

The future skills crisis

How skills can unlock strategy and help
win the war for talent

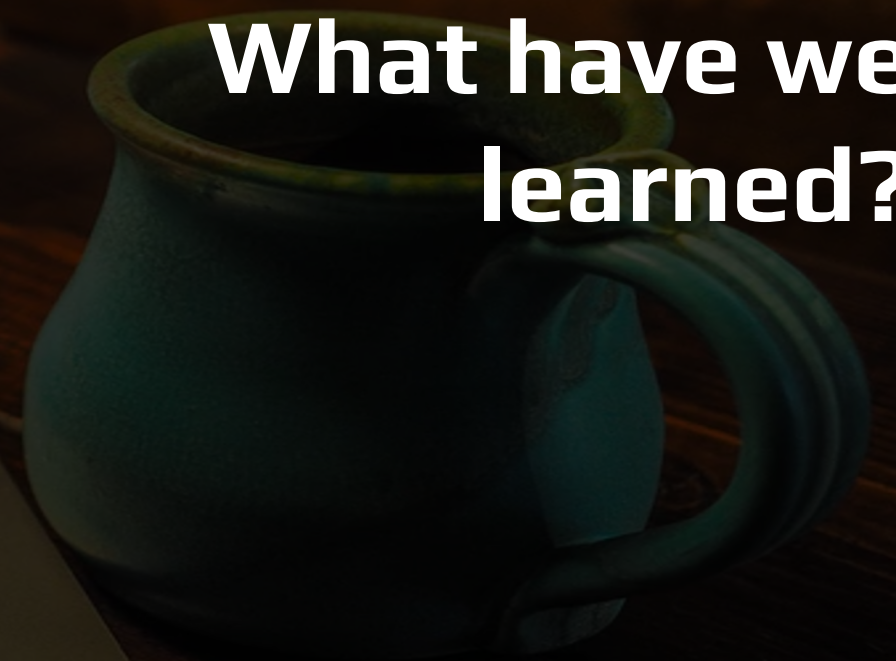
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PD WEEK 2022

SEMAINE DE PP 2022



**Post-Pandemic –
What have we
learned?**



We proved remote can work...

Across the globe, organizations were faced with the challenge of adapting quickly to remote and hybrid work

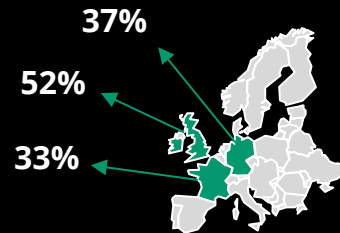
BY THE END OF 2021...

Remote workers will represent 32% of all employees worldwide, compared to 17% of employees in 2019¹. Canada is no exception with 32% of employees working remotely, compared to 4% in 2016².

AND

51% of all knowledge workers worldwide are expected to be working remotely, up from 27% of knowledge workers in 2019¹

IN 2022...



In the world:

- The US will lead in terms of remote workers with **53% of their workforce**¹. **UK, Germany, and France will have 52%, 37% and 33% of their workforce working remotely**
- India and China will produce some of the largest numbers of remote workers, but with relatively low penetration rates with **30% of workers in India and 28% of workers in China being remote**¹

In Canada:

- Heading into 2022, **39% of workers prefer to work most or all of their hours remotely**, while 41% prefer working half of their hours remotely. Only 20% prefer mostly working in person.
- **The vast majority (90%) of new teleworkers report being at least as productive at home as they were at their workplace**

2020 and 2021 ushered in the “Great Exhaustion”...

48% of Canadians new to remote work report accomplishing more work per hour¹

Globally, Gen Z workers are the **least satisfied generation at work**, with only **56%** satisfied with work-life balance and **59%** satisfied with their job overall²



