company’s brand intertwines its culture and its core values. Employee alignment to these values leads to increased employee engagement, productivity, and more positive representation of your brand to customers.

IBM sticks rigidly to its core values. Former CEO Lou Gerstner said: “Culture isn’t just one aspect of the game – it is the game.” Zappos CEO Tony Hsieh believes that “your culture is your brand”. If the culture is cultivated, the rest follows.

“Social media is giving employees a more central role in the brand. Companies are looking to employees to form part of their arsenal of marketing tactics”.

Social media is giving employees a more central role in the brand. Companies are looking to employees to form part of their arsenal of marketing tactics. A positive organisational culture ensures loyal brand ambassadors.

**Starbucks** is creating employee advocates It actively promotes employee training and development, including providing options for obtaining qualifications while they work. The more Starbucks invests in this way, the more employees embrace its values, which then benefits its product and services.

**The ‘liveable’ brand**

Customers often consider ‘intangibles’ when choosing between alternative providers, so a strong corporate culture can make all the difference. People want to live the brand. For instance, Virgin Airlines tries to attract passengers who like its offbeat, anti-establishment attitude.

At **Heldergroen**, an Amsterdam-based design studio, desks, along with computers and paperwork, lift into the air after 6pm and the resulting space can be used for yoga classes or networking receptions. The space becomes an unlikely form of marketing to those who work there, and also to prospective clients who witness the design innovation.
‘Your culture is your brand’

Zappos, the online retailer, has fostered a positive and unique workplace environment that creates willing brand ambassadors. It maintains a no-management structure, and staff are encouraged to spend time away from their desks in coffee stations or resting in a hammock in the time-out area. Achievements, big or small, are celebrated. Zappos even allows visitors to explore their Las Vegas HQ to witness the culture for themselves.

This positive culture is at the heart of everything Zappos does, from its hiring process through to performance reviews. This increases employee commitment and engagement while also building favourable brand awareness.

Tracking customer attitudes in real time

As customer attitudes and expectations change rapidly, it is important to be aware of customer preferences in real time.

Never think that, you have established your brand once and for all – you need to keep checking current perceptions of your brand. Given the rapidity of modern communications, it is just as well that we have methods of tracking such communications in-depth and at speed.

At the 2013 Web Summit, Adam Williams, the UK MD of Spotify, highlighted that one of the tracks most streamed by students was ‘Clair de Lune’ by the French classical composer Debussy. No one could have predicted this, but now we can find out such facts through analytics.

MOOCs (Massive Open Online Courses) can also assist in building an employer brand through customer education.

Employment branding

Investing in job posts is costly and targets just a small demographic (active jobseekers are only 25% of the talent pool). Employment branding is a long term investment. It involves building digital assets that can be shared on social media repeatedly, as opposed to short term job ads.

Zappos, the online shoe retailer, abandoned the traditional CV and job postings format. Instead, it relies on Zappos Insider, a makeshift social network where candidates interact with employees and are exposed to the brand. This puts culture at the heart of the hiring process and ensures it only attracts hires who are the best fit and are already loyal brand advocates.

Personal brand

In a PwC survey, two out of five people expected employment of the future to revolve around the personal brand.

People will focus more on the portfolio career and selling their skills to those who need them. Companies will thus have to work harder to align employee brands to their own brand. When employees’ passions and talents are aligned with the corporate brand, engagement and productivity increase. Good brand relationships with employees will become just as important as brand relationships with consumers.

As companies align themselves to the brand of their employees, however, they need to be aware of the pitfalls. The increased transparency that comes with professionals living their lives online can both add to and detract from the company brand.

“Good brand relationships with employees will become just as important as brand relationships with consumers.”

Living our lives online has necessitated a growth in reputation management. Some people present themselves in a tailored way, while others embrace transparency. Inappropriate use of communication channels can tarnish both professional reputation and company brand. Websites such as weknowwhatyouredoing.com and lamebook.com highlight embarrassing behaviour or comments that a company can deem unsuitable. Numerous inappropriate videos go viral, showing how easily a company’s reputation can be damaged.

Bank of America partnered with Khan Academy to create self-paced courses for customers on how to develop better money habits. They focus on financial skills directly applicable to customers’ daily lives. Andrew Plepler, CSR and Consumer Policy executive at Bank of America, recognised that customers wanted to develop better financial habits but often lacked easy and accessible guidance.

Online channels make it easier for employees and customers to complain. Damaging words going viral can have a devastating impact on a company’s reputation. Bad online reputation can manifest itself in search engine results, and put off potential customers or investors. Negative reviews, true or not, are often found on websites that rank high in search engines.

One way to counter these perils is to use big data to monitor what’s going on, so that you can respond quickly to negativity. Companies have to react to negative ratings on websites such as glassdoor.com and take rapid action – continually fostering a positive culture. We can see how relevant this whole area has become with the recent rules around the right to be forgotten online.

**Importance of corporate social responsibility**

Corporate social responsibility and business strategy are becoming even more aligned. Kasper Ulf Nielsen, executive partner of Reputation Institute, argues that what companies stand for is more important that what they sell.

There is a strong correlation between a company’s reputation and willingness to buy or recommend the product. Zenia Mucha, Disney executive vice-president and chief communications officer (CCO), stated that their objective was to not only be one of the best-known companies but one of the most admired.

In the headquarters of Herman Miller, the furniture company, a plaque quotes their founder D.J. DePress: “In the long run, all businesses and business leaders will be judged not by their profits or their products but by their impact on humanity.”

**Social benefits**

Promoting products or services that are in the best interests of society attracts customers and earns their respect. As much as 60% of people’s willingness to buy, recommend or say something positive about a company is based on their perception of the company.

In 2013 **Bank of Ireland** launched its ‘Sponsor for a Day’ competition, which was open to small businesses across Ireland, to provide logos displayed on players’ jerseys at Leinster and Munster rugby games. It offered these small businesses a launchpad for growth and brand recognition.9 Bank of Ireland thus reinforced its brand as ‘the bank that cares’ and ‘the bank that supports small business’ – and it also won awards for the project, which in turn boosted its branding.

