

# *The most extraordinary technology of all*

The role of people in a digital world

June 2015









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# Overview

*Digital success is not about securing the best technology; the true value comes from the way your people use it*

‘It is impossible to contemplate the progress...in Great Britain within the last 30 years without wonder and astonishment. Its rapidity...exceeds all credibility.’ So wrote Patrick Colquhoun in 1814<sup>1</sup> of the transformation of the manufacturing sector at the height of the Industrial Revolution. The digital revolution we’re living through has brought changes of a similar magnitude in a shorter amount of time. Credibility is indeed being stretched; innovations that seemed close to science fiction not long ago – robot butlers, driverless cars – are a reality, and some are close to becoming ubiquitous.

It’s hardly surprising that organisations and their leaders are preoccupied with keeping up with digital innovation and terrified of being left behind. Forming a technology-led roadmap and strategy as a result, is top of the business agenda. But is this really all about the technology?

We don’t believe it is; we think it’s really about people. While technology is clearly fundamental, what’s most significant is the way in which technology is changing our behaviour and the choices we make; the things we do as employees and as consumers, at work and at play. The Industrial Revolution brought automated factories but it also ultimately resulted in the rise of the unions.

Successfully navigating change is all about people. Our capacity to benefit from digital technology is enormous – we’ve only scratched the surface of what digital can do for us. But competitive advantage isn’t about the technology; it’s about the way in which organisations use, manage and inspire their people.

*Successful change of any type is always about people*

<sup>1</sup> P. Colquhoun, A Treatise on the Wealth, Power and Resources of the British Empire (London, 1814), p. 68

In this paper, we discuss five significant implications of the digital age, and their effects on the workplace. In each case, the root of the issue lies not in machines, but in people. In the race to automate, there's a risk that some organisations will neglect talent management. We believe that the priority should not be forming a digital strategy, but creating a people strategy for the digital age.



*“Man is still the most extraordinary computer of all”*

**John F Kennedy**

# 1

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*Digital means: 'Me' in a world of 'us'*





In the digital world, everyone can be heard and everyone can contribute. We live in an age where Twitter has created an army of frontline news reporters at major events and disasters and where community forums such as tripadvisor and glassdoor roar the opinions of millions. The omnipresence of mobile devices has accelerated this trend; last year we reached the point where the number of mobile-connected devices in circulation exceeds the world's population<sup>2</sup>.

We live in a networked, connected, collaborative world where anyone has infinite access to the ideas and resources of the global online community. We're creating a sharing economy, where access has become more important than ownership and where our skills, ideas and our time can be made available to anyone who needs them, or is prepared to pay for them. This has brought greater opportunities through crowdsourcing (of ideas and the money to fund them) but is also transforming the

demand/supply equation, just as the Uber app has transformed the taxi sector, by creating an on-demand market.

At the same time, digital technology has turned the spotlight onto each and every one of us as consumers. We have far more choice than ever before, and sellers have a far better understanding of what we want. Advertising and marketing has become highly personal – online adverts are based on our shopping habits, the homepages of our favourite shops are personalised to suit our tastes, and we are showered with recommendations based on what we've bought in the past. As consumers, it's all about us. We're not part of a crowd; we are all exceptional.

So what are the implications of individualism in a collective world?



<sup>2</sup> Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update 2014-2019

### ***People want to matter***

Digital has changed our behaviour– but it's also changed our expectations. In the digital world, the internal client experience for employees is just as important as the external consumer experience.

We expect to be unique as consumers, so why not as employees? The digital world has opened up a world of alternatives to us, as consumers and as employees. Other, perhaps better, options are more visible than ever through LinkedIn, glassdoor and multiple online recruitment sites – which means that dissatisfied workers are a greater flight risk than before. Organisations need to work harder to keep the people they want and to spot unhappy workers before they leave.

### **Case study: Individualising the Employee Value Proposition**

The US Army has explored digital technology as a way of improving the quality of its recruits and the efficiency of its recruiting process. PwC developed a customised version of the real-time preference analytics platform TrueChoice, which allows employers to individually tailor reward and talent management strategy by measuring the extent to which incentives, benefits and opportunities differ from an employee's expectations. In this case it was used to assess the skills and suitability of prospective recruits, giving each a personalised explanation of why joining the Army might be right for them.

