



**A New World of Work?
Leader Reflections on
the Impact of Covid-19.**

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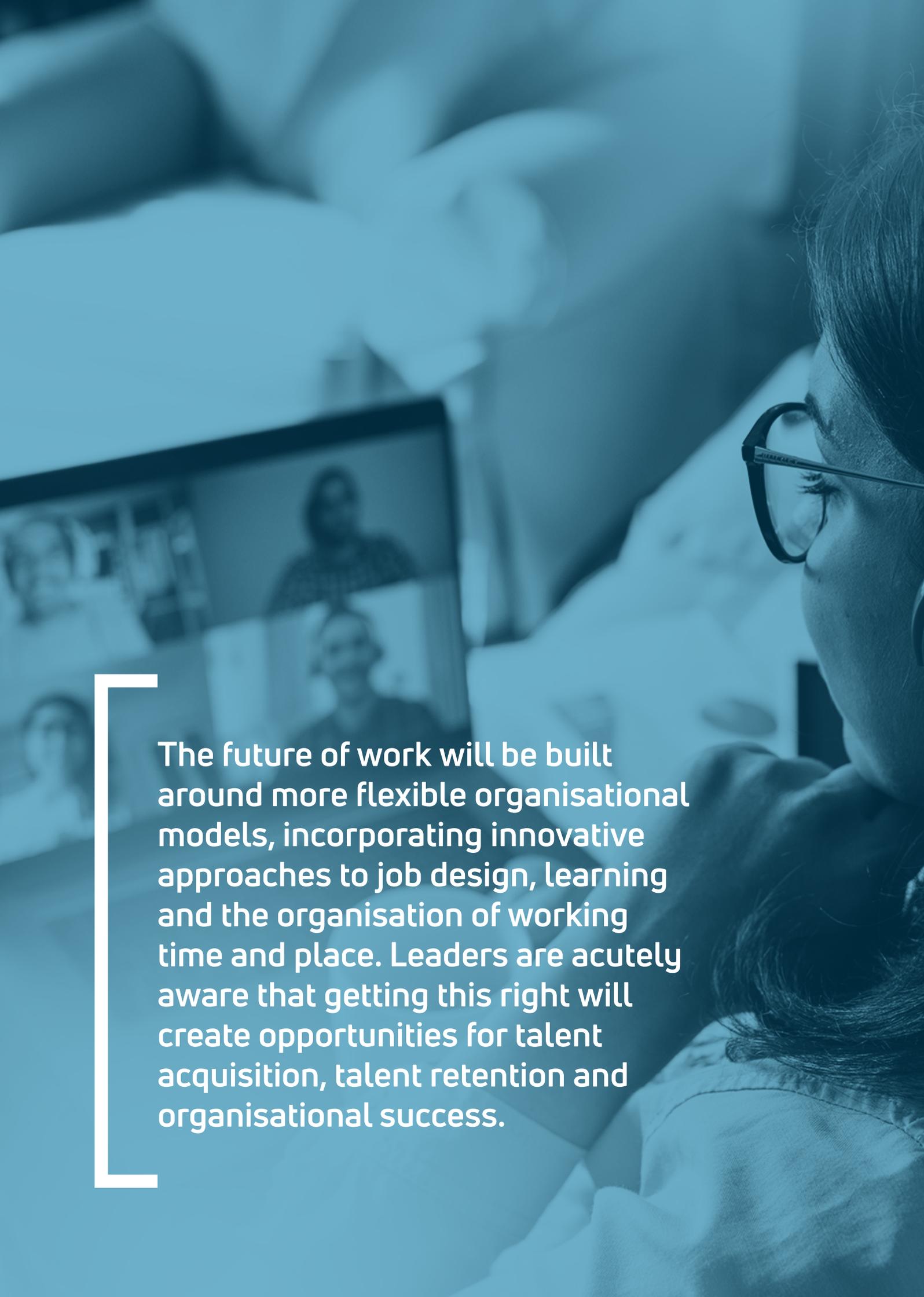
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A woman with glasses is shown in profile, looking at a tablet. The tablet displays a grid of several small photographs of people. The entire image has a blue tint. A large white bracket is on the left side of the text.

The future of work will be built around more flexible organisational models, incorporating innovative approaches to job design, learning and the organisation of working time and place. Leaders are acutely aware that getting this right will create opportunities for talent acquisition, talent retention and organisational success.

FOREWORD

Many of the major changes that we have experienced due to the impact of Covid-19 had their origins in developments that long predate the pandemic. Globalisation, digital transformation and evolving organisational structures have had significant impacts on how we work, where we work and to whom we report. The pandemic has greatly accelerated these changes and, in the last six months, we have experienced greater organisational changes than at any similar period during the last century.

In 2019 we undertook research into how digital transformation is impacting people in desk-based jobs, identifying an increase in the density of skills (a higher level of skills) required into the future, the need for increased skill dexterity (applying multiple skills simultaneously) and the opportunity for greater skill transferability across jobs, business functions, organisations and sectors. At the time, the challenge of leading and managing people through digital transformation and the broader experiences and needs of different types of employees were highlighted as themes which deserved further attention. The environmental jolt caused by Covid-19 has accelerated digital transformation, further highlighting these themes as well as creating additional leadership and people challenges.

This research was undertaken by the Creating Work Futures Research-Enterprise Partnership at the Kemmy Business School, University of Limerick, commissioned and funded by the ICBE Advanced Productivity Skillnet.

From a people perspective, the digitisation of work is significantly changing work tasks and processes, the challenge is that the jobs of tomorrow will be different to the jobs of yesterday. Consequently, how we upskill and reskill people, how we structure jobs and organisations, and how we lead and manage people requires new understanding and insight.

