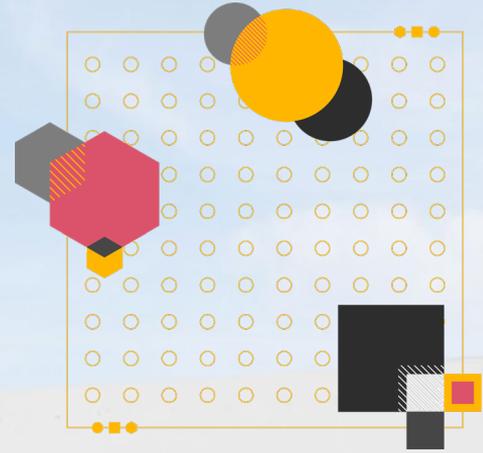


Future of Work and Implications for APS Leaders

Small Agencies Forum
September 2021



[Click to watch](#)



While COVID-19 has shaken up what we thought we knew about the Future of Work, it is not the only driver of change

The world of work is changing rapidly, and the impact will be significant and far-reaching. Evolution and innovation must be embraced by Australian organisations. What will this look like and how do we work together to shape the best future?

Demographic shifts

- Australia has an ageing population: **65+** projected to more than double by 2054-2055
- University leavers must now consider that they may have to work in temporary, casual and part-time positions for **2.5 years** before finding full-time work related to their degree

Automation

- **44%** of Australians are worried about their jobs being automated, and **32%** think their job will be obsolete within 5 years
- **55%** of Australians believe that technology will improve job prospects

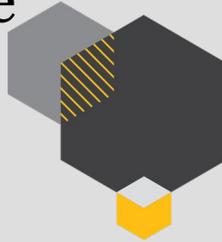
Skills

- As more is automated, workers will spend an extra **80 min per week using 'soft skills'** (problem solving, self-management, resilience)
- **66%** of Australian Executives are concerned about availability of key skills but only **29%** believe that an organisational focus on skills is a priority

Work patterns

- **21%** of 18-24 year olds work full time equivalent hours across one or more casual jobs, without job security or other benefits
- **46%** of Australians believe that traditional employment will decline with the rise of the gig economy

At a time when Australia's global competitiveness and the domestic labour market is being challenged



Where is Australia's
position in the world?

Australia's competitive ranking fell
from 18
to 22
(lowest in 25 years)

Low ranking

on company agility, entrepreneurship,
customer satisfaction and credibility
of managers

The largest employing industry in 2020
was Health Care and Social Assistance,
accounting for 14%
of the population

The number of roles for "digital
elites", such as data scientists and
software developers, are expected
to grow by 25%

The rebound in casual employment
since May 2020 constituted the
**fastest surge of
casual job growth**
in history

Australia will need an **extra 6.5
million digital workers** in
the next four years to keep up with
changing technologies



Sources :

IMD World Competitiveness Yearbook 2021, CEDA (2021)

AFR | Australia needs 6.5m digital workers in the next four years (2021)

Australian Government | Labour Market Employment Projections (2020)

The majority of our industry leaders understand workforces, the nature of employment and employee expectations are changing; the Future of Work is front of mind for many CEO's

76%

of the CEOs surveyed believe **growth** will improve in 2021.

56%

think few people will have long-term **stable employment**, showing a big concern in job security.

75%

of respondents say they want to work for an organisation that will make a **positive contribution to society**.

Only 16%

of Australian CEOs said **developing leaders** for tomorrow and diversity and inclusion was a priority.

74%

of Australians want a **hybrid workplace** - a mix of both the office and remote working. Only **10%** favoured the traditional full-time office commute.

77%

of people are willing to learn **new skills** or completely retrain.



So, what are organisations doing to respond to these trends?



The APS stood up the Workforce Management Taskforce to scale capacity and capability to meet Covid-19 emergency priorities.



Swinburne Centre for the New Workplace state that 56% of Australians expect that work within 5 years will require skills they currently lack.