“In the long run, all businesses and business leaders will be judged not by their profits or their products but by their impact on humanity.”
Future Talent

Much of the developed world has declining fertility rates. The US, UK, France, Germany and three of the BRICs (China, Brazil and Russia) all have fertility rates below 2.1, the required level for stable population growth. Japan has 0% natural birth increase, and is expected to lose 21% of its population by 2050. Many EU countries have also recorded 0% growth, including Austria, Italy and Greece. These countries all face shrinking working-age populations.
Both the US and Germany recorded talent shortage of 40% in 2014 while Japan recorded 81%. By 2050 in Europe there will be twice as many people over 65 as people under 15.

Demographic trends will make it more difficult for companies to source and secure the talent of tomorrow. Increasingly, they will need to look towards new sources of labour.

Nestlé, the Swiss food giant, is seizing the initiative. By 2024, 15% of its European workforce will have retired; to tackle this the company has launched a recruitment drive to secure 20,000 young workers. Over the next three years, it aims to hire 10,000 people under the age of 30.

Securing the workforce of tomorrow

Global employers are reporting an unprecedented level of talent shortages. Most companies are adopting new ways of working, including additional training and development for staff. Companies are redefining qualifying criteria to include people who lack some required skills but have the potential to acquire them.

Looking to older candidates

To tackle the coming skills shortage, companies will begin to target older workers. By 2030 the percentage of older workers in the global workforce is expected to rise to 22%. In Germany researchers found that raising the labour-force participation of those aged over 55 could add the equivalent of 1.2 million full-time qualified workers.

Recognising this future trend, some companies are focusing on alleviating the challenges that older workers face at work:

BMW in 2007 staffed one of its production lines with employees whose average age equaled the projected average age of the workforce in 2017. Then it asked them for ideas. Some design changes – such as better lighting, adjustable magnifying glasses, and forgiving floor material – cost less than $50,000 to implement, but made all the difference to their older workers.

The female potential

The potential female labour force remains a largely untapped asset in many parts of the world. The German research quoted above also found that increasing the share of women working full-time could increase Germany’s workforce by up to 2 million people by 2025. In Japan only 48% of women are in the workforce. Western multinationals such as Unilever and American Express have taken advantage of this and hired Japan’s high-potential females.

One in five female parents leave work because of unhappiness in their job and a desire for a better work-life balance, compared to one in 10 men. Women are pessimistic about their ability to both manage home life and progress to more senior levels.

“One in five female parents leave work because of unhappiness in their job and a desire for a better work-life balance, compared to one in 10 men.”

Building the workforce of tomorrow

IBM in the U.S has invested in P-TECHs (Pathways in Technology Early College High Schools). These are technology-focused charter schools that provide six years’ high school education, and two years of focused post-secondary training in computer programming and related skills. It is an innovative initiative filling an educational gap and providing the necessary skills for the future jobs market.

The impact of the CoderDojo, an open source, volunteer led, global movement of free coding clubs for young people highlights how different educating the workforce of tomorrow will be.

12 http://www.theguardian.com/money/us-money-blog/2014/oct/14/apple-facebook-pay-women-employees-freeze-eggs
Attracting the talent

Job adverts should be viewed as a marketing opportunity, as a means to sell your company to top talent as opposed to weeding out candidates.

It is vital that companies make their jobs visible. Making jobs hard to find means losing out on attracting the best candidates. Is your website optimised for mobile phones? Around 25% of job-seeking millennials (the generation born between 1980 and 2000) expect mobile-optimised career websites. Almost half of jobseekers use a mobile device to look for jobs.

Websites need to be easily accessible from a range of mobile devices and allow uploading of portfolios or resumes from a mobile phone.

**Sodexo** developed both a mobile-optimised career site and an app for ease of access. This app had 17,000 downloads the first year, identified over 2,000 job candidates and led to 141 new hires. All this saved the company $300,000 in job board postings.

New companies are emerging to reinvent the recruiting process and help solve the talent crisis.

Companies such as **Gild, TalentBin and Entelo** use people analytics to examine candidates’ publicly available work, to spot difficult to find talent. They can blend data from social media sites to create profiles for coders, programmers and software engineers. Companies can then search these profiles for candidates with the desired skillset, instead of focusing solely on the strength of their cover letter or how they perform in an interview.

“According to The Economist, there has been a “collapse of loyalty” in the workplace”.

In the future talent search, the Internet will become jobseeker’s resume and social networks their references. Hiring managers could rely on automated tools to recruit.

**IBM** developers believe they can assess a person’s psychological traits by analysing hundreds of their tweets. They tested the results of their Twitter analysis against psychometric test results, and found a close correlation between their tweets analysis and the test results.13

**Knack** is changing the way that employers look at potential talent. It uses games to assess strengths, self-awareness and motivation; then uses that information to match people with the most suitable employer.

Algorithms and people analytics will become central to the future recruiting process. Technology can also open up new talent pools, such as people seeking more flexible arrangements or to help those with disabilities. Character readers and voice-recognition devices can assist workers with visual impairment. Geography will matter less and less as organisations seek to hire the best talent, regardless of location.

**Topcoder** offers access to a worldwide community of freelance developers. It divides up clients’ IT projects and the top coders compete to secure the job.

**SAS** invests in employee well-being and happiness. One employee said: “SAS walks the talk on work-life balance.” It has ensured employee loyalty and 95% of its employees look forward to going to work. The turnover rate among software firms in general averages 15.5%. The SAS rate is 4%.

Companies often fail to invest in their employees, understand their needs and figure out what motivates them. Talented candidates are excited about their career and future. Focusing on career development and the employee’s future encourages loyalty and engagement.

**Shell** has appointed ‘career stewards’ who meet regularly with emerging leaders, assess their level of engagement, help them set realistic career expectations and make sure they’re getting the right career opportunities.

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14 http://www.economist.com/node/8131813
Johnson & Johnson develops its high-potentials through its nine month LeAD programme, in which participants receive advice and regular assessments from coaches brought in from outside the company. More than half of participants have already moved on to bigger positions in the company. This investment ensures greater productivity and employee loyalty.

A PwC report has highlighted that many mothers feel their employer is not doing enough to assist them in balancing their responsibilities at home and at work. Only 52% of women feel supported by their employer to develop their careers. They would value more support and empathy from their line manager in order to harness their full potential. They want better management of their talent and stronger support for their career development.