Trying to anticipate what the “new different” will look like is a difficult and time-consuming exercise. What we do know is the future of work will be built around more flexible organisational models, incorporating innovative approaches to job design, learning and the organisation of working time and place. Leaders are acutely aware that getting this right will create opportunities for talent acquisition, talent retention and organisational success. This report, conducted during the first lockdown of 2020 with 15 Business Leaders, explores these challenges. The findings here will inform a broader research survey on *Employee Experiences of the Digital Transformation of Work* which will be launched in January 2021.

Professor Eamonn Murphy (Emeritus) | Managing Director
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1. EXECUTIVE SUMMARY

This study was undertaken during Ireland's Covid-19 lockdown. During this time organisations have had to comply with various levels of work restrictions, set against a backdrop of a global crisis.

The study sought to explore the impact of the first lockdown on the world of work from the perspective of organisational leaders. In particular, it sought to understand

1. Leadership priorities and resource plans,
2. workforce skill, learning and development needs,
3. the role of the digital transformation of work and
4. any emerging work dimensions which might inform the future of work.

While lockdown continues to present serious challenges for Leaders, it has also created an unprecedented period of time and space in which to consider how teams are responding to the crisis and how the organisation is supporting them. Simultaneously, a similar reflection and questioning on the 'way we work' and the 'value' of work is happening in homes and on news reports around the globe. With this report we respond to that societal questioning by exploring and developing leader insights into a potential new world of work.

Findings from in-depth interviews with **15 Business Leaders** centre on themes of Sustainable Business Leadership, Re-Imagined Employee Value Propositions, Flexible Work Practices, Lifewide Learning and accelerated Digital Transformation.

- The full financial impact of Covid-19 will only be fully understood in the years to come.
- The unintended outcomes of a remote workforce, coupled with reduced international executive and customer travel, are resulting in reduced organisational connectedness, team cohesion, engagement, innovation, personal influence and ultimately could impact site relevance.
- The decisions Leaders have made at the height of the lockdown, and are making now, will determine their Talent Retention in the future. Some hold that only a Sustainable Business Leadership approach will ensure future success.
- The environmental jolt brought by the lockdown has so significantly impacted the way we work it necessitates a complete re-imagining of the Employee Value Proposition.
- A blended environment of remote (home/hub) and virtual work practices (tech-enabled, local/global) is now 'the way we work' but this needs to expand further to include Flexible Work Practices (FWPs).
- Organisations have not yet tackled the complex shift in leadership, management and organisational structures this new blended work model requires.
- Schisms have been created in learning (and consequently strategising and innovating) due to a lack of 'real' social interaction. There is an urgent need to address this shortfall.
- The 'Future Skills' needed are determined as much by digital transformation as by blended working.
- Lockdown accelerated the trajectory of Future Skills but organisations are struggling to shift their skill-base in the right direction through Lifewide Learning, Skill Transfer, Diversity and Inclusion.
- Need to further leverage strategic, national and international partnerships to create agile and lifewide learning pathways.

2. INTRODUCTION

The Covid-19 lockdown has radically altered the way work is being done in organisations. Importantly however, it has also raised a broad range of societal issues and questions related to the world of work.

Some of these include:

- The critical role of some jobs in society, and the perceived societal value of carers, medics, food-producers and grocery retail employees for exampleⁱ.
- The digital capabilities within Life Sciences and Medical Devices and many Small to Medium Enterprises (SMEs) accelerating innovations in response to Covid-19ⁱⁱ.
- The digital capabilities within many jobs enabling organisations to move work into employees' homes..... literally overnightⁱⁱⁱ.
- The stress experienced by many employees struggling to meet business requirements from home^{iv}.
- The call to move towards a more blended way of working into the future – retaining some element of home-working^v.
- The frequent gap between an organisation's Flexible Work policies and actual practice pre, post and beyond lockdown^{vi}.
- The Robotic Process Automation (RPA) of manufacturing enabling a skeleton workforce to maintain productivity, even remotely in some cases, in addition to RPA and Artificial Intelligence (AI) accelerating many Covid-19 management solutions^{vii}.
- The make up of Ireland's labour force, its skills now versus future skill needs, its diversity and stories of struggles with inclusion^{viii}.
- The impact of the much quoted 'new normal' on an organisation's customers, performance, leadership, employees, culture.....future^{ix}.

Covid-19 is one of the biggest crises to face people and organisations in generations. It accelerated changes to the way people lead, organise, manage and work. However, the ensuing lockdown provided Leaders with a window to reflect and observe how their teams were responding to the unprecedented challenge.

This study aims to capture Leader reflections on the lessons learned, the challenges yet to be overcome and their perceptions of a potential new world of work.

Research was commissioned by the Irish Centre for Business Excellence (ICBE) Advanced Productivity Skillnet and funded by Skillnet Ireland.

The key research objectives were to understand the impact of lockdown on:

1. Leadership priorities and resource plans.
2. Workforce skill, learning and development needs.
3. The role of the digital transformation of work.
4. Any emerging work dimensions which might inform the future of work.

