Achieving a Sustainable Reset

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Willis Towers Watson

The world as we know it has changed

Global health crisis
40-70% of the world's population could become infected with COVID-19

Global economic crisis
Volatile global financial markets, supply chain disruptions, increased unemployment

Humanitarian crisis
Lockdowns, self-isolation, school closures, social distancing, travel bans

What employers are doing

75%
Workforce (on average) now working remotely

57%
Say there has been little to no impact on productivity as a result of new working conditions

86%
Have put measures in place to ensure that people feel supported during this time

64%
Employers making adjustments to performance targets

81%
Employers making good use of social communication channels (Slack, Teams, WhatsApp)

34%
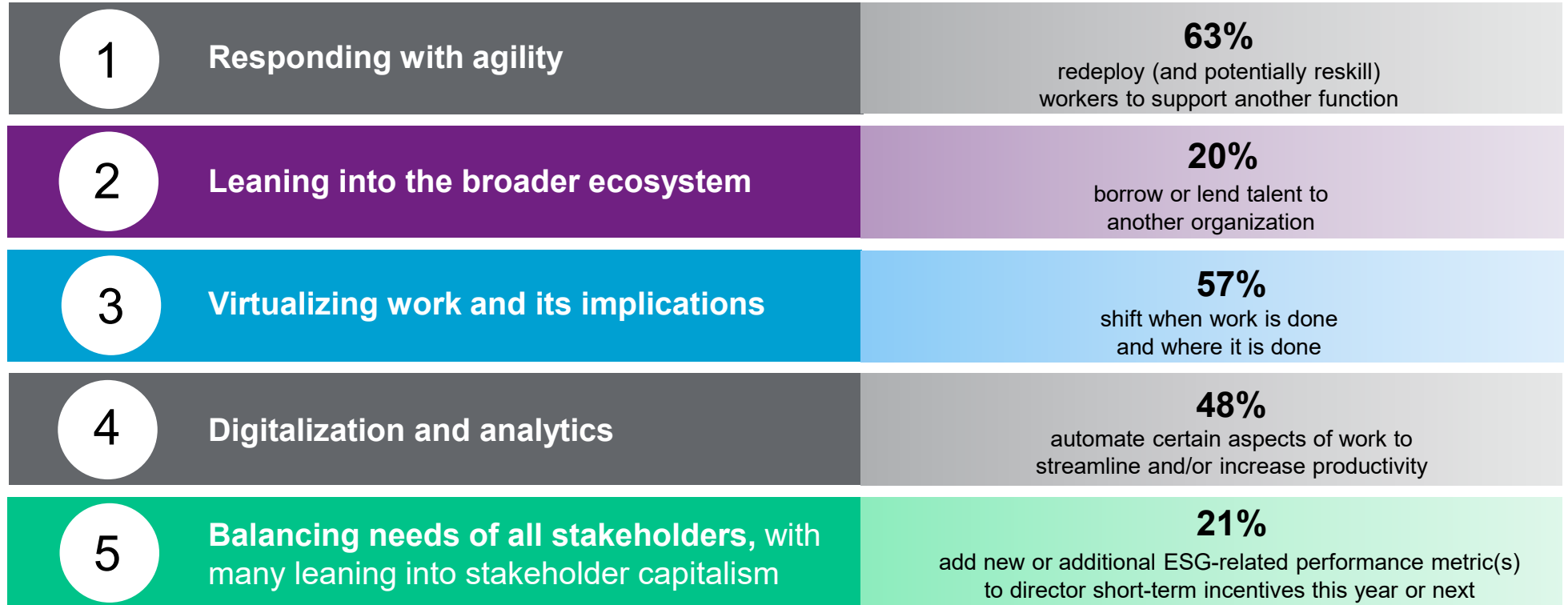Have conducted a listening exercise (survey, virtual focus group) in response to COVID-19

