securing in-demand skills now

to compete in the future.

randstad

randstad.com.au

1
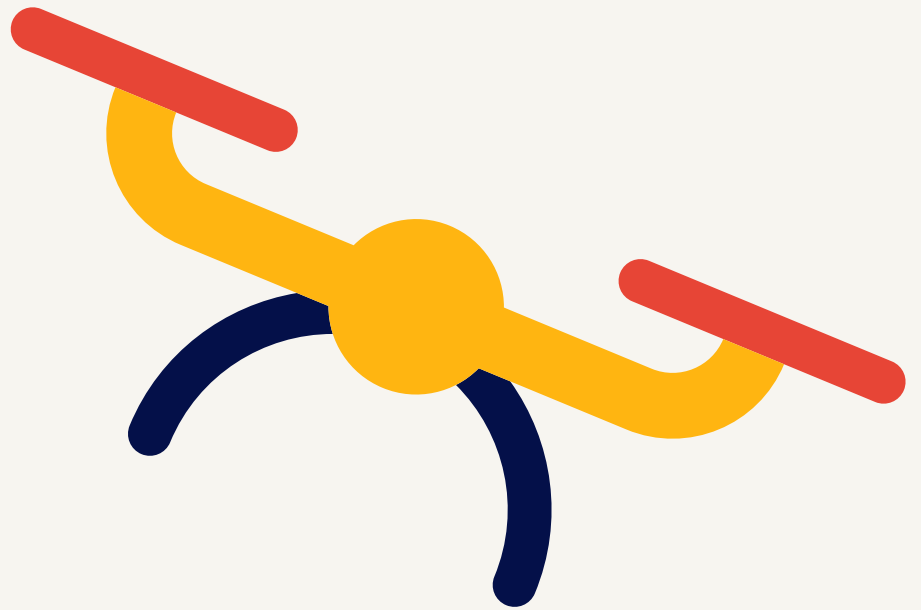
the jobs of
the future.

2

looking
further ahead.

3

ready to compete
for prized talent.

4

begin building for
the future today.

securing the people you need to succeed.

It's already difficult enough to bridge skills gaps in traditional roles, especially in today's candidate-driven market where vacancies outweigh qualified personnel.

But what about the skills needed in a rapidly evolving economy? Jobs that barely existed ten years ago are becoming increasingly critical to the future of Australian businesses from artificial intelligence (AI) architect to digital marketing campaigner.

While the COVID-19 outbreak has shifted the labour demand dynamics in the short-term, the longer-term impact on both technical and 'soft' skills demands could be even greater.

"If you can dream it,
you can do it."

Walt Disney

1

the jobs of the future.

In 2019, Australian Industry Group's chief executive Innes Willox warned that "75% of employers are experiencing difficulty in recruiting suitably qualified or skilled people into vacancies."[1]

The most in-demand skilled roles (as measured by the number of places on the government's skilled occupation list) have been familiar ones like nurses, electricians and carpenters. While these shortages could well persist, some unfamiliar roles could join the top rankings as the digital revolution gathers pace. LinkedIn has published a round-up of the fastest-growing jobs in the country, based on data from some ten million members in Australia.

AI specialist sits at number one on the list of the fastest-growing jobs. The business impact of AI is already evident in everything from search engines to on-demand TV, but this is only the beginning. Transport and logistics are set to be turned on their head by the advent of driverless vehicles, for example. This creates a huge demand for people who can design and manage this new generation of logistical systems.

A considerable amount of professional work like accountancy, finance or medical diagnosis could also be taken on by self-learning AI. People would still be very much part of the process, yet their focus would largely switch from hands-on delivery to development, training and oversight of the machines.

how are skill demands changing?

the jobs of now

1 nurses

2 electricians

3 carpenters and joiners

4 secondary school teachers

5 metal fitters and machinists

the jobs of tomorrow

1 artificial intelligence specialists

2 cybersecurity specialists

3 marketing automation specialists

4 robotics engineers

5 site reliability engineers

Within management teams, new demands include people who can judge the strategic potential of emerging technologies like AI and project manage the delivery of new systems capabilities. This is leading to a growing demand for chief innovation officers (leading innovation and commercialising new technology) and chief digital officers (mainly managing change). These capabilities are also becoming a core part of the skills set for all executives – especially as many companies may not have the resources to maintain specialist posts in these areas.

One of the key workforce planning challenges is judging what particular skills you need within your business. For example, the AI specialist role that heads LinkedIn's fastest emerging jobs list covers many thousands of distinct job specifications. Working closely with business teams, HR professionals need to become adept at making these business-specific judgements.