3. RESEARCH METHODOLOGY

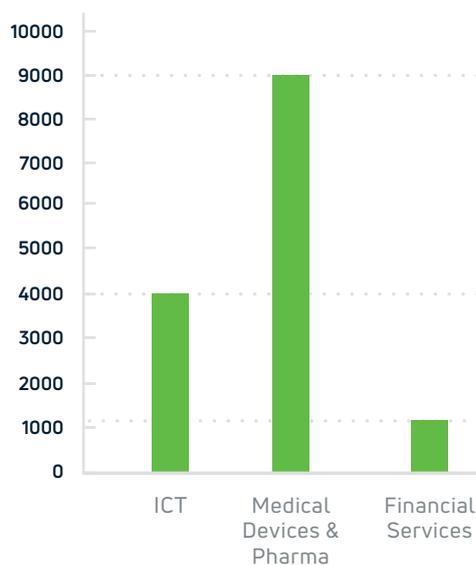
Between June and August 2020, in-depth interviews were conducted with 15 Business Leaders. 11 CEOs/Site Leaders in Multi-National Corporations (MNCs), many with additional global/expert roles or regional remits. Two Small to Medium Enterprise Owners (SMEs).

The sectors covered included;

- 4 ICT
- 1 Agri
- 1 FinTech
- 7 Medical Devices/PharmaChem organisations.

An overview of the workforce participation of these organisations is shown below.

Workforce by Sector



Additionally, to capture a national-level perspective, two Government Agency Directors representing a broad range of Irish businesses and Foreign Direct Investments (FDIs) were also interviewed. Interviews were held online and recorded for analysis purposes.

The questions posed are detailed to the right. The resulting conversations were analysed to identify significant themes relating to research objectives as previously outlined.

Leader Interview Questions

Work Contexts

1. The pandemic appears to have affected industry enormously, for you now, what are the most significant challenges you are experiencing?
2. Looking specifically at your people – what is the impact in terms of Work Force Plans for the next 18 months? Are some existing roles more at risk than others? Are there gaps you need to fill?
3. From a personal and possibly broader leadership team perspective, what are you most concerned with in leading the business through these challenges?
4. How much change is temporary or are we truly entering a New World of Work and what form might that be taking in terms of leadership and culture?
5. How has the current context affected any plans for the digitisation of work?

People & Skills

6. Where are the critical gaps in skills that you need to address? Are there particular types of roles you are most concerned about? (Gaps in skills in existing people or people/skill gaps).
7. Are the individual skill needs different at Leader/ Manager and Employee level? Or are they the same just more advanced at higher levels of responsibility?
8. Has this changed in recent months or were these skills part of your Digital Transformation journey already?

Learning & Development

9. We want to look at the impact on in-company learning, has that changed?
10. Do you have any particular concerns with the remote approach to learning?
11. Do you feel equipped to meet your learning needs for the next 18 months?
12. In terms of actual delivery of online solutions but also in terms of the impact it is having on the business – is it effective?
13. Looking at your graduate pipeline and on boarding of all new employees, what are your plans there?

4. LEADERSHIP PRIORITIES

Financial Performance

Immediate priorities for Leaders during the lockdown have been to successfully maintain business performance and customer service while safely pivoting employees to work from home or engage in new, socially distanced operations on site.

Leaders are clear that the global and organisational **financial impact of Covid-19 will not be known until 2021.**

This financial impact might vary depending on US or European management, with the latter considered beneficially more *'planful'*. It will also be sector specific.

For example, some medical devices orders have slowed down due to less elective surgeries while cardiac surgeries continue as normal. Some PharmaChem R&D/Production has increased to respond to Covid-19.

ICT demand rose with the surge in workforces pivoted to home-working but concerns are raised about longer term CapEx globally into 2021.

"It's like a traffic jam on the M7, everyone is slowing down, you cannot see what is causing it up ahead somewhere. Maybe the closer we get we realise there is no accident or blockage, just everyone slowing down caused the jam and we will all eventually speed back up again..... but we cannot see far enough along to know."

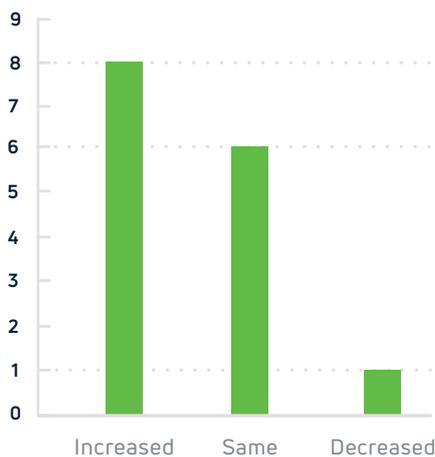
Leaders raise significant concerns around the long-term impact of the crisis on their organisations, expressing doubts that the organisation fully understands the depth and breadth of potential outcomes.

Potential negative outcomes are not confined to financial issues but include **employee performance and talent retention** and, most critically, longer-term site relevance within the global organisation and externally for key customers.

Productivity

Views on productivity are mixed with the main commentary centering on Leaders' positive view of home-working with some believing productivity of home-workers is higher, though this appears to be anecdotal. Others have evidence productivity has moderately decreased due to the integrated nature of some business processes which are challenging when the workforce is disconnected.

Workforce Productivity



One Leader highlights the need for organisations to better understand the productivity of office-based (indirect) employees, particularly in light of a potential new approach to flexible working into the future (this will be discussed in more detail in the next section).

"We like to think that Irish Organisations are more productive than other potential global sites, it is part of how we brand ourselves but I don't know how true this actually is because we don't metricise it, what evidence do we have?"

Many Leaders **admit surprise as to how productive they and their workforce are from home**, despite reservations towards home-working prevailing in many organisations previously.

