

THE WORLD OF WORK TO 2030

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A PRACTICAL GUIDE
TO FUTURE-PROOFING
YOUR BUSINESS AND
YOUR CAREER

BLOOMSBURY

A book that helps make sense of the megatrends playing out in the world today and, as a result, how individuals can future-proof their businesses and careers.

In the context of work, consider two headlines that we face on a regular basis. Firstly, that the financial reality is few of us can afford to retire and, secondly, that robots and AI are destroying the very jobs we need to make a living. How are these two realities compatible?

At the same time, the business landscape is full of hazards, with globalization, technology, talent shortages, changing consumer choices and politics all making it harder to create and maintain success. Competitors seemingly arrive from nowhere overnight, challenging and upending our markets.

It is all up in the air, it is all happening at once and it is happening to all of us. From any perspective – personal or corporate – shouldn't we seek to understand what is happening and prepare ourselves for what is coming next?

The World of Work to 2030 is a practical book that addresses these challenges. With a timeline to enable immediate action to be taken, and backed by extensive research, it is aimed at anyone who wants to know how to navigate the commercial and personal uncertainty of the future. The book considers the megatrends playing out in the world today and then, through a series of lenses, explains how businesses and individuals can future-proof themselves. Illustrated through a broad range of case studies applied to markets around the world, this is a smart examination of the future of work and how to overcome its challenges.

CHAPTER ONE

Introduction – scene setting and background

If you fell asleep in early 2020 and have just woken up, it's a fair bet to say that you would be shocked at what you saw. Whichever lens you choose for viewing the world – economic, business or personal – the landscape would be unrecognizable from what you knew. In just three years the COVID-19 pandemic touched every aspect of our lives and rewrote the rulebook.

But even as we struggle to grasp the continuing impact of COVID-19, it is 'just' another in a series of trials we have had to face this century including wars, terrorism, austerity, The Great Recession of 2008/9, shifting economic power, and 9/11, all exacerbated by the uncertain and changing political environment. On some measures we have faced more change in the past 23 years than any previous 23-year period in our history. Our collective challenge is that this pace of change is not letting up, it is accelerating.

Justin Trudeau, the Prime Minister of Canada, summed this up neatly at the World Economic Forum (WEF) conference in Davos on 23 January 2018, where he said: 'Think about it: The pace of change has never been this fast, yet it will never be this slow again.' Given this was said before the pandemic, it seems somewhat of an understatement and yet, deep down, we know that it is so true. Almost wanting to prove Mr Trudeau correct, the Paris Peace Forum conference held on 11 November 2022 was entitled 'Riding out the multi-crisis.'

Both comments encapsulate the moment. But while we know the world is changing, it is changing far faster than we realize, and as it changes it becomes more complex. This book considers this from a business and a personal perspective, what it means and how we can prepare to future-proof our businesses and our careers.

The personal perspective

Work, we underestimate its importance

Consider 'work'. Work remains a dominating and defining part of our lives. We spend one third of our time doing it; increasingly more time than we spend with our loved ones. To show how dominating it is, just think about the conversation you have whenever you meet someone new for the first time. It is highly likely that after enquiring about their name some of the first questions you ask are: 'what do you do?' and 'who do you work for?' And off the back of these three answers, we consciously measure and appraise, and our inner voice rears its head making comment.

Work is, and has always tended to be, one of the most defining aspects of our lives. It is of course how we earn money to become economically active. But work is far, far more than the simple monetary transaction. Work is where we obtain purpose and meaning; where we meet friends, socialize and have community (and in an increasingly secular society it is one of the few remaining places where we can get a sense of community); it is where we get motivated and engaged; where we can create and solve.

On the flip side, work can also drive us to utter exasperation and frustration; where we feel our efforts are a waste of time; where we feel unvalued, unloved and taken for granted; where we feel stressed. This all has an impact. There is already a large bank of research detailing the connection between how we feel about work and how we are treated at work to the direct impacts this has on our health (both mental

and physical), on our well-being and, most worryingly, on our life expectancy. Consider just three reports:

- According to *Forbes*, 'new data shows that for almost 70 per cent of people, their manager has more impact on their mental health than their therapist or their doctor – and it's equal to the impact of their partner.'
- *The Macleod Report* found that '54 per cent of the actively disengaged say that work stress caused them to behave poorly with friends or family members in the previous three months, against 17 per cent of the engaged. More alarmingly, 54 per cent of the actively disengaged say their work lives are having a negative effect on their physical health, versus 12 per cent of the engaged.'
- *The Stress Institute in Stockholm* found that 'employees who had managers who were incompetent, inconsiderate, secretive, or uncommunicative were 60 per cent more likely to suffer a heart attack or other cardiac condition.'