The other big challenge is the numbers needed. Some indication comes from banking group, NAB, which is looking to hire nearly 2,000 data scientists, AI experts and other tech specialists as part of a major transformation of its business.[2] That's more than 5% of its workforce.

AI and other tech specialists are already in short supply. Most businesses will therefore struggle to bring in the numbers they need. That is why contingent and contract personnel are going to be so important. Philips is a leading health technology company with an ever-increasing demand for technical specialists in areas such as software development, data science and systems architecture. Recognition that the right person may just as easily be a freelancer or remote worker as a full-time employee has spurred Philips to revamp its talent sourcing and management model.

In an interview for Randstad's Standing Out: Insights from organisations with great employer brands series, Maarten Hansson, Philips' head of workforce strategy, said: "As we tap into the gig economy, the HR focus is shifting from managing people to leading work – we need to find the most effective way to engage with the right people and get the work done." Martina De Marinis, Philips' global campaign manager, recruitment marketing and employer branding, expanded on this strategy further in saying: "A key part of this is showing that working with us isn't just another assignment, but a project that can inspire and help them to progress their freelance career. Examples of the messages include 'don't just accept a new project, accept a challenge' and 'surprise yourself with an assignment at Philips.'"[3]

gauging the impact of the COVID-19 outbreak on skills demands.

The COVID-19 outbreak and the resultant shutdowns and stay at home orders have had a huge impact on the Australian workforce. Millions of employees have shifted to remote working. Some sectors, such as hospitality, have had to temporarily suspend business altogether. Yet, in other areas like food supply, call-centre operations and IT, labour demand has increased.[4] In response, the government's Skills Match tool has highlighted the opportunities for chefs, waiters and other often furloughed or laid-off staff to transfer their skills to in-demand areas such as nursing support, social care, retail and logistics operations.[5]

In both the immediate and mid-term, the pressure on our health and social care systems looks set to continue, heightening longstanding skills shortages in areas such as nursing. Moreover, the easing of restrictions is likely to be a gradual process. As businesses adjust to this 'new normal,' we're likely to see an increase in demand for specialists in areas such as cybersecurity, digital collaboration and data and behavioural analytics.[6]

The enduring impact could be even more profound. The pandemic looks set to accelerate digital transformation and the resulting need for organisation-wide upskilling, having highlighted the importance of digital customer engagement and employee collaboration.[7] With more people wanting to work remotely even after the emergency subsides, new types of management skills are needed.[8] Ultimately, the crisis has underlined the value of creativity and adaptability in transferring skills, embracing new ways of working and thinking on your feet.

tech and touch

Crucially, the in-demand skill sets of the future go far beyond digital capabilities alone. As automation and AI become increasingly prevalent, the innately human skills that can't be replaced by machines – capabilities like intuition, empathy and creativity – are becoming ever more valuable differentiators. Analysis carried out by McKinsey anticipates that deployment of social and emotional skills will expand by more than 25% by 2030 as a result.[9] An example of this interplay between tech and human touch is the development of the systems used by companies like Netflix to personalise recommendations for their on-demand content. To train its AI, Netflix breaks down movies and people's responses to them into thousands of micro-genres and emotional touchpoints.

This requires a distinctly human type of emotional intelligence and psychological insight (EQ).

Similarly, engineering giant, Siemens, recognises that finding solutions for transport, sustainability and other challenges faced in today's communities demands human insight, experience and interaction, as well as data and tech systems. "Everything we do has a human dimension – we call this 'making real what matters.' While data is our tool, we know that data alone can't provide solutions. We bring customers, creators and developers together, so we can learn and collaborate," said Christoph Knorn, Siemens' Global Director of Employer Branding, in an interview for Randstad Standing Out.[10]

The roles of cybersecurity specialist and marketing automation specialist, number two and three on LinkedIn's emerging jobs list, further underline the need for both technical capabilities and human insight. The move to remote working as a result of the COVID-19 outbreak is likely to accelerate demand for both types of skills.

Cybersecurity is as much about getting inside the minds of potential hackers, attackers and criminal groups as the technical skills needed to prevent, detect, and stem a breach in security. That's why people who've worked in the intelligence services and even ex-hackers are in such high demand within cybersecurity consultancies and in-house teams.

Similarly, a marketing automation specialist needs to be able to find patterns within the reams of data flowing through the business and have the creativity to turn this analysis into actionable leads and campaigns. That, in turn, raises the question of whether it's better to take a marketing professional and teach them the necessary technical know-how or, alternatively, move someone from a data or IT background into marketing. However, this issue is one that looks to be redundant in the long-term – the marketeer of tomorrow will be trained in both disciplines from the outset.

customers want action

While technology is one of the forces reshaping customer expectations and the demands on your organisation, it's far from the only one. Your customers are looking more closely at your record on emissions and sustainability, for example. Even within business-to-business commerce, we see a growing focus on environmental, social and governance (ESG) factors within strategy and performance evaluation.

