

Towards 2030: future-proofing human capital management

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Abstract

Purpose – *This paper is designed to highlight the role that HR can play in helping to shape the future of work in a world where digitisation, artificial intelligence, machine learning and robotics are increasingly the norm. This paper aims to help HR professionals to understand how foresight thinking can be used to connect weak signals that are surfacing in the present with future potential outcomes. In this way, incoming disruptions can be anticipated and addressed.*

Design/methodology/approach – *An anticipatory HR can plan for what is next. The authors analyse trends such as dematerialized work and explore the emergence of key challenges and requirements that HR will have to face. To address these issues, the authors have created methodologies, derived from the world of defence and intelligence as well as curated and crowd-sourced scenarios from the world of work. An extensive bibliography of evidence and research supports our observations and recommendations.*

Findings – *Based on research and analysis undertaken for our book, HR Futures 2030 – A Design for Future-Ready Human Resources published by Routledge, this paper presents ten traits of the future, a collection of characteristics that are highly relevant for the HR function. This paper concludes with five recommended focus areas for 2023 to help ensure that businesses stay ahead of the curve. These have been selected from 22 further characteristics explored in the book.*

Originality/value – *This paper offers a unique and thought-provoking perspective on how HR professionals can help their organisations to think beyond the current paradigm and re-imagine the world of work. How to build systemic readiness and align skills and work processes for the future.*

Keywords Technology, Transformation, Futurology, Human capital

Paper type Viewpoint

Introduction

“The future” does not exist. There are an infinite number of possible trajectories between today and 2030. Yet, we already have strong images of the futures which influence our actions and shape our reality. Those images are defined by “traits of futures”, a collection of characteristics derived from the weak signals already emerging in the present.

HR decision makers can develop the critical muscle of foresight thinking in relation to the future impact of artificial intelligence (AI), machine learning and robotics, as well as their impact on social transformations, by exploring what we have called the ten traits of the future.

Those traits, while not exhaustive, are the ones most relevant for the HR function as we look towards 2030 and also provide the impetus for the emergence of new disciplines which HR should consider developing to remain relevant in the future.

More, faster

Over the past two decades, the speed and impact of information technologies has changed the landscape in deep and radical ways. In 2017, we crossed the link to enter the zettabyte era with more data being created in that year than in the previous 10,000 years of civilization.

Whilst new and emerging technologies like data lakes are helping to make this information more available on the flipside, there will be less time to acquire new knowledge. There will also be increased pressure to anticipate and executive new learning and training and development as much in advance as possible.

Conversely, because of the dramatically increased level of knowledge mastery necessary to remain relevant as a generalist, there will be a strong drive towards uber specialisation. As a result, there will be a move towards the “pulverisation” or unbundling of jobs and profiles into simple and disconnected tasks and skills.

Obsolescence will be a shock to be experienced many times over one's life – dismantling the idea of a three-stage life (study/work/retire). These psychological shocks will be plentiful and closer because of more job uncertainty, greater workloads and faster work cycles.

Digital's cleaving power

The power of technology can cut and paste reality in the sense that splits apart and re-fuses in new ways our experiences. The emerging digital environment will result in at least three new digital infrastructures, including the increased use of virtual meetings and conferences, virtual reality (VR) and the use of avatars and augmented a VR such as an interview for a new business leader taking place in a virtual boardroom.

When it comes to education, learning and academic degrees learning may not need to take place in a classroom and it might not even require teachers. This new environment brings with it the need for new skills in areas such as nuanced communication, negotiation skills, abstract problem solving, interdisciplinary learning and civic responsibility. It will be crucial for people to learn their “multiplier skills” (skills that enable them to increase their impact) and their “meta-skills” (skills that form the foundation for developing, cultivating and executing other skills). There are also likely to be skills that have not even been conceived yet. By 2030, the emerging concept of talent curation and “skills capture” to make new skills development as quick and easy as possible will be widespread.

Dematerialised work

The tides of disruption currently taking place will continue to impact the labour market. I believe that work will not just change its epistemology but it will also go through a process of transformation of its very meaning with a new focus on pulverisation, taskization and servitization.