Salesforce identify as a climate conscious organisation but vowing to plant 100 million trees by 2030.



NAB invests in employee health and wellbeing with regular pulse checks, surveys and feedback initiatives.



Amazon will invest \$700 million to provide 100,000 employees upskilling training programs.



The Department of Premier and Cabinet (**DPC**) redesigned the physical work environment to increase flexibility, collaboration and reduce travel time.



Coinbase has closed its San Francisco HQ and will be taking a “remote first” stance from now on.



The APS ‘crowdsources’ digital talent through GovHack, bringing together hundreds of people from all sectors to solve problems through data



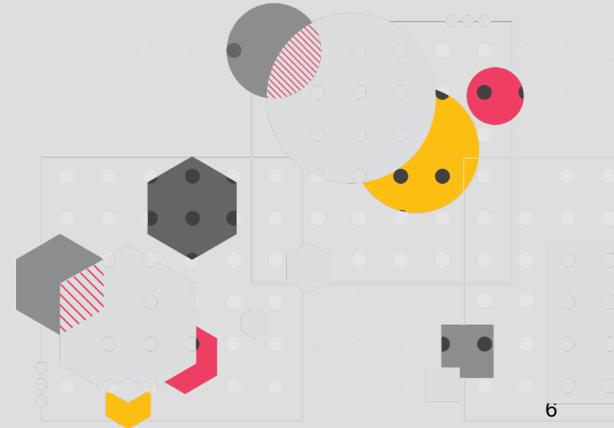
PwC has invested \$3bn globally to in digital technology and training, to help support clients and communities.



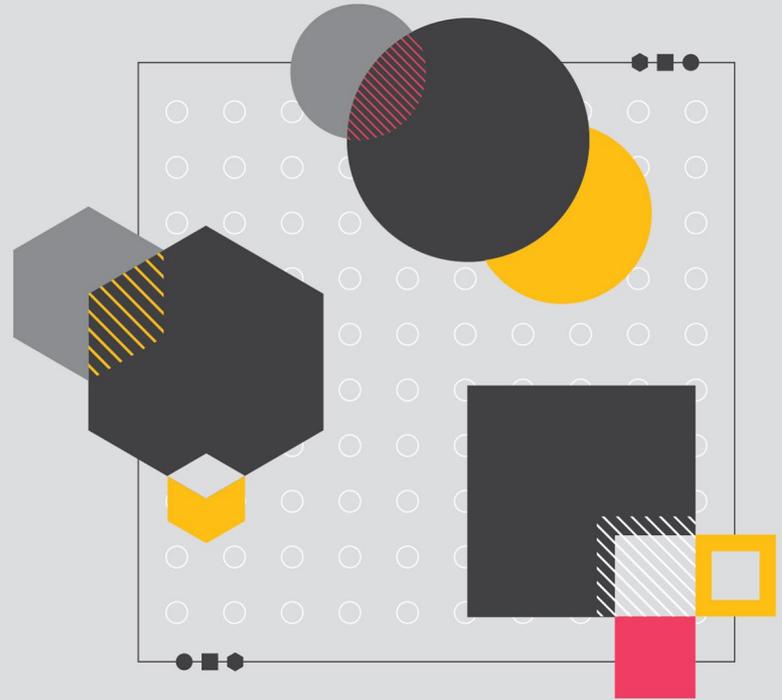
Throughout the pandemic, **NAB** helped upskill their 40,000 person strong workforce by digitising their existing training programs.



