How can you prepare now for the work of the future?

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The better the question. The better the answer.
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In the first paper in our series, we discussed a short history of the evolution of technology, its impact on society, the lessons learnt, as well as the opportunities and challenges new technologies present, particularly their impact on people and work.

In the second paper we outlined the scale, and nature, of the task and job disruption that the development of GenAI technology brings. Consequently, we concluded that the complexity and sequencing of this change is going to be hard to navigate but we cannot sit on the sidelines and wait to see what happens.

Considering this context, how should organisations respond? Clearly the evolution of GenAI will require a sophisticated and proven approach to transformation. With all this urgency to act, what should be the first step? In this paper, we focus on the reskilling agenda as a key priority, but also look to other practical approaches to GenAI that organisations can consider to ensure they stay competitive in a volatile market.

Organisations that act decisively with what we know today and continue to act, are best placed to harness the full transformative benefits of GenAI. Those that act more slowly or reactively are likely to have to invest significantly in the future to keep pace.

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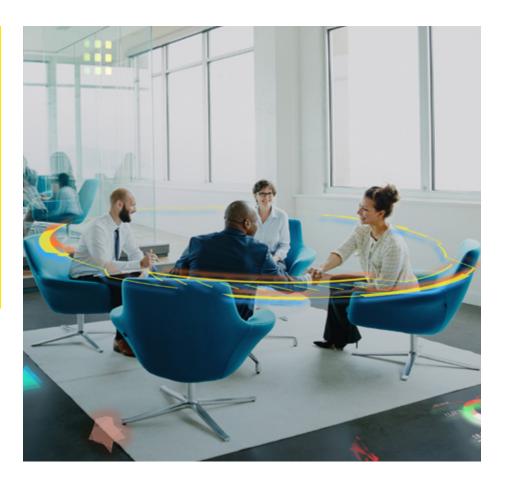# Transforming learning:
A critical priority

At the heart of a successful transition to a GenAI future that delivers on the promise of higher productivity and quality jobs and life, is the ability of people to keep up with new opportunities. Critical to this is having the right skills.

With the speed of technology changing our working world, the predicted half-life of skills and rapid redundancy in some areas dictates that ongoing learning is at the core of a resilient workforce.

The Australian labour market continues to require increased education attainment of workers. For example, over the last three years, occupations requiring a bachelor's degree or higher has increased by 2.4% to 34.7%. In parallel, the share of total employment for occupations requiring secondary school or certificate 1 qualifications has fallen by 1.6% to 14.2% (Australian Government, 2023).

By now, it is well recognised that skilling and reskilling across life is essential, and even more so with the escalation of new technologies and GenAI, but there is little evidence that as a nation we are actively updating our skills to meet changing requirements.

Less than 10% of the population aged over 30 are undertaking higher education and non-formal learning has decreased from 32% in 2013 to 27% in 2020-21.[1]

Half the population completing any post school education and less than a quarter undertaking learning beyond that point is long way from meeting the outlook of nine out of ten jobs requiring a bachelor's degree or higher, and undertaking continual learning to adapt across life for new areas of work.

[1] This was mainly driven by a drop in work-related training, which had decreased overall from 27% in 2013 to 23% in 2020-21 (ABS, 2022).

The challenge: Time and motivation to learn

The Gen AI transition has parallels with the industrial revolution, but rather than shifting workers from the fields to the factory, Gen AI propels people into a faster pace of change and greater uncertainty.

The World Economic Forum (2023) highlights five actions required to respond to GenAI-driven changes to skill requirements:

1. Identify current and future skills needs and gaps and map skills to work tasks

2. Articulate skills needs in job descriptions and leverage and recognize innovative skills assessment methods

3. Co-develop and co-deliver skills-based training programmes with industry, learning providers, and government

4. Boost lifelong learning and access to skills-based learning opportunities

5. Create skills-based pathways for development and redeployment

These are important foundations, but they don't address the current apathy of Australian workers to formal learning beyond the age of 30, or to work-based learning generally.

The first and most significant challenge is to increase the take up of learning opportunities. This is fundamental to ensuring continued access to the right skills and avoiding unnecessary redundancy.

"The average half-life of skills is now less than five years, and in some tech fields it's as low as two and a half years. For millions of workers, upskilling alone won't be enough." (Harvard Business Review, 2023)
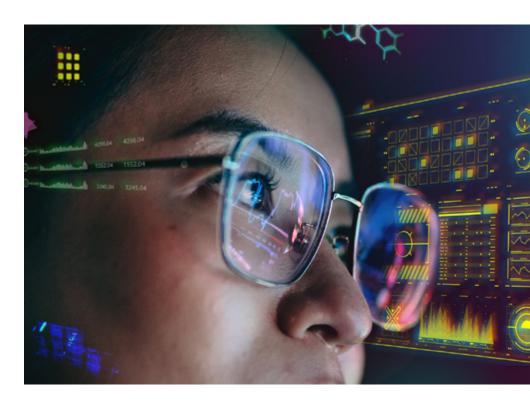
Fear is not effective in engaging people to learn, rather a passion to explore, solve challenges and to excel are the motivational factors, but only 14% of workers were found to have these characteristics (John Hagel III, 2021).