Resource Plans

The workforce pivot resulting from the lockdown is by now well documented and mirrors the action taken by organisations here. In summary:

- From March 2020, permanent, office-based (indirect) employees were retained by working from home.
- Permanent, non-office (direct) employees were retained with costs offset through increases in absenteeism, enforced annual leave, short-term shut downs and/or reducing any temporary workforce.
- One PharmaChem worked through even the highest level of lockdown restrictions offering pay premiums and a free canteen to their essential workers.
- From June 2020 onwards, new government guidelines were operationalised to return all direct/manufacturing employees to site.
- Most office-based employees will continue to work from home until such time as a vaccine programme has been fully implemented.
- Organisations report 'Return to Work' plans for 2021 are being put in place, albeit very cautiously. Some workforce plans are being closely directed by global headquarters using business analytics to monitor Covid-19 cases, employee absenteeism and site capacities to detail who can return to work, where and when.
- Generally recruitment plans are under review with new hires on an individual, business case basis only.
- Attrition is expected to decrease in 2021 due to instability in the broader economic environment.
- 2021 Graduate Recruitment Programmes are likely to be negatively impacted by decreased attrition in 2020, though internships will mostly progress as usual.

Staying Relevant

The positive impact of reduced local, national and international travel on productivity is noted by all as the time and cost saving is substantial. This is particularly relevant to Leaders with a global remit and will, they believe, change the way international business is done into the future.

However, the potential **negative impact of reduced international influence, personal and professional presence,** and ultimately site relevance is equally clear.

While all the benefits of home-working and reduced commute times and air travel are noted, a concern regarding the 'relevance of the Irish site' is repeatedly raised. The question of how to safeguard critical connections with customers, influential peer networks and the power-base at the top of the global organisation is a serious but yet unresolved concern raised by nearly all Leaders.

"Our site here is a centre of excellence, a showcase for our customers worldwide and it has transformed the way we see ourselves and how we position ourselves globally. Now the top execs and those important customers are no longer coming in the door and we have to rethink how we hold on to that in a virtual environment. And not having the key people coming in the door is worrying."

How organisations will maintain and grow their site/national profile globally, successfully position themselves within the global organisation and showcase their customer proposition **necessitates urgent strategic thinking.**

Closely associated with this challenge, many Leaders also raised the potential negative outcomes of the crisis as it relates to personal and professional relevance. The ability to influence one's peers, stay close to decision making or even progress in the organisation will be negatively impacted for 2020 and likely into 2021.

"Just ask yourself how many people have you interacted with, talked with, this week as compared to being on-site. I asked someone recently and we concluded it had reduced from 200 people per week, 200 conversations on-site to 30 working from home. The nuanced impact of that is immense, we cannot understand it yet but it cannot be good."

While believing the solutions lie with their talent and digital transformation efforts, **Leaders admit they are only beginning to ask the right questions.**

There is a confidence however that many Irish sites have been 'lighthouses' and 'beacons' of best-practice for their organisations in the past and aspire to transform these challenges into new, differentiating opportunities for their sites. Ensuring a high-performing workforce and continued digital transformation are noted as being critical here.

"For Irish sites its not just about achieving key performance indicators, it is also about adding value on that global stage. Becoming a lighthouse for innovation, new approaches, making your mark. That needs to continue and cannot, just cannot be lost. How we tell that story now is still unclear but it is imperative we figure it out because even when this is all over the way we do business globally will have changed, it will always be a more virtual world now."

Negative and Unknown Outcomes

While Leaders laud the 'outperforming' and 'rallying' of their employees during the lockdown, there is also an awareness of the potential unknown and negative outcomes.

Some Leaders report employees are struggling to remain as productive, 'always connected' on the one hand (as home and work life becomes intertwined), while on the other feeling disconnected and socially removed from trusted colleagues. There is also the aforementioned issue of becoming professionally isolated from the senior influencers and peer networks they once enjoyed.

"People know our sentiment, our values, they are part of the culture but that was February. Where are we now? What are the issues, where are the cracks? Its July and I am still trying to lead an organisation that I see as being in February."

Most organisations are seeking to 'over-communicate', engaging in frequent (pulse) Employee Engagement surveys, online Leader 'Town Hall' sessions, regular online one-to-one meetings with direct reports, and working to develop virtual communications strategies.

Despite these communication efforts however, **many expressed serious concern at an underlying disconnect in their organisations.** Emerging only slowly at this point, they believe it will worsen in time.

A small number of Leaders share significant concern that their organisations have yet to fully understand the consequences of this disconnect. They believe the 'dust needs to settle' and more demanding questions need to be asked around the impact of a more remote workforce into the future.

Disconnect can manifest in many different ways but centres on the physical connection and social dynamics of work which are fundamental to culture, employee engagement, motivation, strategising, innovation, creativity and learning.

There is also a concern as to the pace of decision making during the lockdown. Difficult decisions without the traditional consultation processes were at one point a necessity for business continuity however the consequences of these decisions and how they were made are not yet known.

Leaders believe a reflection on the leadership style and human resource strategy required going forward is vital.

Furthermore, a serious potential negative outcome around the transferability of work from site to home pertains to the further step of transferring work across national boundaries more easily. This is a significant risk which further underlines the importance of national and professional relevance in a global marketplace.

"I could work for a Canadian company living in Ireland. It won't be today or tomorrow but it is happening and its about a global skill set whether you are a gig worker, freelance, on contracts or working permanently for the one organisation you will work and change jobs globally - but from your home."

"We have always had Japanese engineers on site but then they had to go home at the start of lockdown. We were able to set them up virtually to trouble shoot issues remotely which we were delighted with but now I am asking myself, will they ever come back? What knowledge and expertise will we lose if they don't come back?"

Sustainable Business Leadership

Some Leaders point to the lack of critical questioning on the impact of lockdown in the longer term. Taking all these challenges onboard, mirrored in recent societal discourse around the quality of work and the value of employees, the Leaders interviewed for this study feel there is a need to reflect more deeply on the organisational structure, values, culture, skills, diversity and strategic leadership for a new world of work.

