THE VERY HUMAN FUTURE OF WORK
Your typical workday in 2030 may begin with the smell of bacon. You haven’t left the bed in your London home yet, but your implanted biochip told the appliances in the kitchen to start making breakfast (with extra crispy bacon, please). After you get dressed, the heads-up display embedded in your suit informs you the car taking you to the airport has arrived. While on the four-hour suborbital flight to Shanghai for a face-to-face meeting with a key client, you beam into a holoconference to talk with your Brazilian colleagues about a possible regional acquisition. After your Shanghai meeting, you fly back to London to be with your spouse for dinner, a stir-fry your smart kitchen started preparing the moment you landed.

The technology to make all these things possible is either here now or isn’t that far off. But how important are you, the human, in this whole picture? Maybe your client’s computer could have talked to your computer—or even your suit’s computer—without you ever having to leave your bed. Meanwhile, a software program could determine that a South American acquisition would be a money-losing proposition, and then inform your Brazilian colleagues. In a world where cars can drive themselves, hospitals can perform surgeries with robots and computers can negotiate corporate mergers with one another, do you really need humans to get work done?
It’s a legitimate question. Since the 1980s the share of the U.S. economy devoted to labor has fallen precipitously, a trend seen across the world, particularly in developed nations. Much of that decline can be attributed to businesses’ substituting workers with computers or other technological replacements, according to a study by University of Chicago economists Loukas Karabarbounis and Brent Neiman. And in 2013, Oxford University researchers Michael A. Osborne and Carl Benedikt Frey said that nearly half of U.S. jobs could be done by machines within 20 years.

But as it turns out, there’s a strong and emerging case that the future of work is going to involve humans. In fact, the evidence suggests we’re indispensable. It’s human talent, not capital or technology or anything else, that is the key factor linking innovation, competitiveness and growth in the 21st century, says Klaus Schwab, founder and executive chairman of the World Economic Forum. Work, he says, shouldn’t be a race between humans and machines, but a part of life that helps people recognize their full potential.

And, in a twist, experts say human talent becomes only more valuable as technology grows. It will be humans, not robots or artificial intelligence software, who will brainstorm new ideas, inspire others and drive organizations to succeed. That’ll be the case on factory floors in Shenzhen, corporate boardrooms in London, clothing studios in Brooklyn and everywhere else there’s work to be done. “Computers are good at the jobs we find hard, and bad at doing the ones we find easy,” says Michael Priddis, CEO of a soon-to-be launched AI research and development agency in Australia and former leader of Boston Consulting Group’s Asian Digital Ventures practice.

Briefings investigated the future of work from the ground up, from jobs that will grow the fastest to the impact of technology in the C-suite and boardroom. In each case, machines will play supporting actors, but human talent still has the leading role.

As part of a study commissioned by Korn Ferry, the Centre for Economic and Business Research, a leading British economic consultancy, reviewed the financial contribution workers make toward the economy, comparing it with other assets. The findings: Globally, human capital—people, labor, knowledge—will be worth as much as $1.2 quadrillion over the next five years. In contrast, physical capital—inventory, real estate and technology—will be worth an estimated $521 trillion. Human talent and intelligence is 2.33 times more valuable than everything else put together. The study spans eight countries, and each nation tells the same story (see “The World’s Most Valuable Asset,” page 37). Even in the United States, the home of Silicon Valley and the mantra “Innovate or Die,” human capital will be worth $182 trillion more than physical capital.

The study cites two reasons people outperform even the most sophisticated technology: potential and appreciation. An individual’s potential is not fixed—it can be influenced, enhanced and unleashed to the benefit of the organization. As people grow in knowledge, experience and seniority over time, they bring even more value to the business. In contrast, machines typically operate at a limited maximum output and depreciate over time.

Yet many of today’s business leaders suffer from a technology blind spot. Faced with increasing pressure to generate increased performance and greater gains for shareholders, CEOs are attracted by technology’s claims of greater performance, done faster and cheaper. In a separate Korn Ferry Institute study, 800 leaders shared their views on people’s place in the future of work. Two-thirds said that technology will create greater value than people will. Some business leaders went even further; 44 percent said they believe the prevalence of robotics, automation and AI will make people “largely irrelevant.”

