

WHAT WILL WORK ENVIRONMENTS LOOK LIKE 10 YEARS FROM NOW?

We asked Bonn-based labor economist Alessio J. G. Brown.



Alessio J. G. Brown is the Director of Strategy and Research Management at the Institute for the Study of Labor (IZA) in Bonn.

Q *Mr. Brown, which changes should we prepare for?*

A **Alessio J. G. Brown:** Firstly, work is going to become more flexible. We will increasingly be able to make our own decisions about where and when we work. Secondly, work is going to become more heterogeneous. Instead of having a clearly defined job for many years, we will participate in flexible projects with a given set of skills in the future. This will make people's life stories more diverse and their career paths more open. In addition, the employment rates of women, senior workers and qualified immigrants will rise. Thirdly, work is go-

ing to become less formal. Fixed employees and independent experts from the crowd will form virtual teams in which hierarchies will become less important. The fourth change is that work is going to require more adaptability and willingness for lifelong learning. Finally, work is still going to fulfill us in the future, as long as we embrace the newfound flexibility.

Q *Will our children's work environment be unrecognizable compared to ours?*

A **Brown:** That is very difficult to predict. The fact that the world is changing is nothing new, but the speed at which it is currently doing so is. Work will not escape us, but many professions that seem self-evident to us now will disappear, and this includes both simple and sophisticated jobs. At the same time, the digital economy will grow: With half a million employees in Germany, it is already nearing the scale of the automotive sector today. Our children won't just be in competition with workers from around the world, but also with machines and artificial intelligence. In terms of creativity, social skills, autonomy, entrepreneurial thinking, empathy and communication skills, however, humans are still ahead of the robots.

Q *Isn't there any way to avoid the change?*

A **Brown:** No. We are already in the middle of it, and more changes are coming our way. Those who want to remain competitive should start preparing for it now – this applies to both companies and workers. Every technological development has improved our living standards and led to more welfare in the past. We should see the change as an opportunity for our life plan and work on acquiring the key qualifications that will be required.



IF ONLY WE KNEW WHAT WE KNOW

Among the many activities that promote the sharing of knowledge in the Group, you'll find the centrally organized or technically specialized Barcamps, which are open to anyone who is interested and in which the speakers choose the agenda. At the forecast markets, each department can initiate a market research study on sales expectations or customer behavior by surveying employees. At the first "Magenta MOOC", 500 employees from various countries virtually collaborated on topics such as "simplicity" and "internal entrepreneurship".

Q Are you sure that this development will be good for people?

A **Brown:** Studies show that flexible jobs which also afford individual responsibility and autonomy are associated with higher motivation and personal fulfillment. The expectation of a better compatibility between work and family will grow precisely because the technical means for it are now available. Due to increasing heterogeneity, it is going to become increasingly simple to put a work contract on hold to undertake further training or to come back to work after a break. The more people recognize the benefits, the more they will take advantage of them.

Q Let's talk about the dark side of the future work environment.

A **Brown:** There will be challenges, absolutely. Generally speaking, work is going to become less clearly defined. The boundaries between people's work and personal life will blur. Self-management and good leadership will be needed to prevent excessive stress. It will also be important to prevent company-borne risks from being transferred to the individual person. The growing numbers of crowd-workers will require stakeholders to obtain social security.

Q How will company structures and culture change?

A **Brown:** These things are already changing today. In the IT and communications sector, 47 percent of companies already have home-office policies in place. This is true of only 17 percent of companies in other sectors. A lot is going to happen in this respect going forward: There will be new work hours, offers for further training and employee participation. Companies will open themselves up to migrants, and this will foster innovative thinking and international networking. HR departments should prepare for the fact that applicants will increasingly make aspects such as work-life balance a priority. Companies that offer it will have an easier time retaining employees. New pay models will reward individual success, but also include share ownership. Google already applies this model, and it has significantly improved employees' performance.

What does this mean for DT employees, Mr. Moussavian?

"History has taught us that industrial revolutions don't lead to job losses, quite the contrary. Digitalization is a job motor, too – provided that companies don't cling to old structures. Playing catch up with development is fatal. That's why we began to shape it years ago. You can tell by the fact that project work is becoming more important at DT, as are cross-functional collaborative communities. Examples include communities of practice at T-Systems and the "Working differently" initiative in Germany. In general, we support employees applying their skills to different fields: Today, it's normal for an innovation manager to transfer to HR or a financial expert to switch to Product Development. Departmental boundaries are opening up. The Telekom Barcamps, the employee incubator UQBATE and open idea contests like the Telekom Innovation Contest are an expression of this culture. I want to emphasize what Alessio Brown says about lifelong learning: Continual further education is a key issue. It's not enough to be competent in your own field – you also have to acquire a solid base of technological skills. This means taking initiative and being open to change. At DT, employees can learn with and from each other worldwide through Magenta Moocs (Massive Open Online Courses). We are also looking for new ways to use customers' and employees' knowledge, for example with our social media business activities and the forecast markets. These collaborative instruments aren't gadgets or nice little add-ons to our work: We need them to keep up with the global, digital competition. Of course, this only works if managers promote flexible working in keeping with Future Work and use digital tools or innovative methods like design thinking. As for the "dark side": In light of our work-life and health management, codetermination and legal framework conditions, I'm confident that we're doing what's best and developing employee and corporate interests harmoniously."



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