FUTURE OF WORK
OI Global Research Study 2018
In the rapidly changing work landscape, talent managers play a unique role. Their perspective is reported here in the results of our third annual survey.

Harmonics, together with OI Global Partners, set out to understand

- Which skills employees must have to be competitive today
- The most significant people challenges currently facing organizations
- The most effective ways to develop talent in 2018
- Roles at risk or in decline in 2018 and beyond

Over 1,000 global leaders from the 28 countries in which OIGP operates – almost double the 2017 results – responded to our survey on the Future of Work conducted during the spring of 2018. Half of respondents were from organizations with over 500 employees, representing a range of industries led by Financial Services and Technology followed by Manufacturing, Nonprofits, Hospitals & Healthcare, and Education. Most were from Human Resources or General Management functions.
Leadership agility is by far the most important characteristic employees must have to be competitive today, followed by coordinating with others, mentioned by two thirds of respondents. Creativity and communication skills are ranked similarly in third place. Eagerness to learn and emotional intelligence lost ground compared to 2017. Respondents were asked, “Which 3 skills are most valued in your firm right now?”

Robotics, artificial intelligence and machine learning, and social communications are dramatically impacting occupations and jobs. While technology doesn’t necessarily replace most jobs, it changes them. For many jobs, the hard skills that used to be required are replaced by an emphasis on soft skills as illustrated here.

Leadership agility is the ability to take effective action in complex, rapidly changing conditions.

Coordinating with others is the ability to collaborate, especially in changing environments.

Creativity is defined as turning new, imaginative ideas into reality; using innovative approaches to find solutions.

Communication skills include writing, listening, presenting, and speaking.

Eagerness to learn is being open to learning with solid reading, listening and thinking ability.

Negotiating and influencing others is balancing competing interests in order to find common ground.

Understanding analytics means reading and understanding data, projections, demographics.

Emotional intelligence is recognizing, understanding your own and others’ emotions.

Global mind-set means managing, marketing, selling and communicating in global markets.

Managing diversity includes generational, ethnic, cultural, sexual orientation, and other diverse characteristics.

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<th>Rank</th>
<th>2018</th>
<th>2017</th>
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<tr>
<td>1</td>
<td>Leadership agility</td>
<td>Communication skills</td>
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<td>2</td>
<td>Coordinating with others</td>
<td>Leadership agility</td>
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<td>3</td>
<td>Creativity</td>
<td>Eagerness to learn</td>
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<td>4</td>
<td>Communication skills</td>
<td>Emotional intelligence</td>
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<td>5</td>
<td>Eagerness to learn</td>
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Recruitment is once again the most critical concern of talent managers in 2018 as it was two years ago, with most of them saying that attracting and hiring new talent is their biggest challenge. The same five people challenges have occupied the top spots each year we have conducted this survey; they’ve just traded places. Half of talent managers say that adapting to change challenges their organizations, making it the second most frequently indicated issue. Once on board, retaining and engaging employees becomes paramount and it appears that managers’ lack of coaching skills coupled with their inability to have career conversations impedes much of their human resources agenda. Up to five answers per respondent were allowed.

**TOP 5 PEOPLE CHALLENGES**

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<td>1</td>
<td>Attracting and hiring talent</td>
<td>Adapting to change</td>
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<td>2</td>
<td>Adapting to change</td>
<td>Employee engagement</td>
<td>Adapting to change</td>
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<td>3</td>
<td>Managers lacking coaching skills</td>
<td>Attracting and hiring talent</td>
<td>Retaining talent</td>
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<td>5</td>
<td>Employee engagement</td>
<td>Inadequate career conversations</td>
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Internal leadership development programs, the traditional means of developing employees, were ranked the single most effective way to develop talent, by a large margin. Last year it was eclipsed by career conversations. It was followed by annual reviews (up four spots from last year) and assessments.

Coaching continues as an effective way to develop employees, judging by the prominence of three coaching activities: training managers to become internal coaches, one-to-one coaching by external coaches, and coaching programs for high potentials.

Self-directed career management resources, which typically take the form of proprietary, web-based e-learning offerings, have garnered at least 10% of responses each year we have conducted the survey. They continue to be important but undervalued tools.

Up to three answers per respondent were permitted.
Respondents were asked, “What roles are in decline or at risk in your organization? What specific jobs, titles, functions or levels are being reduced or eliminated?”

Most frequently mentioned are Administrative roles including Administration, Secretaries and Clerical roles, Receptionists and Support Staff. Add Assistant roles and the Administrative category is undoubtedly the most vulnerable to reduction or elimination, as it was in both of our previous surveys. With this kind of response, it’s surprising that there are still administrative jobs to cut! The combination of repetitive, predictable tasks as well as more and more capable technology tools — especially in the hands of non-administrators — are the likely reasons for these reductions.

*Finance & Accounting* moved up dramatically in the ranking from previous years, making them the second most likely roles at risk or in decline. Managerial roles, especially *Middle Management*, follow in their likelihood to be at risk. *Manufacturing & Production* were mentioned infrequently compared to earlier studies.

Our survey asked for up to three free text responses. The word wheel includes answers that were reported more than 20 times. The more frequent the answer, the larger the word appears.
In this section, John Fitzgerald, managing director of Harmonics, provides further analyses on what the results mean for employers and employees.

The goals of the Future of Work 2018 survey were to understand the following:

1. the skills employees must have to be competitive today;
2. the most significant people challenges currently facing organizations;
3. the most effective ways to develop talent; and
4. the roles most at risk.

While the survey results seek answers in four specific areas of an organisation, the sum of the parts in all four areas lead us to bigger picture conclusions we can draw based on our consulting experience at Harmonics.

