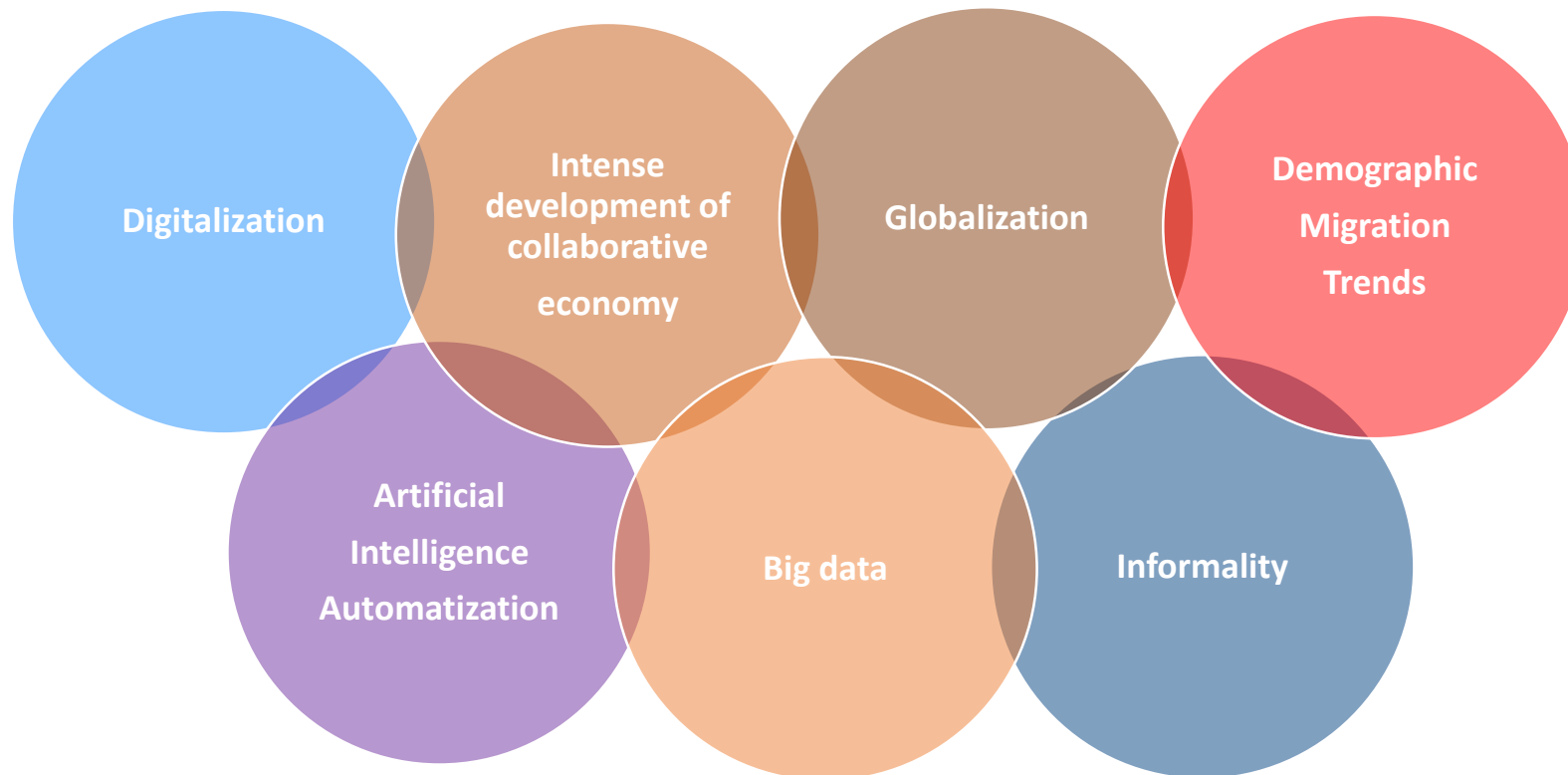


EOs and FoW

Changing jobs and enterprises



New scenario?/Speed of Change



Job losses/creation/transformation?

- More Jobs/employment/tasks? More unemployment? (5.1 million job losses?/productivity increase?)
- **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)

1.1 BILLION JOBS
affected

HALF OF THE
CURRENT JOBS
automatized in
2055



Quantitative element: **speed of change**

Artificial Intelligence

“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!

