



SESSION 2B: PREPARING FOR TOMORROW'S WORKFORCE TODAY

WIN In-House Counsel Day Melbourne 2017

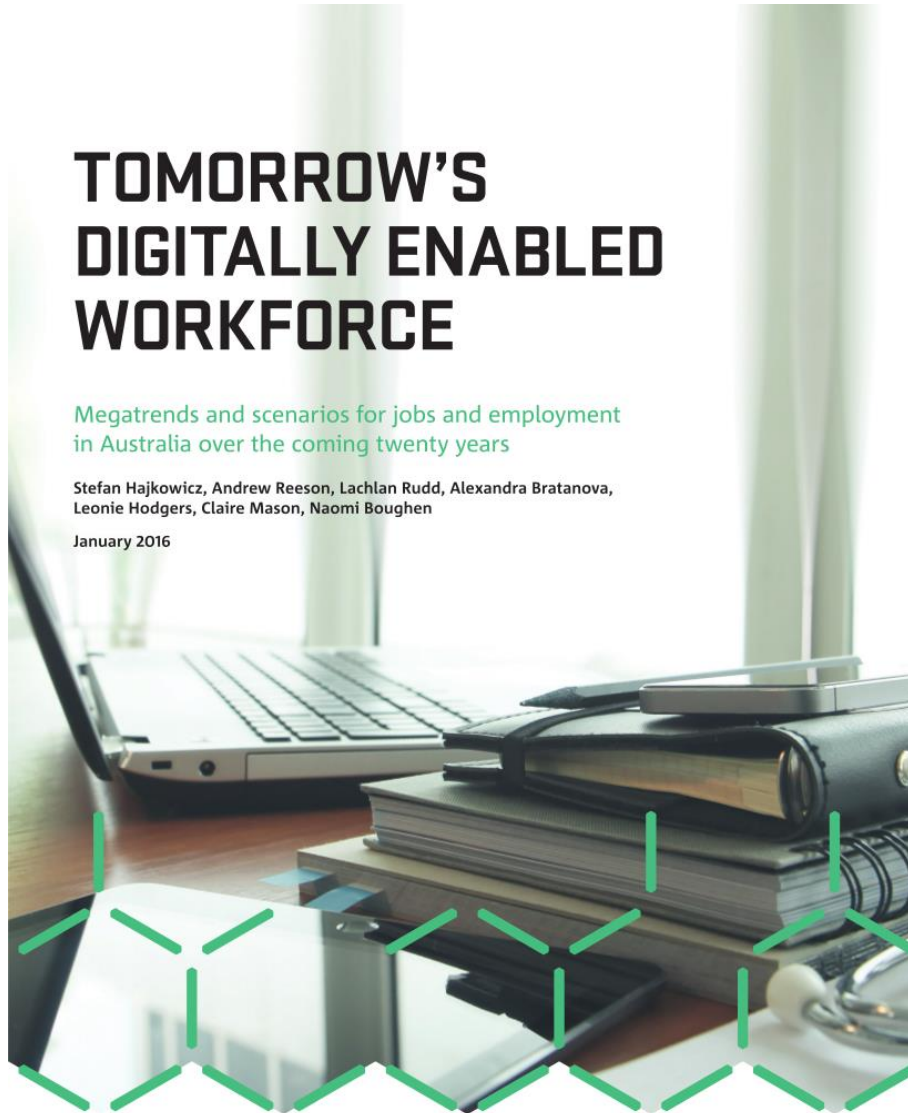
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TOMORROW'S DIGITALLY ENABLED WORKFORCE

Megatrends and scenarios for jobs and employment
in Australia over the coming twenty years

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Trend- Automation



Trend- Rise of the P2P marketplace and porous boundaries

- No geographical barriers
- Over 1 billion new workers to join global labour markets
- Freelancer connects over 17 million employers across 247 countries
- Almost 88 per cent of freelancers would continue freelancing even if offered a full-time work
- The end of "the firm" as we know it?

Trend- Change in workforce demographics

- 1 in 5 Australians expected to be over 65 years old in 2035, compared with 1 in 6 of the population today
- 2 out of 3 Australian employees overweight or obese
- 50% of Australians report mental health problems



Trend- Co-working spaces



Number of co-working spaces worldwide doubled each year since 2006.

In 2012 alone the number of co-working spaces in Australia increased by 156 %.



