

Labour Market 4.0 - What will the work of tomorrow look like?

November 17, 2020

Keynote Speaker

Co-Host:

- Kaan Bayir, Avenir Jeunesse

Panelists:

- Valérie Müller, Senior Researcher – Avenir Suisse
- Gerhard Andrey, Member of the National Council – Grüne Partei / Co-Founder – Liip
- Frank Heckner, Consultant / Head EMEA Health Practice – Egon Zehnder

Summary

On 17 November 2020, NEO Network and Avenir Jeunesse held an online panel discussion with three experts to explore the labour market 4.0 and discuss the future of work. Avenir Jeunesse, the official youth association of Avenir Suisse, served as co-host of the event. As an independent think tank, Avenir Suisse develops free-market, liberal and scientifically sound ideas for the future of Switzerland.

Structural Changes In The Labor Market

Kaan Bayir started the discussion by asking the question of whether digitisation has the potential to destroy or create jobs. Valérie Müller is confident that we will be able to provide enough jobs in the future. Hence, she highlighted several aspects: We humans are superior to machines in many activities, as we have social skills or because we can make decisions quickly, even in situations we have never experienced before. She believes that technology complements human labour. Nevertheless, there can be change and jobs may disappear in specific sectors and be

created in others. For Gerhard Andrey, the question is what future jobs will look like and how we as a society will manage to benefit from the potential that digitisation brings and how we will develop as human beings. It is crucial to consider the pace at which we approach this fundamental change to include all groups of people.

Mr Heckner was then asked what skills employees will be required to have in the future. Mr Heckner places a particular focus on the following talents when recruiting young professionals: Agility, resilience, social skills (ability to work in a team, empathy, ability to communicate), self-awareness (what do I like to do, what comes easy to me, where do I have difficulties) and systemic thinking.

As we know, a “war for talent” exists in the labour market, so Gerhard Andrey addressed the question of what companies need to do to recruit those talents. First of all, enterprises must be aware that a new generation is coming along, which no longer thinks and works the same as the previous ones. Compared to the older generations, the new generation is not as faithful to authority and is more daring in telling their superiors what they think.

Changes In Firm Hierarchies

As a company, Liip then approached the hierarchy concept where people are above others, rule over them and pass on instructions. This concept is somehow antiquated and no longer fits into a modern company. That is why Liip has dissolved the traditional, hierarchical, pyramidal system where people have

subordinates and transformed it into a so-called holocratic system. Now, what does a holocratic structure mean? What characteristics does such a system include? If we look at the term more closely, holon comes from the Greek and means a whole that is part of another whole. Thus, it is similar to the agile method. Traditional job plans do not exist in Holacracy. The enterprise changes continuously, and all employees and parts of the company are involved. Decision-making power is not concentrated within the executives who own a position and preside over a department. Ranks and titles are banished from the organisation in a Holacracy, as are rigid departments. Instead, the organisation is divided into circles made up of roles. Here you recognise the principle of the holon. The roles are aligned with the tasks of the company and have fixed responsibilities. The circles to which the roles are grouped organise themselves. They develop new roles, redefine existing roles or abolish others. This is done with direct reference to the concrete work tasks.

Changes In Work Forms

Moving to another interesting question: What about the often-heard phrase “employers are more disloyal today”? Is there a pattern in data that workers are more disloyal? Ms Müller, a Senior Researcher at Avenir Suisse, confirmed that there is no evidence of an increase in job-hopping. Even today, some employees work for the same organisation for several years.

Are new forms of work emerging as a result of the change in work? The new technologies that are emerging today enable a new form of work. A good example is Uber as a typical developed platform. An important term here is also gig economy, which refers to a part of the labour

market where small jobs are given on a short-term basis to independent, self-employed, freelancers or marginally employed. Unlike abroad, this form of economy is not yet very pronounced here in Switzerland. According to the Federal Statistical Office, not even 0.5 per cent of people in employment belong to the gig economy.

Furthermore, digitalisation also brings a great deal of flexibility to work. Gerhard Andrey addressed one such changes brought about by Covid-19: During the lockdowns, many companies experienced a turnaround and introduced the possibility of home office, allowing employees to work regardless of location or time. This was an important signal of trust towards the employees. Nevertheless, there are new challenges, e.g. how to create shared experiences and maintain a company culture.

In conclusion, it is clear that the labour market is changing, be it in the requirements, characteristics or work structures. However, it is not technology or other disruptive changes that are decisive here, but how we as humans implement it and develop new creative forms and markets of work.

Authors:

Helder Duarte
Leandro Vaglietti

This report was produced by the NEO Network – a student think tank and network at the largest Swiss universities. NEO aims at exploring challenges, brought by cutting-edge technologies with the leading industry experts, scientists and entrepreneurs.