They strongly believe this broader approach to a new world of work needs to be discussed more, challenged more and practiced more, starting at the leadership table. The critical gap for some is *'the gap between talk and action'*.

Many Leaders take the concept of 'the future of work' or 'the new normal' to a much deeper level incorporating concepts such as **employee diversity, corporate and social responsibility and community contribution alongside a more flexible way of working.**

"I have never seen a company go out there and say oh my God we are missing a whole slice of potential brain power by not hiring people of different genders, ages, backgrounds, ethnicities or even from different sectors. There is no real belief that they need to change, they are just looking at the Customer Proposition or the Employee Brand in a very superficial way."

The need to re-imagine the Employee Value Proposition (EVP) was raised by a number of leaders. There is a prevailing view that a new world of work is only partly about working from home. If these longer-term issues are to be successfully resolved, they argue that creating a more diverse workforce is central to re-imagining the business proposition of the future.

"Irish sites are fighting the internal market not the external. If we don't make the right decisions, then our value as a site can disappear. That is about the people on the site, what we showcase and how we attract the talent. We have to be very careful how we model this into the future."

"I have seen Leaders find their role again, it's back to being about the people. Before it was all about the CapEx and the P&L and the Tech. Recently the conversations are about people, what will this mean for these people sitting at home. It has changed the mindset and that will hopefully have a positive impact for the company, why you would want to stay with us or join us."

5. THE FUTURE OF WORK

Leaders are clear in their view that:

- Lockdown has radically changed the way we work permanently
- Leadership Teams are thinking more deeply about the way we work at both a personal and organisational level than previously.

Leaders identify the key areas of work which will be normalised beyond lockdown are:

Working from Home (WFH):

Many leaders admitted to altering their perceptions significantly with regard to working from home, having previously held more traditional views of good management requiring a physical presence.

As Site/Country Leaders, many also holding expert global roles or regional remits over multiple sites, most felt surprised at how well they managed to lead the organisation through the crisis while working so remotely.

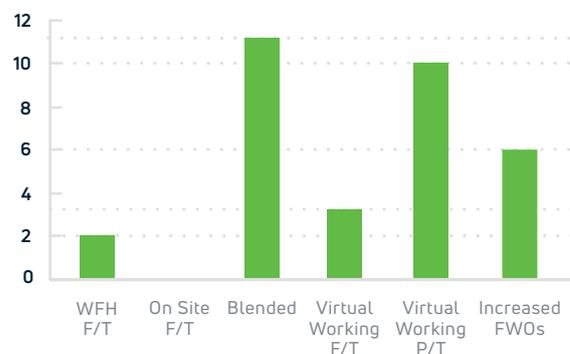
"I would have fired someone for working from home in the past. I can say now my eyes have been opened. I haven't been on-site since the middle of March 2020 and I would have said it would not have been possible but it was and it still is, we will never be the same again."

It is accepted that people will work from home more frequently. However, this is only likely to be full-time for some very specific, individually managed or freelance/contract type jobs.

Blended Working:

There is consensus that lockdown has created a tipping point for digital working. More and more work will take place virtually using Zoom, MTeams etc. for business meetings within sites, across Ireland, and globally to increase efficiencies, reduce stress of travel and minimise costs - particularly with regard to executive international travel.

New Ways of Working



Blended Working combines on-site and off-site working, enabled by the utilisation of information and communications technologies (ICTS) that **provides employees with almost constant access to job-relevant information and colleagues**. Also commonly referred to as Virtual Working.

Blended Working has been around for some time in most larger organisations but the Covid-19 lockdown has accelerated its use, encouraging people to make themselves more familiar with the technology and more comfortable with the practice.

Leaders argue the future is likely to be a **new style of blended working** on sites which in turn need to be re-imagined as hubs - regions linking remote workers to a central workplace.

"With all this home working we are thinking of work as less of a place and more of an experience with an employer. That is important but we need to keep the sense of place, we need to keep the work in Ireland. That solution is work as a hub, a region. The hub might be the West or it might be all of Ireland. Then we need to understand how we move within that hub because we still need to interact, that is a new agile way of working."

Flexible Work Practices (FWPs):

However, for many Leaders, the focus appears to centre mainly on the two concepts of working from home or in some blended fashion rather than on the broader concept of Flexible Working which includes practices such as:

- Part-time working
- Job sharing
- Flexible start and finish times
- Compressed working weeks (working 38 hours in 4 days)
- Annualised hours (An annual hour allocation on a flexible basis)
- School term leave.

There is a significant body of evidence that **FWPs lead to increased engagement, motivation and wellbeing** and do not negatively impact performance.

- Increased employee loyalty and organisational commitment.
- Decreased absenteeism.
- Positive impact on the Employer Brand with increased ability to attract and retain employees.
- Increased productivity.
- Increased financial performance and quality.

However, the reality for many employees was that they were available in name only. Requesting FWPs can be seen as inconveniencing the organisation, can be frowned upon by management who prefer a physical presence they can more closely control, and can label employees as being less committed to the organisation^x.

It will be critical for organisations to carefully consider a new flexible work model in line with the needs of employees they wish to retain and attract into the future. It is clear that Leaders still have many unanswered questions in this regard.

However, Working From Home also presents challenges for employees

leading to blurred work boundaries and at times work intensification and stress.

Leaders are very attuned to the potential stress of working from home during lockdown and the need to manage this in a future world of work. Many report an increased focus on Employee Well-Being with a broad range of examples of webinars to raise awareness and offer advice on maintaining well-being and some more specific offerings such as a subsidised, home-delivery of lunch from local restaurants or a 3rd party ergonomic consultation on one's home-office environment. There is broad agreement that an increased focus on well-being is required.

