The Future Work and its Impact on the MBA

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“Once the bedrock of competitive advantage, legacy, whether mindset or infrastructure, is increasingly the primary obstacle to sustainable automation and the future of work.”

Reinventing Jobs, Jesuthasan and Boudreau (HBR Press, 2018)
Industrial Revolutions and Work

Second Industrial Revolution
Late 19th – early 20th century –
“Assembly Line” – amplification of labor
Features:
• Companies as social institutions
• Organization of work into jobs
• Jobs as careers

Third Industrial Revolution / First Machine Age
1960s – 1990s – “Nikefication” and core competencies –
The democratization of information
Features:
• Technology enablement and the web
• Companies as the nexus of contracts
• Streamlining of jobs to enable outsourcing

Fourth Industrial Revolution / Second Machine Age
2000s – “Uberization” – The democratization of work
Features:
• Mobile, sensors, AI and machine learning
• Companies as platforms
• Disaggregation of work into activities
• Talent on demand

Automation of other work is now more transformative than supporting, augmenting human performance and productivity...

57% of organizations see automation allowing technology to augment human productivity and performance

83% expected rate of increase of use of automation globally across the next three years
...and automation will result in new combinations of work, talent, skill requirements and work relationships...

- 27% of organizations are changing the way their jobs are designed to be done by those with **more** skills, set to rise to 45% in three years
- 25% of organizations are changing the way their jobs are designed to be done by those with **fewer** skills, set to rise to 42% in three years
- **Use of free agent workers** set to rise by **50%** in the next three years
- **FTEs** set to reduce from **83%** to **77%** globally in the next three years

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**Early actions being taken:** Organizations have started to take actions to prepare for change, but are unprepared for deconstructing and reconstructing jobs and identifying the new reskilling pathways required for responsible and sustainable automation.

<table>
<thead>
<tr>
<th>Early actions being taken</th>
<th>Unprepared</th>
<th>Considering actions to take now to become prepared in the future</th>
<th>Planning to take actions this year to become prepared</th>
<th>Already taken some actions and are somewhat prepared</th>
<th>Already fully prepared</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Engaging a more diverse workforce</strong></td>
<td>16%</td>
<td>25%</td>
<td>25%</td>
<td>29%</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Addressing talent deficits through workforce planning and actions</strong></td>
<td>18%</td>
<td>23%</td>
<td>26%</td>
<td>31%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Identifying the emerging skills required for the business</strong></td>
<td>16%</td>
<td>34%</td>
<td>17%</td>
<td>32%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Assessing talent to identify &quot;skill and will&quot; gaps</strong></td>
<td>19%</td>
<td>27%</td>
<td>23%</td>
<td>25%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Matching talent to the new work requirements</strong></td>
<td>19%</td>
<td>29%</td>
<td>22%</td>
<td>29%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Enabling careers based on a more agile and flattened structure</strong></td>
<td>19%</td>
<td>27%</td>
<td>24%</td>
<td>27%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Aligning executive compensation to the new business realities</strong></td>
<td>30%</td>
<td>27%</td>
<td>19%</td>
<td>20%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Reconfiguring total rewards and benefits</strong></td>
<td>25%</td>
<td>30%</td>
<td>23%</td>
<td>19%</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Deconstructing jobs and identifying which tasks can best be performed by automation (AI, robotics, etc.)</strong></td>
<td>35%</td>
<td>36%</td>
<td>14%</td>
<td>15%</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Identifying reskilling pathways for talent whose work is being subsumed by automation</strong></td>
<td>38%</td>
<td>32%</td>
<td>16%</td>
<td>13%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: 2017 Willis Towers Watson FOW Global Survey
Not “binary” anymore: the employment relationship is changing
A plurality of work is already here...

How will you educate a new generation of leaders who have 4X the number of options to execute their business models than their predecessors did?

Lead the Work Map

The Assignment
- Jobs
- Collected
- Employment Relationship
- Tasks
- Dispersed
- Virtual or Market Relationship
- Self-contained
- Detached
- Insular
- Rigid
- Permeable
- Interlinked
- Collaborative
- Malleable

The Organization
- Permanent
- Collective and Consistent
- Traditional
- Impermanent
- Individualized & Differentiated
- Imaginative

The Rewards

Source: John Boudreau, Ravin Jesuthasan and David Creelman
Optimizing Work + Automation

Deconstruct the Work

- **Step 1: Automation Compatibility**
  - Repetitive
  - Variable
  - Independent
  - Interactive
  - Physical
  - Mental

- **Step 2: Return on Improved Performance**

Automate the Work

- **Step 3: Automation Type**
  - Robotic Process Automation
  - Cognitive Automation
  - Social Robotics

- **Step 4: Automation Role**
  - Substitute
  - Augment
  - Transform

Optimize the Work

- RPA substitutes for repetitive, independent mental work to reduce mistakes
- Social robotics substitutes for repetitive, independent, physical work to reduce variance
- Cognitive automation augments variable, interactive, mental work to incrementally improve productivity
- Social robotics creates new variable, interactive, physical work to exponentially improve performance
- Etc.

Changing requirements of leaders

The shift that will be asked of your students

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizing and filling jobs</td>
<td>Deconstructing, automating/redeploying and reconstructing</td>
</tr>
<tr>
<td>A mindset of “learn, do, retire”</td>
<td>A mindset of learn, do, learn, do, rest, learn...</td>
</tr>
<tr>
<td>Employment qualifications</td>
<td>Work readiness</td>
</tr>
<tr>
<td>Salaries for intact jobs</td>
<td>Market prices for activities and tasks that can be aggregated in multiple ways based on each person’s unique circumstances</td>
</tr>
<tr>
<td>Job architectures and movement from one job to another</td>
<td>Work architecture that provide seamless and continuous matching of skills to tasks</td>
</tr>
<tr>
<td>Traditional career ladders or lattices</td>
<td>Reskilling pathways that reflect individual motivations, attributes, enabling skills and technical competencies</td>
</tr>
</tbody>
</table>

Reinventing Jobs, Jesuthasan and Boudreau, Harvard Business Review Press, 2018

@ravinjesuthasan
The Emerging Pivotal Skills

- Leaders: **Orchestration** of a new ecosystem of work to optimize the business model
- Managers: **Coordination** of alternative options to execute strategy

Is this what we are preparing them for?

Transforming Education
To support a world where skills are the currency of the labor market

**Education**
- Formal
- Structured and Episodic
- Indirectly connected to work
- High Frictional Cost
- Informal
- On-demand and continuous
- Directly connected to emerging work
- Zero to minimal frictional cost

How might you deconstruct the MBA and redeploy the learning?
Transforming Education
Trends driving technology adoption in higher education

**Short-Term**
Growing Focus on Measuring Learning
Redesigning Learning Spaces

**Mid-Term**
Proliferation of Open Educational Resources
The Rise of New Forms of Interdisciplinary Studies

**Long-Term**
Advancing Cultures of Innovation
Cross-Institution & Cross-Sector Collaboration


Agile Means Perpetual Obsolescence

Why?