Source: Willis Towers Watson COVID-19 Employer Survey

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Challenges and opportunities COVID-19 presents for how we need to work today and beyond

percent of organizations that have taken action, planning to, or are considering

1	**Responding with agility**	**63%** redeploy (and potentially reskill) workers to support another function
2	**Leaning into the broader ecosystem**	**20%** borrow or lend talent to another organization
3	**Virtualizing work and its implications**	**57%** shift when work is done and where it is done
4	**Digitalization and analytics**	**48%** automate certain aspects of work to streamline and/or increase productivity
5	**Balancing needs of all stakeholders,** with many leaning into stakeholder capitalism	**21%** add new or additional ESG-related performance metric(s) to director short-term incentives this year or next

Source: Willis Towers Watson Readiness Plans for Resetting Business Operations survey of 514 global employers, April 22, 2020

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A Perspective on the Future

- The new watchwords will be resilience, flexibility and agility over efficiency and growth
- For organizations, this means a sustainable reset
  - A portfolio approach to work (automation, gig talent, outsources, etc.)
  - Flexibility to rapidly pivot to reduce risk (work not being bound up in narrow siloes or jobs and less operating leverage
  - Increased decision making from the edges to enable agility
- Greater collaboration between companies
- Work flexibility will be the hallmark of the new deal with the promise of relevance over security

The great dichotomy:
- For workers – a quest for certainty and stability
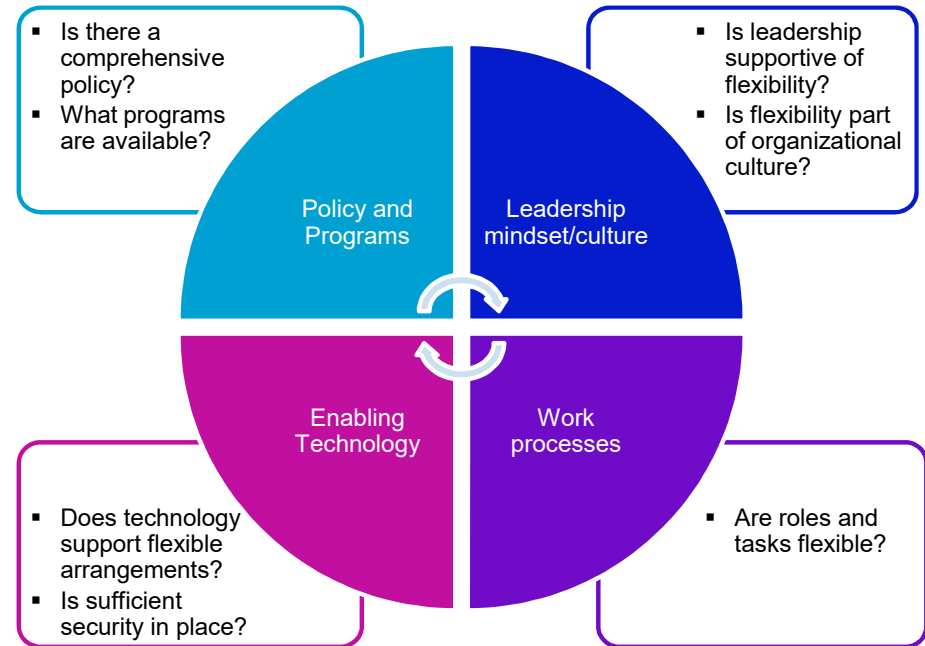- For companies - the promise of continued relevance and clarity

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We believe there are five key principles for shaping an effective course of action

1	2	3	4	5
Understand this as a defining **leadership moment**	Adopt an agile and continuous **learning mindset**	**Understand** the perspectives of and **engage** all stakeholders	Promote employee and company **wellbeing**	**Balance** medium-term needs and longer-term business objectives

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Reconsider Work Design – 4 potential action areas

- **Sustainably manage the shift to flexible/remote working**
  - Prior to the pandemic, 8 percent of all wage and salaried employees worked from home at least one day a week, according to the Bureau of Labor Statistics; about 2 percent worked from home full time. Today, we are at about 35%
  - Balance the needs of employees and the company

- Is there a comprehensive policy?
- What programs are available?