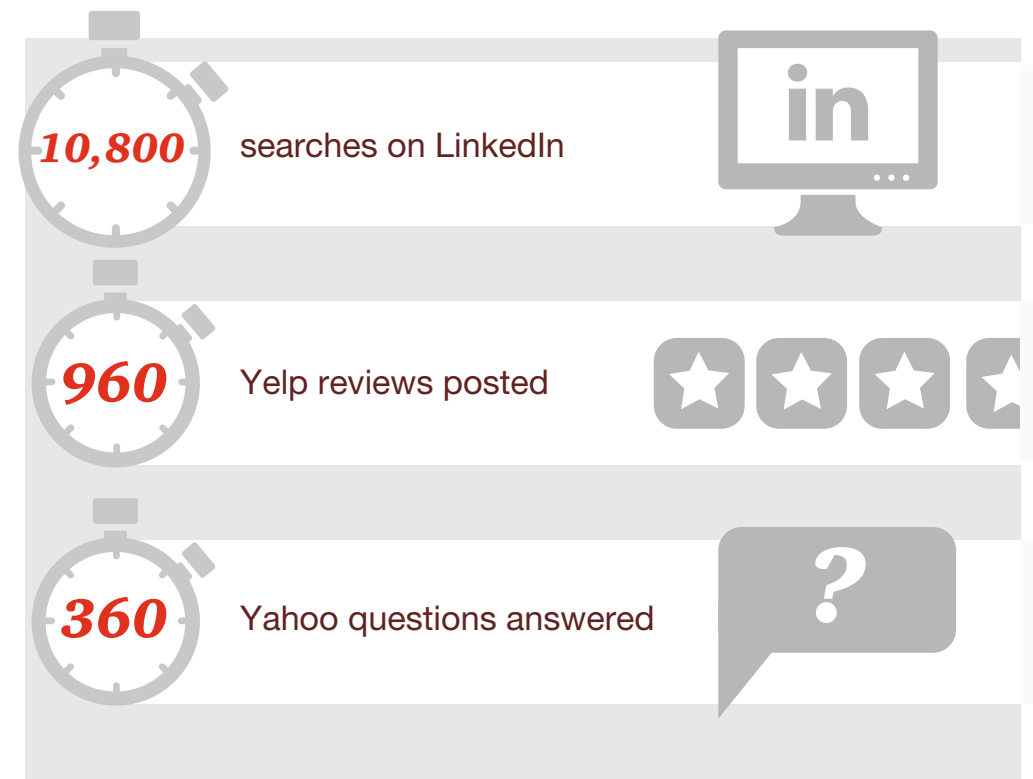
When considering that consumer technology is quickly outpacing enterprise technology, the shift in employee expectations this brings is creating a both a challenge and opportunity. Organisations that are adopting SaaS technology for HR are able to create an employee and manager experience that more closely matches their experience as a consumer. This helps meet their expectations and supports this cultural shift.

Transparency and information rule in this world. Digital technology has given us immediate access to huge amounts of information and knowledge in our lives and we expect the same at work; transparency around what we contribute and how we're rewarded for it, but also transparency around what the company does and stands for.

The powerful analytics generated allowed the US Army to predict how likely it was that each candidate would decide to join, as well as which job profile was the best fit for them. The process generated more than 250,000 incremental leads a year, doubling the recruiting funnel at no extra cost. The data collected was shared with career counsellors and recruiters, resulting in a more targeted recruitment effort, and the success rate of offers made increased by almost a third.

## ***A global community***

### ***A lot can happen in a minute***



<http://www.webpagefx.com/internet-real-time/>

<http://support.frontrange.com/common/files/content-explosion/index.html#intro>

***We expect to be unique as consumers, so why not as employees?***



### ***People are more than their demographic***

While people may have demographic traits in common that doesn't necessarily mean they'll all behave in the same way. Digital technology and analytics give us access to individual data that brings an added level of value, so the broad trends seen in certain demographic groups, can be supplemented with a more sophisticated understanding of individual behaviour. The power of analytics is that it allows us to reflect on the differences within segments of the workforce, which can be much greater than the differences between them.

The best organisations are using analytics to optimise the employee value proposition, understand better how people make decisions and value reward, benefits and career opportunities, and collect feedback and engagement data. These organisations will win.

### ***Talent on tap***

A perfect match of talent demand and supply is still the ideal rather than reality, but digital technology has given both employer and employee the power to advertise their skills and needs and seek out the best opportunities. We pointed out in our study of talent adaptability<sup>3</sup> that online professional networks give organisations access to a larger talent pool and critically, to passive candidates as well as those actively looking for a job. Similarly, talented people can explore well beyond their own borders and have access to far more information on potential employers.