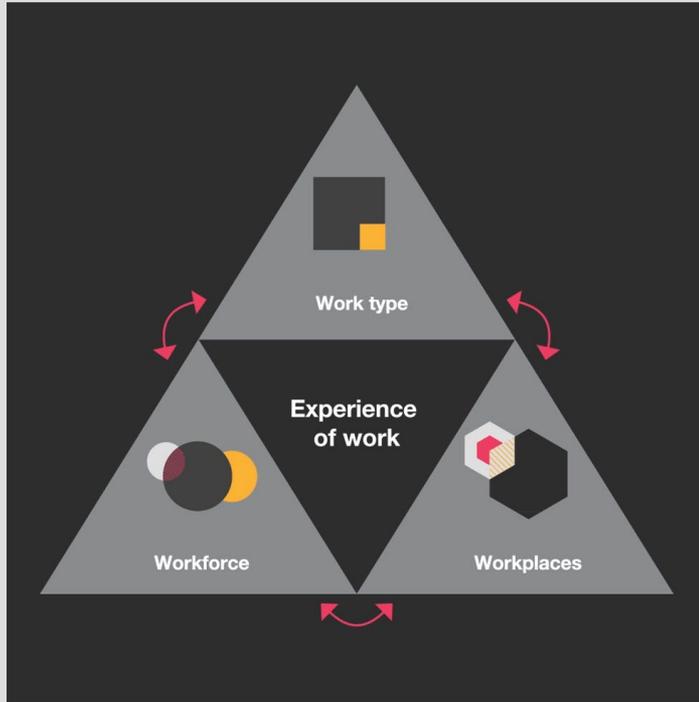
Woolworths group announced it will be investing \$50m into a Future of Work fund to boost the skills of their staff over the next 3 years.



Embracing the
opportunity



PwC's frames the Future of Work around the Work Type, Workforce, and Workplace – At the core of which is the experience of work



	What kind of work do we do?	<ul style="list-style-type: none"> • Nature of work • Operating models • Remote-ability 	<ul style="list-style-type: none"> • Compliance and regulation • Automation and AI • Employee tax and wages
	What kind of workforce do we need?	<ul style="list-style-type: none"> • Supply + demand • Skills and capabilities • Diversity and inclusion 	<ul style="list-style-type: none"> • Bionic Organisation • Apprenticeship and development
	How do our workplaces enable our people?	<ul style="list-style-type: none"> • Real estate • Physical infrastructure • Digital enablement • Workplace safety 	<ul style="list-style-type: none"> • Security • Ergonomics and workplace design
	How will we energise and inspire our people?	<ul style="list-style-type: none"> • Purpose and meaning • Cultural realities • Social conscience, societal impact 	<ul style="list-style-type: none"> • Values and behaviours • Wellbeing and mental health • Fun, spirit, and energy • Ways of working

Work type

The very nature of work is changing, right from the macro and systems level, like labour market trends and related policies, through to the on -the-ground legal and compliance implications.

NETWORKED AND AGILE LABOUR

Work will become problem, not task, based - enabled by technology



GIG WORKERS

Non-traditional employment models are growing - but more support is needed

HYBRID WORKFORCE

The workforce will be comprised of human resources, cognitive systems, machines and robots

INSOURCING

Insourcing and onshoring is growing - to improve customer experience and build capability

'ENTREPOYEEES'

'Entreployees' develop business ideas while on the job - then launching independent businesses.



In Australia, approx. 2 in every 5 roles are **part-time**, as are half of all new roles created.

With the increased demand for upskilling, **77% of workers are committed to learning new skills** or completely retrain.

40% of workers successfully improved their **digital skills** during the pandemic.

The **industrial relations** landscape is becoming increasingly complex as new employment models emerge

Victoria Police

Public Sector - Transforming work types in frontline services Workforce Design

Context

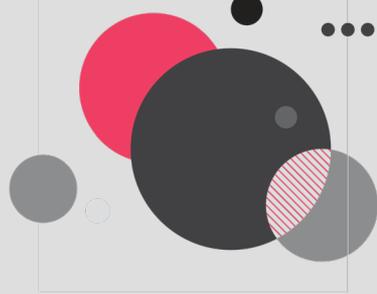
Law enforcement agencies are facing increasing pressures to counter new threats (e.g. cyber criminality), comply with complex legislation, strengthen a positive image in the community whilst increasing effectiveness. Victoria Police acknowledged that new technology combined with new ways of working would be a critical enabler in meeting these challenges.