Perhaps those high figures shouldn’t be a surprise. A listless global economy has leaders scrutinizing every asset to uncover new ways to boost performance. Plus, companies that appear to be successful
thanks to technological innovations are getting rewarded in the marketplace. For example, the online home-sharing site Airbnb has been around for less than a decade and has fewer than 3,000 employees worldwide. Yet Airbnb’s estimated valuation of around $30 billion is about the same as its largest bricks-and-mortar competitor, Marriott International, which has been around since 1927 and has more than 100,000 employees.

And yet those valuations are masking a more universal truth: Technology alone likely won’t deliver the uplift in performance that organizations seek. Smartphones, data-collecting industrial parts and other innovations of the Digital Age are amazing, but none of them pack the productivity-boosting power of the lightbulb or the telephone. Indeed, apart from a short burst between 1996 and 2004, the digital technology revolution actually hasn’t boosted overall productivity.

“ Asking technology to do all the work and excluding people is a mistake,” says Jean-Marc Laouchez, global managing director of solutions for Korn Ferry Hay Group. “In the future of work, leaders must recognize and capture the value of all their resources to succeed.” Indeed, the Korn Ferry study found that every dollar invested in human capital generated more than $11 in economic output.

Airbnb offers a strong example of what can happen when people are enabled rather than replaced by technology. The firm might have fewer than 3,000 people on the payroll, but it depends on tens of thousands of creative, ambitious and talented human hosts to supply those 2 million rooms worldwide. Technology may connect hosts to potential guests, but Airbnb has no business without the hosts.

“Talent Trumps Tech” idea applies to the executive suites, too. Yes, the boss likely will be able to use technology to instantly get real-time data about the firm’s pipeline of sales, cash flows, threats from competitors, even the value of individual customers, perhaps all from that previously mentioned heads-up display in a suit. At the same time, it will be easier for CEOs to get concrete business options from intelligent software. These AI-infused programs can use current data and past experiences to identify trouble spots or opportunities and make recommendations to improve the business.

However, no app or robot is going to make the final decision on what business strategy to pursue, or whether to open a new office in Austin or Amsterdam, or whether to merge with a rival firm. “I’ll never say never, but I can’t imagine CEOs giving up those decisions,” says Nels Olson, vice chairman and co-leader of Korn Ferry’s Board & CEO Services practice. “Artificial intelligence will be there to provide input.”

Even if robots could make decisions in 2030, a human workforce likely wouldn’t take orders from them. The toughest future job for a CEO is one that’s tough today: getting the most out of the workforce. CEOs will have to motivate four distinct generations: Generation Xers, millennials, Generation Zs and, surprisingly, a large number of baby boomers. In the U.S. and many other countries, the workforce also will become more ethnically diverse. “Never have CEOs had to lead such a diverse group,” Olson says. “You’ll have all those different generational issues, plus a machine weighing in. It will be the Wild West, and agility will matter even more.”

At the same time, successful CEOs also will have to be more transparent in their words and deeds because the world’s information is at everyone’s
Baristas expected to know the terroir behind each coffee they brew? Mechanics with math degrees? Mapmaker as the hot job to have? We talked to a host of labor pros, perused government statistics and used our own Korn Ferry database of 20 million jobs to see what 2030 might hold.

**Aircraft Technician**

Airline mechanics are most often associated with dreaded flight delays, but keeping planes flightworthy and meeting government standards is going to be a premium skill over the coming years.

Soon every part of a major aircraft will have a relationship with a major computer system, says aviation industry expert Mike Boyd of the consultancy Boyd Group International. To interpret all the data, an aircraft mechanic will need to be as handy with software code as he or she is with a wrench. “Instead of an aircraft tech getting hired from a Ford dealer, you’ll have someone getting hired out of MIT,” Boyd says.

**Barista**

Do you really need a human to serve you coffee in the morning? Some insist technology will automatically order and serve that mocha latte venti. But Jacob Morgan, author and host of the Future of Work podcast, says the number of people who appreciate artisan, handmade coffee is going to increase, and people want humans who knows their beans. “We could see the rise of the superbarista, someone like a sommelier,” Morgan says. In a world getting increasingly more complex, experts say there will be a large group of java drinkers craving the small, simple personal touches a barista can provide.

**Nurse**

Future nurses will be valued for one of their most traditional character traits: empathy.