GLOBAL WORKFORCE SENTIMENT³

54% of respondents feel overworked

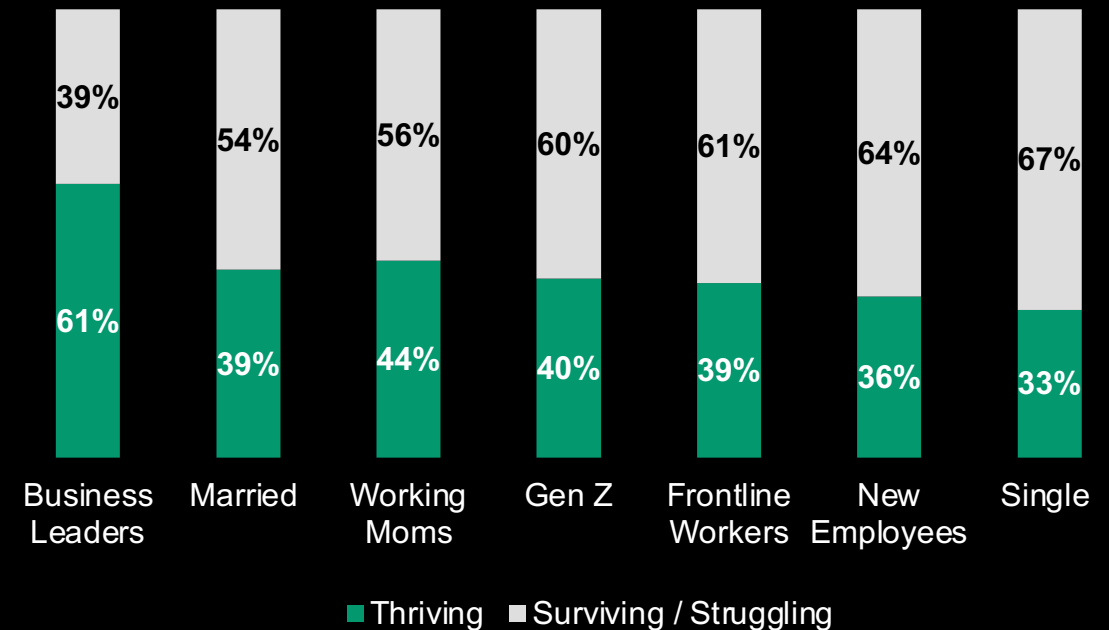
AND

39% of respondents feel exhausted

AND

35% note that their hours have **increased since the onset of COVID-19**¹

Business leaders are faring better than employees, with **61% thriving**³



...and led economists to coin the term the “Great Resignation”

According to OECD, **about 20M fewer people are working** than before COVID-19 struck...



...of these, **14M have exited the labor market**¹

30.3%



Canadian businesses reporting labour shortages, especially in accommodation and food services, transportation and recreation and tourism²



A Microsoft study of more than 30,000 global workers found that **41% of workers were considering quitting or changing professions** this year¹

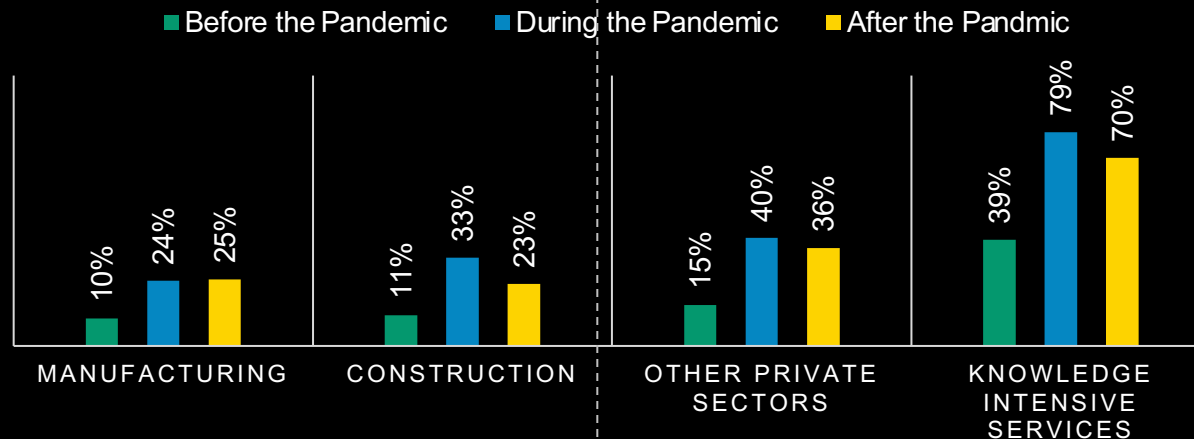


The number of Canadians who left their jobs because of “dissatisfaction” has **nearly tripled** since June 2020

New worker preferences are here to stay

The pandemic was a catalyst for remote work, with many now realizing the benefits of flexible working models

SHARE OF WORKERS THAT PLAN TO WORK AT LEAST ONE DAY A WEEK AT HOME¹



54% of Canadian employees are willing to quit their job if not offered the flexibility they want²




9 out of 10 of Canadian workers want flexibility in where and when they work

The **dread and anxiety** of the past year are giving way to a **new kind of professional fearlessness...**



...a **daredevil spirit** seems to be infecting even the kinds of **risk-averse overachievers** who typically cling to the career ladder⁴



**How do skills and
learning fit into this
new context?**

Is your workforce equipped with the skills they need today and for the future?