This 'uberisation' of talent is creating a rise in freelance workers who are able (or obligated) to take control of their contribution to the workplace. According to our latest annual global CEO Survey<sup>4</sup>, a third of CEOs have greatly increased their reliance on contractors, part-time workers and outsource arrangements over the past year. This is the 'Orange World' we predicted in our studies on the future of work<sup>5</sup>, where innovation encourages radical new ways of working in a highly connected world.

### ***The fluid workplace***

While digital technology allows us to work anywhere and at any time, that doesn't necessarily mean that the workplace is doomed. Rather, digital has made the concept of work much more flexible – the line between work and home is blurred and people want to be able to work in the way that suits them best. The digital-savvy millennial generation, in particular, see work as a thing they do, rather than a place they go to. But even so, research consistently shows that while digital has increased the options for working remotely, the majority of workers prefer to have human interaction – whether that's at an office or a less formal meeting space.

Work increasingly crosses territorial boundaries too; which for employers raises questions about how the organisation can remain flexible enough to attract and retain talent while continuing to keep the control necessary to manage the workplace. Our recent mobility study<sup>6</sup> found that 31% of companies didn't know how many of their staff worked internationally each year – a significant compliance risk.

### ***The commoditisation of work***

As more work is automated, non-commoditised work becomes very high value. This, potentially, creates two tiers of employees. At one end are the valuable, sought-after workers carrying out specialist work, who are heavily courted and individually targeted by employers. At the other end of the scale are the mass of ubiquitous workers carrying out commoditised work (who one day may well be automated out of the workplace). The supply/demand model for each is in sharp contrast – specialised workers have a large say in their choices and respond to a highly personalised experience, while the model for commoditised work is drifting towards an uberised, 'free market' for talent where work is won by the lowest bidder, driving wages and privileges down. The result could be a world of 'haves' and 'have nots'.

As well as creating new challenges, digital technology has provided the tools that organisations need to manage the modern workplace, to create an atmosphere of individuality and to seek out workers with the specific skills they need. It's essential that HR uses the technology available to its full advantage.

***Technology should be used to its full potential to deliver truly personal messaging to your workforce***

<sup>3</sup> Adapt to survive <http://www.pwc.com/gx/en/hr-management-services/publications/talent-adaptability/downloads.jhtml>

<sup>4</sup> 18th Annual Global CEO Survey <http://www.pwc.com/gx/en/ceo-survey/2015/index.jhtml>

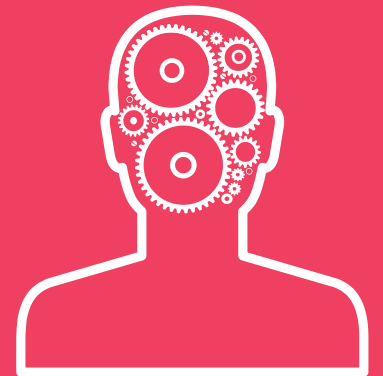
<sup>5</sup> The future of work <http://www.pwc.co.uk/human-resource-services/publications/the-future-of-work-a-journey-to-2022.jhtml>

<sup>6</sup> Moving people with purpose <http://www.pwc.co.uk/human-resource-services/modern-mobility-survey/index.jhtml>

# 2

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*Digital means: Robot colleagues*