Victoria Police invested to deliver Intelligence Management and Mobile Technology capabilities, deploy Body Worn Camera (BWC) devices and implement a Police Assistance Line and Online Reporting (PAL/OLR) to provide two new transformative communication channels to members of the public and reduce the number of non-urgent calls to Triple 000. Victoria Police recognised that new digital capabilities were required to continue to deliver on its promise of “Policing for a safer future.” The **objective was to uplift or create digital capabilities in order to improve efficiency in daily duties for front line officers**, improve the ability to target high risk community locations / offenders and improve service delivery to the community.

“We’re helping Victoria Police build a smarter, more modern force. We’re investing in technology, recruiting more officers and making sure our police can spend more time doing what they do best – protecting Victorians.”



Workforce



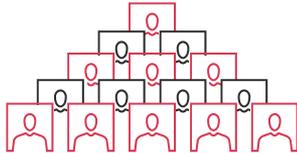
The resources, both people and technology, needed to do the work. Ensuring the right capability with the right skills in the right place at the right time.

Demographics

38% of all full-time employees are female.



5 generations now co-exist in the workforce.



Millennials will comprise **75% of the workforce by 2025**.

50% of employees feel their **career progression has been disadvantaged** due to discrimination (age, gender, race, sexuality, etc).

Organisations are realising and leveraging the value of diverse and inclusive teams.

Automation

Australian workers are vulnerable to automation, but automation will also drive the evolution of jobs.



Automation efforts should not simply be a cost-out measure but an opportunity to redesign roles - tasks are automated, not roles.

In some sectors, up to **50% of jobs will be replaced by technology** by 2035.

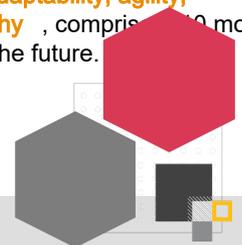
Skills

Irrespective of industry or role, organisations must upskill their workers with **new skills for a digital world**.

52% of Australian CEOs say it is more difficult to hire than ever due to a lack of skilled workers

Significant **retraining / upskilling** of current staff is preferred by 34% of Australian CEOs as a method of closing the skills gap.

Soft skills, such as **adaptability, agility, resilience and empathy**, comprise **10** most in-demand skills for the future.



Department of Defence

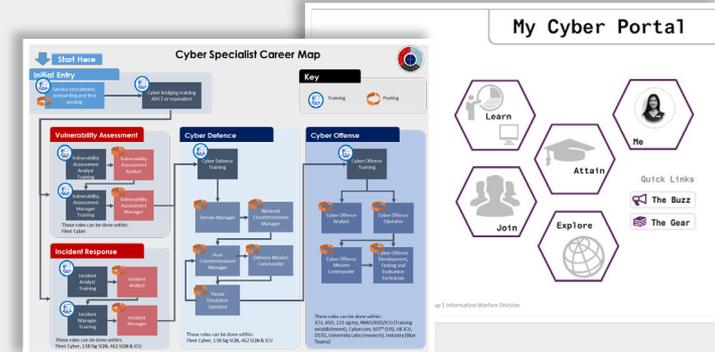
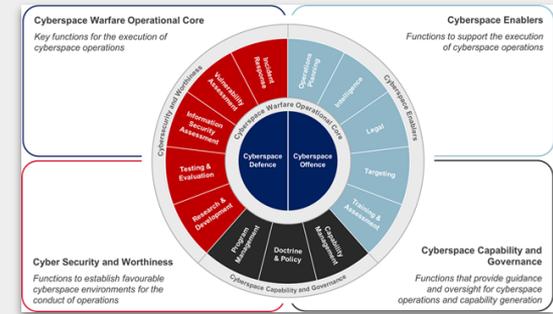
Public Sector - Building new cyber workforce capabilities Workforce Development and Skill Building

Context

With cyber skills in high demand and limited supply, the ADF needs to build a high calibre cyber workforce capable of responding to the increasing threat requirements and support rapid shifts from peacetime to war postures.

