

The Future of Work

Jobs and Skills in 2030

The labour market transformed?



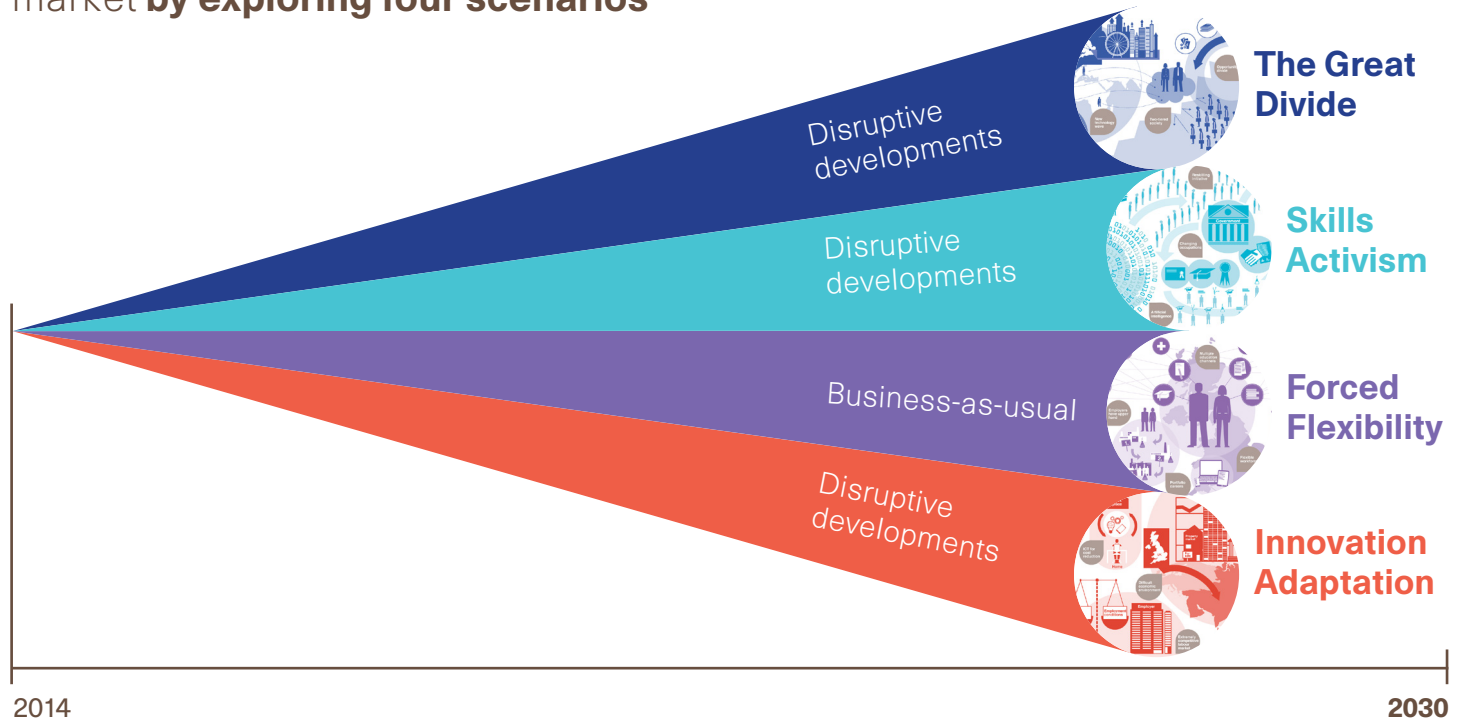
Summary

- 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?

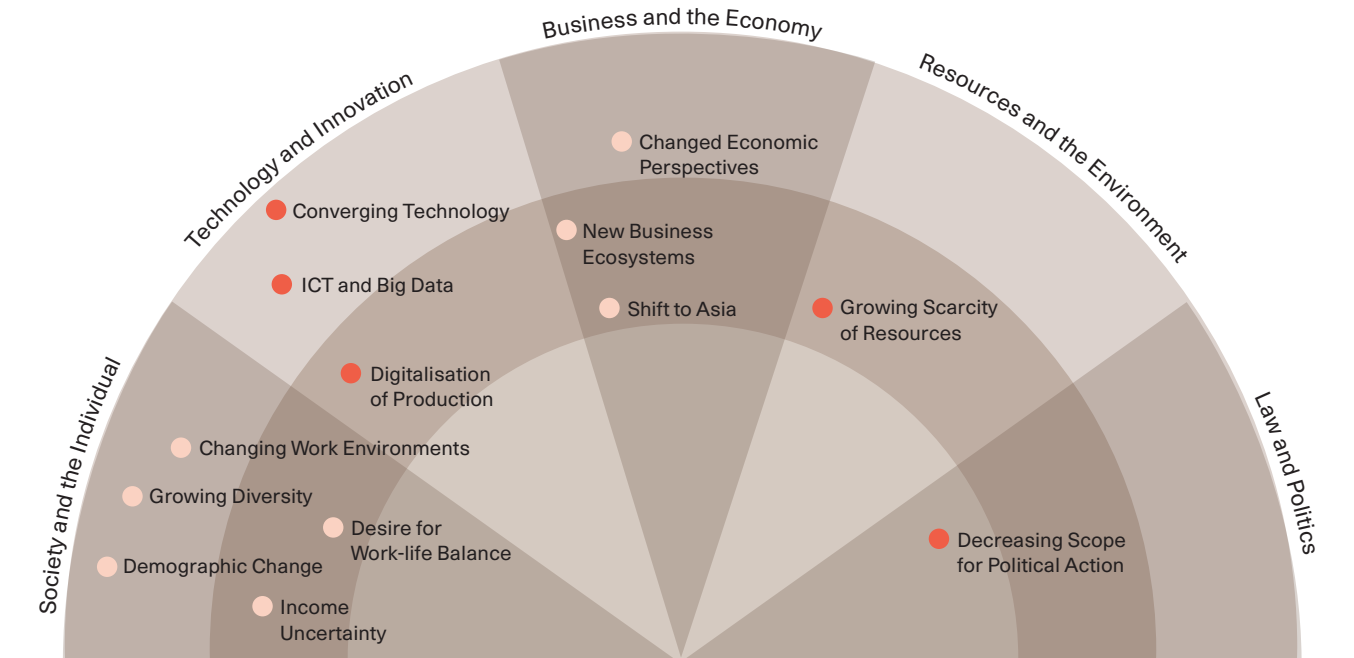
Aim: Stimulate debate about how we can prepare for the future UK labour market **by exploring four scenarios**