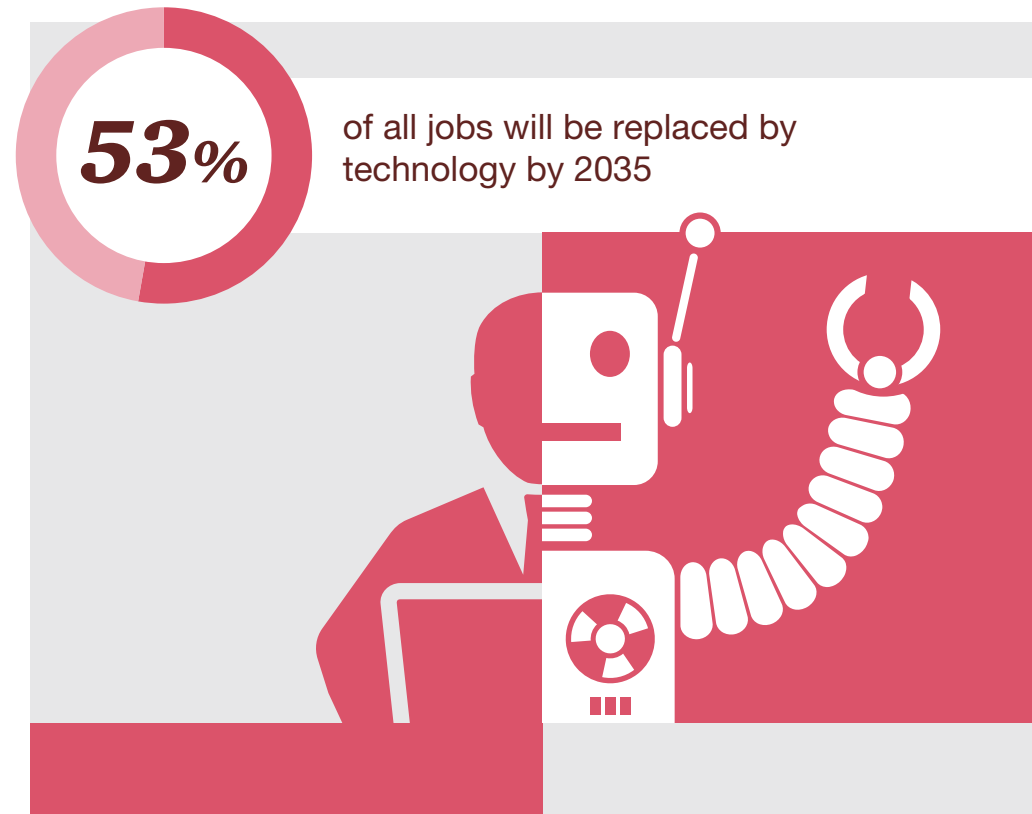
Robotics and automation are transforming the workplace, particularly in place of repetitive, high volume work.

There's a debate raging over to what extent robotics will replace humans in the workplace. So far the impact has largely been confined to the manufacturing sector and to high-volume and manual work. It's the next stage of robotics, though, that's critical; smart robots that are capable of decision-making and learning. Robotics engineers in Japan, for example, are close to completing an artificial intelligence programme that can pass the entrance exam of the University of Tokyo<sup>7</sup>.

A recent report from the UK Government's Digital Skills Committee has estimated that 35% of UK jobs were at risk of being automated over the next 20 years<sup>8</sup>, while the Swedish Foundation for Strategic Research has said that 53% of all occupations will be replaced by digital technology over the same period<sup>9</sup>.

This raises questions for governments, employees and organisations: What are the implications (and responsibilities) for companies and governments, for example, when a significant proportion of workers will be automated out of their job? Are there processes which should never be automated? How will organisations compete for the best specialised workers?

## Robot colleagues



Swedish Foundation for Strategic Research, Vartannat jobb Automatiseras, 2014

<sup>7</sup> Can a robot get into the University of Tokyo? project, the National Institute of Informatics. See [http://www.nii.ac.jp/userdata/results/pr\\_data/NIU\\_Today/60\\_en/p2-3.pdf](http://www.nii.ac.jp/userdata/results/pr_data/NIU_Today/60_en/p2-3.pdf)

<sup>8</sup> Make or break: The UK's digital future <http://www.publications.parliament.uk/pa/ld201415/ldselect/lddigital/111/11102.html>

<sup>9</sup> Swedish Foundation for Strategic Research, Vartannat jobb Automatiseras, 2014

### ***Innovate to innovate***

Many organisations are investing in automation and robotics purely as a way of reducing human headcount. But we believe this is a huge missed opportunity. The great benefit of automation is that it frees up human resources to do something that adds far greater value. It releases the imagination, emotions and ideas that only humans possess, and gives them the time to concentrate on something else. This time and power is extremely valuable to organisations, if it's put to work, as that's where innovation will come from.

So the critical question for organisations is not how much have you saved by automating, but what will you do with what you've saved by introducing automation?

### ***Rights for robots?***

What responsibilities do organisations hold for work carried out by robots? South Korea has already attempted to address elements of this last point by drawing up a Robot Ethics Charter<sup>10</sup>, setting out the rights of robots and humans in the workplace and beyond. It may seem far-fetched, but workplace regulations were written with human workers in mind; so there are many legal, social and ethical questions raised when robots take over, particularly those with artificial intelligence. Who's at fault, for example, if a robot causes an accident – the designer, programmer, owner or operator? Who should decide on the ethical systems that are built into intelligent robots?