The department was seeking to create a shared and comprehensive professional framework in order to bring together different cyber capability views across the department. This was a sector first and has brought important alignment in identifying current and future skills gaps.

A shared language to understand cyber skillsets laid the foundation for skills and role career paths and training systems. The focus of this learning system was on new ways of learning and creating practical people centred pathways to build capability for a broad range of backgrounds. This will enable **current and future staff to gain the right mix of skills and knowledge, supported by the necessary processes, tools, infrastructure, and culture to support continuous learning.**



Workplace

The workplace is the physical and digital environment within which work is structured and undertaken. It's everything from the real estate strategy, through to the layout of the environment, and the way work gets done.

The commercial property market has been shaped by increased accessibility, shared coworking spaces, and digital connectivity in recent years. But it's all being flipped on its head by COVID-19. The way Australians work and shop may lead to redesigned office spaces and new physical ways of working.

The value of commercial building activity in Australia was already forecasted to decline, even before the coronavirus pandemic hit the nation.

The future is hybrid, with only 10% of employees wanting to return to a traditional face-to-face office model.

Organisations need to redesign their workplace strategy to be ready for a reality where people work across a **remodelled office, home and third space**.

Companies need to rethink their office designs to attract employees. How do organisations **make the commute worth it** for employees?



Productivity increased with fewer distractions and Australian city workers saved approx. **4.5 hours per week** commuting to the office.

428%

The increase PropTech companies in Australia since 2013

Department of Premier and Cabinet (Vic)

PUBLIC SECTOR Workplace Strategy

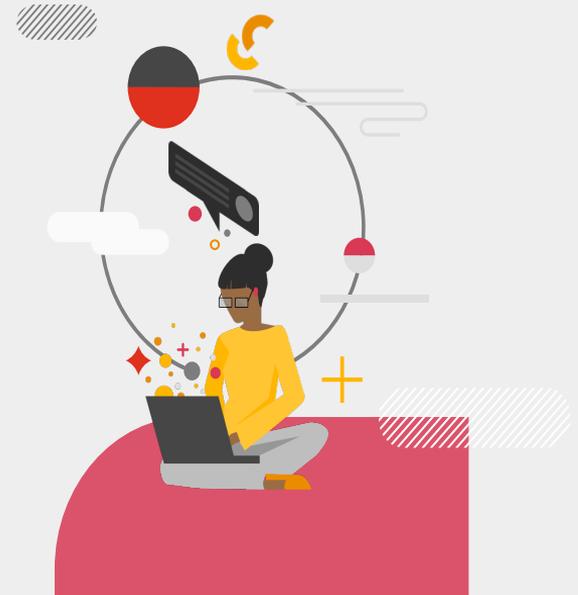
Context

The Department of Premier and Cabinet (DPC, VIC) was keen to be more agile and collaborative. The Ignite transformation team knew that strategies to shape the physical work environment and technology were critical to success.

However the most important part was the human element. Moving to a digitally -enabled, modern workplace would challenge culture and behaviour. To further strengthen this, staff were asked to participate in the design of the workplace they were seeking. **The Ignite team used human -centred design methods, tools and mindsets to bring hundreds of staff along on the design journey.**

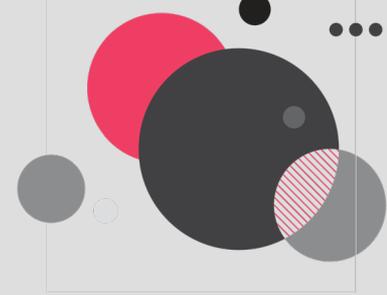
The IGNITE project strategy transformed the DPC workplace including the rollout of premium digital technologies and tools to sustain an engaged, empowered and high -performing workforce and creating environments that support staff to structure their working life in a way that works for them, allowing greater autonomy and flexibility in how work gets done.