Trend- Offshoring

Increased education in emerging
economies in Asia

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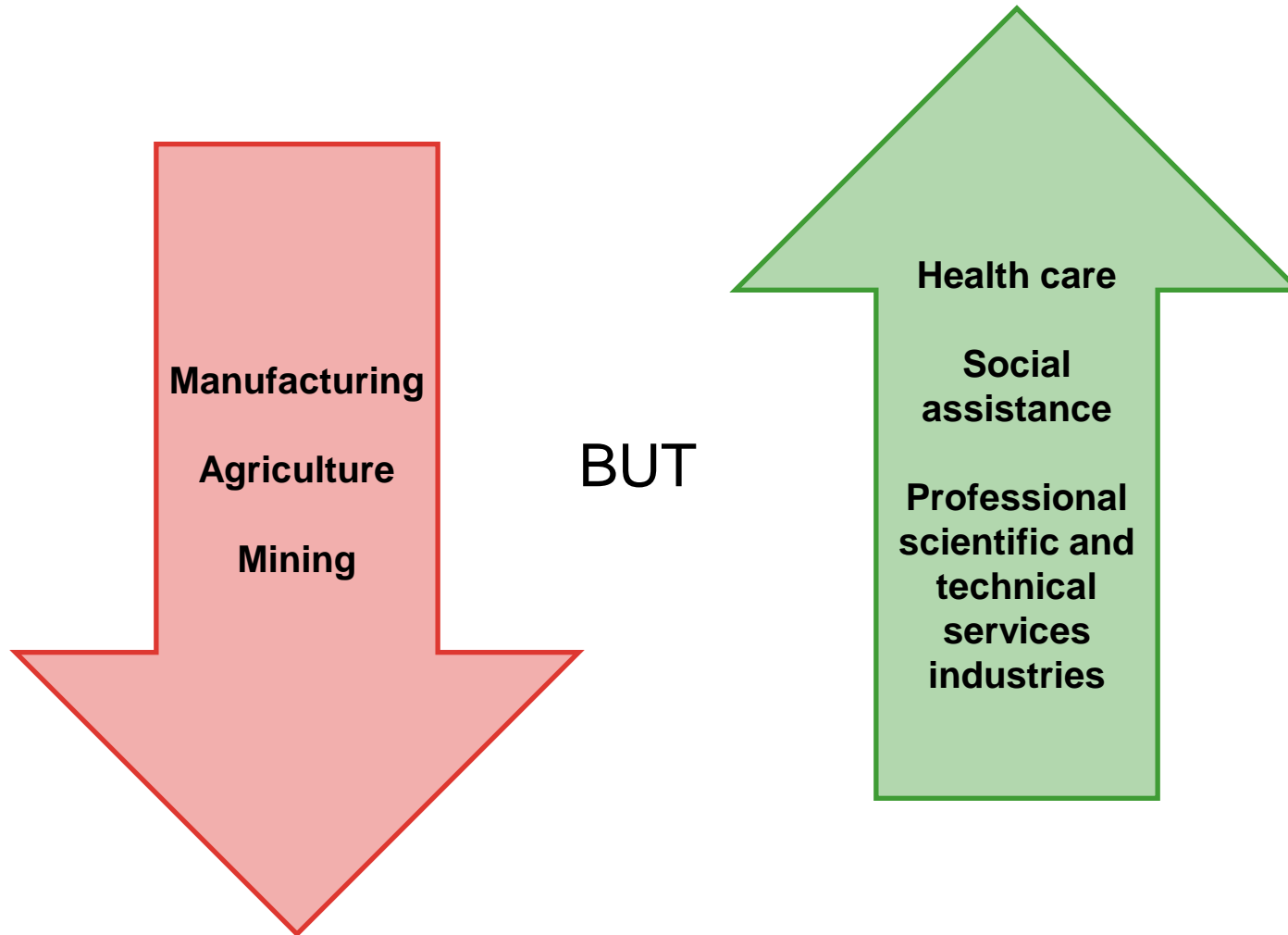
High wages in Australia

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Offshoring of jobs



Trend- Economic forces



Workforce Audit- How do these trends affect your business?



Impacts of automation on your workforce

- Identifying roles at risk and creation of new roles
- Will current employees need to be upskilled or retrained?
- Major change imposes an obligation to consult with employees and union under awards and enterprise agreements
- Meeting redeployment and redundancy obligations requires careful planning
 - *Sharp v Patrick Stevedores Holdings Pty Ltd [2016] FWC 3522*
 - *Skinner & Ors v Asciano Services Pty Ltd [2017] FWCFB 574*



Implications of using P2P marketplace

- Sourcing labour through the P2P market:

Advantages

- Scale up/scale down model
- reduces compliance costs

Drawbacks

- Protection of and access to confidential information
- Enforcing restraint of trade clauses against contractors
- Quality control

■ Implications of Changing Office Environments

Open plan – mental health, protecting confidential information

Working from home – health and safety obligations, managing remote performance



Implications of changing workplace demographic

- Ageing workforce
- Flexible work options for those nearing retirement
- Responsibility for employee mental health
 - *Roussety v Castricum Brothers Pty Ltd [2016] VSC 466 (18 August 2016)*
- Future job prediction – "Personal Preventative Health Helpers"
 - Like personal trainers but also focus on helping people to adopt lifestyle patterns conducive to good mental health.

Industry Specific Implications

- Service industries to experience most growth
- Focus will be on customer experience
- New executive roles: CXO and CCO
- Options for low growth industries:
 - Offshoring
 - Augmentation

The future is unpredictable but flexibility is your best bet



Know your limits – barriers to flexibility

External barriers:

- Awards
- Independent contractor regime
- Union involvement

Know your limits – barriers to flexibility

Internal barriers:

- Enterprise Agreements
- Culture
- Rigid workforce
- Restrictive commercial arrangements

Can you overcome the barriers?

- Renegotiate or terminate "outgrown" enterprise agreements
- Consider Individual Flexibility Agreements
- Import flexibility into workplace documents
- Review pay structures
- Avoid restrictive commercial arrangements
- Consider support services for cultural change
- Effective communication will be critical to success

HR needs seat at the table

- Nature and speed of expected changes unlike what we have ever seen before
- HR needs to play role in company strategy
- HR involvement will be critical in supporting employees during uncertain times

Questions?