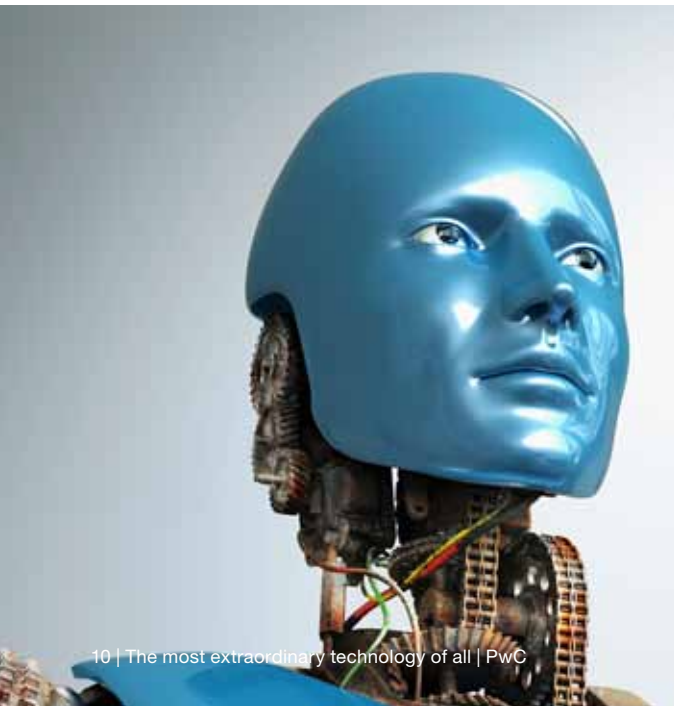
While there are obvious benefits to taking full advantage of the advances in robotics, it will eventually become standard practice for transactional tasks. Roles requiring intuition, creativity and interaction will remain a human domain; it's people who drive innovation, build relationships and make difficult decisions. The challenge lies in understanding the role played by people in a robotic world – in risk management, in leading a highly automated workplace, in encouraging innovation and in building and protecting customer relationships.

### **Case study: Learning on the job**

Ipsoft's IPcenter is a team of 'virtual engineers' – autonomic IT management that can be deployed through SaaS, cloud technology or a combination of both. Virtual engineers are already used in 5% of Fortune 1000 companies.

Unlike traditional automation, IPcenter's virtual engineers learn from each other and from humans – working together to resolve complex problems and getting smarter by 'watching' human engineers solve problems. IPsoft estimates that IPcenter resolves an average of 56% of all incidents without the necessity for human intervention.

*The great benefit of automation is that it frees up human resources to do something that adds far greater value*



<sup>10</sup> <http://news.bbc.co.uk/1/hi/technology/6425927.stm>





# 3

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***Digital means: Open-source  
leadership***



The digital world is putting more pressure than ever on leaders. CEOs are now expected to navigate a rapidly-evolving world, where technological change and other megatrends<sup>11</sup> open up not only endless possibilities but new and dangerous risks. They must lead a workplace that is more democratic and individualistic than ever and create a genius-friendly culture where everyone is encouraged to produce their best.

Ideas are an increasingly valuable currency. The ability to innovate and adapt at lightning speed is an essential competitive differentiator. Digital technology makes the ‘outside-in’ approach more accessible than ever before, opening up doors to ideas at all levels in the organisation but also outside it. Organisations are an ideas factory – but encouraging innovation and recognising the good ideas in a pool of indifferent or bad ones, is an essential and very human art.

This demands a whole different set of leadership skills: leaders who know how to corral good ideas, leaders who listen and learn, and leaders who are prepared to take risks. Leaders who can do this, and see through execution properly, will be in great demand.

### ***Managing an unstructured organisation***

The recognisable lines between sectors are becoming blurred as, in their attempts to capitalise on digital technology, CEOs are seeking out partnerships outside their industry and extending their business model beyond existing boundaries. 56% said it was likely that organisations would compete outside their own sector over the next three years, while a third said they had already entered a new sector.

But so, too, are internal divisions within organisations. The compartmentalisation of roles and businesses is becoming a rarity – in the recent past, organisational design had clean shapes and lines; today, it’s closer to a Monet painting. Collaboration is the heartbeat of these organisations, and dismantling barriers to collaboration (whether they are internal silos or cultural behaviour) is a critical role of the modern leader.

### ***Accessing ideas***

People, not technology, have ideas. What digital technology does is make those ideas more visible and accessible than before. The success of a company depends on the ability of its leaders to organise the workplace in such a way that its collective intelligence is maximised. The biggest tech companies already have a strong track record in encouraging innovation among their employees – Google’s experiment with ‘20% time’, which allowed employees a day a week to follow their own passions, was the best known but not the earliest example.