Encouraging location transfers can help build company loyalty. It also develops leadership skills, adding value to the employees.

Dimagi, a mobile app development company, launched an ‘Away Month’ programme to inspire energy and innovation that staying in their office in Boston would not have given rise to. Workers travelled to South America for a number of weeks, gaining the opportunity for team-building and networking.

Companies are eager to keep top talent even if they move to another city.

Launchsquad has benefited from enabling its workers to relocate. Its offices in New York, Boston and Detroit were all established by a go-getter employee who wanted to move cities.

Transformation of education

The increasing cost of education will exacerbate the future skills gap. In the US, college enrolment decreased by 2.3% in 2013. People’s valuing of university degrees is free-falling because technology has set knowledge free and access to education is no longer monopolised by living standards, ability to pay or geographical access.

MOOCs (massive online open courses) open up the power of knowledge to the world, including to intelligent youths in developing countries.

Khadijah Niazi (aged 12) was the youngest girl to complete Udacity’s Physics 100 class, and with the highest distinction. In 2013, she gave a presentation at the World Economic Forum in Davos on her experience. Daphne Koller, one of the founders of Coursera, said: “We don’t know where the next Albert Einstein is. Maybe she lives in a small village in Africa.”

“Encouraging location transfers can help build company loyalty. It also develops leadership skills, adding value to the employees.”

Solving the skills gap

Companies still prioritise the traditional college degree over online qualifications (only 14% say they would hire a candidate who attained a qualification online). But MOOCs can provide a solution to the skills gap, playing an increasing role in closing the gap between what college students know and what businesses need. A Gallup poll highlighted that only 11% of U.S. business leaders believe that newly graduated candidates have the skills required for success in the workforce.

MOOCs can provide the practical training that is missing, especially in a future workplace where continual training will be a requirement.

McAfee turned to MOOCs to assist in corporate training. By ‘flipping the classroom’ (students learn mainly by being given access to course materials and discussing issues with fellow learners as well as the trainer), McAfee transformed its new hire training. This saved time spent on training and produced more lucrative sales. McAfee’s sales associates attribute an average of $500,000 per year in sales to the skills they learned in the new training.

MOOCs also offer companies the opportunity to source qualified candidates. Some corporates are taking the long-term view in actively partnering with universities and education institutions to help provide the future talent pipeline.

The Open Education Alliance – a consortium of tech companies including Google, Autodesk, and AT&T working in partnership with Udacity – develops learning tracks and pledges to hire students who complete them.

Companies can create talent pipelines by collaborating with MOOC providers and designing curriculums that suit their needs and identify top students.
Tapping the diaspora

When Dov Frohman decided to move back home to Israel, Intel was loath to let him go. It allowed him to head up the establishment of the first Intel outpost outside of America – in Israel. Similarly, Henry Ford’s deep connection to his ancestral home and in particular to Cork drove him to build the company’s first automobile plant outside of America.

Looking to the diaspora will assist in securing future talent. China, India and Israel strengthened their economies by networking with their diasporas, particularly those in the US. A total of 3% of the world’s population [215m people] live in a country other than the one in which they were born. Ireland’s diaspora numbers over 70 million globally, with most living in the US, UK, Canada and Australia. Many already had jobs but left in search of better opportunities.

Globalisation of entrepreneurial networks allows for international migration to become a reversible process. Those with scarce technical skills can collaborate virtually to assist their home economies while maintaining their professional ties in more advanced economies.

“The rise of freelancers and flexible work arrangements will call for new styles of management and motivation.”

Managing a multigenerational workforce

A multigenerational workforce brings two main risks. First, older people will no longer be able to afford to retire early and will work for longer, thus blocking the path for ambitious millennials. Millennials move on quickly if they feel that their needs are no longer being met. Secondly, over the coming years millennials will be placed in the position of managing older workers. This may provoke tensions.

Managing a multigenerational workforce requires strong leadership and a recognition that different generations require different styles of management. It will be important to understand what motivates each generation, tailor your response to build more effective teams and rewards, and build a culture that meets the shared needs of the multigenerational workforce. For example, everyone craves respect, everyone wants professional development and everyone appreciates regular feedback. It will also be necessary to engage multigenerational teams by committing them to shared goals.

How Tesco CEO gets in touch with the future

For the Tesco Chief Executive, part of his strategy centres on understanding how technology is changing the industry. To help him keep on top of rapid technological change, he is reverse-mentored by employee Paul Wilkinson, who is in his late 20s, once a month. He hopes to gain insight into his employee’s generational mindset, in particular regarding the use of technology.

The sessions help the CEO understand how his customer will think, interact and operate in the future. This is helping to drive innovation by Tesco. It also assists in Wilkinson’s professional development, providing him with corporate knowledge and business insight.

Managing remote talent

The rise of freelancers and flexible work arrangements will call for new styles of management and motivation. It will be vital to build trust from the start. There needs to be understanding on all sides of goals and targets. It will then be the responsibility of the remote workers to complete the task.

Management will need to focus on new yardsticks for productivity, and communicate them effectively. Many companies use activity-tracking software to monitor keystrokes and Internet history, combined with the taking of periodic screenshots throughout the workday. The number of companies in the US that use some form of electronic monitoring has greatly increased. McKinsey research shows that such monitoring increases worker stress and decreases job satisfaction. Where it does lead greater productivity, this is frequently accompanied by a decrease in quality and customer service.

This research shows the effects of electronic monitoring on relatively simple work such as data entry. Imagine its effects on staff performing more complex tasks! In short, such monitoring is a crude, quantitative, mechanistic method that appears to increase stress, lower morale and reduce quality of work.

Companies will get better results if they show more trust in their workers and use quality management to monitor the quality of work. Less Big Brother, and more trust in our employees – with good leadership, a supportive culture and effective communication.