Accelerated investment in upskilling and reskilling of workers could add at least **\$6.5 trillion** to global GDP, create 5.3 million (net) new jobs by 2030 and help develop more inclusive and sustainable economies



\$11.5 Trillion of global GDP is at risk and can be directly attributed to a skills gap



For business skills **2-5 years**



For technical skills **18 months**

46% of workers will have to learn new skills in the next year to do their job and **53%** in the next 3-5 years

90



Of employees will need to update their skills annually as a result of new technologies



Focusing on skills alone isn't the answer to building the workforce needed for the future. Skills change but human capabilities including **creativity, imagination, curiosity, empathy, and resilience** endure and are key for creating the new value the market demands

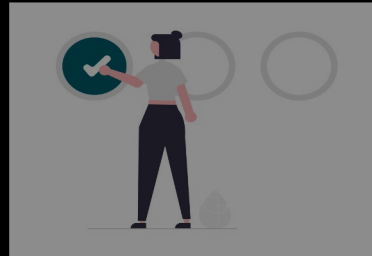
74% of organizations say reskilling is important but only **10%** are ready to address this

Why innovate our approach to learning?

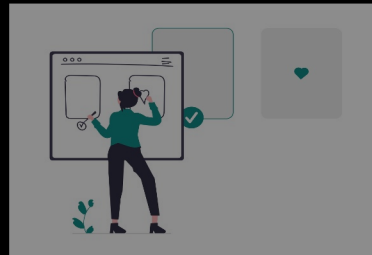
42% of **core skills** required to perform existing jobs are **expected to change** through 2022¹

54% Of **all** employees will require significant reskilling in the next 3 years²

\$1,629 **per** employee average annual investment for L&D³



Constant upskilling is required but most learning is **"Tick the box"** compliance training



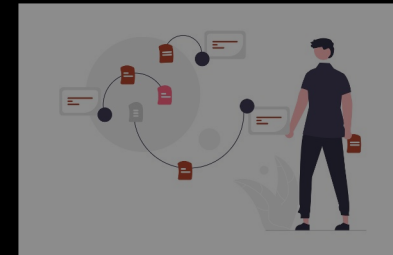
Training is a siloed activity **outside of operational processes**



Continuous learning from case and investigation outcomes does not occur



Training is delivered but we are **seeing limited behavior changes**



Training materials do not have the **form substance** to easily bridge learning to operational processes



Missed opportunity to leverage existing Business as Usual ("BAU") data for management and delivery of learning

¹ World Economic Forum, 2020. We need a global reskilling revolution – here's why

² World Economic Forum, The Future of Jobs Report, 9/2018

³ Mazareanu, E. (2019). Average spend on learning and development per employee worldwide 2008–2017. Statista

Learning is now also a core component of your broader talent strategy – and its about more than just full-time employees

ACCESS


Create talent markets and mobility practices to source the best **people, capabilities, and skills**

87% of respondents define their workforce in broader terms than just full- and part-time employees

LinkedIn is piloting **Skills Path**, a new method for skills-based hiring with commitments from BlackRock, Gap Inc., TaskRabbit, and more

CURATE


Deliver **consumer-grade development** experiences and services to optimize the way people **grow their career, mentor, and learn**

 *partnered with Mesa Community College to teach students how to assemble and test equipment that create the “central nervous system” of Boeing’s airplanes*

*It is estimated that **1-in-6 people** have some sort of neuro-minority status, yet unemployment rates for neuro-minority people are far higher than for others - up to **80%***

ENGAGE

Integrate, redesign, and create **workforce platforms and policies** that maximize **performance and engagement** for a diverse workforce