Context is set by the key People Challenges we are seeing in responding organisations.

**Attracting and retaining talent** came out this year as the number one people challenge in our survey. We are very much still in an employee driven marketplace. There is quite simply a global scarcity of specialized talent and every employer is trying their best to attract and hire talent. From our insights, the Employer Value Proposition need to promise more than extrinsic rewards such as free food and gym membership. We are witnessing the rise of ‘Purpose’ in the language of talent attraction today. More organisations understand that if they can align their corporate purpose to talent they will have an edge on their competitors in this race for talent.

**Adapting to change** was a very close second and was number one in our survey last year. The speed of change in the global economy has meant many employers are almost always in a restructuring and change mode. While employees may want certainty we now live in an increasingly uncertain world. The rise of AI and automation is leading to new ways of working which require us all to adapt and change. The workspace is now a blend of real and virtual. Employees who are eager to learn (highlighted in the top 5 most valued skills) will be seen as the most valuable and adaptive to change. Those with a growth mindset will thrive while those with a fixed mindset will be seen as a cost on the balance sheet and lose their jobs.

**Managers lacking coaching skills, internal communication** and employee engagement were also high on the survey’s people challenges. We see employers lacking the internal resources of yore which is creating many gaping holes and employees not receiving adequate mentoring and coaching support because managers are in fire-fighting mode and too busy. This leads to frustration for highly talented employees who want to know how they can grow their career and, as a result, are leaving to join employers who provide them with new learning and meaningful challenging work.
Competitiveness as an employer is set by employees having the skills required to succeed.

Leadership agility was the number one most valued skill in our survey which links to the results of Employers key people challenges - the need to be adaptive to change. Agile is has become the new buzzword. Every organisation seeking ‘future fit’ cultures now wants agile people. We need to rewire our brains and learn new skills. As humans we have adapted better than any species on the planet, but we need a reason to change.

Communications skills also feature highly, and we see many corporate change programmes failing to communicate the ‘why’ for change. In our view, their needs to be greater focus on internal communications and seeking the employee perspective in change management programmes. This requires leadership agility to change from a command and control style to a more inclusive and facilitative approach for longer term sustainable change.

Co-ordinating with others, creativity and an eagerness to learn were also very high on the most valued skills required. Today, there is a dual ownership onus on both employer and employee in making career growth opportunities happen. Roles are constantly changing; new job titles are appearing, and new skills are in demand. To use a football game analogy, the game is constantly changing, it is about adapting and anticipating to these changes. Organisations need to paint a clearer picture for employees where they can grow in an organisation that is rapidly changing. The traditional org chart has now become an organic chart that is quickly evolving as new skills are needed.

Talent Development initiatives play a big part in attracting talent in our survey.

Leadership Development Programmes were seen as the number one most effective talent development activity in our survey. We have seen a surge in organisations providing leadership development programmes for their talented people as part of their retention strategy. These programmes can be powerful but must be linked to the changing business strategy to deliver a greater return on investment.

Annualised personal development reviews and assessments came second and third place in the survey. This surprised us and we are of the opinion that annual reviews are not an effective talent development activity. We link this survey feedback to a lack of time that managers have to spend coaching their people. Talent requires regular development conversations. Assessments need to be a linked to an Organisation Development strategy to be effective. We see many psychometric assessments being used by employers to make decisions on talent development but are not combined with longer term coaching to effect sustainable behavioural change.

Training managers as internal coaches and one to one executive coaching were also high on the survey. We see a lot of organisations spotlighting specific executives for coaching to accelerate their development, especially as many managers are being appointed into a role earlier than expected in their careers because of the scarcity of talent. Training managers as coaches is becoming increasingly popular. Managers enjoy the experience of learning more about themselves and how they can adapt their style to manage different people within their teams. This training is often linked to driving a culture change initiative.
Roles at risk, predominantly as a result of automation and AI, has become a trend.

The decline of routine repetitive work continues apace. This is hitting both high and low skill occupations. In our Outplacement division, we are seeing growing numbers of financial, middle management and administrative roles impacted by restructuring. These are predominantly non-routine cognitive roles across all sectors.

As we have seen, an eagerness to learn and indeed relearn is imperative for those in roles at risk. Robots know more than we do. Information is no longer power; the interpretation of the information and data is where the power lies. Employees can’t compete with the machine learning capability of AI, but need to learn to work alongside highly intelligent robots and advance their emotional intelligence EQ and learning intelligence LQ.

Employers need to invest in relevant learning programmes to help their people upskill and to adapt to change. In an employment landscape with a scarcity of talent, the opportunity to upskill employees whose roles are being automated and transitioned can be a gamechanger. It is an investment worth making but requires an eagerness to learn and agility by both managers and employees. What is required is a shift in mindset by both the employer and employee to invest in their future. Reid Hoffman the Founder of LinkedIn once christened this practice an alliance where employees work with and not for an employer to increase their employability.

In conclusion, the Global Survey highlights the need for both employers and employees to stay agile, continuously adapt to change and demonstrate an eagerness to learn for life to stay competitive.
Better Human Experience

... for a Better Business Outcome

Harmonics understands your Talent Management challenges: the pressure to exceed business goals, the demands of recruiting and cultivating effective leaders, the pain of job separation and the costs of turnover. We also appreciate the integrity of your company’s brand and your obligation to advance it.

Instead of offering traditional management development programmes, we partner with our clients to diagnose and clarify the “why” before we design the solution. Our Leadership, Talent, Coaching & Career Management solutions are specifically designed to meet your evolving business needs.

As Talent Management experts, we walk closely with you to develop strength in your executives and managers, and sometimes to compassionately transition employees out of your organization to land on their feet.

Talk to us today to find our more.

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