Organisations will have to be comfortable in delegating projects and task work to specialists around the world. This will require a restructuring of traditional workflows. As the workforce becomes more remote, collaboration will become a priority. Companies will also need to facilitate spaces for meeting with onsite colleagues when needed, and invest in intuitive collaboration technology for effective employee communication.
Work is not a place you go, but a thing you do

Work in the future will be seen less in terms of location and more in terms of activities. This is paving the way for a less location specific workforce. According to the Citrix Workplace of the Future report, 83% of companies globally will adopt mobile work styles this year. By 2020, it predicted, the average employee would access the company network from six different devices, and one third of employees would not work from a traditional office but at home, at field sites or in customer/partner locations. Private offices and cubicles are being replaced by more flexible and communal workspaces, giving rise to ‘activity-based working’.
Co-working

Isolation can be a problem for remote professionals. Urban hubs are a solution to this problem of social distance. These often uniquely designed environments aim to connect, inspire and enable workers to realise their goals. They provide infrastructure for mobile workers, including comfortable chairs, tables, high-speed wi-fi connection, kitchen facilities, private meeting spaces and, above all, a sense of community for those who want it.

Co-working spaces offer month-to-month memberships and provide access to facilities, be it three-days-a-week access to a shared working lounge or 24/7 access to a personal desk. The number of co-working spaces across the globe, from Somerset House in London to Bandung Digital Valley in Indonesia and The Hub Singapore, is estimated to have doubled each year since 2006. More than 2,000 co-working spaces were set up worldwide in just two years (up to end 2012), a 250% increase.20

Specialised spaces are also becoming popular. They allow for knowledge-sharing within an industry and for greater innovation. Recognising this need, companies are looking to provide more creative workspaces to stimulate their workers.

Ford launched TechShop Detroit, a 33,000 square foot DIY workshop. For a membership fee, employees, non-employees and retirees can make use of equipment that is beyond the means of DIY as just a hobby. There is an energy of experimentation in the TechShop that inspires innovation.21

End of big company bureaucracy

In 2001, Peter Drucker predicted that the corporation in its current form would not be able to survive. Big company bureaucracy will be changed by those who work there, how they work and the new styles of management required. There will be a shift from controlling individuals to inspiring collaboration; from top down communication to horizontal conversation, and from making money to delighting customers profitably.23

New corporate culture models have, indeed, begun to emerge to replace the traditional bureaucracy.

ROWE (Results Only Work Environment) has increased in popularity among American companies. It provides a model for a more flexible future of work. Its slogan is “Work whenever you want, wherever you want, as long as the work gets done.”

Measuring employee productivity through time spent at a desk is considered outdated; instead, managers focus on clear job descriptions, attainable goals and better methods of measurement. Eric Severson, Head of HR at Gap, called the model “the holy grail of talent management”, crediting it with raising productivity by 22% among participating workers.

Google allows staff the freedom to pursue projects they are passionate about 20% of the time. Many of their popular new products are birthed during this ‘20% time’.

At BMW, employees agreed with supervisors on the amount of work they would perform either at home or on the road. They record hours on an honour basis and are reimbursed accordingly. This offers employees great working flexibility.

Other companies have gone one step further and initiated a ‘non-leadership’ model. Valve, a video game developer, describes itself as a ‘flat organisation’. Employees do not report to anyone. They decide what to work on, where to work, and even each other’s pay. Teamwork is crucial, however; to save time, workstations are fitted with wheels so that dispersing into teams is efficient and quick. It encourages collaboration and engagement with like-minded, passionate people. This kind of model attracts ‘elite’ performers.

What is driving this change?

Technology is shifting jobs from relatively permanent and lifetime to less permanent, non-standard employment relationships, such as self-employment and freelance work. These arrangements may be particularly attractive to those seeking a better work-life balance or those with disabilities.

Millennials are expected to make up 75% of the workforce by 2025. Their dominance will define to a great extent the culture of the future workplace. One of their most defining characteristics is their affinity with technology. They place more emphasis on their personal needs than on those of the organisation. According to a 2014 PwC survey, Millennials at Work, they tend to be uncomfortable with rigid corporate structures; expect rapid progression, a varied and interesting career, and constant feedback.

In other words, millennials want a markedly different management style and corporate culture.22

Health and work/life balance vital for the future worker

Technology has made it easier for employees to be more flexible, but has also made it more difficult to escape work after hours. Many companies realise that rested employees are more productive.

Volkswagen’s company email server is programmed to stop delivering messages to employee smartphones 30 minutes after work, and starts again 30 minutes before the beginning of the workday. This is an attempt to prevent their employees from being ‘always available’.

Quirky, a New York based start-up which shepherds inventions to the marketplace, has implemented a ‘blackout’ week once a quarter, during which no one except customer service representatives are allowed to work. This is an attempt to remove distractions from the employees’ environment, encourage creative thinking, and prevent burnout.

“Employees are more engaged when their physical, emotional, mental and spiritual needs are being met”

New data has shown that people are experiencing heightened stress levels and new sources of stress. Consequently, absenteeism is quickly being replaced by ‘presenteeism’, a culture that pressures employees to show their faces at the office irrespective of their wellbeing or the fact that they could be more productive elsewhere. This trend is becoming more of a concern for business. Research by the Corporate Leadership Council in the UK, has found that the price of presenteeism is eight to twelve times the cost of absenteeism. Sick employees are only 55% productive compared to 75% on ‘normal’ days. This impacts the bottom line.

In Ireland, according to the Aviva Workplace Health Index, about one third of employers cite presenteeism as a key health concern for their business. Since employees are afraid to ring in sick, many come to work with ailments such as back and neck pain, allergies, migraines and depression.24

Many companies are slow to adopt more flexible working arrangements as managers find it difficult to measure productivity of remote workers. Many rely on the physical presence of the worker. Companies are going to have to begin to assess productivity in other ways.

A daughter’s wake-up call

In early 2014, Mohamed El-Erian made headlines when he resigned as CEO of trillion-dollar investment fund PIMCO. He said he had asked his 10-year-old daughter why she wouldn’t listen to him when he asked her to brush her teeth. She gave him a list of 22 milestones he had missed – from her first soccer matches to Halloween parades – because of work.

El-Erian wrote, “I had a good excuse for each missed event! Travel, important meetings, an urgent phone call, sudden to-dos... But it dawned on me that I was missing an infinitely more important point”. Since resigning, El-Erian has been managing “a portfolio of part-time jobs” that give him more flexibility – so he can, for example, drive his daughter to school every day.

In another case, former CEO of MongoDB Max Schireson wrote about his decision to resign after he realised how much he was missing in his children’s lives.

