EOs and FoW
Changing jobs and enterprises

Apindo, December 2017,
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New scenario?/Speed of Change

- Digitalization
- Intense development of collaborative economy
- Artificial Intelligence
- Automatization
- Globalization
- Big data
- Demographic Migration Trends
- Informality
Job losses/creation/transformation?

- Wage stagnation/growing inequalities?
- Polarization of low/high-skilled jobs?
- Income convergence among countries-regions?

Structural/temporary trends?
Automatization: What will disappear?

- Affected jobs/tasks versus jobs at risk
- Most affected jobs (35% in UK, 49% in Japan, 47% in USA).
- Not necessarily low qualified but routine/non-routine.
- 9% of OCDE jobs will be automatized in a relatively short term
- Sectors: transport, administrative tasks, services
- Early “deindustrialization” (Maximum weight level of industry China, Brasil, India: 20%. 11% AL)

Quantitative element: speed of change
“Deep learning”: search engines, suggested responses to messages, web page translation, voice recognition, image recognition, credit card fraud detection, driving vehicles, drones, legal research/market analysis, etc

...even software design!
Once an algorithm is put to work, **humans must give feedback** to improve it.

Need for humans to conduct **complex/qualitative analysis** and to train algorithms to handle exceptions.

Questions with no simple answer are again routed through humans.

Digital assistants (Amazon’s Alexa, Microsoft’s Cortana) will have to answer **more complex questions due to higher expectations from humans**.

**Police the firms’ own services** (content moderation) and control quality.

**4.9 new jobs in the service sector for each one in IT, multiplying effect.**
Future skills

<table>
<thead>
<tr>
<th>“STEM”: Engineering-mathematics-technology (14 of the 35)</th>
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<tbody>
<tr>
<td>Creativeness/innovation/social skills/strategic approaches/analytical capacity/communication</td>
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<tr>
<td>Health sector and social services</td>
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<tr>
<td>Big data, management and network security</td>
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<td>Green economy and energy sector</td>
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<td>Robotics/nanotechnology/3D printing</td>
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Connectivity and a qualified workforce go together
“Learnability”: attitudes and capacities to learn

What does it take to reach the next job level?

- Improve skills & qualifications: 46%
- Perform well in current job: 45%
- More experience through new roles or assignments: 35%
- Good connections: 28%
- Seek opportunities: 23%
- Strong relationship with a manager, mentor, sponsor: 17%
- Stay around long enough: 17%
- Good fortune: 16%
- Meaningful career conversations with manager: 14%
- I see no prospect for advancement: 2%

(Manpower)
Platform/gig (collaborative) economy

- New (small) companies which cross borders easily
- Difficult to control/regulation? / **do they increase informality**?
- They create **big networks** and **new incomes/new services**
- Improve **quality** of services: better follow up of customer satisfaction
- Affecting a **wide and growing range** of services in very different manners: transport/restauration/hotel/cleaning/social aids/financial investment, etc.
- But just **1% employment** in developed countries. **5 million individuals. But not qualitative analysis!**.
- **Turnover figures expanding** (UBER: 4 billion in 2015, Airbnb more than Hilton in 2016)
Opportunities and challenges

• New?/Growing?
• Heterogenous situation: multitask/freelance/ dependent workers/mix...
• Distinction “legal framework”/diversity in the forms of employment
• We need proper analysis on whether they provide (or not) :
  − Huge opportunities in developed and developing economies
  − Better work-life balance
  − Could stimulate growth and dynamize the economy
  − “Inclusiveness”
Is the way we work/upgrading skills changing?

- Working time?
- Working place
- More autonomy, less hierarchy
- **Measuring productivity**: more sophisticated (privacy?/tensions?)
- Outsourcing/offshoring but also reshoring
- **New ways to update skills**, more informal, more customized to individual needs? (MOOCs)
- Millennials and new mentality: being my own boss (more money /less control)
• More global, smaller,
• Powerful networks
• Anticipating political and social expectations: sustainability/human rights
• Global talent competition
• Sophisticated business services
• Big data: accurate customer recommendations, improving in-store services, automating the supply chain and achieving just-in-time inventory management
• Global supply chains will be much more sophisticated and online-driven
Is it a global phenomenon?