Policy and Programs

- Is leadership supportive of flexibility?
- Is flexibility part of organizational culture?

Leadership mindset/culture

Enabling Technology

- Does technology support flexible arrangements?
- Is sufficient security in place?

Work processes

- Are roles and tasks flexible?

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Reconsider Work Design – 4 potential action areas

- **Rethink workforce strategy to incorporate contingent labour/gig talent while optimizing the role of automation in a responsible manner**
  - Certain industries (e.g., distribution and logistics) are seeing a spike in demand and are resourcing that spike with talent from the gig economy. However, as organizations pursue the flexibility afforded by gig talent, it is critical that they do so ethically and responsibly
  - As organizations continue on their journey towards greater automation, it is essential that they do so in a responsible and sustainable manner that balances the needs of all stakeholders including workers. Instead of merely looking to replace humans with automation, employers should reinvent jobs to achieve the optimal combinations of humans and machines

World Economic Forum Principles for Good Platform Work

- Diversity and inclusion
- Safety and wellbeing
- Flexibility and fair conditions
- Reasonable pay and fees
- Social protection
- Learning and development
- Voice and participation
- Data management

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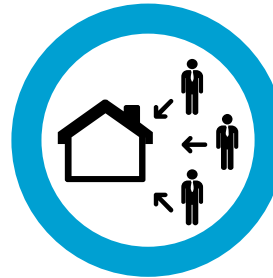# Not "binary" anymore: the employment relationship is changing

A plurality of work is already here…and accelerating with the pandemic
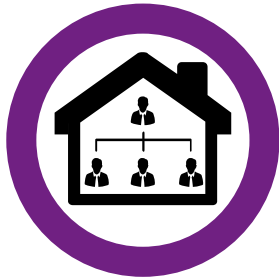
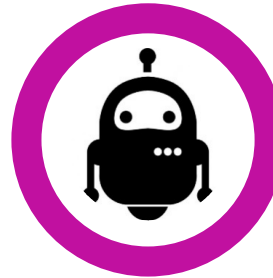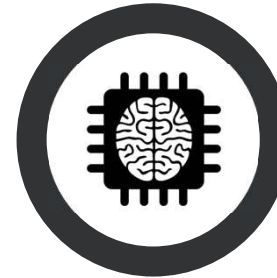**Traditional employees**