So - if creating urgency about the risk people face of losing their jobs if they don't reskill is not a motivator, what is?

"We need to make a transition from scalable efficiency to scalable learning where the focus shifts from executing routine tasks to helping everyone learn faster together. To do this we need to redesign our business practices and our work environments to cultivate the passion of the explorer in all our workers (and not just those in research labs or innovation centres)". (John Hagel III, 2021)

Australian workers are a diverse group, with varying levels of motivation, engagement, education experience, attainment, and career histories. The ability to engage people from across this diversity to address barriers to learning will require employers, the education sector, and governments to work together.

Organisations can:

▸ **Reinforce the need for continual learning:** Making learning a core focus by consistently linking it to the organisational objectives, supported by clear career and job pathways and related skill requirements

▸ **Allocate time, resources, and incentives to learn:** Lack of time for learning continues to be the most significant barrier for people already in the workforce. Could GenAI free up time which could be allocated to learning? Can learning be built into job descriptions?

▸ **Utilise GenAI to support learning:** GenAI has the potential to revolutionise learning though real-time instruction and coaching, and individualised learning plans that respond to learning needs, style, and preferences

▸ **Monitor skill acquisition and adjust:** Organisations often don't capture data on learning participation, completion, and skill development. Without this valuable insight to inform learning strategies, necessary adjustments to learning delivery are limited

▸ **Equip managers:** To promote and role model learning, and encourage teams to achieve collective learning goals

▸ **Design jobs with learning as a core job requirement:** So that skills are built into the flow of work

▸ **Involve workers in reskilling design:** To ensure they are relevant, current, and respectful of the learner's intellect and time

The opportunity: GenAI – real-time learning feedback

(The) 'AI leader can use automated and individualized feedback systems to engage employees in real-time learning, thereby sharpening their sense of competency and efficacy. In fact, we expect AI leaders to outperform their human counterparts in this domain once the former's feedback is paired with gamification elements'

(Niels Van Quaquebeke and Fabiola Gerpott, 2023)

GenAI can and will revolutionise the way we learn. Already programs are developed which quickly create personalised and quality learning content. This will only increase in scale and access as more programs are created and made available.

Personalised learning experiences, consumer-grade digital and flexible learning which will improve access and faster responses to changing learning needs are all possible through emerging technology.

Case study: How will you seize the upside of disruption?

GenAI is primed to transform and revolutionise the learning landscape across organisations and society at large. Imagine an educational experience finely tuned to your learning style and preferences - with GenAI personalised learning becomes a reality. Through intelligent tutoring systems, GenAI can provide adaptive feedback to coach and guide employees along tailored learning pathways which maximize strengths and address weaknesses.

There is also the potential for virtual simulations and experiments to immerse employees in complex concepts and situations, fostering understanding in a safe space without real-world constraints. This approach to incidental learning, powered by GenAI, has the potential to create opportunities for real-time learning which has been shown to boost employee engagement.

By embracing GenAI technology for learning and development, organisations can support their workforce through this age of change and transform the learning experience.

Meet Lena, a newly promoted team leader. It is her first-time managing others. Instead of finding time to complete the 90-minute three-part online training for effective people management Lena has access to real-time information through the AI generated learning portal. This allows her to tap into information to help her effectively manage the leadership task presenting at the time, whether it is approaches to difficult conversations, providing guidance on a team member's development or understanding a specific policy.

The system also tracks Lena's learning needs and proactively provides coaching and relevant learning materials, it recognises her development as a team leader and suggests the next step on her career path, highlighting the learning needed to achieve this goal. The GenAI is a personal learning coach for Lena.

Learning has become embedded in Lena's working day, eliminating the barrier of finding dedicated time to learn and the chance that any formal learning will only partly meet her skill development needs or match her learning style. Because she is applying the learning in real-time, it is reinforced and more likely to endure.

Now, next and beyond

GenAI will revolutionise organisations, how we work, what we do and what tasks become high value will all be reassessed as this technology becomes further integrated. For organisations, the size and speed of change are overwhelming, in such an environment the question of when, where and how to act is paramount.

Organisations that engage their collective strength in responding to challenges, that clearly identify their gaps and most importantly identify how to educate and train their existing staff will thrive.

While tracking the exact applications and horizons for GenAI is challenging, the associated people agenda is much less murky. We know that the skills and capabilities organisations need cannot be built overnight, but at the same time leaders usually have enough information to make the right decisions about the skills they need. Below we outline actions which should be undertaken by organisations to support the learning and broader people agenda - now, next and beyond.

