



MILKEN INSTITUTE

The Power of Ideas

2017

Insights for Building
Meaningful Lives

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Three Ways CEOs Can Make People the Source of Competitive Advantage in the Digital Age

In an age of robots and artificial intelligence, companies will depend more—not less—on human skills, including judgment, creativity, and collaboration. There’s no contradiction in this statement. It’s the story of innovation. New technologies have the potential to improve the value of work and the quality of working lives. But the pace of today’s digital revolution means that the future workforce cannot be guaranteed positive outcomes.

It is the responsibility of CEOs to ensure that people—not technology—remain companies’ greatest source of competitive advantage. In [recent research](#), we have identified three ways to achieve just that.

Re-skill at speed and scale. If the U.S. industry doubles the speed at which people learn new skills, our analysis shows that the share of U.S. jobs at risk of total automation by 2025 will fall from 10 percent to just 4 percent. The good news is that 85 percent of 10,000

people we surveyed said they would be willing to invest their free time to learn new skills.

The challenge is not re-skilling, but re-skilling at speed and scale. The best way to achieve that is by learning on the job. Wearable technologies will help. For example, smart glasses that feed data and instructions to employees, teaching them new techniques as they carry out their daily tasks. Real-time learning will be supplemented by personalized online courses that people can pursue to suit their needs. These advances reflect the changing life script of our workforces. Instead of the linear path from school to college to pursuing one field for life, careers are becoming less predictable. In response, continuous learning will become the norm.

Re-design work for a changing workforce.

This new life script is evolving as the profile of the workforce changes. Within a decade, millennials will account for 75 percent of working people and Gen Z is just about to

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enter the labor market. The diversity of the workforce is more important than its youth—for the first time, we now have five generations working at the same time. All generations are demanding changes to the way they work. Sixty-seven percent of people want to pursue self-employment or freelance opportunities. More than half expect to stay with their employer for no more than five years.

This requires leaders to re-think how work is done. In turn, they will have to implement more flexible workforce models. Companies must replace function-based roles with dynamic, short-term project work. They must create ecosystems of skilled people that allow them to tap into talent inside and outside the company. Companies will need to provide a range of personalized benefits, learning opportunities, and a gig-like internal market. These approaches will create the vibrant community in which full-timers and freelancers are motivated to stay connected to an organization.

Collectively build talent supply chain.

The short- and medium-term imperative is for employers to re-skill their own workforce, given that new skills are not available in today's market. But the long-term supply of talent can only be strengthened collectively by business leaders who will work with competitors and peers to forge new relationships with government and academic institutions to align the education of young people to the needs of industry. For example, the Global Apprenticeship Network effectively brings together companies, associations and other organizations to promote quality apprenticeships for young people in a range of skills. The focus should go beyond STEM to areas of design, creativity, and complex problem-solving skills that will be among the most sought after.

Additionally, CEOs need to recognize that technology is about elevating—not eliminating—people. Humans—not robots—break into new markets, imagine new products, and craft compelling experiences.

More than eight out of 10 people are optimistic about the impact of technology on their working lives. And they want the skills that will help them work with intelligent machines and create more meaningful careers. Their embrace of technologies should put the wind in the

sails of business leaders, who to date may have been understandably hesitant to radically change the working environment or commit to extensive re-skilling. CEOs now have a rare chance to seize that optimism and create the future workforce that sustains their competitive advantage.