Work, let's hope we enjoy it!

Parking, for now, the psychological and emotional impacts of work, let's consider one of the most quoted work-related headlines today and, frankly, maybe the scariest aspect about work... *how long we are going to have to do it for.*

The reason for this is simple: we are all living longer. Between 1969 (when the author was born) and 2020, life expectancy at birth in the UK increased from 75 years to just over 90 years for women and from just 68.6 years to 87.3 years for men. (These figures, which are for 2020, represent a reduction – in 2012 life expectancy at birth for girls was 95 and for boys 91.8 years.) The author's daughter has a one in three chance of receiving a telegram from a future king or queen to celebrate reaching the age of 100. The author only has a one in eight chance – and he is already over halfway there.

The King James Bible, first published in 1611, writes in Psalm 90: 'The days of our lives are threescore years and ten.' This landmark was not reached for men in the UK until 1977 – women reached that milestone in 1948.

This significant increase in our time on this Earth is a remarkable achievement. Potentially even more impactful is that at the same time as living longer, we are able to live a fuller, active life for longer.

Work, it is all about the money! But not as we know it. But this all comes, quite literally, at a cost. It is all very well living for longer and being active, but an increasing amount of that additional active time will have to be spent working. Quite simply, in a lot of cases, we simply will not be able to afford to retire. Long gone are the days of Defined Benefit (DB) pension schemes where the pension you received in retirement was linked to your years of service and your final salary. Never again will we see repeats of the 1980s or 1990s when swathes of the workforce took early retirement in their mid-50s with their pensions being topped up to ease their exit from the business.

In January 2023, the Office for National Statistics (ONS) in the UK reported that the average pension pot size by age of the population was as follows:

Age group	Average size of pension pot
16–24	£2,700
25–34	£9,300
35–44	£30,000
45–54	£75,500
55–65	£107,300

The Retirement Living Standards (RLS) are based on independent research by Loughborough University. They detail the *annual* income required to achieve a defined standard of living in retirement and their figures for 2023 are:

Retirement standard	UK (Excluding London)		London	
	One person	Couple	One person	Couple
Minimum	£12,8000	£19,900	£14,300	£22,400
Moderate	£23,300	£34,000	£28,300	£41,400
Comfortable	£37,300	£54,500	£40,900	£56,500

Notice the challenge. The ONS set of figures shows the size of the entire pension pot – i.e. the money to fund the *entirety* of one's retirement. The RLS figures show what you need to spend *annually*.

The reader of course will choose the living standard they aspire to in retirement, but you may be surprised by what each level contains – or, more worryingly, what each does not. Firstly, these figures assume you have no housing costs whatsoever – i.e. no rent and/or mortgage. Over this, the *Minimum* level listed allows for £54 per week for all food, £580 per year for clothing and footwear, has no budget for a car and allows for holidays in the UK for one week and one weekend per year. The *Moderate* level broadly equates to earning just over the equivalent UK minimum wage and the *Comfortable* level allows for £144 per week for all food, £1,500 per year for clothing and footwear, three weeks of European holidays and a car to be replaced every five years. As one article says: 'if you want those little extras in life, perhaps some expensive hobbies like golf, or multiple holidays, you'll need to add those costs on top too.'

The math shows that to retire today, in March 2023 (the time of writing), a comfortable standard of living means you need a pension pot (not taking the state pension into account) of £869,533, or a pot of £627,844 if the current state pension of £9,627 is taken into account. That equates to eight times or six times respectively the size of the average pension pot of anyone aged 55 to 65. The answer is simple: few of us can afford to retire.

It is easy to see that the word *pension* may become an anachronism to most people under the age of 40. Indeed, from that data it is no surprise that 24 per cent of Millennials – that cohort born between

1981 and 1996 and (in 2023) aged between 27 and 42 – think they will *never* retire (this statistic was pre-pandemic before the recent bout of inflation further tarnished any retirement plans). Or, more accurately, they think that they will be able to consider retiring only when they inherit from their parents (assuming of course that the costs of healthcare and support have left anything behind to inherit). And it may get worse. In the UK, the retirement age is due to rise from 67 to 68, and recent reports have indicated that the government may bring this date forward by eight years.