The result is likely to be a growing demand for people with expertise in managing environmental and social impacts, as well as developing a new generation of carbon neutral products and production processes. In fact, these skills are probably rarer than even AI and cybersecurity specialists right now.

2
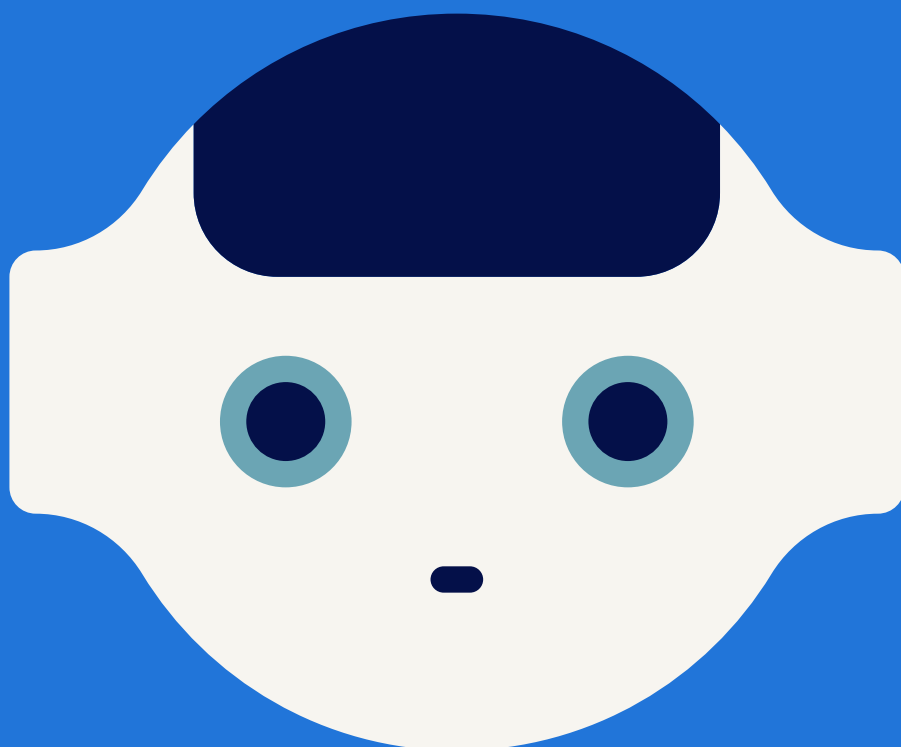
looking further ahead.

What will the in-demand roles be in ten years if the emerging ones we are seeking now are AI or sustainability experts?

Careers advisory consultancy, Crimson, has explored the latest frontier technologies to compile a list of the jobs top graduates might be competing for in ten years (see 'possible future roles'). While jobs like memory surgeon or extinct species revivalist might look like science fiction, imagine describing an app developer or social media influencer to someone 20 years ago.

According to the World Economic Forum: "In such a rapidly evolving employment landscape, the ability to anticipate and prepare for future skills requirements, job content and the aggregate effect on employment is increasingly critical for businesses, governments and individuals in order to fully seize the opportunities presented by these trends and to mitigate undesirable outcomes."[11]

predicted future roles

commercial
space pilot

extinct species
revivalist

alternative energy
consultant

organ/body
part creator

memory
surgeon

"The best way to predict the future is to create it."

Abraham Lincoln

3

ready to compete for prized talent.

How, then, can your business get out in front in defining and securing your future skills needs?

1. plan talent needs around disruptive trends

In defining your skills needs, it's important to keep track of emerging developments – customer expectations, as well as technology. You can then evaluate the opportunities and disruptive threats these might present. Where are customer expectations heading? What opportunities does emerging technology offer your business? What capabilities do you need to capitalise?

You might not know what those skills are, or they may not yet have a job title.

However, you can develop scenarios and options for meeting them. If you run a logistics company, for example, what skills would your people need if 1. Your warehouse became mostly AI-operated and 2. Your fleet moves to semi and eventually fully autonomous vehicles?

HR teams should be closely involved in planning for the future. If you find you have to play catch-up in five years, the talent you need could be prohibitively expensive to hire.