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

Why explore potential disruptions?



Long-term processes
of change are always
uncertain



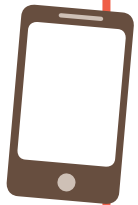
Need to anticipate
potential disruptions



Move from reacting to
preparing for future

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

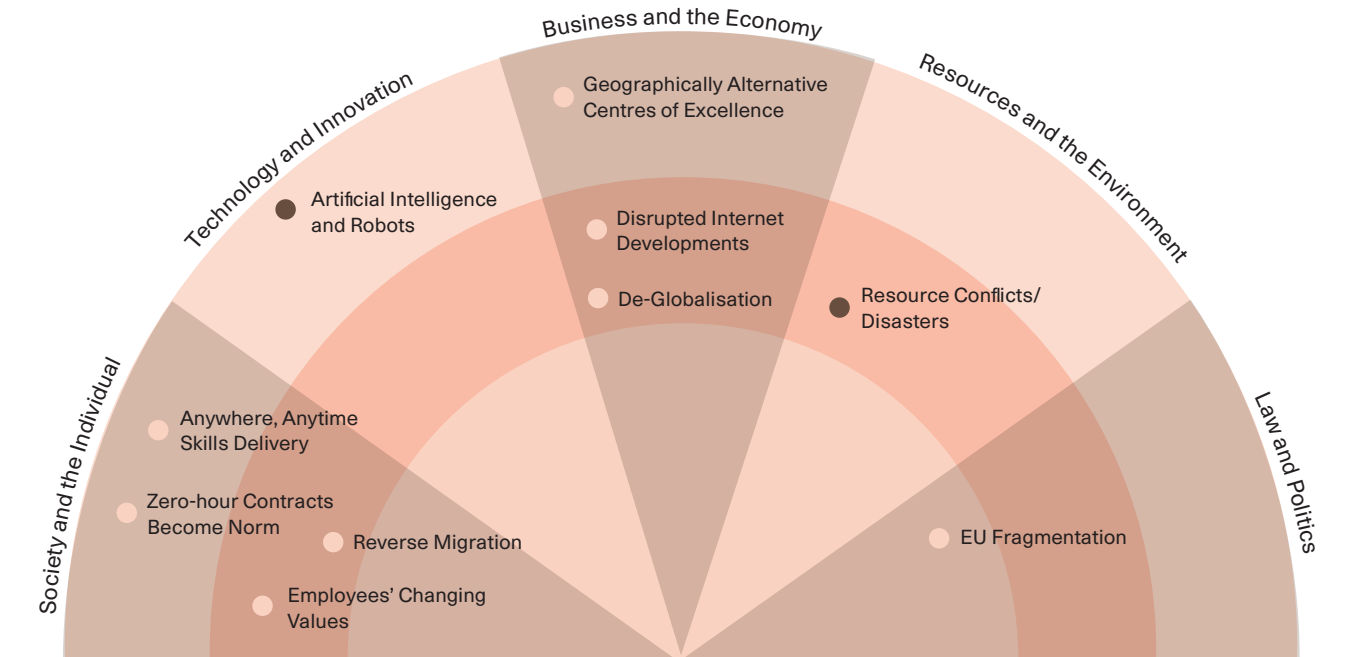
Mobile internet is set to
overtake desktop usage –
jobs are being done on the
move, at any time of day,
in almost any location.