The data is clear. For the vast majority of us, our pension pots are nowhere near sufficient. We cannot afford to retire. We need to keep working.

The depressing truth

Your author is currently 53 and left university just over 30 years ago, aged 22. The somewhat depressing truth is that I am not, as I would like to believe, two-thirds of my way through my working life; the actual answer is closer to a half. Broadly I have slightly less time left in work than I have already been in work. At the same time, we are educating our children for careers that will span 60, 70 or maybe even 80 years.

Consider what that means. The author has been in work for 30 years and needs to consider working for another 20–30 years. Rewind my career and let's review what I have experienced in my work life:

- Ten years ago, the iPhone 4 was released (definitely cool at the time, most definitely not cool now). Back then there was no Siri, Alexa, streaming, or Zoom. Uber was a German word, drones didn't exist, shopping remained a physical activity and experience and social media simply meant Facebook.
- Twenty years ago the internet came through the television as Ceefax or Teletext. If we were privileged enough to have a dial-up modem, we waited patiently, for minutes, even hours while high-pitched noises

came from our computers and blocks appeared on our screens – only for it then to fail, forcing us to start over. I travelled a lot at this time and remember how laptops weighed a *tonne*, taking two batteries with me as each might only last for two hours and having a 'specialist' rucksack with a handle and wheels to carry it.

- Thirty years ago we used typewriters or, if lucky, maybe we were allowed to touch the team's shared computer and a mouse was something furry that you caught. Knowledge was found in libraries or, a few lucky families may have purchased their own *Encyclopaedia Britannica* set for use at home. I remember being told that I could not be promoted as I had not been with the company long enough; capability was irrelevant.

That is how much work has changed in my working career, and I need to have a career that will broadly last the same amount of time into the future. Noting the increasing pace of change, just imagine what work could look like in that time horizon!

The nature of work

Now consider the second most quoted work-related headline today. Whatever the number or scale or duration, it is the scare headline that talks about robots, Artificial Intelligence (AI), automation and the destruction of jobs as we know them.

Now we could argue that it has always been this way. The threat of machines taking work away from humans has been ever present – and arguably present before the Luddite Movement between 1811 and 1816 gave us a name for those who resisted the impending technological revolution. What has changed is the frequency of predictions, the pace of change and the sheer volume of jobs that are being predicted will be impacted.

In 2011, Dr Carl Benedikt Frey and Professor Michael A. Osborne released a paper in which they estimated the probability that technology will lead to job losses in the next 20 years. They considered

702 occupations and, according to their estimates, about 47 per cent of total US employment was identified as being at risk. When released it was a shocking revelation, but as time has progressed it has become more broadly accepted today.

The BBC picked up the story and embedded the results into their news website. If you follow the link listed in the references you can enter your current job title and find out 'the likelihood that it could be automated within the next two decades'.

Since its publication Osborne and Frey's research has been widely used as a headline-grabbing statistic. As an example, the Bank of England's chief economist Andy Haldane was quoted in the *Guardian* in late 2015 as saying that 'robots threaten 15 million jobs in the UK.'

But the fear and expectation of impending job destruction continues. When COVID-19 struck, the *Economist* reported that 'a wave of job-killing robots would sweep over the labour market.' Indeed one prominent economist, in congressional [sic] testimony in the autumn [of 2020], asserted that employers were 'substituting machines for workers'. Separately, the IMF published a paper in early 2021 stating that 'our results suggest that the concerns about the rise of the robots amid the COVID-19 pandemic seem justified.'

Regardless of the numbers, it is certain that technology, AI and robots threaten the nature of work as we know it today.

The self-delusion

And there is a fascinating statistic here. Broadly, with little exception, everyone believes that 'well, yes, robots and technology will destroy jobs. Of course this is going to happen.' According to a Pew Research Center survey in December 2018, 82 per cent of US adults say that by 2050, robots and computers will definitely or probably do much of the work currently done by humans, and 37 per cent of employed adults say robots or computers will do the type of work they do by 2050.

The irony, however, is that in the same survey 70 per cent of respondents think that the problem is someone else's. While everyone broadly agrees robots will destroy jobs, 70 per cent of people think it is *not their problem*; it is *your job* that is going to be automated, *not mine*. They cannot all be right.

The result

The financial reality is that we need to have a career for far longer than most of us realize, and yet at the same time robots are destroying the very jobs we need.

Who is connecting these two headlines together?

