BUSINESS IN THE COMMUNITY IRELAND

THE LEADERS' GROUP ON SUSTAINABILITY

Learning & Development and the Adaptive Workforce

Contents

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The Network for Responsible Business

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Business Context

Flexibility and agility are required for businesses to thrive in an uncertain and rapidly changing world.   Business in the Community Ireland's Leaders' Group recognises this and acknowledges the responsibility of employers to support employees to thrive in this world. Not to do this would have business and societal implications and negative effects on workers.

Learning and Development is a priority and the responsibility for driving this is with Government, business and individuals.

Challenges

The challenges for responsible business are

- finding the right balance between flexibility for the business and flexibility for the worker
- finding practical feasible steps to support people to maintain or develop relevant skills so that they remain employable through periods of change and that business has access to the skills it needs
- addressing the particular requirements of workers with lower skills and poor education

Recommendations

The Leaders' Group proposes the following basic principles of good practice:

Plan ahead and analyse the potential impact of the future of work for the organisation and the workers

Create a culture of learning and development within organisations, where workers are encouraged to invest in themselves and the time taken to learn new skills is valued and protected

Ensure skills development **opportunities are open to all** workers within an organisation, regardless of employment status

Invest in a **blended approach to training**, drawing on multi-media platforms to offer training materials in easy-to-access formats

Foster knowledge sharing amongst workers within organisations, through formal rotations, job shadowing, work experience, mentoring or networking opportunities

Embed **hard and soft skills** in learning and development programmes, ensuring that workers are provided with opportunities to develop not just digital or technical proficiencies but leadership, problem solving, communication and emotional intelligence

Learning and Development and the Adaptive Workforce

2 Introduction

Business in the Community Ireland (BITCI) is a business network for Corporate Social Responsibility (CSR) and sustainability. Our vision is 'Better business for a better Ireland'.

In 2016 BITCI founded The Leaders' Group on Sustainability to improve the sustainability of Irish business through sharing best practice and creating new ways of doing business. This group initiated a 'Worker of the Future' subgroup to understand better the impact of adaptive workplaces on society and on individuals and to make recommendations on the role of responsible business.

Learning & Development was the first area explored by the group. This paper, drafted by Accenture and Business in the Community Ireland, outlines recommendations in relation to the education and career development needs of those within the adaptive working economy and the role of a responsible business in supporting workers to adapt to the future of work.

This is not an area that can be solved in siloes. There is a need for a collective, holistic approach that brings together workers, organisations, education institutions and Government to tackle the challenges and explore the opportunities in order to benefit society.

3 The Adaptive Workforce and Broader Workforce Trends

The world of work is changing. The workplace of the future will be very different. It will be more diverse and more flexible.[1]. More and more, work will be sub-divided into tasks that utilise an individual's skills and knowledge areas[2], with 79% of business leaders across industries believing that the future workforce will be structured more by project than by job function[3].

In addition, the landscape of work has been drastically altered by technology. In the last ten years, the growth of automation and artificial intelligence has had an increasing impact on the way tasks are completed. Research by the OECD[4] puts the percentage of jobs in Ireland at high risk of automation as 8%. Industries such as transport and storage, manufacturing, construction, administrative and support services, and wholesale and retail trade have been highlighted as the top five industries at risk of automation over the next twenty years[5]. Notably, the highest risk of automation is associated with routine jobs that typically have low skills requirements and low wages[4].

In parallel with these wider workplace changes has been an increase in workers engaged in the adaptive workforce. The Chartered Institute of Personnel and Development (CIPD) defines the adaptive workforce as networks of people engaged in "*a way of working that is based on having temporary jobs or doing separate pieces of work, each paid separately, rather than working for an employer*"[6].

The proportion of the workforce operating in this manner has been steadily increasing since the 1990s and it is expected to continue, with 57% of millennials and 67% of Generation Zs stating that they would consider work of this nature to be a viable alternative to full-time employment[7].

At present in Ireland, almost half of millennials in employment have non-standard contracts, with working hours that vary from week to week[8]. An ESRI report projects that, by 2025, contingent employment (temporary contracts plus freelancers) will show a modest increase to 10% of total employment[9].

4   Evolution of Education and Skills

Automation, artificial intelligence and other workforce trends will drive the need for increased investment in education and skills within Ireland to help people adapt to technological change throughout their careers.

These requirements are not solely the responsibility of businesses. There is a corresponding onus on educational institutions and the Irish government to enhance employability skills development and to foster a culture of lifelong learning[10]. Recent policy initiatives have acknowledged this need, with the establishment of the National Skills Council in 2017 which aims to equip the Irish workforce for the jobs of tomorrow[11] and the National Training Fund which provides funding, infrastructure and supports for ongoing learning and upskilling and reskilling of those already in employment[12].

