

# The 'future of work' is already here

Throughout the ages, we've had seismic shifts in the nature of work and the skills needed. It's happened with civilisation, industrialisation, the Web, globalisation, automation - the list goes on. The term 'future of work' therefore, is not a specific issue that we need to engage and be done with; the nature of work is constantly evolving and we would be wise to always have the future of work in mind so we can adapt.

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There seems to be no question that artificial intelligence (AI) is already having a dramatic effect on the way we work. According to McKinsey, generative AI - a type of AI that is capable of generating text, images or other forms of media - has the potential to automate up to 70% of work activities that absorb our time today.

Public discourse has turned its focus on the erosion of the workplace as we know it. However, it is imperative that we don't frame the role of AI in the workplace as a force that will displace employees. Instead, we need to view it in the context of the ever-shifting nature of work and skills, and as a helpfully to employees. A real life example of this is that no amount of improvements upon the 'counting board' or abacus has eroded the need for a finance function at every single company.

A new generation requires new skills

Against the backdrop of technological change, effective upskilling and reskilling have become critical for companies to build a competitive advantage quickly. As automation reduces the need for people to perform certain activities, it frees them up to add value in different ways, with new skills. Businesses need to develop their talent to fill skills gaps that are instrumental in achieving their strategic objectives in an increasingly automated, AI-augmented workplace.

A major source of advantage comes from 'employee engagement' which refers to how motivated and enthusiastic people are at work. Gallup, the global analytics and advisory firm, says "engaged employees act differently, going above and beyond to surpass expectations, and that gives their organisations a competitive advantage."

How can companies boost employee engagement? Gallup has found that at least 70% of the difference in engagement between teams is down to what the manager or team leader does day to day. This leads us to another question: what do the managers of the most engaged teams have in common? Studies of the most engaged teams at companies like Google and Cisco reveal that a coaching style of leadership is what boosts engagement and productivity.

These findings play into our view that AI will excel at tasks that require huge cognitive effort, such as data analysis. What managers will need to excel at is the human touch, which is what motivates people, makes them feel valued and cared for, and constructively challenges them to grow.

The importance of soft skills

Middle managers – those who are leading day-to-day operations rather than leading the organisation – are likely to feel the squeeze from AI first. With middle managers' primary source of work being the supervision of processes and production, AI can carry out these tasks more cost-effectively and with a high level of accuracy.

But, with this rise in AI automating tasks, high-value, team coaching work will become more crucial than ever to a business's health. This particularly comes into play when a company's underlying processes are automated and other factors such as building the right team dynamic, shaping culture, and motivating people become the differentiator between humans and the machine. In these situations, human skills are what will drive employee retention and satisfaction.

As such, the human touch will coexist with AI. An AI co-pilot will allow managers to focus on strategy, critical thinking, and their leadership roles rather than on day-to-day laborious tasks.

A good use of AI can make good managers

Accidental managers – those with no formal training – are becoming a recurring (and concerning) trend within the workforce. Over 80% of new managers in the UK and over a quarter of senior managers, have been thrown into managerial positions without any formal training. With the assistance of AI, managers will be able to focus on crafting their managerial skills and style to help drive their team's motivation, success and development.

In the US, 1 in 5 employees are managers. Perhaps instead, we'd be better off with 1 in 10 employees holding a managerial position and each of these managers being brilliant, with the assistance of upskilling and AI.

Over the next decade, I hope to see two trends emerge when looking at management: an industry change in investing in managers' soft skills, especially coaching skills, and a phasing in of AI to support leaders with complex decisions and tasks.

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