If we need to work for another 30, 40 or 50 years, we will want a number of things: for one, a career that will last that long; work that is meaningful; work that is motivating; and work that will give us an income so we can continue to provide for our families. How do you get that if robots are going to take the jobs?

The corporate perspective

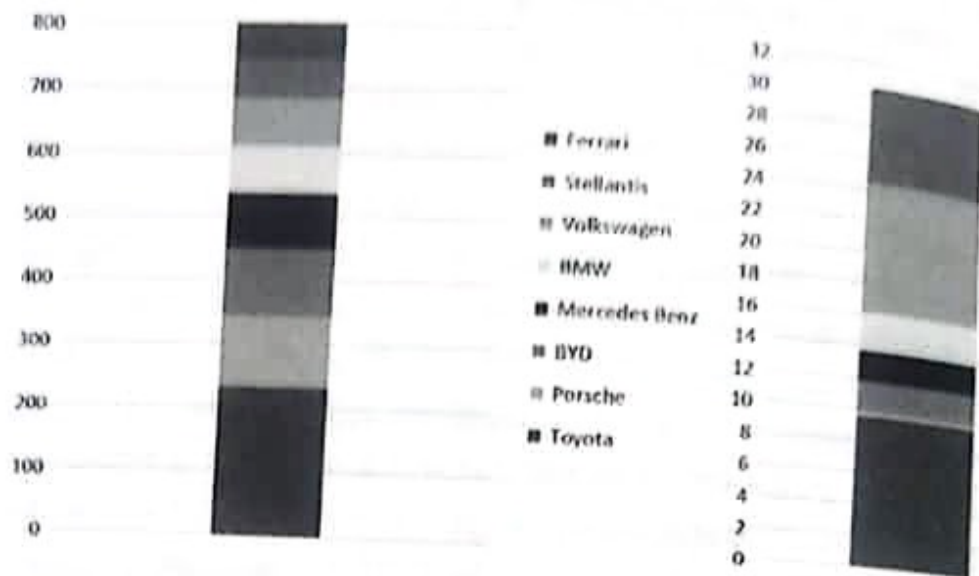
It is all change, change, change

While that may be scary enough for employees, consider what this means for our employers. Everything is changing for them too. Externally threats come from everywhere, seemingly overnight and when you least expect them.

The pace of change that Trudeau alluded to has had whole industries spinning on a coin; collapsing or booming in the period of a few months. Consider the price of oil, which during the pandemic went *negative* – you could have been paid for taking it off a producer's hands. The last three years has seen the price of petrol fall to £1 a litre, then double to a peak of £1.96 only to then fall back by 25–30 per cent.

New competitors are upending established industries, consider one example: TESLA made 1.4 million cars in 2022 and has a market

capitalization of US \$ 804 billion. This is equal to the next eight largest car companies *combined*, and these eight companies *collectively* made over 30 million cars in the same period.



Left-hand graph shows the market capitalization in (billions of US \$) of the eight largest car manufacturers after TESLA. Right-hand graph shows the number of cars manufactured (in millions) by those eight car companies in 2022. (NB: Ferrari is included in the manufacturing statistics but produced 13,221 cars making it hard to see on the scale shown.) By comparison, TESLA has a market capitalization of over US \$ 800 billion and made 1.4 million cars in the same period.

And that is just the external context. Internally what it means to work, what our people want from it and the work contract are all under flux and changing beyond recognition. Generational values and beliefs are increasingly conflicting, causing misunderstanding and resentment. For all the talk of tolerance, it increasingly feels that we are becoming more diverse with generational labels being used as excuses or weapons. Employees (as well as consumers) increasingly want the organizations they frequent to reflect their environmental and social concerns whilst, at the same time have a purpose and stand for something. As business increasingly relies on Human Capital, skills shortages mean people and talent have become even more important to business success

and yet simultaneously harder to acquire and retain. The nature of offices; remote, flexible and hybrid working; four-day weeks; mental health; and diversity all throw up challenges business has never had to truly tackle before and which, therefore, it does not always have the experience to deal with.

What does this all mean?

Everything is up in the air, it is happening at once and it is happening to all of us. From any perspective, whether personal or corporate, we need to understand what is happening. Given the unpredictable nature and pace of change, it would be naïve to think that what has worked in the past will continue to work in the future. Going forward, if we continue to look at the world through the rear-view mirror and make decisions on the basis of intuition based on historic experience, we may well be wrong.