These challenges lead some to highlight the need for organisations to reflect more deeply on **how this new way of working will be modelled** and not get 'carried away' with working from home.

"I worry that we are going from one end of the spectrum to the other without thinking it through. There was a real culture of presenteeism previously and now it's like we are jumping on the work from anywhere bandwagon."

Leaders are passionate in their views that **Ireland needs to re-think the employee experience.**

"We were already engaging in AGILE work practices but now we are looking at the physical manifestation of that on the site – what does an agile office look like?"

Some are working on this very strategically aligning their culture, management practices and the new concept of blended working (having not yet considered a more advanced model of flexible working).

However, many others are still in a process of making sense of its scope and potential impact – positive and negative. It will be important to explore, understand, challenge and influence perceptions among leaders, managers and employees as this new world of work takes shape, as there is little doubt of the desire to make it happen.

How leadership style feeds into organisational culture, how performance is managed, how team cohesion is created and how flexibility is managed **will all shape culture and the EVP into the future.**

Critical Tensions

On the one hand, there is a call for a broader scope of FWP which will increase workforce diversity, help retain certain 'personas' of employee and develop the Employee Value Proposition (EVP) into the future. Some of the concepts noted in this study include:

- **A Company Hub:** An employee is 'linked in' to a company site known as a HUB but working 'regionally'. This means the employee could be anywhere in Ireland (given our small size) but the concept of the hub link ensures a sense of identity with a site, allows for periodic attendance at the site but keeps a sense of regionality about the job and relationship between the employer and employee i.e. the jobs are kept in Ireland.
- **Flexible Working:** Proactive management promotion of a range of FWPs to offer a better life-work balance and employee experience. Setting targets and metrics to ensure all in the organisation engage fully with the options available.
- **Diversity and Inclusion:** Again setting targets and metrics to ensure a real diversity agenda to broaden the scope of the workforce and expand skill sets and mindsets.
- **Lifewide Learning:** Developing more experiential and informal learning strategies to incorporate employees life-wide experiences and encouraging employees to bring their 'true self to work'.
- **Digitisation of Work:** Increased investment and rapid development of digitisation wherever possible to support the Hub, FWP and Learning and Diversity agendas.

However, on the other hand, considering the broader implications of an entire workforce working remotely on an ad-hoc basis, a need to develop a strategic flexible 'work model' for organisations is clearly expressed.

A new, flexible world of work requires HR strategising and workforce modelling at its core, with fundamental policy development to support new work practices and employee well-being into the future.

Ultimately, the diverse range of views noted among Leaders in this study merely reflects the diverse range of humans that make up a workforce and it is important to note that flexible (and in particular home working) is not for everybody.

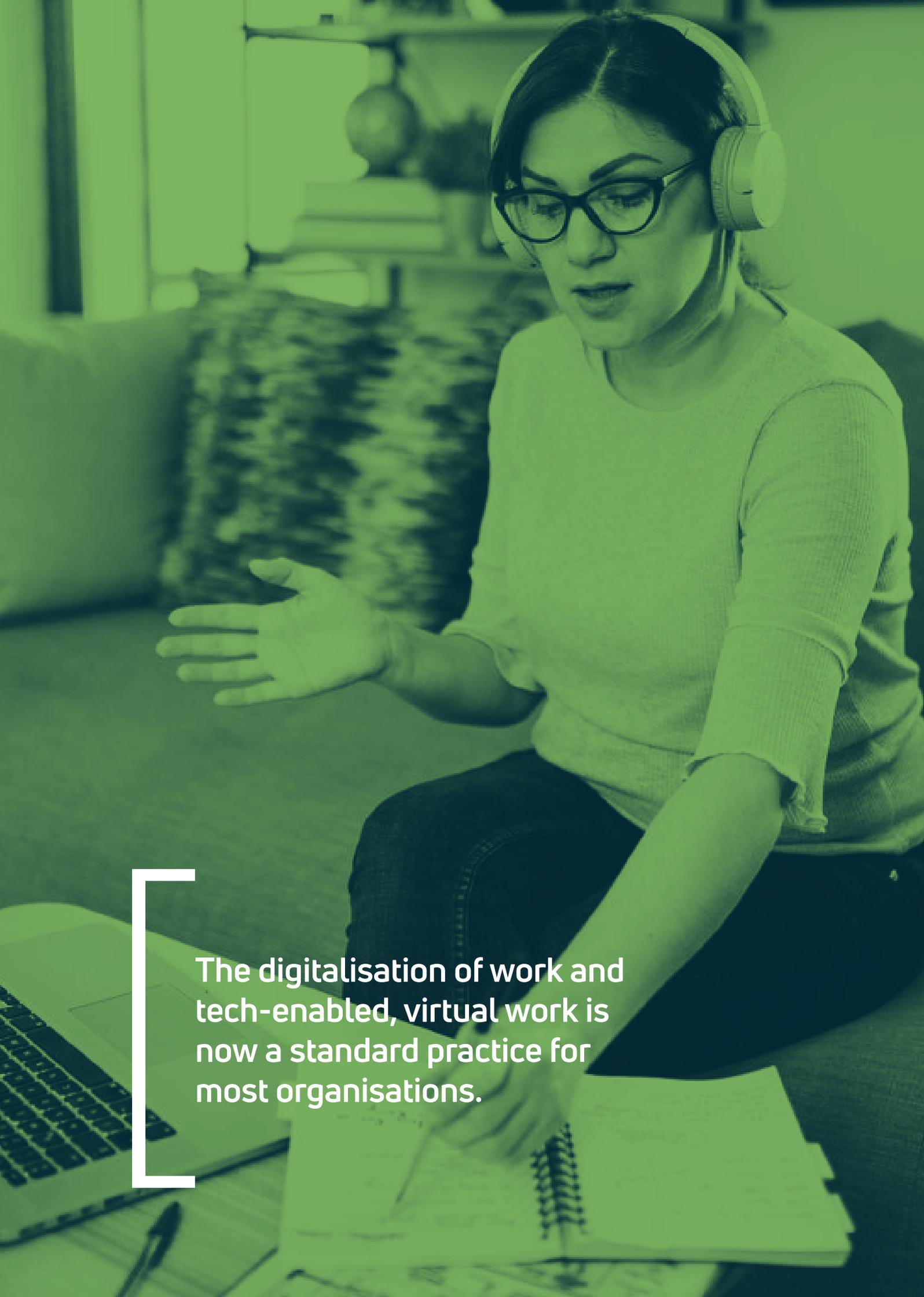
"I have surprised myself around how well I am working from home. I would have been a traditionalist, bums on seats, where is that person, what are they doing, who is in the meeting sort of thinking. Now I think we will never go back to that way of thinking again."