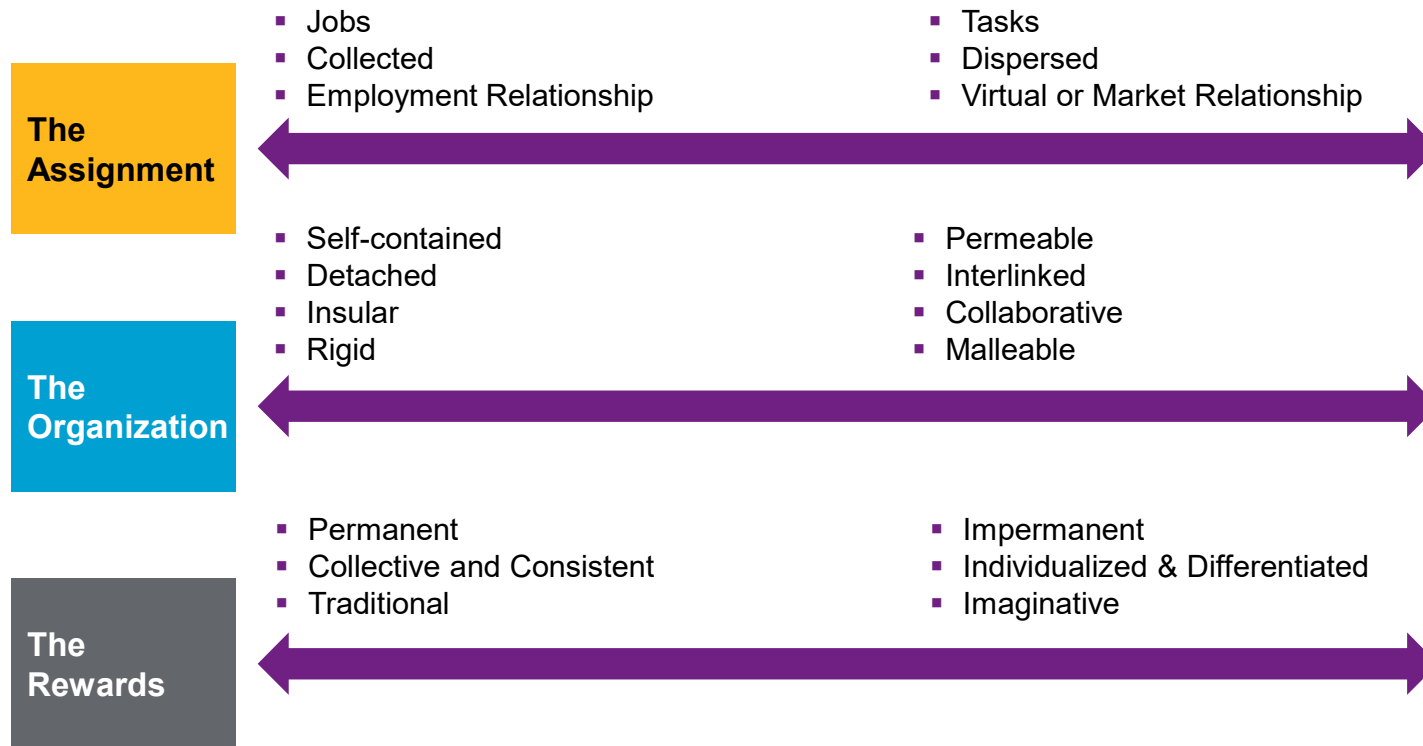**Outsourcing**

Free agents

Alliances

Talent platforms

Volunteers

Robotics

Artificial Intelligence

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Lead the Work Map

The Assignment	• Jobs • Collected • Employment Relationship	• Tasks • Dispersed • Virtual or Market Relationship

The Organization	• Self-contained • Detached • Insular • Rigid	• Permeable • Interlinked • Collaborative • Malleable

The Rewards	• Permanent • Collective and Consistent • Traditional	• Impermanent • Individualized & Differentiated • Imaginative

Source: John Boudreau, Ravin Jesuthasan and David Creelman

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Optimizing work + automation

Deconstruct the Work

Step 1 Automation Compatibility

Repetitive ← → Variable

Independent ← → Interactive

Physical ← → Mental

Step 2 Return on Improved Performance

Organizational Value (Negative / Positive)

Negative-Value | Constant-Value | Incremental-Value | Exponential-Value

Level of Performance

Automate the Work

Step 3: Automation Type

Robotic Process Automation

Cognitive Automation

Social Robotics

Step 4: Automation Role

Substitute

Augment

Transform

Optimize the Work

- RPA substitutes for repetitive, independent mental work to reduce mistakes

- Social robotics substitutes for repetitive, independent, physical work to reduce variance

- Cognitive automation augments variable, interactive, mental work to incrementally improve productivity

- Social robotics creates new variable, interactive, physical work to exponentially improve performance

- Etc. …
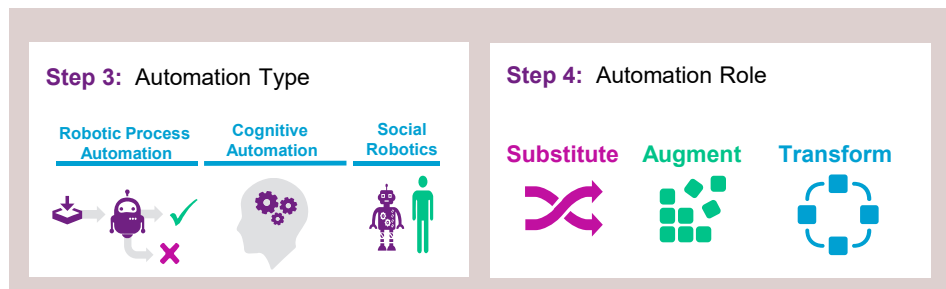
Reinventing Jobs, Jesuthasan and Boudreau, Harvard Business Review Press, 2018