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



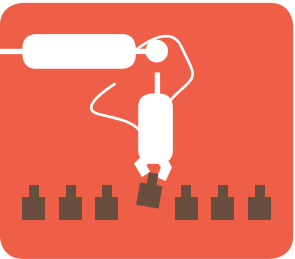
Geographically alternative centres of excellence:

- 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:

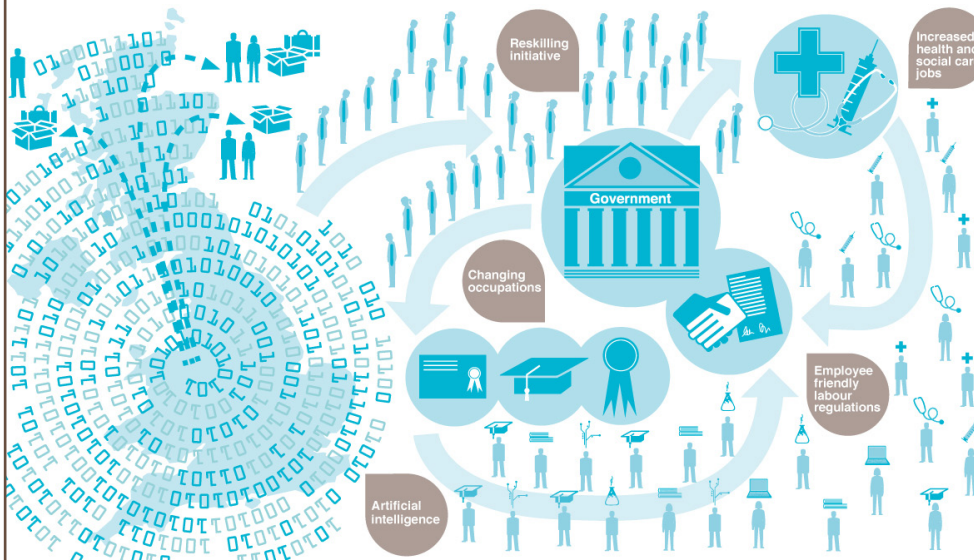
- Robotics, smart algorithms and artificial intelligence could automate more than 40 per cent of jobs in the U.S within two decades
- What would a radical automation of professional tasks mean for the UK labour market?

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

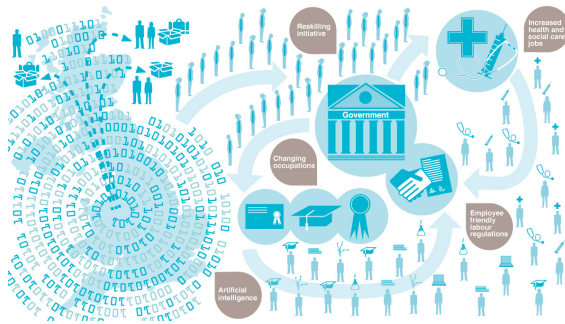
Forced Flexibility (business-as-usual)



The Great Divide



Skills Activism

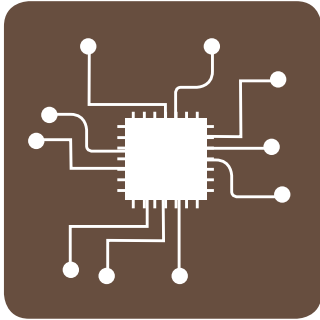


Innovation Adaptation



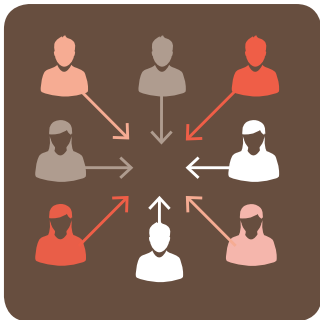
More information at www.ukces.org.uk/thefutureofwork

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

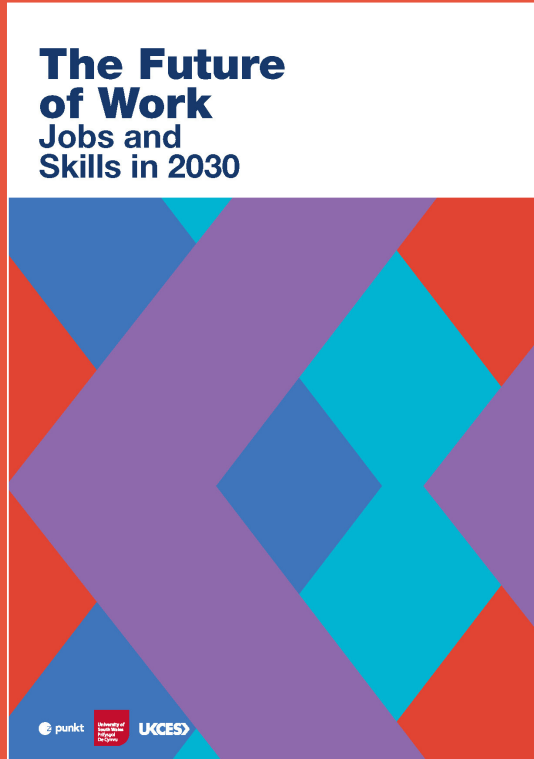
- Adapt learning programmes for interdisciplinary approach to innovation?
- Use technology to facilitate new modes and content of provision?



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>

#thefutureofwork