- New opportunities in developing countries
- Informality/new forms of work
- Phenomenon of “reshoring”. The work which can’t be automated is not decentralized
- All will depend on:
  - Competence and qualifications
  - Efficient, solid and stable institutions
  - Level of connectivity/access to new technologies
Fears linked to diverse forms of employment

- Fewer jobs, worse conditions, less protection to workers
- Freedom of association will weaken
- Collective bargaining will decrease
- Modern slavery (Amazon turk)
- Inequalities will increase
- More informality
- Social protection schemes will not be developed or will weaken
Innovative solutions?

- Minimum **Universal Income**
- Restriction/ban to the development of the collaborative economy
- Taxing machines
- **Protectionism**: Trade, Social Clauses
- Global Supply Chains: demonizing them
• Fewer jobs, worse conditions, less protection to workers
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• Social protection schemes will not be developed or will weaken
• Irresponsible behaviours of MNE in developing countries (Global Supply Chains)
Future of Social Dialogue and Labor Relations

• Anticipate the impact of new communications tools/social media
• Anticipate/assess the impact of new ways to act collectively (a more dispersed workforce)
• Anticipate Global Trade Unions’ Campaigns: communication policies
• Social dialogue: ways to make it more diverse, effective and quicker in providing answers
• Diverse situations of EO

• Asking for independence/representativeness/values

• New reality for social dialogue and industrial relations

• Actors with stronger influence: NGOs, “Civil Society”, “individual companies”

• New actors in the “platform economy”: how to integrate them
Future of Business/Employers Organizations

- Good and new ways of lobbying
- Guidance on emerging areas (migration/skills/green economy/human rights)
- Training as a service
- We are Business, not just Employers
- Representative: being backed and feeling we are behind our companies
Thank you

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Recommendations: business environment

• **Ambition** for a simpler, more flexible and more efficient regulation on tax/labour/corporate/administrative burdens etc. Who has done best and why?

• **Global answers for global business**: new proposals

• **Data management/data collection**: guidance and proper regulation

• **Business services as a key driver** of success: policies that foster new and proper services for business
Recommendations: skills

• Provide good data: **picture/assessment of future skills and qualifications**: holistic and dynamic data per sector/country/per type of education

• **Learn from successful countries and sectors** in STEMs, social skills, mobility, employability

• **New attitudes towards skills update.** Good skill (self) assessment tools (individual responsibility)
Recommendations: skills

• Innovative ways of **peer-to-peer learning**, workplace learning, informal learning, tech-assisted learning, including online learning

• Identify, assess and learn from cases where **close cooperation between the business and education sector is making a difference**

• Identify the business case: **huge skill potential of the female workforce** in specific sectors/countries/regions
Recommendations: labor market policies

- Better assessment of the evolution and development of work patterns
- Much more public support for job transitions
- Mediation services and employment policies: Ambition in PPPs
- Assess the definition and evolution of working time
- Enhance new ways to measure productivity (working time?)
- Anticipate modern forms of social protection to accommodate the new work realities
Recommendations: innovation

- Early adoption of technological and digital opportunities
- Courageous attitudes towards **innovative workplace organisation**
- **What PPPs** have better enhanced investment in research and development
- Use of **e-platforms** for sharing good practices
Global Commission on the Future of Work: 28 members

CEOs, Prime Ministers, four business leaders

Our fear: ostracism and weakening of tripartite governance

Mid next year: a report. Based on what...

2019: Sub-themes, to be decided now and in March 2018

Employers proposals?: IOE brief + new ideas from FoW Taskforce

Two areas for future IOE action: skills + Future of companies.