These cases raise an interesting point regarding the work-life balance of male executives. According to a 2013 Pew Research study, 46% of fathers reported that they don’t spend enough time with their children, versus 23% of mothers.

As Steven Wright quipped, “When I was 10, my father told me never to talk to strangers. We haven’t spoken since.”

Company chiefs considering their work-life balance? It’s a healthy development. But they also need to consider that of their employees.

Stress reduction and competitive advantage

There is a growing trend in corporate America of taking steps to reduce stress and improve health and creativity through meditation and yoga. William George, former CEO of Medtronic and now Harvard Business School professor, states that the “main business case for meditation is that if you’re fully present on the job, you will be more effective as a leader”.

According to Ariana Huffington, “stress reduction and mindfulness don’t just make us happier and healthier, they’re a proven competitive advantage for any business”. A Gallup poll revealed that companies with high employee engagement have 3.9 times the earnings per share of competitors.

From ‘have to work’ to ‘want to work’

At Treehouse, the online interactive education platform, staff are encouraged to fit work into their life, not their life into their work. They work four days a week, and are discouraged from working at weekends.

Employees choose what they do, rather than being told what to do. Each day they get an email highlighting new projects; they can add who is needed for the project and then those individuals can decide if they want to join the project or not. This changes the dynamic from ‘have to work’ to ‘want to work’, which empowers staff, engages them and harnesses their passions.

Treehouse makes over $8 million a year and has over 54,000 students. CEO Ryan Carson believes he has created the model for future companies, one that is technology driven and employee-led.

Employees are more engaged when their physical, emotional, mental and spiritual needs are being met. Companies are beginning to take into account the impact of stress on their bottom line. They want employees to bring their best selves to work.

Corporate technology is also catching up. DeskTime is an app that sends alerts to employees to remind them to take a short break. Short breaks correlate with higher productivity. Workers prompted to take a break were found to be 13% more accurate in their work on average than those not reminded to do so.

The worker of the future may self-monitor, using healthcare desk apps to check they are taking breaks, are adequately hydrated, etc. A new era of medicine is being driven by a combination of wearable technologies and big data. This has the potential to improve quality of life by detecting the most prevalent ailments such as heart disease and preventing disease using health and wellness techniques.

“Companies with high employee engagement have 3.9 times the earnings per share of competitors.”

Encouraging innovation

Neuroscientist Shane O’Mara highlights the importance of allowing your brain some downtime: you can get better results if you move away from a task and return to it refreshed. There is no better mood enhancer than getting a good night’s sleep. It helps cognitive functioning leading to innovation and creativity. There is a significant competitive advantage to be had from well rested and healthy employees.

Because we are constantly bombarded at work, we are not giving our brain much time to think – let alone be creative. In Rita McGrath’s book The End of Competitive Advantage, she highlights that the 40 year lead-time one could get from competitive advantage is now down to five years for fast-moving businesses. We thus need our people to be creative – but we must create the kind of environment in which employees can work creatively.

In 2013 PwC surveyed 246 CEOs in North and South America, Asia and the Middle East and 97% said the top priority was innovation.

Most people admit they get very few of their best ideas at work, but rather when driving, having a shower or on a sun lounger, etc. If Einstein was working in a modern university and regularly seen sitting on a bench, thinking, he’d no doubt be dismissed as unproductive. His value would be measured according to the number of peer reviewed publications he’d produced in the past year. But, as he said to the prolific French writer Paul Valery, “Well, I’ve only come up with one idea – but it was a good one!”
Workplace ergonomics

Companies will also need to pay attention to the ergonomics of the workplace. The ideal work environment is one that allows the worker to adjust their workstation to suit their specific needs, such as being able to sit or stand while working at a desk.

As well as stress management and nutritional seminars, some companies provide ‘Sit Safe’ ergonomic seminars, exercise classes, yoga and Pilates, specially designed and dedicated rest areas, ‘walking meetings’ that encourage workers to get outside and enjoy some fresh air while working, etc.

Many companies provide the height-adjustable desk which lets the worker adjust the desk to allow them to work either seated or standing.

With companies allowing employees to use their mobile devices at work this can bring with it various health issues. Sending long emails on a smartphone or hours spent craning necks on a laptop are bringing with them various musculoskeletal problems. Companies need to be alert to the stress that such working methods puts on people’s bodies and adjust their work environment to reduce ergonomic risk and promote safer and better work performance.

Social distancing

With technology comes the issue of social distance. Sherry Turkle, professor of Social Studies of Science and Technology at MIT, argues that people are sacrificing conversation to be ‘connected’. Conversation has many functions, including challenges to one’s thinking habits and assumptions, prompts to self-reflection, gathering new knowledge and ideas.

Social distancing also works against the need for future work to be more collaborative. Research by sociologist T.J. Allen found that once employees were over 200 feet away from each other their chances of communicating and collaborating falls to zero, they might as well be across town. Companies can combat this trend by creating work environments that foster collaboration, and therefore innovation and creativity. Remote working will make this more of a priority. Apple even looked at where the restrooms should be in their buildings as another place people might pass each other on the way there or back.

Companies need to regularly detach employees from their ceaseless engagement with technology and encourage them to actually talk to each other face to face – to make real human connections.

A collaborative future

The future of work is changing from a directive approach towards collaborative frameworks that inspire employees to engage with their work and one another. Companies are embracing open plan offices in order to facilitate such collaboration. More decisions will be arrived at through consensus. Leaders will need to let go more and trust those around them, thus creating an environment that encourages creativity.

Improved connectivity is driving an increase in crowdsourcing. Some executives have been experimenting with opening up their companies and decision making processes though crowdsourcing, and social platforms within and across organisational boundaries.

Infosys is using its workers’ familiarity with social networking sites as a tool for collaboration and to connect employees around the world.

Cheap communication is driving a trend of hyper-specialisation. Work will no longer be determined by proximity to the company HQ. This will require a restructuring of traditional workflows. Organisations will have to be comfortable in delegating projects and tasks to specialists located around the world. Handovers will need to be as clear and effective as possible. External collaboration, with suppliers, shareholders, and customers, is also vital for competitive advantage, and servicing customers.

“Once employees were over 200 feet away from each other their chances of communicating and collaborating falls to zero, they might as well be across town.”