"None of us are working SMART, we are just working from home. Lack of infrastructure e.g. home desks, hardware, software etc. Lack of team cohesion. Lack of support policies and processes, its all out there but unanswered."

"I have had some of the team say when I get back I will never leave the office again. Never do this to me again."

"Some people needed to get out of the scenario they were in at home and for mental health reasons had to get back into the office and we facilitated them throughout June."

As such, whether it is a hub model or not, a range of employee needs must be accommodated. The one thing however that is certain is that **the digitalisation of work and tech-enabled, virtual work is now a standard practice for most organisations.**



The digitalisation of work and tech-enabled, virtual work is now a standard practice for most organisations.

6. DIGITISATION & FUTURE SKILLS

There is strong leadership consensus that the Covid-19 lockdown has not altered the skills trajectory but merely accelerated it.

Skill needs are described as requiring a baseline of data capabilities, balanced with critical relational and cognitive skills, which are possibly even more pronounced due to lockdown. These findings support previous research on future skills as depicted below.^{xi}

In particular, it appears that working from home has further **highlighted the balance of task-skill versus relational/cognitive skills** required in a digitised workplace.

While it is important to note that some organisations were more ready to pivot to 100% working from home as compared to others, all were already working in a highly digitised environment (just from the office rather than home).

With the level of digitisation of office work and virtual work practices already so advanced, the skills required into the future remain the same. Leaders do not see them changing in any significant way in a more flexible working environment. The challenges therefore remain the same.

Leaders generally agree their organisations struggle to develop the depth and breadth of skills required

of today's complex, dynamic and increasingly uncertain business world.

There are however many innovative new approaches highlighting strong partnerships between organisations, state agencies and educational institutions.

Task Skills Things We Do	Relational Skills Working with Others	Cognitive Skills How we Think
Data Dexterity Interdisciplinary Dexterity	Intercultural Dexterity Customer Centricity Open-Market Negotiator	Sensemaker Critical Thinker Agile Worker Agile Learner
Contextual Business Knowledge and Acumen (Business Strategy, Culture, Products & Services etc.)		
The Digital Transformation of Work Skillnet Ireland 2019		

Learning Innovations:

- **Job-Entry Upskilling:** Accredited, short-term data skills course to attract employees from the local, marginalised community into a MNC. A critical approach to increase workforce accessibility highlighted by many Leaders.
- **Micro-Credential Upskilling:** Accredited, short (weeks) to medium (months) term, specific skills courses to attract internal or external talent to expanding facets or functions of the organisation.
- **Apprenticeships:** Bespoke apprenticeship between the PharmaChem sector and an Institute of Technology to develop a talent acquisition solution for Technicians. An unexpected outcome of which was a significant increase in diverse applicants. Also highlighted by many leaders as a critical route to building niche skills.
- **Data Transformation:** An innovative, accredited, 'data transformation' programme to upskill employees' data dexterity and management skills for a digitised workplace. Delivered across an entire organisation with the support of state agencies, it will ultimately be made available outside the organisation.
- **Upskill to Transfer:** A bespoke up-skilling course designed with an Institute of Technology to facilitate the transfer of people from one downsizing organisation to another expanding within the PharmChem sector.
- **Cadet Programmes:** Internal 'cadet' training programmes to facilitate the development of new career paths across business domains.
- **Graduate Transitions:** Frequent examples of strong relationships between organisations and their local universities to promote internships and graduate pathways.

Nevertheless, some Leaders were critical of the lack of 'joined up thinking' across key stakeholders.

Pockets of excellence exist but **a lack of clarity regarding the national learning strategy**, leveraging it across all business functions, sectors and diverse labour markets was noted.

Despite these pockets of excellence, most organisations are still struggling to source talent for specialised key roles and there is clearly scope for further partnerships, particularly third level apprenticeships. A lack of, but significant potential for, collaboration between MNCs and SMEs was also identified.

"We have such expert talent here, hundreds of people with world-class expertise in ICT and we are not sharing that with SMEs around us. If we do, it is personally driven and ad-hoc but hugely successful. We should be developing clusters to support SMEs."

Experiential Learning

This study highlights how **the quality and opportunity for learning is being negatively impacted by lockdown.**

Most of the Leaders interviewed for this study were based in MNCs and as such online Virtual Learning Environments (VLEs) were the norm.

Employees are used to engaging with a broad range of learning solutions, based either on their own career aspirations or as required by their Line Manager. As such, the move to a more virtual working environment does not appear to be impacting online learning.