Crowdsourcing and similar initiatives are enormously effective in terms of generating ideas – good and bad – but once again, what sets successful companies apart is their ability to identify the best ideas, and then follow them. And that decision, today at least, is a human one. Leaders must be able to spot the best ideas and filter out the noise and irrelevancies – they must also be able, and willing, to take an educated leap in the dark.

### ***Maximising diversity***

Innovative companies tend to have a diverse workforce<sup>12</sup> – meaning workers with a wide range of experiences, backgrounds, education and perspectives – and that requires not only a recruitment policy that encourages ‘true’ diversity, but a workplace culture that doesn’t encourage conformity or filter out potentially brilliant misfits.

Digital technology has opened up, literally, a world of possibilities for employers, allowing them to scan new geographies, sectors and demographic groups for the diverse talent they need. Professional online networks give visibility to both employers and potential employees across borders and industries – and most importantly they also open up the possibility of accessing passive candidates who are not actively looking for a new role. In this world, the employer brand on social media becomes far too important to be an afterthought.

These are new challenges for existing leaders but also demand a new set of skills for future leaders. HR should be addressing leadership development to make sure that they are creating the leaders they need, with the skills to excel in open-source leadership.

***Ideas are an increasingly valuable currency***

<sup>11</sup> For more on megatrends, see <http://www.pwc.co.uk/issues/megatrends/index.jhtml>

<sup>12</sup> <https://hbr.org/2013/12/how-diversity-can-drive-innovation>



# Ideas are a commodity

## Are you capturing your employees' thoughts?



Each of us have 12,000 to 50,000 thoughts per day



but only 10% of companies using social networking technologies have successful internal social networks to share ideas



Ideas can mean big business. Ideas posted on Kickstarter raise over \$1.3million each day

<http://www.sentientdevelopments.com/2007/03/managing-your-50000-daily-thoughts.html>

<http://www.webpagefx.com/internet-real-time/>

<http://www.cio.co.uk/news/enterprise-apps/only-10-of-enterprise-social-networking-schemes-succeed/?sf11227311=1>

### Case study: PwC One

PwC's crowdsourcing platform and innovation service, known as 'One', allows us to harness the insights and creativity of our 18,000 people to solve issues for our clients and ourselves. The platform allows all our people, regardless of grade, location or line of service to collaborate and engage in new ways. By carefully crafting the right question, we launch innovation challenges to the 'crowd' through communication and marketing campaigns. These encourage those taking part to post ideas and comment and vote on each other's ideas to help develop them to their full potential. This collaboration filters the ideas, allowing the best to rise to the top and after review these are presented to the client for consideration. The top contributors and collaborators are recognised and rewarded for their efforts. Throughout the challenge our crowd are able to view leader boards showing the top ideas and contributors.

As an example of our client engagements, over 10,500 PwC partners and staff participated in the One Vodafone challenge which generated over 500 ideas. The top 30 ideas were reviewed by PwC and Vodafone experts. Eleven were identified as having commercial potential and were selected for further development.



A photograph of four business professionals in a meeting. In the foreground, a man with a beard and brown hair, wearing a dark grey cardigan over a blue and white plaid shirt, is looking towards the left. Next to him, a Black man with short hair, wearing a light purple button-down shirt, is also looking left with a slight smile. In the background, a woman with short blonde hair, wearing a black and white patterned top, is looking upwards and to the left. On the far left, an older man with white hair, wearing a dark suit jacket over a white shirt, is partially visible, holding a pen. On the far right, a woman with long brown hair is partially visible, looking towards the center. The background is a blurred office environment with glass partitions and lights.

*People, not technology,  
have ideas*

# 4

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*Digital means: Data, data everywhere*



One of the most powerful innovations of the digital age is analytics. Data is everywhere – generated inside and outside an organisation, from customers, suppliers and employees, in qualitative and quantitative form.

Analytics allows organisations to understand what's working and what isn't. It allows for the better matching of people to jobs and for more efficient and cost-effective recruitment and talent management. New digital innovations, such as wearable technology, have even greater potential. Information collected through smart watches, for example, allow organisations to improve employee engagement by tailoring working patterns and benefits to individual needs.

Data is the modern currency with value that extends far beyond the organisation that collects and owns it. The challenge for organisations is to make the best use of the huge volume of data that's available, while balancing our basic need for an element of privacy.

### ***Information comes at a cost***

There's a fine line to tread between the benefits of analytics and data collection and the risk of impairing the employer-employee relationship. Our latest research, for example, shows that four in ten people would use wearable technology (such as a smartwatch) from their employer, with this number rising to over half (56%) if people know the information will be used to improve such things as working hours and stress levels<sup>13</sup>. People were most willing to trade their personal data for flexible working hours, free health screening and fitness incentives, and were more open to data sharing if the information was anonymised and shared at an aggregate level.