In addition, the very concept of workforce will then have to evolve towards including not just humans but also autonomous and intelligent systems. Increasingly, white collar jobs will be replaced by software robots in the sense that they will be as effective as a human replacement, but without any physical presence whilst being part of the workforce.

This could potentially wreak havoc on an unprepared HR function caught off guard. We can very well expect digital workforces and telemigration to be present in the dematerialised labour market of the future.

Community

The future is happening at high speed and this brings with it radical disruption and change. As the use of new technologies evolves, companies will not have to find any one single candidate whose profile matches all the requirements for a position. Instead, they will be able to decompose the role into many single-task positions and then launch a talent hunt for those specific pieces.

In this way, they will be able to tap into the individual skills of multiple individuals and bring them together as one for a particular task, also known as “taskization”. This radical shift is a

result of digital's cleaving power and it will have important consequences for recruitment. Why? Because it will entail a move away from a one-dimensional concept of a job profile tied to an individual into multi-dimensional thinking needed to match a profile with the skills and tasks needed and the individuals who possess them.

The HR function will find itself right in the middle of this transformation, as it will be the interface between the convergence of the old and established way of doing things and an entirely new way of looking at the job market.

The dematerializing of work will also lead to flatter and more informal organisational units – a hybrid ambidextrous structure – bringing with it a new working paradigm based on radical agility and the breaking down of geographic boundaries like flagship headquarters into AI-augmented virtual realities.

I believe that this will lead to a de-centralisation of the role of HR which will over time operate more like a nexus. As it becomes easier to access talent, jobs and tasks, the workforce will grow stronger and this may well bring with it an increased sense of being part of a global community.

Trust

Taskization and servitization destroy the idea of key performance indicators as both time and money will be used in a different and non-linear way. An emerging trend will be that work will no longer be traded along the traditional “time for money” exchange. Time and money instead will lie in a complex value web with trust emerging as the key ingredient for a smoothly functioning world of work. Organisations will have to equip themselves and the top management with ways to transform their posture towards a more empowering and empowered concept of trust.

The ever-growing issue of cybersecurity concerns will drive the adoption of devices that can provide granular analytics on an individual's personal and professional lives. This means that employers will have to provide meaningful responses to potential concerns about the collection, management and deletion of a person's data. This also offers an opportunity for employers to build trust and to engage at an emotional level with concerns people may have in a time of such fast-change and complexity and that it may result in overload and burnout for some people.

Centaurs and knights

When dealing with an age diverse workforce, ensuring a smooth integration between the increasing use of AI could be challenging for some. In particular, older adults face unique barriers to adoption ranging from physical challenges to a lack of comfort and familiarity with technology. In 2017, about 34% of older internet users say they have little or no confidence in their ability to use electronic devices to perform online tasks. In contrast, most of the Generation Z and Generation Alpha are already AI natives who are already at ease with a profound integration of technology into their lives. In our book *HR Futures 2030 – a Design for Future-Ready Human Resources* [1], we refer to Centaurs as people who have a high level of understanding of AI and Knights as people who can operate effectively both inside and outside of AI.

Whilst former generations think in terms of online and offline, AI natives are on-life with blurred borders between being online and offline. As a result, HR professionals will need to create a form of generation management so that different age groups can co-exist. The importance of generation management will grow, and this will include the concept of inter-generational solidarity. Even the definition of “generation” will acquire a new meaning. Conventional thinking assigns 25 years to a generation, but this time span is getting shorter and shorter as the speed of technological advances accelerates.

Artificial intelligence and humans

There is today a persistent narrative around AI being an existential threat to humankind when in fact AI can be used as a positive multiplier for human ingenuity and much more. Here are just a few examples of how AI can positively transform the world of work:

- AI scales humans up, making them able to retrieve information from oceans of publications and sources.
- AI will make interactions possible where previously they were not. For instance, real-time translation to enable people to speak to each other in different languages.
- Finally, AI scales humans *within*: with the potential to shift our comprehension of ourselves to completely different level. We are reaching the point of “the quantified self”, where we have so much data that we understand ourselves much better than we ever did – think of smart watches that capture our physiological data on a real-time basis.