Co-opetition

Ford and GM both automotive giants both realised that they could work faster if they pooled resources on developing new transmissions to be used in their cars. It means that they would have more collective resources for engineering, testing, design, development and production. Companies will begin to see the benefits of co-opetition to shorten product lifecycles but it will also open up many other opportunities.

Working across cultures

As the world becomes smaller – and Richard Branson plots a way to get from London to Sydney in two hours by leaving the Earth’s atmosphere – we have to start looking at how cultural differences affect work.

“In future organisations, people will have to take care to avoid judging others from their own frame of reference and to become extremely sensitive to cultural differences.”

Erin Meyer, a culture guru, highlights many examples of cultural challenges. One survey looked at the perceptions of people from various countries of what constituted an effective meeting. Most Americans surveyed said that they expected “a good meeting” to produce a firm decision. Most French indicated that they would think a meeting had been productive if it allowed them to “debate and share various viewpoints”. In contrast, most Thais believed the purpose of a good meeting as being “to put a formal stamp on a decision that has been made before the meeting, in informal pre-meetings”!

Meyer also points out how Swedish culture is very egalitarian while in Japan, for example, decisions are generally made from the top down, so having a Swede manage Japanese staff will be problematic if these cultural differences are not understood.

It is clear that, as companies become less homogenous, different cultural outlooks will lead to many complications. In future organisations, people will have to take care to avoid judging others from their own frame of reference and to become extremely sensitive to cultural differences.

Why an Asian ‘clash’ took Olivier by surprise

The culture guru Erin Meyer provides a great example of how cultural differences can affect employee engagement. She quotes a letter sent to him by Olivier, an executive at French automotive supplier Valeo, which has big client bases in Germany and Japan, and a growing presence in China.

Olivier wrote about “the invisible cultural boundaries impacting the effectiveness of my global team”. When he moved to China, he thought the difficulties would mainly arise in bridging the cultural differences between Asians and Europeans.

To his surprise, however, “the most serious difficulties we have on the team are between the Chinese and the Japanese. The Chinese gripe that the Japanese are slow to make decisions, inflexible, and unwilling to change. The Japanese complain that the Chinese don’t think things through, make rash decisions, and seem to thrive in chaos.” As a result, the two Asian groups “have difficulty working together”.

Meyer responded that the problem could be solved by increasing the awareness of team members about how culture specifically affects their effectiveness.
Technology in the Future

In 2015 there will be an estimated 20% more mobile devices than humans on the planet. By 2020 it’s estimated there will be over 50 billion devices connected to the Internet.

Ericsson predicts that within the next five years there will be 5.9 billion smartphone users, compared to 1.9 billion at the end of 2013. That’s 85% of the global population, a technological expansion faster than anything that has happened before. Most of the demand comes from the developing world. Mobile broadband penetration in Africa is expected to reach close to 20% in 2014, up from 2% in 2010.
**Technology is changing the way we work**

Forward thinking organisations are designing and managing business processes that enable a new generation of connected employees. Social and community features, such as discussion boards, collaboration and social analytics, allow teams to work seamlessly across traditional organisational lines so as to unleash more talent, innovation and efficiency.

Technology is facilitating the disintermediation of industries; that is, reducing the middle man from transactions. This is disrupting the retail industry (e.g. Amazon, eBay), taxi services (e.g. Hailo and Uber), the music industry (e.g. Spotify), and broadcast television (through on-demand services like Netflix).

3D printing looks set to revolutionise manufacturing. It brings with it the potential to manufacture in their homes what consumers want or need. GE is using 3D printing technology to create prototype parts. This will lead to a decline in manufacturing jobs. However, jobs will be created for those producing, maintaining and managing the machines. Some predict that 3D printing could bring about global trade rebalancing, as this new method of manufacturing will reward more high-skilled workforces in countries, while cheaper labour will become less relevant.

Technological advances in robotics are bringing about an age of technological unemployment. The prices of robotics have dropped approximately 10% annually over the past decades and will decline at a faster rate in the near future. It is expected that many low-wage service occupations will be automated. Andrew McAfee calls this the “new machine age”. The production of cars that are able to drive themselves will soon displace deliverymen and taxi drivers, and stock handling is already being carried out by robots instead of by manual labour.

- **General Electric** designed robots to climb and maintain wind turbines. El Dulze, a Spanish food company, uses robotics to reject bad heads of lettuce from its production line.
- **Amazon** has started to use drones to deliver parcels to remote areas.

In 2013, 20% of global robotics sales took place in China where employers are incentivised to substitute robots for labour, as wages and living standards rise.

- **Foxconn**, a Chinese contract manufacturer that employs 1.2 million workers, is now investing in robots to assemble products such as the iPhone.

Technology is a huge disrupter of jobs. According to a 2013 study by Oxford economists Carl Benedikt Frey and Michael A. Osborne, 47% of American jobs were at high risk of automation relatively soon. These include accountancy, technical writing, legal work, and a lot of other white-collar occupations. Jobs requiring creative and social intelligence are less at risk. Designers of industrial robots claim that their creations are there to assist, not replace. However, more and more of their role will move from assistance to complete substitution.

**Big data transformation**

‘Big data’ is transforming how we do business, particularly for industries that centre on data-based strategies, and services that are enriched with data. Organisations that delay engaging with this trend risk being leapfrogged by more data-savvy competitors. Companies that effectively use big data can transform it into intelligence, to deliver better strategic and operational decisions. It provides the ability to identify trends and develop unique insights that can help a company gain a competitive advantage.

Employers will need to ensure that their staff have the skills to use big data for competitive advantage.

**Big data brings big benefits**

Big data delivers intelligence. One company harnessing this information advantage is GlaxoSmithKline (GSK). This globally successful pharmaceutical company partnered with McLaren, which uses data to achieve victory on the racetrack, to better understand the power of data-driven strategies. With the assistance of McLaren, GSK developed a system where vast quantities of information were processed to assist with drug development and decisions on product viability.

Big data can help companies gain an essential competitive advantage. It can also make the HR department more effective. At Evolv, it enables better understanding of its employees, which in turn can prevent excessive turnover. It also provides a more detailed account of employee performance. When assessing employees and job candidates, 500 million data points are taken into account. Such data can help predict when an employee is most likely to leave. Using this software, Xerox, one of Evolv’s clients, has been able to cut attrition by 20%.