From the perspective of Irish employers, however, there is a strong business case for investment in learning and development. Innovative delivery of learning and development programmes is associated with increased productivity and a reduction in the time taken for workers to learn new skills[12]. Among millennials and Generation Zs, globally, the provision of education and training is associated with enhanced loyalty to an organisation[13], while a survey by LinkedIn indicated that 94% of employees would stay at a company longer if it invested in their career development[14].

77% of Ireland's HR directors indicated that the lack of available talent within the labour market is a threat to their business[15]. The delivery of a holistic learning and development programme provides businesses with an opportunity to develop talent and retain skills within their organisation.

This gap is particularly prevalent when it comes to the digital skills that will be required to enable companies to adapt to technological advances, with 55% of businesses, in a global survey, indicating that the digital talent gap is widening in their organisation[16].

Increasingly, workers are prioritising ongoing and continuous learning throughout their lifetime, recognising the need to take an active role in future-proofing their own skills. For many, the training programmes provided by their organisations do not meet their needs, with more than half of workers highlighting that the learning and development programmes provided are not helpful or that they are not given time to attend[16].

Within the requirement to future-proof skills, the value of soft skills is increasingly being recognised. Training for soft skills, such as leadership, communication and collaboration skills, was identified as the number one priority for talent development internationally in 2018[14]. In an Irish context, team-working, creativity and problem-solving are in demand among hiring managers who recognise that these are all the more important in a rapidly evolving employment landscape[17].

Enhancing workers' adaptability and skills will be critical to enabling them to share in the gains from new technologies and work more effectively with them[18].

5   Learning and Development and the Adaptive Workforce

Learning and development in the workplace is increasingly being delivered via non-traditional methods. Initiatives such as micro-learning or just-in-time learning enable workers to access relevant content and information[14].

Cloud-based solutions and massive online open courses (MOOCs) offer scalable opportunities for organisations to deliver the required up-skilling to workers[19]. MOOCs can be of variable quality and the drop-off rate is high so the involvement of the employer in identifying quality training and incentivising participation is important.

While learning and development programmes in the workplace can play a vital role in future-proofing workers' skills and delivering significant business benefits, they are not a one-size-fits-all solution. To be successful, learning and development must be embedded within the workplace culture and support organisations in responding to challenges from the external environment[20].

For participants in the adaptive workforce, in particular, there are challenges associated with accessing education and training. Time and money are two principal factors cited by UK gig workers preventing them from investing in their own skill development, training and learning[21].

Many report that the organisations that they provide services to, whether an employer or a digital platform, do not provide them with opportunities to attend training courses or develop new skills. This is also apparent in an Irish context, with less than half of contractors reporting that they are provided with opportunities to skill via on-the-job training[22].

These challenges are exacerbated for people engaged in precarious work. While the definition of precarious work is debated, particularly in the context of the adaptive workforce, in Ireland it typically refers to work that is insecure, unstable, low wage and part-time[23]. The growth of on-the-job training may serve to widen the divide between those involved in precarious and non-precarious employment, as workers within the adaptive workforce who are already highly skilled are four times more likely to receive training at work[24].

This finding mirrors research around roles at risk of automation. The uptake of training and reskilling within sectors impacted by automation is frequently unevenly distributed, with workers at the highest risk of automation more than three times less likely to participate in on-the-job training than workers in less automatable roles[25].

This suggests that learning and development programmes, if implemented without a holistic assessment of the impact of digitalisation and automation, may risk increasing inequality in the workforce.

Lack of career development and training can prevent these workers from developing skills to maintain their employability in the future. As highlighted previously, investing in learning and development is associated with employee retention, specifically among workers with valuable digital skills[16]. This has particular resonance in the context of Ireland's competitive labour market and low unemployment rate[26].

Some workers may have had a poor experience of the education system and need to learn how to learn. An employer can help lower the barriers for these workers. An example would be offering a pre-apprenticeship introduction to an apprenticeship course.

Creating greater and more inclusive opportunities in Ireland for those in the adaptive workforce, as well as those in more traditional jobs, to take part in lifelong learning will encourage and empower them to take responsibility for the management of their own career development.

This will, in turn, help ensure they are able to adapt to further technological disruption and that they have the skills to compete in the labour market as jobs change and the labour market evolves[21].

6   Recommendations

Providing learning and development opportunities for workers in the adaptive economy is important so they can remain employable as the nature of work evolves.

Organisations may not be able to budget for professional development for contingent workers, but they should consider other initiatives and ways workers can develop over short periods of time. Drawing on international examples and case studies, the following actions are recommended for Irish businesses:

> **1. Prepare for the future of work** by considering how industries and organisations will be impacted by digitalisation and automation.

PwC UK[27] is implementing a <u>Responsible Technology Policy</u> that identifies social and environmental impacts arising from the adoption of technology in its supply chain, operations, people agenda and client work. The firm is implementing programmes that will mitigate known pitfalls in its own business in four areas: jobs and skills, enabling good health and wellbeing, ensuring privacy, security and integrity and protecting the environment. The policy has already driven changes, for instance in its firm-wide digital upskilling.