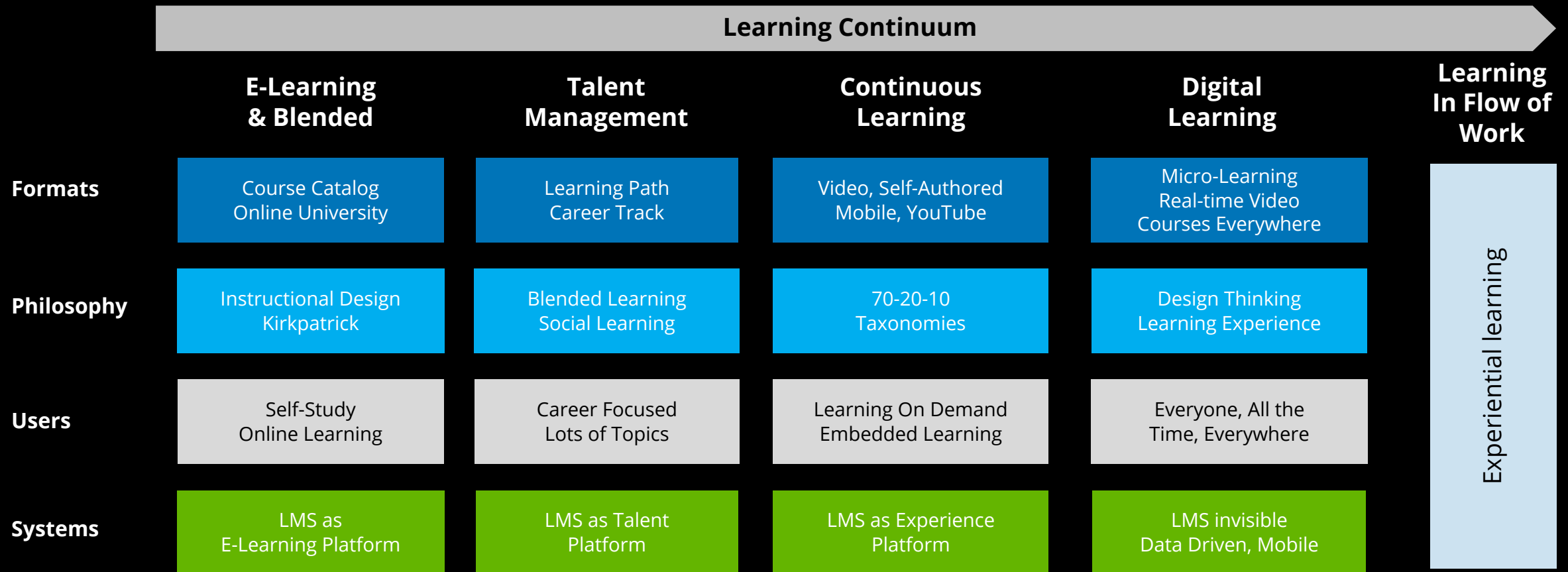
 *built an agency-wide internal talent marketplace creating a transparent and accessible way for internal talent to seek opportunities¹*

J.P.Morgan

Employees in JP Morgan’s ‘Autism at Work’ program, achieve, on average, 48% to 140% more work than their typical colleagues, depending on the roles

The learning function is evolving to adapt

In the last two decades, methods of learning in organizations have evolved from various formats to embedding learning in the flow of work.



The future of learning: learning in the flow of work

Learning in the flow of work includes a bias on establishing the conditions for learning to occur within work itself, as opposed to a focus on learning and training content.

Four Es of learning in the flow of work



Education

Formal learning and training elements that have traditionally fallen under the umbrella of L&D



Experience

Learning that occurs by doing new work and having new experiences on the job



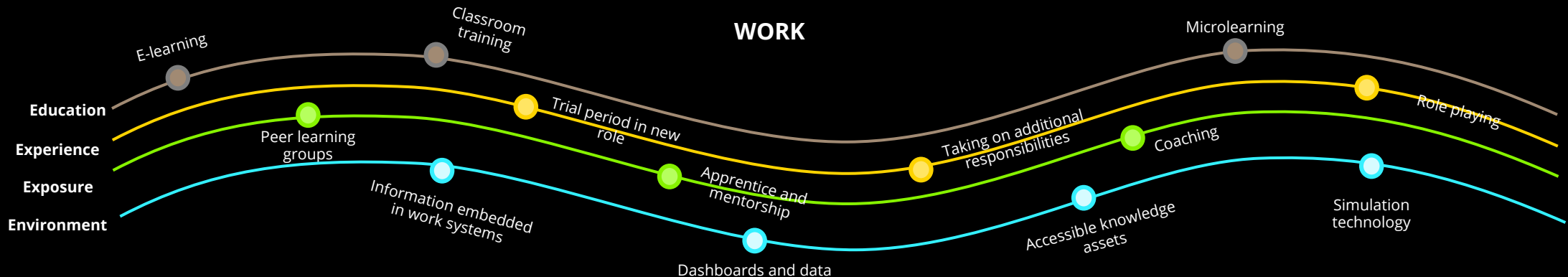
Exposure

Connections and relationships that allow employees to directly observe capabilities or seek knowledge and information from a trusted source



Environment

Information, data, and resources that employees use on the job to learn or to support them in their work



Human potential is becoming our greatest untapped asset

Empower human potential with tools, technology and processes that empower people to break through hierarchy and bureaucracy

Internal **talent marketplaces** allow companies to **retain existing talent**^{1,2}



At Unilever, within 60 days there were **700+ posted business critical projects** and **26,000 unlocked hours**