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29 http://www.forbes.com/sites/timworstall/2014/05/18/astonishing-number-ericsson-predicts-5-9-billion-smartphone-users-within-5-years/
30 https://www.youtube.com/watch?v=V40ceiQXEHA#t=71
“Many CEOs will morph into a ‘Chief Experimentation Officer’. Companies need to experiment so as to improve continuously, come up with innovations and stay competitive.”

How new technologies enable work breakthroughs

“Everything that’s already in the world when you’re born is just normal; anything that gets invented between then and before you turn thirty is incredibly exciting and creative and with any luck you can make a career out of it; anything that gets invented after you’re thirty is against the natural order of things and the beginning of the end of civilisation as we know it until it’s been around for about ten years when it gradually turns out to be alright really.” – Douglas Adams

Technological developments have greatly shortened the lifespan of competitive advantage. Powerful business software is no longer a luxury. The cost of acquiring IT has fallen to incredibly low levels. For less than €600 an individual can purchase a disk drive with the capacity to store all of the world’s music. Deflation in software pricing and increases in software functionality and quality are allowing smaller companies and start-ups to compete against larger corporations.

Companies will need to anticipate and react aggressively to trends and discontinuities brought about by changes in technology. Few traditional mobile phone manufacturers protected themselves against Apple’s disruption via the iPhone. However, Samsung managed to turn that revolution into an opportunity to rise rapidly in the mobile phone league tables.

The smartest CEOs are concentrating on breakthrough or game-changing innovation and incorporating it into their strategies. They’re using technology not just to develop new products and services, but also to create new business models.

**Khoala Ventures** funded a Kenyan start-up that combines physical schools with online learning via mobile phones instead of textbooks.

McKinsey Quarterly’s ‘Management: The next 50 years’, quoted research findings showing that, between 1990 and 2010, US companies allocated resources based on past experience as opposed to future opportunities. The companies that understand the nature of change and the opportunities that come with it, will be able to mould their organisations accordingly and thrive. Those most active in resource allocation achieve, on average, a 30% increase in revenue annually to their shareholders compared to the least active. Interdigital, listed by Bloomberg as the company with the most profitable employees, with only 200 engineers has a revenue per employee of almost one million dollars, based on them acquiring a trove of patents that are worth billions.

**Continuous experimentation**

Many CEOs will morph into a ‘Chief Experimentation Officer’. Companies need to experiment so as to improve continuously, come up with innovations and stay competitive. Many high-performing tech companies like Google allow their employees to experiment in their ‘labs’. At Amazon, experimentation and willingness to invent has always been part of the culture. It also measures its experiments. Companies that measure innovation are twice as likely to be top performers.

An experiment may hurt in the short term, but bring long term benefits; e.g. **Amazon’s Super Saver Shipping** offers free shipping over purchases of $25. A company with low margins may be reluctant to offer free shipping but in the long term it will gain increased customer loyalty.
Technology will become the enabler of strategy, so executives will need to become completely fluent in how to use data and in the latest technological advances. In a 2014 PwC survey, 81% of top-performing companies had a CEO who championed the use of technology to achieve strategy. Adjustments to executive management could assist in this transition, such as introducing a chief digital officer who oversees technology as a strategic issue, while the chief information officer tends to the day-to-day operation of company technology.

One key question for CEOs is to see how many have the CTO or CIO report directly to them. Currently the proportion is three in 10. In so far as technology is the next game-changer, CEOs need to be as close to the CTO as the CFO.

‘Consumerisation’ of corporate IT

Currently, corporate IT is lagging behind consumer IT. Workers feel restricted by outdated technologies in the workplace. The corporate space is often characterised by long replacement cycles for hardware and software, devices often limited to phones call and email, and restricted storage for files. This is at odds with the consumer space which has rapid software updates, smart phones offering innumerable apps, and unlimited cloud storage.

Tripit is an intelligent travel organiser that helps users manage their plans so their trips run smoothly. If flights are cancelled, they are notified 20 minutes before the airline notifies their customers, and alternative travel arrangements are suggested.

As more and more connected millennials enter the workforce, companies need to embrace the ‘consumerisation’ of the corporate IT space.

Three quarters of millennials believe that access to technology makes them more effective at work and 27% of them will reject an offer from a company if they ban social media. Companies thus need to invest in technology and adapt IT policy. Some companies are now encouraging a business focused use of social media at work.

McKinsey Global Institute predicts that a shift to social media can reduce the time employees spend on searching for information by 35%. Blocking access or limiting mobile device use will only frustrate workers. Allowing employees to bring their own devices to work encourages productivity but also reduces the burden of cost on the company to supply the latest devices. However, in doing this companies will need to adapt policies and processes in order to keep the company’s data secure. Staff must also be trained to comply with regulations and understand the risks.

Mobile apps are empowering customers and employees. They can service their needs in the moment. People expect to accomplish tasks quickly on their mobile devices. This task orientation forces what Forrester calls the ‘atomisation’ of business processes: breaking them down into tasks that people want to accomplish.36

“As more and more connected millennials enter the workforce, companies need to embrace the ‘consumerisation’ of the corporate IT space.”

New models of collaboration and communication

Technology is changing how we collaborate in the workplace. The most innovative companies will invest in technology to help their workforce become more productive and engaged.

CEMX, a global leader in materials suppliers and cement production, have used social technology to change how people work. They launched Shift as a way to “bring social to work”. Discussion forums and wikis allow employees to gather information and find solutions. Communities of interest connect employees with similar passions. These communities facilitate collaboration between professionals working around the same issue. What results is a form of interaction that would previously have been impossible. Innovation is also fostered through jam sessions and employees can vote on which ideas to prioritise for implementation.

PwC has highlighted that 77% of top-performing companies have an IT department with excellent understanding of marketing. Technological expertise in a wide range of areas will be even more essential in the future workplace. To promote the future brand of our organisations and to ensure highly effective workplaces and work teams, we need to be Math Men as well as Mad Men!

36 www.ft.com/cms/s/0/4f2d5166-66f6-11e1-9e53-00144feabdc0.html#axzz3FY7OPbcD
Key Findings and Recommendations

Demographic changes, globalisation and increased connectivity are forcing companies to rethink how we work, when we work and who will work.

