The Future of Work
Jobs and Skills in 2030
The labour market transformed?

Summary

- Not possible to predict the future, but we can make sense of the direction of travel and identify uncertainties
- What could the world of work look like in 2030?
- Analysis of trends and likely disruptions, plotting four scenarios
- Supported by labour market projections: Working Futures
- On current trends, the UK workforce in 2030 will be multi-generational, older, more international and female. Technology will be pervasive, jobs more fluid and the global labour market highly competitive
The Future of Work study

What will jobs look like in 2030 and what skills will be in greatest demand?

Aim: Stimulate debate about how we can prepare for the future UK labour market by exploring four scenarios:

- The Great Divide
- Skills Activism
- Forced Flexibility
- Innovation Adaptation
Trends shaping future UK jobs and skills

Trends describe a continuation of events, following a robust course. 13 trends are identified as the most influential on UK jobs and skills to 2030.
Trends shaping UK jobs and skills

Demographic Change
- Ageing workforce and four-generational working
- Growing diversity

Over the next decade the number of economically active people aged 65 and over is projected to increase by one third

Changing work environments
- Increasing virtualisation and flexible workforces

1.3bn virtual workers globally by 2015

New business ecosystems
- Companies as ‘network orchestrators’

About 40% of global CEOs expect the majority of innovation in the future to be co-developed with partners outside their organisation

Digitalisation of production
- Advanced manufacturing processes e.g. smart factories and 3D printing

Near-shoring and decentralised production could lead to employment increases in manufacturing of between 100,000 and 200,000 workers by 2023
Business-as-usual in 2030

Greater business flexibility and incremental innovation lead to modest economic growth – but often results in fewer opportunities and weakened job security for the low-skilled.

**Key features**
- Volatile world economy
- Business flexibility and innovation bring moderate growth
- Ferocious competition for low-skilled roles
- Job security important – but also work-life balance
- Employer-led education and training

**Examples of sector implications**

**Health and Social Care**
- Digitalised work
- Self-diagnosis

**Retail and Logistics**
- Local logistics
- Sophisticated customer engagement

**Education**
- Virtual learning and bite-sized apps
- Skills for virtual teaching and mentoring
Why explore potential disruptions?

Long-term processes of change are always uncertain

Need to anticipate potential disruptions

Move from reacting to preparing for future

Experience tells us that predictions about the future are destined to be inaccurate

Mobile internet is set to overtake desktop usage – jobs are being done on the move, at any time of day, in almost any location.
Disruptions that could radically change the future of work

But what if...?
10 key disruptions chosen on basis of plausibility and severity of potential impact
Examples of the disruptions

**Geographically alternative centres of excellence:**
- Two thirds of British investment bankers expect that in 2022 the top global finance centre will be in Asia.
- What if, for example, the UK’s financial sector relocated to Hong Kong?

**Zero-hour contracts become norm:**
- In 2013, 3.1 per cent of UK workforce are employed under zero-hour contracts.
- If these became the norm what would the labour market of 2030 look like?

**Artificial intelligence and robots:**
- Robotics, smart algorithms and artificial intelligence could automate more than 40 per cent of jobs in the U.S within two decades.
- What would a radical automation of professional tasks mean for the UK labour market?
Disruptive scenario for 2030

Skills Activism’ scenario: Technological innovation drives the automation of white collar work and brings large-scale job losses

Key features
- Low UK growth after turbulent 2020s
- Automation hollows out professional work
- Government provides skills support response
- Work is mainly project-based
- Employment promotion in health and social care

Implications for skills?
- Need skills to validate automated systems
- Strategies for dealing with skills mismatch critical
- Creativity, personal agility and adaptability even more fundamental
Four possible future scenarios

Forced Flexibility (business-as-usual)

Skills Activism

The Great Divide

Innovation Adaptation

More information at www.ukces.org.uk/thefutureofwork
Jobs and skills in 2030

Technology will pervade every work environment
- Digitalisation impacts on jobs and skills at all levels, all sectors
- Winners and losers
- Continuous up-skilling and adaptation fundamental

Interconnectivity and collaboration
- Fluid, interconnected, network-oriented jobs
- Challenge of developing the skills of a virtual, flexible workforce
- Convergence between sectors, stimulates greater innovation between disciplines and leads to hybridisation of skills
Jobs and skills in 2030

Increased individual responsibility
- Greater worker flexibility means individuals shoulder responsibility, including for skills development
- Self-management skills
- Personal agility and resilience vital, especially for young people

An hourglass shaped, two-tiered labour market
- Highly-skilled minority enjoy strong bargaining power, low skilled do not
- Decline of traditional roles in middle of the skills and earnings range e.g. admin, manual
- New jobs fill the middle ground, different entry routes and skills requirements
Action for future skills

**Employers**
- Attract, develop and retain world class talent?
- Prepare for increasing workforce diversity, culturally and generationally?

**Individuals**
- Encourage to take greater responsibility for investing in own skills?
- Enable to jump across specialist knowledge boundaries?

**Education Providers**
- Adapt learning programmes for interdisciplinary approach to innovation?
- Use technology to facilitate new modes and content of provision?

**Policy Makers**
- Enable employers to take greater control of skills system?
- Strategy for ensuring low skilled can adapt to a shifting labour market?
Thank you

www.ukces.org.uk/thefutureofwork

http://yourfuturejob.ukces.org.uk

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