Opportunities

Over time, the increased use of VR will give educational institutions and employers access to the best minds worldwide and create new opportunities to interact. More space will also be available for career progression, rendering them truly boundaryless. At work, there will be an increased reliance on machine support to sift through a wide range of information and help to identify the optimal trajectories for talent development, career paths and education.

The concept of a “talent curator” will also become established by 2030. Machine learning and AI could provide sophisticated thinking skills and certain types of pattern recognition to average-skilled people, enabling them to seek semi-professional jobs.

Enabling laws

From an enabling laws standpoint, everyone would have access to a transformational skills journey. This could translate into an evolving skill print with the potential for people to chart their own paths through lifelong learning and skills mastery. These enabling laws could also be designed to enable older people to continue to work far longer than is currently the case.

Another example of a new enabling law could be a legal responsibility for people to re-train to be entitled to unemployment insurance. This brings with it the need for a new social contract that would encourage and support a more entrepreneurial approach in a growing gig economy including the opportunity to re-shape social security.

New value schemes

New value schemes will emerge as society evolves which will impact the labour market. Meanwhile, employers will align with the principals of purpose, positive impact, flexibility and diversity. This way of working will also open up new job opportunities that transcend national boundaries. Generation Z and generation Alpha will be much more flexible about flexible and remote working with a focus on purpose and a responsible approach to the planet.

Five focus areas

Influenced by one or more traits of the future, we conducted research which examines 22 HR disciplines that can be used to help assess an organisations level of future readiness as a guide for HR leaders to prepare and anticipate change in their businesses. The 22 disciplines are anchored in the ten traits of the future. HR leaders have an important role in

helping to set a solid foundation to help their organisations to navigate and thrive in the 22nd century.

Here are some key focus areas for HR for 2023 which will help to ensure that HR stays ahead of the curve:

- Skills curation and brokering: perform work task planning and move away from traditional job descriptions to sift instead to a map of skills gaps and needs.
- Transgenerational bridging: plan career paths that will help keep older workers actively integrated in the workforce for as long as they can and want to stay.
- Strategic sustainability in-casting: integrate concepts such as the sustainable economy or SDGs in the organisations language and create a common ground, language and culture for sustainability.
- A-Z of resilience: run regular Black Swan environmental and horizon scanning events with teams to identify and prepare for potential future shocks to the organisation.
- Human predictive maintenance: capture employees' skills DNA and assess it against the future needs of the business and ensure training and development can plug potential future skills gaps.

They are just 5 of the 22 disciplines we discuss in *HR Futures 2030* to help businesses prepare for the shaky, dematerialised, automatised and virtual worlds ahead of us. This includes "employee branding and avatars", a concept that is likely to grow as the metaverse evolves where employees can be brand ambassadors in both physical and extended realities.

Conclusion

In conclusion, by developing their foresight thinking muscle, HR professionals will be in a better position to anticipate future shocks and to help their organisations to think beyond the current paradigm and re-imagine the world of work, one where new and emerging technologies and social praxes will help to make organisations more efficient and stay competitive, whilst at the same time ensuring a culture where people are valued and job satisfaction is high.

Note

1. Chappuis I, Rizzo G, *HR Futures 2030. A Design for Future-Ready Human Resources*, Routledge 2021. ISBN 9781032001036.

About the author

Isabelle Chappuis is an expert in the Future of Work at HEC Lausanne (UNIL), the business school at the University of Lausanne. As an economist by training, expert in executive education, futurist, board member and author, she is passionate about the future, the place of humans within it. A key area of focus for Isabelle is the importance of identifying the skills that individuals need to develop today in order to thrive tomorrow. She is the co-author of *HR Futures 2030 – A Design for Future-Ready Human Resources* (Chappuis, I., and Rizzo, G.). She is also one of the co-authors with Gabriele Rizzo of the research paper *How to compete with robots by assessing job automation risks and resilient alternatives*, published in *Science Robotics*. Isabelle Chappuis can be contacted at: isabelle.chappuis@unil.ch

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