Knowledge is power. It is vital to be aware of the trends and to keep up to date with new ones. It will be even more crucial to marry the trends to company strategy.

The future worker will become more remote and specialised. This will demand new management styles, but companies can benefit from the passionate and specialised knowledge worker. Technology will become a disruptive source in some industries, but its benefits will be felt across the board – in enabling deeper connections with the consumer, more novel ways of attracting talent, a more collaborative workplace and a more engaged worker.

The future of work brings with it many challenges, but capitalising on the many changes will bring many opportunities. The following are key recommendations on what you can do to meet the challenges you face and stay or get ahead of the competition:

Your future brand

- Know exactly what is being said about your brand. Your strongest brand advocates are the employees who work there with you. Make sure they are positively reinforcing the brand, and also that you are continually measuring your brand strength.

- Know your customer intimately. Future brand will depend on the story you tell, on how far you forge an emotional connection with consumers. Companies will need to understand perceptions of true brand and keep on top of changing customer opinions and needs. To do this, use big data analytics and reporting tools.

- Use company values to attract and retain employees and consumers, and pursue internal marketing to generate employee loyalty. This is because corporate social responsibility and business strategy will become increasingly more aligned in the future. Furthermore, it will be important to see how you affect the communities where you work.

Your future talent

- Move away from traditional hiring strategies to capture top talent. For example, the Internet will become people’s CV and social networks their references. Hiring managers will rely on automated tools, algorithms and people analytics.

- Consider specific assessment for job roles as opposed to just university results. Recruiting based on the traditional university degree will dwindle as more of the world is opened up to online education. Online courses are playing an increasing role in closing the gap between what college students know and what businesses need.

- Measure employee engagement. Are they motivated? Are you meeting their needs and expectations? Remember that on average millennials are more concerned with work/life balance and purpose.

- Tap underused talent pools to overcome the demographic challenges that lie ahead. And remember that women will play a greater role in the future workplace. Make your workplace more female-friendly.

- Empower employees to take action. Change is inevitable. It is vital that your employees are prepared and have the resources to experiment and adapt. Communicate the changes you anticipate and empower staff to roll them out. Whirlpool and Xerox have teams dedicated to investigating how the future of work will affect their organisations, and provide programmes accordingly.

- Assess whether everyone in your organisation is committed to hiring the best, and ensure you have measures in place to see that they are doing so. The war for talent is hotting up. Companies need to ensure that they have the best people in place in order to attract (and retain) top talent.
Your future workplace

- Invest in refreshing the expression of your brand and culture in the physical setting. The future office needs to suit millennials while also adapting to the changing patterns of work and how we will work.
- Pay more attention to health and wellness issues. Establish smoke-free campuses, let in natural light, provide work surfaces that accommodate stand-up work, etc.
- Ensuring the health and well-being of your employees is important in itself, but it will also promote innovation and creativity. A well-rested employee is much more likely to come up with ideas than an ‘always on’ employee.
- Focus more on productivity and less on ‘presenteeism’. Managers may not know where certain employees are physically located, but they can still measure their performance – in particular, the quality of their performance. Increased flexibility in the future of work will require new management styles.
- Be sensitive and flexible to cultural differences. What constitutes ‘good communication’ can differ from society to society (e.g. in many Asian cultures, silence is an important part of discussions since it indicates good listening). Being aware of such differences means you can avoid misunderstandings and bring out the talents in your team.
- Keep upskilling your employees and provide settings so they can keep on learning. This will keep them engaged but also provide them with the necessary tools to keep pace with the changes ahead. The key jobs of the future will be built around the people skills that machines cannot replicate such as influencing, engaging empathetically, etc.
- Create a workspace that can counteract the social distance that comes with technological change. As your employees are increasingly looking down at their laptop, phone, tablet, etc., it will be important to provide an environment where they can meet, converse, network and share ideas, without relying on technology.

Your future technology

- Take advantage of new technologies. Technology is reordering what determines economic power, natural resources are declining in their influence, and robots are gradually invading the workplace.
- Remember that it is people who decide what technology does. Are you ensuring that your technology works for your talent, rather than the other way round?
- Invest in technology and adapt your IT policy. Three-quarters of millennials believe that access to technology makes them more effective at work.
- Creativity and adaptability are the key to survival. Any competitive advantage now has a much shorter lifespan than in the past. Companies need to experiment more and fail fast.
A Final Word

It’s clear, that how we work and the workplace itself are changing rapidly. There’s a Chinese proverb that says: If you want 1 year of prosperity, grow grain. If you want 10 years of prosperity, grow trees. If you want 100 years of prosperity, grow people.

If you want to take one key message away from this report, it’s the need for businesses to become more employee-centric. Staff well-being must be a priority at board level: the establishment of a workplace that nurtures mental health and helps workers to achieve balance in their fast-moving, hyper-connected, digital lifestyles; that promotes open and social exchange to ensure effective collaboration, and that welcomes more women employees as well as ‘returnees’ [older people who work to a later age].

A company that fails to adapt to employees’ changing needs risks losing them because of stress and burnout. According to a 2014 Gallup global survey, less than one-third of employees were engaged in their work. This, then, is a major opportunity for a progressive company. Ensuring employee engagement will give you competitive advantage: high employee engagement generates higher revenue per employee, enhances your ability to hire the best people, and fosters retention of talent.

Remember, too, that if you create an engaging workplace where workers truly participate, they will not need to be constantly supervised and micromanaged.

Great workplaces earn twice the financial returns of the general market (Russell Investment Group, Comparative Annualized Stock Market Returns 1997-2012). As top talent becomes increasingly scarce, the performance gap will widen. To stay ahead, you will need to combine marketing and communication skills and tools with traditional relationship-building. By outperforming your competitors in this area, you can actually turn the talent scarcity to your advantage.

Remember: If you want 100 years of prosperity, grow people – except that, in our world of rapid change, 100 years is now equivalent to just a decade or two. Be adaptable and creative. Look at what successful businesses are doing. Experiment. Fail fast. Turn the challenges into opportunities.

The benefits of having first-class, fully engaged employees will radiate out into all areas of your business. Fill your workplace with great people, and the future of work will bring you future success.