### ***Data wranglers***

As the digital age gets into its stride, increasing volumes of data are available; the challenge is being able to trust, analyse and drive insight from it. This means developing analytic capabilities in areas where they may not have traditionally existed. While in the short term, this will simply lead to a premium on those with data and analytics credentials, in the longer term, organisations will need to think about improving the digital skills of their entire workforce in order that they can operate fluently in a world where analytics are an expected part of everyday transactions.



<sup>13</sup> Study of over 2,000 working adults in the UK





### **Managing global data**

Data management becomes all the more challenging in a fluid, internationalised workplace and this is placing strain on many HR systems. The sharing of employee data must span geographic borders and meet increasing demands for accurate, real-time information; the ability to confidently, quickly and rapidly track and report compensation and other employee information is fast becoming a business imperative.

The enormous volume of data that's already available, together with the data that potentially could be collected in the near future, is a tempting prospect for organisations. But it's quality of data, and not quantity, that matters – even a relatively small amount of data, if used well, can bring significant benefits.

### **Case study: Everything you need to know**

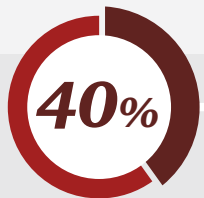
Verizon established its Precision Marketing Insights Division in 2012 to explore ways in which companies can improve the targeting of their advertising. It uses data and location tracking from Verizon-enabled mobile phones to track the behaviour of consumers (through anonymised data). One project with the US basketball team the Phoenix Suns identified the demographics of fans attending particular games and the success of specific promotions. For example, Verizon was able to identify the percentage of fans that had travelled from out of town to attend the game, the most common age range and salary bracket of fans, and the increase in customer traffic at fast-food chains that were linked to a team promotion in the 24 hours following a game.<sup>14</sup>

<sup>14</sup> International Institute of Analytics Analytics in sport: The new science of winning by Thomas H Davenport, February 2014

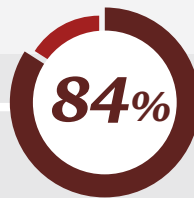


# Data, data everywhere

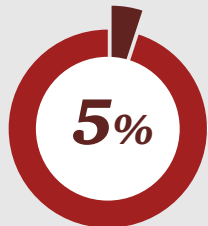
*Are you using data to provide insight, or merely collecting it?*



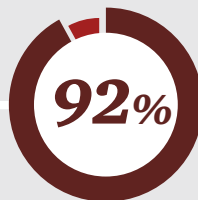
of companies said that data is the largest factor in decision making



of companies believe big data could shift the competitive landscape



increase in average return on equity if data is used effectively



of companies who use big data meet or exceed their business goals



*“Digital is everywhere, with digital skills now seen as vital life skills. It’s obvious, however, that we’re not learning the right skills to meet our future needs. Our... approach to educating people of all ages needs a radical re-think. From an early age we need to give digital literacy as much importance as numeracy and literacy.”*

**Baroness Morgan,**  
Chair of the UK’s Digital Skills Committee

PwC’s 17th Annual Global CEO Survey

<http://www.zdnet.com/article/big-data-is-a-competitive-advantage-companies-can-no-longer-ignore/>

<http://www.forbes.com/sites/forbesinsights/2013/11/15/survey-demonstrates-the-benefits-of-big-data/>

# 5

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***Digital means: A new form  
of trust***



Trust is even more essential in the digital world, even if that trust is sometimes tested or broken. Consumers and employees trust retailers, service providers and employers to protect the increasing amounts of personal data they hand over. Employers trust their employees to work, even if they're not in the office. But while trust has become more important, it's not the same concept of trust that we knew before.

In the days before social media, as consumers we trusted brands and companies because of our own experiences. We might ask friends for recommendations, but our access to information was limited. Digital technology has given us access to the opinions of millions of people. Evidence and opinion is crowd-based and instantly accessible. We don't trust tripadvisor, but we build an approximation of trust based on the views of millions of people who contribute to it.

The same is true for employers – LinkedIn, glassdoor, career portals, forums and best places to work surveys are at our fingertips. We don't inherently trust an employer brand – we validate and test our views against this abundance of information.

So what are the main implications for organisations and talent management?