However, substantial and far-reaching concerns were raised in relation to the experiential-formal learning and broad range of informal learning which is fundamental in today's business landscape. Some Leaders felt their organisations had yet to appreciate what is being lost through WFH.

Issues were raised around the observation, role modelling, tacit knowledge transfer, ad-hoc mentoring and coaching, feedback, networking, peer-to-peer discourse, sensemaking, listening, story-telling and even **the concept of subconscious 'absorption' of ideas and experiences which has been missed in the last 6 months of work.**

"I believe 100% there is no substitute for physical interaction, we are social beings, even the basics of transference of knowledge, I know its being impacted negatively."

"We are slowly bleeding out when it comes to learning. Our people are under incredible pressure keeping all the balls in the air either operating to very restrictive policies on site or working from home. We are still throwing out online courses but I don't know who has the bandwidth to take them at the moment. We have no metrics on learning lately and with none of us around each other there is nothing being shared in any meaningful way."

"There is something missing in the lived experience that will always ultimately diminish the learning. Observation is fundamental to learning, watching and hearing those around you can be transformative over time. Virtual working will only replicate that in some small way."

There is a need for HRM Leadership to formulate **new strategies to compensate for the deficit in the 'lived experience of work' in the short term** and incorporate these requirements into a **flexible work model for the future.**



Lifewide Learning

Some leaders questioned their organisations ability to translate their positive philosophies of learning into real upskilling and development of people on the ground.

Their desire for a more holistic, embedded and agile approach to learning is well presented in the concept of Lifewide Learning.

Lifelong and lifewide learning are central to learning societies which view the whole of life as a learning opportunity.

Different conceptions of lifelong and lifewide learning incorporate various dimensions of learning such as developing as a person, achieving one's professional goals, becoming more employable, becoming a better citizen, or achieving social inclusion.

A number of Leaders were quite critical of their broader organisation's perspectives of skills and learning, calling for:

- More strategic planning on the development of skills.
- A broader focus on relational and cognitive skills (not just task-based skills).
- A significantly more proactive focus on new skill pathways into and across the organisation, generated through more 'thoughtful' recruitment and promotion pathways leading to a more diverse workforce into the future.

"We need to get better at working on the 'how to' skills, the relationships, bringing people with you, asking the challenging questions, seeking new answers to old questions. That often gets lost in the focus on tasks."

"Many Leaders and organisations don't walk the talk. We are all talk about diversity and gender equality and promoting from within but there is little action and little strategy to enforce the practices which create that action. If we set a target to hire people without IT skills but with all those other behaviours we need, then we would be doing things differently."



Skill transferability across roles, organisations and sectors needs to be a central theme into the future. Core Skills for different industry sectors are important but they should not be the sole focus for organisations.

7. CONCLUSION

There is no doubt among these Leaders that the world of work is changing.

While this change has been highlighted and accelerated by the environmental jolt of Covid-19, this study finds that **the critical dimensions of change were present prior to the lockdown** and already informed most Leaders' frame of reference for a new world of work.

Reflections on a New World of Work:

- Shifting perspectives on the need for quality of work for all of society.
- An increased emphasis on Sustainable Business Leadership.
- A realisation that the Employee Value Proposition needs to be enriched through genuine organisational and work experiences.
- Ongoing digital transformation of work driving more transferrable skills across sectors and professions.
- Digital transformation of tasks enabling more flexible working.
- An increased emphasis on lifewide learning, where the relational and cognitive skills are more highly valued by organisations.
- An increased emphasis on informal, experiential and 'lived' learning.

However, **few if any organisations have successfully translated these Leader frames of reference** into their way of working.

Nevertheless, it is possible that the potential negative or unknown outcomes of the lockdown will provide the catalyst to realising these ideas in practice. The trigger will be the critical Leader concerns around 'disconnectedness'.

This manifests at a macro-level around site relevance - within the global organisation and externally in showcasing customer propositions. At a micro-level it manifests as a lack of team cohesion which can be created by Working From Home in a highly digitalised work environment.

As neither is likely to abate in a new world of work, organisations need to consider how these challenges can be successfully managed.

The following recommendations (distilled from conversations with Leaders) would facilitate that journey:

- **Re-Imagining the Site, Customer Showcase and Employee Value Proposition - because they are interconnected:**
In this new world of work, employees will have different expectations of their employer. This requires more meaningful EVPs, founded on more Flexible Work Practices, workforce diversity and inclusive leadership approaches. Combined, this approach will unleash workforce potential to innovate and perform, resulting in the creation of appropriate site differentiation strategies and new ways of creating customer experiences to showcase propositions.
- **Sustainable Business Dialogue:**
Leaders need to facilitate conversations among their peers, managers, teams, employees and between all other key stakeholders to question and challenge perceptions of sustainable businesses and workplaces.
- **Moving Beyond Policies:**
Metricisation of practices related to Flexible Work, Skill Transfer and Workforce Diversity are required to make this happen.
- **New HR Strategising:**
Development of comprehensive flexible work models, digitally enabled and supported through Leader and Manager development, and stable virtual working practices.
- **Experimentation, Development and Promotion of cross-sector learning solutions:**
Increase scope of micro-credential training solutions to fast-track up/re-skilling alongside industry-education apprenticeships.



8. ENDNOTES

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About ICBE Advanced Productivity Skillnet

ICBE Advanced Productivity Skillnet is the national network for enhanced productivity in the Irish manufacturing and service sectors.

The mission of the ICBE Advanced Productivity Skillnet is to raise the output of every worker in Ireland, through various learning, development and knowledge sharing initiatives with a focus on advanced methodologies and technology.

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