Intelligent machines may give medical professionals information about diseases and diagnoses in real time, but they lack any bedside manner. That opens the doors for nurses to become empowered to analyze the new info and inform patients. “Nurses are perfectly placed to be the interface between an artificial intelligence system and the patients and their families,” says Graeme Codrington, founder of the strategy firm TomorrowToday.

**Logistics Officer**

By 2030, logistics and supply chain professionals will resemble dolphins. Not physically. But just as Flipper’s hearing is adapted to detect faint signals in both air and water, tomorrow’s supply-chain professionals will be as comfortable in a factory or a finance meeting as they are adept at gleaning critical insights from the troves of product, customer and other digital data. “The company recruiters that come to us are still looking for leaders to run an operations group or a planning department,” says Bruce Arntzen, executive director of the supply chain management program at Massachusetts Institute of Technology. “But they want leaders who can do the math—who are comfortable swimming around inside a large database.”

**Cartographer/Photogrammetrist**

It may be the biggest boom for mapmakers since the discovery of the New World. The U.S. Bureau of Labor Statistics predicts a 30 percent growth by 2024 for cartographers and the like, or four times faster than the broader job market.

Modern cartographers use data to help visually track disease outbreaks, identify traffic bottlenecks or model a company’s orders from customers. Combine that with the constant demand for reliable, up-to-date maps on phone apps, and cartographers will be in demand for years to come. Photogrammetry is a similar skill, taking measurements of physical objects from film or radar and creating mathematical location models, a skill used in architecture, engineering and even police detective work.
fingertips. Bill George, senior fellow at Harvard Business School and onetime CEO of Medtronic, tells the Harvard Business Review that authenticity is key to connecting with all those disparate groups. “If people see their leaders as trustworthy and willing to learn, followers will respond very positively to requests for help in getting through difficult times,” George says.

Finally, the future CEO needs to help that human workforce manage change. How people work is being altered not only by all the technological innovations, but also population demographics, the emerging global middle class, even climate change. Social skills—such as persuasion, emotional intelligence and teaching others—will be in higher demand across industries than narrow technical skills, according to a survey of chief human resources officers by the World Economic Forum in 2015. Investing in skills, rather than just hiring more workers, is the key to successfully managing disruptions to the labor market for the long term. Many leaders, although not everyone, already understand that; 65 percent of the CHROs surveyed said their CEOs are investing in an effort to reskill employees.

The company CEO will still be human in 2030, but what about the board of directors? Board members who just use anecdotal evidence and 30 years of gut experience to evaluate major decisions aren’t going to cut it in today’s environment, says Warren Stippich, who advises corporate boards as a partner in Advisory Services at professional-services firm Grant Thornton LLP. In many cases, adding an artificial-intelligence tool to the boardroom, Stippich says, could help synthesize the massive amounts of data board members are being asked to review and help improve decision-making.

Robots on the board isn’t that uncommon of a dream. In another World Economic Forum survey, nearly half of executives said that there will be an AI appointed to a firm’s board of directors by 2025. Already, IBM Corp. is using an algorithm to help its directors evaluate potential acquisition targets. (Big Blue hasn’t yet put a supercomputer on its corporate board.)

AI can give corporate board members the information and time they need to evaluate strategic decisions and senior leadership. But being able to bring context to a company’s vision and mission remains a very human quality, says Thomas Davenport, a fellow of the MIT Sloan Initiative on the Digital Economy and a professor at Babson College. “Executives who see the big picture are able to answer the critical questions that will guide their organizations’ future.”

The humans on successful future boards will look different than today’s group; they won’t be mostly old white men, experts say. They won’t always meet in the same room at the same time to make decisions, either. The directors also will have different skill sets to keep pace with the changes in business competition, government, security and technology. Tom Cheesewright, a futurist and author of “The Applied Futurist’s Manifesto,” envisions board directors taking on roles such as “agility coach,” a director responsible for helping companies realign to meet changing needs, and “technologist at large,” a director who alerts the board to the threats and opportunities of new technologies.

However, while the composition of boards may change, a director’s core mission won’t. In a world of hypercompetition and increased shareholder activism, board directors have to provide good governance, says Sarah Hewitt, an attorney who helps entrepreneurs establish boards at their companies. “I hope people will be more anxious to jump in and participate.”

Additional reporting by Shannon Sims and Christopher O’Dea.
The value of human capital is significantly higher than that of physical assets across the world, even in nations such as China and India, where agriculture remains a significant part of the economy.

SOURCE: KORN FERRY

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