Hundreds of DPC staff as well as subject matter experts engaged with the design process in a targeted and representative staff consultation that provided a better understanding of DPC's workplace requirements than ever before.



Experience of Work

The extent to which employees are motivated to contribute and enabled to do their best work. It's the heart of the way people interact with, perceive and are supported in their workplaces.



The employee experience is increasingly becoming a value proposition for organisations



Culture

51% believe that organisational culture changed for the better since the pandemic, yet **40%** believe the quality of social interactions have worsened.



Wellbeing

The **COVID-19 pandemic** had a direct impact on worker wellbeing. **85%** of workers felt their wellbeing had declined and **55%** were not able to effectively balance their work and home lives.



Workload

61% of employees said their workload has increased since remote working, while another **61%** of knowledge workers are spending more time having meetings when working remotely.



Innovation

31% of workers have cited less time being creative and innovative, while **28%** believe there are fewer or worse collaboration opportunities.

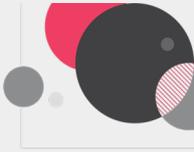


Careers

34% of workers expressed a concern that their career progression would be negatively impacted by working remotely.



Australian Public Service Commission



Public Sector

Workplace culture reform

Context

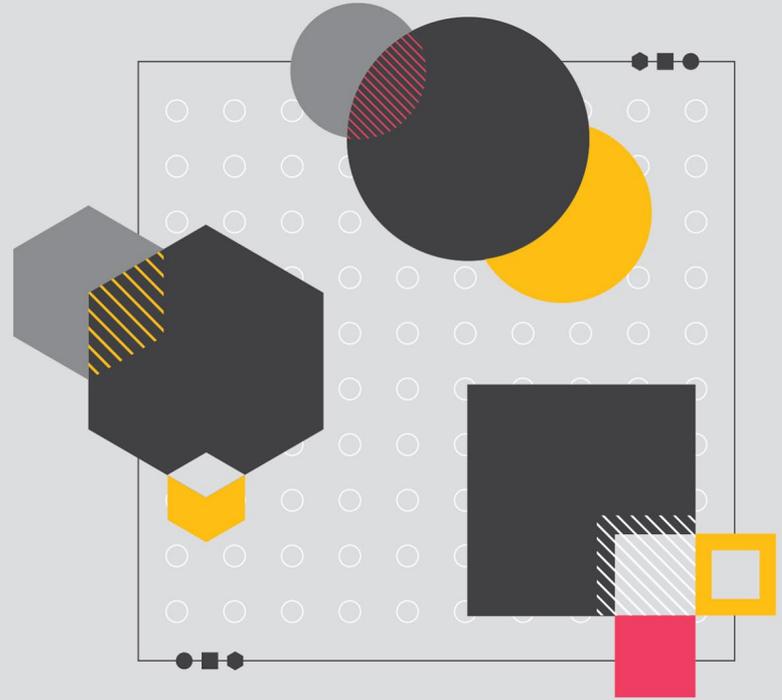
On the back of the Independent Review of the APS, the Australian Public Service Commission (APSC) was tasked to reform the culture and behaviours of the broader APS. The APSC had recently defined their future mandate and purpose, but recognised that in order to drive cultural transformation across the APS, they would first need to role model change within their own team..

To progress their cultural reform the APSC embarked on:

- A cultural diagnostic to identify the enduring traits, and relevant strengths / challenges
- Defined the cultural aspiration which would be required to deliver against their future mandate, as well as intended organisational outcome measures
- **Identified the critical behavioural shifts required,** as well as the key levers, both formal (through structures, processes) and informal (such as norms and informal networks), to implement change
- Completed an organisational network analysis (ONA) to identify the authentic informal leaders (behavioural exemplars, networkers and pride builders) throughout the organisation who would enable viral behavioural change
- Constructed and socialised an implementation roadmap for behavioural change, including driving **leader and staff commitment** and measurement



The path ahead



Plotting a path forward - Being Future Ready!