There is a powerful human tendency to want the future to look much like the past. The one thing I can predict with some degree of certainty is ... it won't and so it would be foolhardy to ignore these challenges. That would be putting your future and the future of those you love – and of the firm you work for – at risk.

Prediction is, however, a tricky thing. The great sage and philosopher Albus Dumbledore once said: 'The consequences of our actions are always so complicated, so diverse, that predicting the future is a very difficult business indeed.'

Whilst this may be true, we can seek to understand what is going on, what trends are playing out on a local and global basis, what is the direction of travel – and from that make assumptions and interpretations as to what is likely to happen.

So, for me, the best quote about prediction is this from Edward de Bono: 'If you cannot accurately predict the future then you must flexibly be prepared to deal with various possible futures.' This is the key point. We need to understand what is happening in order to create

flexible plans, to pursue ideas that will survive under different and changing circumstances.

And that is what this book is about. This book is about getting prepared. Getting prepared to be flexible enough to cope with what will happen, come what may.

How to get the most from this book

The book follows a structure and can, of course, be read through from beginning to end. But acknowledging that there are some readers who like to read ahead or who have a burning platform, it has been designed to allow the reader to explore the sections in the order they feel most useful.

To understand the future, we need to understand what is happening today. We need to understand the trends that are impacting, shaping and changing the world because these will form the foundation of what will happen next.

In Chapter 2, I highlight how fast the world is changing through a series of 'fascinating facts' which I have grouped under six over-arching trends. Chapter 3 then focuses on these six trends, providing the background and detail on how and why they are shaping the current world and defining its future. Chapters 4 to 8 answer the question: *So what?* What do these trends mean and how will they impact organizations and careers viewed through a series of different lenses?

- In Chapter 4 I consider the impact on businesses including strategy and focus; a consideration of what is core verses what is chore; the rise of the holistic workforce; workforce flexibility and the changing nature of 'the office'.
- Chapter 5 examines the impact on our people and talent strategy and looks at what 'The Great Resignation' has taught us about the changes made by the pandemic to people's expectations and aspirations and what people now want from work.

- In Chapter 6 I look at future skills and what organizations will need in order to be successful moving forward. I consider the actual impact of AI on jobs and the challenge of hiring the skills that you need.
- Chapter 7 considers sustainability from two perspectives, the internal factor of diversity and the external factor of the environment.
- In Chapter 8, in a switch to a more personal view, I consider how we can future-proof our careers.

Throughout the book, my goal is to be grounded, relevant and practical. My content is solidly backed up with research from academic and consulting organizations, journals and literature together with corporate illustrations to give tangible examples of how the future is already starting to take shape. The References section at the end of the book contains links to the source material. There are 405.

The timeframe of the book is purposefully short – the world of work until 2030 – as I felt that considering anything further into the future runs the risk of being too unrealistic and bordering on science fiction. I very consciously want this to be real and practical so that readers can plan, prepare and take action today.

Summary

This book is not designed to give you all the answers. If I knew all the answers, I would have bucked the trend and retired some time ago!

It is, however, designed to make you think.

I will lay out what I consider to be the evidence for the opinions I have and the predictions I will make. But this is one person's point of view. You may agree with my points but, equally, you may disagree. In either case, by making your thoughts and opinions conscious what is most interesting to question is: where does this take your thinking, and what does that now make possible?

CHAPTER TWO

The changing world in numbers and data

I have been lucky enough to travel the world. In the 1990s and 2000s I worked in places that today are almost unrecognizable. From just the perspective of the cityscape, new roads, airports, buildings, entire under- or overground networks have been built that have changed those places immeasurably.

In reflecting on the scale and pace of change I was struck that to a greater or lesser extent, we all acknowledge and accept that the world in which we live is changing. The challenge though is that we can assume that the pace of change we experience in our day-to-day lives is uniform and is the same as that experienced by everyone. While we read or hear news about places further away, we often fail to appreciate quite how much change is happening elsewhere and how fast that change is occurring. Paraphrasing the quote from William Gibson, the pace of change is unevenly distributed.

I vividly remember a video from about 15–20 years ago. It was about five minutes long and through a series of graphics it presented facts on the changing world. It would say things like ‘if the world had 100 people then XX would be...; China and India have done this, will do that... Africa is...’. I distinctly remember how popular it was at the time and certainly I was shown it at more than one conference and boardroom meeting I attended. Try as I might I could not find an updated version.

This chapter is my attempt to create it. My goal is to immerse you in the reality of what is taking place in the world and to give you a global