New human jobs/tasks

- 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

“STEM”: Engineering-mathematics-technology (14 of the 35)

Creativeness/innovation/social skills/strategic approaches/analytical capacity/communication

Health sector and social services

Big data, management and network security

Green economy and energy sector

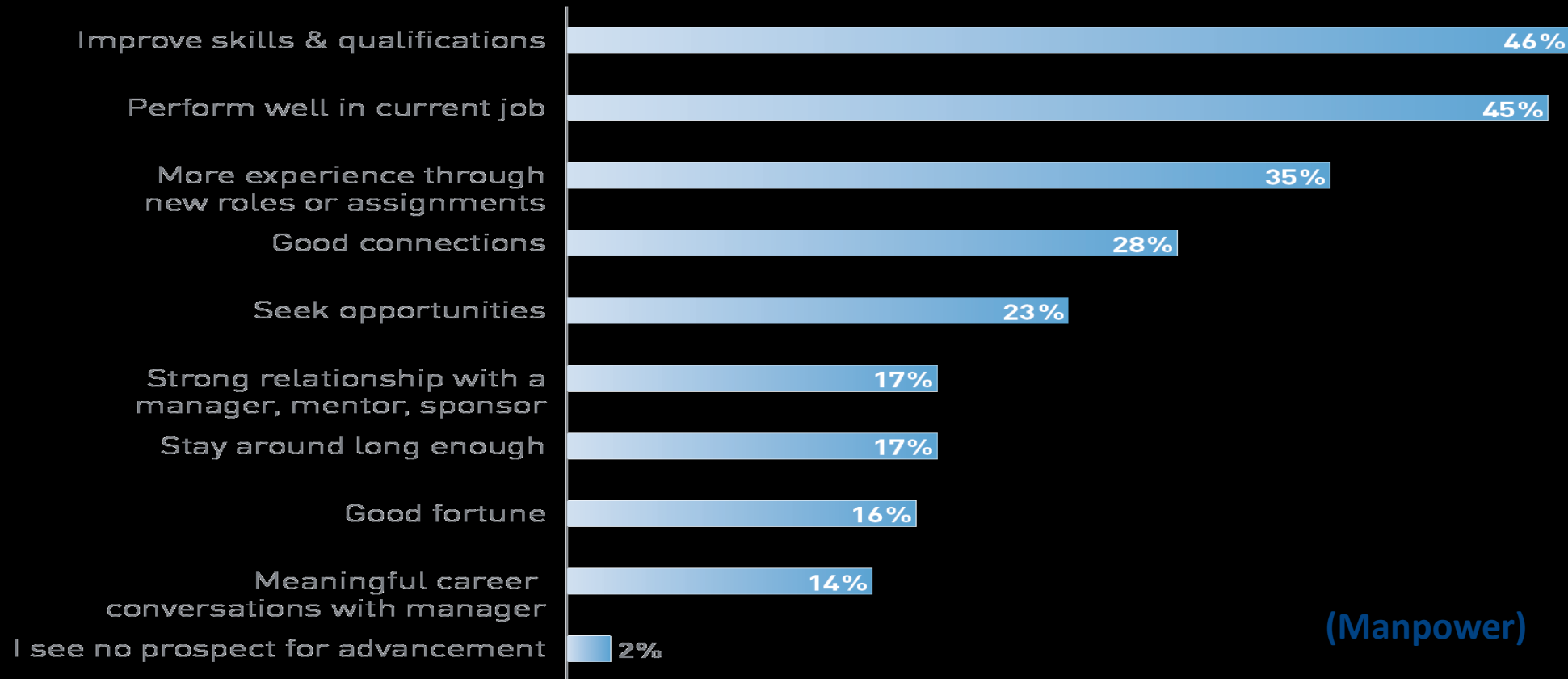
Robotics/nanotechnology/3D printing

Connectivity and a qualified workforce go together



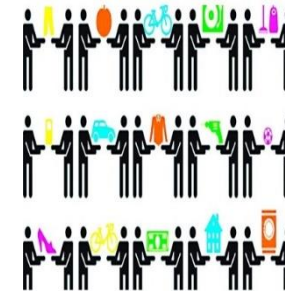
“Learnability”: attitudes and capacities to learn

WHAT DOES IT TAKE TO REACH THE NEXT JOB LEVEL?



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)



Business models?

- 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 developement of the collaborative economy
- Taxing machines
- **Protectionism:** Trade, Social Clauses
- Global Supply Chains: demonizing them



Fears

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- **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
- **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



Future of Business Organizations

- 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



ILO Centenary Initiative

- 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.