### **Consumerisation of technology**

More and more employees expect and want to use their own devices and the applications and cloud services that they're familiar with at work because they believe it makes them more productive. According to our Millennials at Work<sup>15</sup> study, over half said they routinely make use of their own technology at work, and 78% said that access to that technology makes them more effective.

As more workers use their own devices at work, and become responsible for the work as well as personal data they hold in their own cloud accounts, a greater level of trust is demanded from both employer and employee. Who is responsible if cloud data is stolen or a device hacked? If disabling software is installed to protect the employer,



what is the employer's responsibility for any personal information lost? If the company comes under investigation by the authorities, will personal devices and data have to be handed over? A clear policy for cloud data and for personal devices used at work, one that is endorsed by employees, is essential.

## ***A new form of trust***



<http://searchengineland.com/2013-study-79-of-consumers-trust-online-reviews-as-much-as-personal-recommendations-164565>  
<https://hbr.org/2014/04/why-a-quarter-of-americans-dont-trust-their-employers/>  
[http://pwc.blogs.com/press\\_room/2015/04/half-of-people-would-use-a-workplace-smartwatch-pwc-research.html](http://pwc.blogs.com/press_room/2015/04/half-of-people-would-use-a-workplace-smartwatch-pwc-research.html)

<sup>15</sup> <http://www.pwc.com/gx/en/managing-tomorrows-people/future-of-work/assets/reshaping-the-workplace.pdf>

### ***The demise of paternalism***

The paternalistic relationship between employer and employee is disappearing, partly as a result of a more mobile, independent workforce but the trend towards remote working, enabled by digital technology, has also played its part. Younger generations of workers no longer expect to remain with the same employer for most of their working life; 54% say they expect to work for between two and five companies during their career and a quarter expect to work for six or more.

As a result a less dependent, more balanced deal between employer and employee is emerging. In the past employees' trust in their employer was implicit and blind but the balance of power has shifted; employees now expect to be trusted to carry out what's required of them, but at a time and place that suits them.

### **Case study: Chips with everything**

Volunteer workers based in Epicenter, a new office block in Sweden, are field testing a microchipping system that replaces the traditional swipe-card and smart-card entry, payment and tracking systems used in many modern buildings. The workers have a small RFID (radio-frequency identification) chip inserted under the skin in their arm or hand – the chip opens external and internal doors and allows access to photocopiers within the building. Further services can be added, including a cash-free payment in the office canteen.<sup>16</sup>

***How far to go?*** Data is extremely valuable in the digital world and employers are becoming custodians of an ever-increasing volume of information about their customers and employees. Wearable technology brings even greater potential to gather information and track the movements and performance of employees, but everyone has their own individual limit to what they're willing to provide. Microchipping of employees might gather useful data, but what will be the impact on engagement and morale?

Trust in the digital age is a difficult path for organisations to navigate as it's closely intertwined with risk, security and privacy. It's essential to remember, though, that availability of information underpins the workplace relationship. Nothing is hidden in the digital world – the views and opinions of customers and past and current employees are available for everyone to see, and employees expect a clear explanation of what they're contributing and how they're rewarded for it. For that reason alone, it's impossible to build trust without transparency.



***In the digital world, you can't build trust without transparency***

<sup>16</sup> <http://www.bbc.co.uk/news/technology-31042477>



# 10 actions to succeed in the digital age



## **'Me' in a world of 'us'**

- Look beyond basic demographic groups and fully embrace personalisation of the workforce
- Use technology to its full advantage in personalising your business; from communications to reward packages



## **Robot colleagues**

- Define a future technology roadmap that takes into account innovations in automation such as robotics
- Decide how you will motivate and reward teams of people and robots alike



## **Open-source leadership**

- Ensure your company's culture and structure support idea creation and sharing
- Equip your leaders with the tools and mindset to become truly open-source



## **Data, data everywhere**

- Capture and use accurate data from your HR, SaaS and other systems to inform key strategic decisions, including reward, mobility and employee engagement
- Up-skill your workforce to become digitally savvy and maintain through training and frequent digital discussions



## **A new form of trust**

- Assess your policy for cloud and personal data, ensuring it is right for your organisation
- Have your leaders ready to build trust in a world where the truth can't be hidden

# *Are you ready?*

*During a transformation as rapid and life-altering as the digital age, the most dangerous thing an organisation can do is lose sight of the value of its people. The best, most innovative technology in the world won't create value on its own – the greatest value comes from the way your people make use of the technology around them.*

*Success in the digital age doesn't come down to securing the latest technology or by cutting costs through automation; it comes down to striking the right balance between digital and human innovation. **A people strategy for the digital age.***



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