In the US, **Guardian Life**[28] is one of the largest life insurers. In order to remain relevant in the face of increasing technological disruption, they piloted several applications of AI within their back-office, customer service and underwriting. In addition to changing their processes, they also worked closely with their workforce to enable them to feel comfortable with AI and robotics. Initiatives such as 'robot play dates', where back-office workers learn to programme robots, helped workers to recognise the efficiencies and limitations of new technologies.

With the support of the government, **Finland** aims to be a world-leader in AI. As part of this strategy, Helsinki University developed a free online course in AI[29]. To date, 90,000 participants have registered, making it the most popular course ever offered by the university[30].

> **2. Create a culture of learning and development** within organisations, where workers are encouraged to invest in themselves and the time taken to learn new skills is valued and protected.

In 2013, **AT&T**, a US-based telecommunications company, faced a situation where their legacy businesses were becoming obsolete as its industry moved from cables and hardware to the internet

and the cloud. AT&T needed to reinvent itself. Rather than hiring external talent, AT&T chose to rapidly retrain its current employees while building a culture of perpetual learning[31].

In the last three years, AT&T has spent $250 million on employee education and professional development programs and more than $30 million on tuition assistance annually. AT&T estimated that 140,000 employees have been actively engaged in acquiring skills for newly created roles. Workers are expected to change roles every four years in order to continue the process of skills' development.

3. Ensure skills' development opportunities are **open to all workers** within an organisation, regardless of employment status

IBM's award-winning digital 'badge' programme was launched two and a half years ago with the simple goal of driving interest and increased engagement in training and development activities through the use of verified digital credentials[32].

Digital badges certify knowledge and skills acquired in areas like analytics, cloud computing and cyber security, enabling workers to build their personal brand and advance their careers. Badges can be shared on LinkedIn, Twitter and Facebook, creating visibility of a worker's achievements[33].

In the US, **JetBlue** Scholars programme partners with online course providers and institutions of higher learning to enable their workers to complete a degree and advance their careers[34]. While the programme is open to those who have been with JetBlue for a minimum of two years, 75% of those who enrol are those in front-line roles, such as gate agents[35].

The average age of a JetBlue scholar is 39, with 85% of employees reporting that their participation made them more engaged in their jobs and 96% reporting that they were more committed to JetBlue as a result.

4. Invest in a **blended approach to training**, drawing on multi-media platforms to offer training materials in easy-to-access formats

Ashoka is an international network of social entrepreneurs providing start-up financing, professional support and a platform for people dedicated to world change. Senior leaders at Ashoka realised they lacked a talent development model to develop at scale the skills needed to accomplish their mission.

In partnership with Accenture, Ashoka developed 'WeLearn', a blended learning model combining curated MOOCs with virtual facilitated discussions among participants[36]. The design addresses cost issues by using available, respected content and enables reinforcement of the learning experiences through online, real-time reflections and exchanges of ideas with other participants.

5. Demonstrate **knowledge sharing amongst workers** within organisations, such as formal rotations, job shadowing, work experience, lunch and learns or networking opportunities

Tesco UK has begun an initiative to train staff across a number of roles in their stores to increase the skills of workers across different departments.

In the adaptive economy working arrangements may be highly-flexible and this unpredictability can be a barrier to personal and professional development for workers. Tesco has implemented an app which enables workers to take more control of their work schedules.

Tesco also offers job shadowing, mentoring and job rotation to employees. Through these initiatives they facilitate knowledge sharing and learning amongst employees, e.g. managers from stores, distribution centres and head office spend a week in a store together, learning about each other's work.

These initiatives support staff to work in new roles, build different skills and gain a breadth of experience.

> **6.** Embed **hard and soft skills in learning and development programmes**, ensuring that workers are provided with opportunities to develop not just digital or technical proficiencies but skills such as leadership, problem solving, communication and emotional intelligence.

Accenture has leveraged digital technology to create a blended approach to learning by offering employees the opportunity to complete online learning on both hard and soft skills in bite-sized chunks at a time that is convenient to them.

Accenture's 3,000 Pinterest-like digital learning boards give 435,000 employees access to more than 300 content categories with topics ranging from technical skills, such as blockchain, to softer skills such as coaching. Employees have completed more than 29 million learning activities via the digital boards in the past year alone[37].

7 Conclusion

This paper outlines recommendations around the education and career development needs of those within the adaptive working economy and the responsibilities of businesses in relation to these needs.

By investing in holistic learning and development programmes, and enabling adaptive workers' access to these programmes, organisations will be able to develop skilled pools of talent and create a sustainable workforce equipped to respond to the challenges associated with technological disruption and the future of work.

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