The Future of Work is dynamic and constantly evolving, setting and forgetting is no longer an option, focus effort on the things that matter most to :

1

Co-create your ambition with your people - the blueprint co-design process was a great example of this!

2

Redefine what work is and how it gets done - seek new ways to define value

3

The future of work is human, so engage them
- Create more together

4

Adopt a 'test and learn' mindset - start small and think big!

5

Lead Consciously - and empower others to lead

What can you do next?

Australia 2030 Microsite

Future of Work Australia 2030

Australian Parliament House Event

The pandemic accelerated changes in how, where and when we work and we now have the opportunity to continue the momentum and shape the future of work for multiple generations. We recently held an event in Canberra and asked our industry experts, what will work look like in Australia 2030? Hear from Dominic Price - Atlassian, Natalie Slessor - Lendlease, Professor Martin Bean - RMIT University and Danielle Wood - Grattan Institute as they share their insights in creating a workforce of the future.

The event also introduced [Sibylla, our digital concierge](#). Powered by AI and Soul

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Exploring the future of work with PwC Australia Season Two



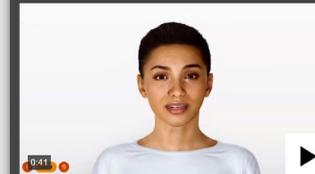
Alex Badenoch
Group Executive Transformation,
Communications and People at Telstra

Exploring the future of work with PwC Australia Season Two



Professor Martin Bean CBE
Vice-Chancellor and President at RMIT University

Introducing your digital concierge



Powered by AI and Soul Machines, we'd like you to meet Sibylla. Her aim is to combine and leverage the capabilities of humans and machines.

The pandemic accelerated changes in how, where and when we work and we now have the opportunity to continue the momentum and shape the future of work for multiple generations.

We ask what will this look like in Australia 2030? And how do we work together - humans, machines, government

shape the best future?

workplaces enable our people, and how to energise and inspire them. It doesn't need to be complex but evolution and innovation must be embraced by Australian organisations and governments when designing the future of work.

Click on the tiles to get our insights and recommendations on working together for a thriving Australia 2030.



Hear from our experts



Australia 2030: How and where we work

Future of Work's Lawrence Goldstone, Lead Partner and Caitlin Gullyroy, Senior Manager share their thoughts on the challenge facing Australia and how we tackle it.

Australia 2030: Skills

Jobs are fundamentally changing and the skills gap is growing. Hear from Dr Ben Hamer, Lead, Future of Work and Tim Rawlings, Director, PwC's Skills for...

Australia 2030: Automation

Automation is rife with myths when in fact it should be viewed as an opportunity for workplaces and employees. Vicky Marjanska, Chief Digital and Information...

Australia 2030: Workforce

Sydney Birba, Partner, Workplace Law and Ananya Thome, Partner and Chief Economist and share their thoughts on reimagining job opportunities and making it...

Skills
Aging population driving Australia-wide shortfall of 228,000 nurses by 2050, and 180,000 aged care workers by 2050.

75% of Australians are motivated to update and re-skill to remain employable.

Job skills too hard they value them more.

Since 2012, demand for digital skills has increased by more than 200%, critical thinking by more than...

...needs a reskilling revolution
The presence of digital skills in job advertisements increased by over 200% over a five year period. And with Australia being ranked 23rd for digital skills (WEF 2018), how do we change our thinking and embrace a lifelong learning journey that will upskill and re-skill all ages of the workforce?

Check out our infographics:

Policy considerations Insights and forecasts

Contact us



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Listen in



Join PwC Partner, Di Rutter, as she sits down with Emma Hogan, Secretary of NSW's Department of Customer Service to talk leadership in a digital age.



Dr Ben Hamer (PwC) and Stephanie Foster (Department of Prime Minister and Cabinet) on PwC's podcast exploring the Future of Work in the public sector

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