As of the end of 2020, **over 500,000 hours** had been **unlocked from the talent marketplace**

72% of executives identified **“the ability of their people to adapt, reskill, and assume new roles”** as the first and second most important factors in disrupting work

BUT

only 17% say their workers are very ready for this


Gallup found that millennials rank the opportunity to **learn and grow in a job above all other considerations**, and 69% of non-millennials say it is important to them³

YET



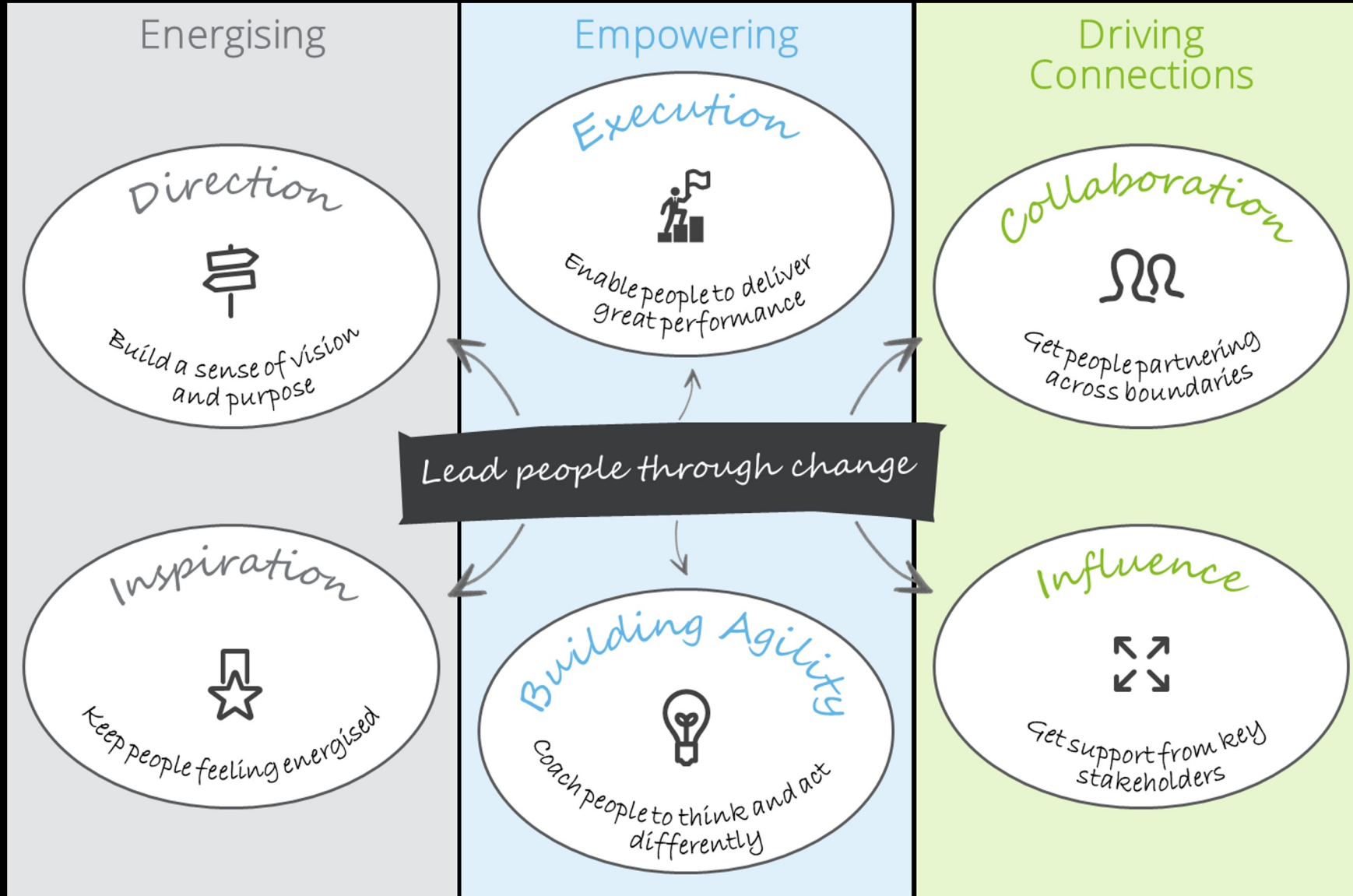
Only 4 in 10 employees

strongly agree they have **opportunities at work to learn and grow**³



**An example of
future skills –
Leadership's
Enduring
Capabilities**

Ω Key Capabilities for leaders leading disruptive change



Let's get to Work.

Thank you!

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