Now
(next six months)

Structural

- Develop a GenAI strategy, clear vision and compelling narrative that inspires. Start simple and adjust incrementally
- Establish a baseline of current digital, AI and data capabilities across the organisation
- Form a GenAI working group with clear governance, decision-rights and delegations

- Develop and diffuse a common taxonomy of terms to facilitate a shared understanding of terminology and improve communication across the organisation
- Assess and identify the sources of critical data inputs and perform basic hygiene tasks to categorise data that will be relevant for GenAI (e.g. HR data)

Change & Learning

- Select, implement and measure a small number of use cases to test and learn what GenAI can do
- Continue to identify and prioritise use cases for scaled implementation opportunities

- Understand what change management, communications and program delivery support will be needed to navigate, embed, and sustain the transformation
- Actively engage with employees to alleviate fear and anxiety about the change, and what it may mean for jobs and skills in the future

Leadership & Culture

- Set up forums where your GenAI working group can engage with employees around implementation ideas, and provide clear assessment guidelines for proposals brought forward
- Support first adopters with incremental capability build to safely engage with GenAI in current ways of working

- Continue to encourage safe experimentation across different levels in the organisation, capture learning and insights gained and quickly disseminate
- Identify opportunities for limited implementation to support existing activities and operations, aligned to governance and delegations and reward employees who bring forward successful implementation cases

Next
(6-12 months)

Structural

- Assess impact of GenAI implementations on skills and capability demand in impacted areas
- Develop and identify target future state against strategy and design and transitional state activities required to continue to scale
- Establish systems to dynamically forecast and allocate resources against capability and capacity requirements
- Leverage GenAI to enable predictive analysis of task and job impacts, talent availability and demand

- Assess the probable impact on tasks and jobs within teams and cross functionally, realign strategic workforce plan and capability continuum as GenAI shifts from isolated use cases to scaled enterprise solutions
- Identify opportunities to reward and encourage employees that utilise GenAI in their roles and/or work-based learning, and create personas that categorise people across the organisation

Change & Learning

- Conduct training needs analysis to incorporate GenAI into existing learning programs where suitable and match personas to evolving capability continuum
- Assess if current learning solutions will drive scalable learning at the speed required

- Define an approach to increase the uptake of learning opportunities. This is fundamental to ensuring continuing access to the right skills and avoiding unnecessary redundancy
- Monitor unintended consequences of role and skill shifts on employee wellbeing

Leadership & Culture

- Assess and uplift senior leaders' transformation capability in a GenAI environment

- Culturally align people to embrace change, collaborate, innovate, and effectively partner with technology

Beyond
(12 months+)

Structural

- Redesign your organisational models, structures, roles, capabilities and resources
- Assess current skill mix against your target future state to identify capability uplift needs and talent gaps
- Define and implement new ways of working aligned to targeted culture in a GenAI future

- Redefine entry level and established career pathways, monitoring and reporting on actual and changing job outlook at the organisational and global level to inform future talent strategy
- Align performance frameworks, key performance indicators, objectives and key results to future skills blueprint

Change & Learning

- Reskill your workforce with the new skillsets and capabilities needed to win in a scaled GenAI world

- Manage transitions to future state with change and communications readiness

Leadership & Culture

- Continue to reimagine the future, capitalise on the AI advancements, adjusting organisational risk appetite accordingly

- Define and create an organisational culture where human and AI integrated capability is the norm

Conclusion

'To realise the full potential of generative AI – or any technology – organisations need to bring a holistic, people-centered perspective to an increasingly more digital world of work. Instead of just focusing on the capabilities of generative AI, it's important to consider how its use might enhance both the operational and experiential realities of the "next normal" of work.' (EY, 2023)

Knowing what's coming allows forward planning based on a level of certainty. To some extent this has always been a false premise as change is a constant, so plans are usually more a line in the sand to provide parameters for an organisation's actions, and to capture the power of a shared direction.

As technology transforms our world at an unprecedented pace leaders will be challenged to embrace uncertainty beyond their experience, they will be required to make decisions about what technologies when, to drive performance, to consider and manage the impact on their people

and to respond with more dynamic organisational design across all areas.

They will also need to consider the cultural aspirations of their organisation; how will this excite their people to embrace and experiment with new technologies? How will it draw them into learning as part of their daily working lives? How will it support them to navigate change?

GenAI has the potential to deliver incredibly transformative innovations, but it also presents significant risks that have been actively highlighted by global technology leaders. Laying

strong, shared ethical foundations, and fiercely defending them, is critical to governing the development and application of GenAI and the necessary regulatory and legislative frameworks.

We are excited to work with you to explore how GenAI can support your people agenda. For further queries, please reach out using the link below:

Contact us

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