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Reconsider Work Design – 4 potential action areas

- **Consider a cross-industry talent exchange**
  - Re-deploy select talent with comparable skills from industries facing reduced demand to those facing a significant increase in demand for a limited period of time
  - Significantly minimize the frictional cost and time associated with traditional employment transitions while supporting workers in developing new skills and new networks

- **Make progress towards your longer-term upskilling and reskilling agenda**
  - Learning is moving from the fringes to become a centrepiece of the employee experience; this crisis provides companies the opportunity to turn their commitment to continuous learning into a reality for all workers
  - Take advantage of this time to identify the skills that talent in various roles should acquire to stay relevant and ensure they have access to the digital resources that can help them develop those skills
  - Conduct learning with a view to rapid redeployment within different parts of a business

The World Economic Forum estimates that by 2022, 42% of core skills required to perform existing jobs are expected to change, with over 133 million new jobs created in major economies.

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Using work redesign as a response to the COVID-19 crisis

Automate

Insurance company redesigning Customer Service job to increase use of automation for 15% productivity gain in call handling

Use Non-Traditional Talent

Energy distribution company identified 8% of Advisor work to be moved to freelance talent

Make Work Portable

Financial services company re-deploying reporting activities to central services and mobilizing agile teams for customer-focus

Shift the Where of Work

Utility company shifting field operations' data collection work to data center

Shift the When of Work

Technology company implemented new work schedules such as "same team shift-work" to minimize on-premise exposure risks
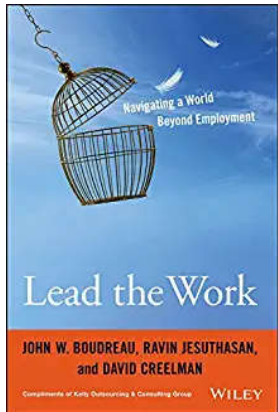
Borrow or Lend Talent

Airline baggage handlers moving to eCommerce logistics in talent exchange
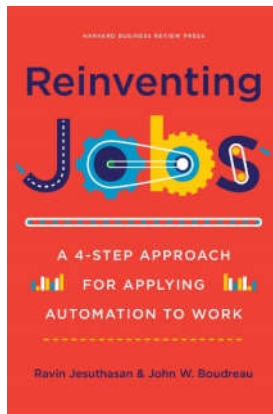
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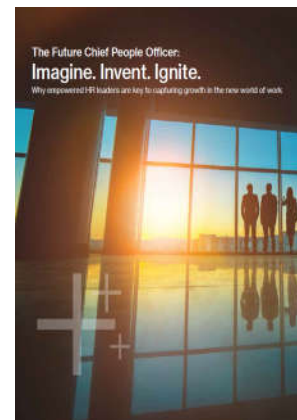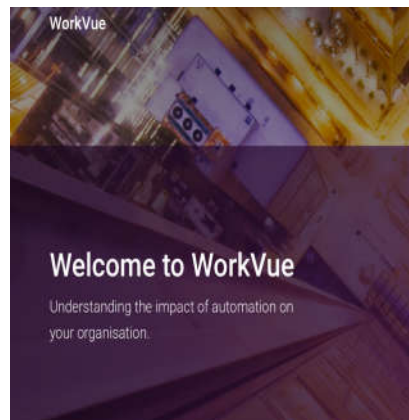**Willis Towers Watson**

Where to learn more

[Lead the Work](#)

[Transformative HR](#)

[Reinventing Jobs](#)

Our new AI-based platform to reinvent jobs [WorkVue](#)

[The Future Chief People Officer](#)

[How the Coronavirus is Redefining Jobs](#)

[HR4.0: Shaping People Strategies in the Fourth Industrial Revolution](#)

[Workforce Principles for the COVID-19 Pandemic](#)

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