"The nature of jobs and work tasks will change, and HR has a key role to play in managing these transitions and ensuring that new job roles align with employee knowledge, skills and abilities, and the organisation's strategic position," says Dr Justine Ferrer, discipline leader in human resource management at Deakin Business School.[12]

2. hire for adaptability

A lot of your future skills needs have yet to emerge. Others could quickly become redundant. The agile mindset that enables people to acquire fresh knowledge and adapt to constant change could therefore be more important than any specific skill.

In an interview for Randstad's Standing Out series, Carlos Gonzaga, head of human resources at Deutsche Bank Italy said: "It doesn't matter how good an economist the candidate is or how strong their technological skills, if they don't have the capacity to adapt, their skills will soon become obsolete." Deutsche Bank has set up dedicated assessment centres to help identify and select these nimble-minded recruits. "We look at how people perform within a group dynamic, how well they develop relationships and how effective they are at solving problems. It soon becomes clear which people have what it takes," said Mr Gonzaga.[13]

3. engage early to build a talent pool for the future

You can be engaging with budding AI specialists or other prized talent long before they are out of school or college. Options include the development of talent communities. You could also engage through interactive games, which can help you to connect with potential future recruits and profile their capabilities. The audience isn't just the people you want now, but students, people working for competitors and other potential recruits for the future.

4. build your employer brand around more than money

Randstad's Employer Brand Research highlights the areas beyond salary that selective qualified professionals consider when deciding where to work. Australians stand out in putting work-life balance before salary and job security in choosing an employer. Many of the people with the most prized skills are also attracted by interesting job content and opportunities to make a difference to society and the environment. However, employers often underestimate the importance of these factors.

IBM offers staff the chance to make a difference to their communities through such initiatives as Smarter Cities. Through the initiative, employees explore ways to use technology to promote economic competitiveness, make more efficient use of resources and improve quality of life. "People know that when they come to work for us that our global reach and commitment to 'innovation that matters' means that they can make an impact. They can contribute to clients' success. They can also improve the lives of communities across Spain," says Pilar Pons, IBM's HR leader for Spain, Portugal, Greece and Israel.[14]

4

begin building for the future today.

The skills you need in ten, even five years could be very different from today.

You can't always predict what these in-demand skills will be, but you can still prepare. The more you plan and develop from within, the less you have to pay over the odds to buy or borrow at short notice.

The adaptability and regular upskilling needed to keep skills current could be more important than any specific capability in this fast-moving environment. Other super skills are likely to include the ability to spot emerging trends and what this means for your business and its workforce.

Early engagement and a compelling employer brand will put you on the front foot in reaching out to new and different kinds of talent as demands evolve.

references.

1. Australian Industry Group warns government of national skills shortage, Xinhua, 8 August 2019 (http://www.xinhuanet.com/english/2019-08/08/c_138293178.htm)

2. Bank jobs shed as big four slim down amid tech spending and automation, ABC News, 27 June 2019 (https://www.abc.net.au/news/2019-06-27/bank-jobs-shed-as-big-four-slim-down/11251224)

3. Randstad Standing Out 2019 (https://workforceinsights.randstad.com/download-2019-rebr-standing-out)

4. 'How to rebuild and reimagine jobs amid the coronavirus crisis', McKinsey, April 2020 (https://www.mckinsey.com/industries/public-sector/our-insights/how-to-rebuild-and-reimagine-jobs-amid-the-coronavirus-crisis)

5. COVID-19 Job Outlook, Australian Government, accessed 23 April 2020 (https://joboutlook.gov.au/COVID19.aspx)

6. 'How has COVID-19 shifted data analytics?', York University, 17 April 2020 (http://continue.yorku.ca/how-has-covid-19-shifted-data-analytics/)

7. What COVID-19 has taught businesses about digital and the human connection', Forbes, 16 April 2020 (https://www.forbes.com/sites/amitymillhiser/2020/04/16/what-covid-19-has-taught-businesses-about-digital-and-the-human-connection/#7403c575a9a8)

8. Gartner media release, 14 April 2020 (https://www.gartner.com/en/newsroom/press-releases/2020-04-14-gartner-hr-survey-reveals-41--of-employees-likely-to-?utm_medium=social&utm_source=linkedin)

9. Skill shift: Automation and the future of the workforce, McKinsey Global Institute, 2018 (https://www.mckinsey.com/~/media/mckinsey/featured%20insights/future%20of%20organizations/skill%20shift%20automation%20and%20the%20future%20of%20the%20workforce/mgi-skill-shift-automation-and-future-of-the-workforce-may-2018.ashx)

10. Interview with Christoph Knorn, global director of employer branding, Siemens, for Randstad Standing Out 2018 (https://www.randstad.com/workforce-insights/employer-branding/case-study-employer-branding-at-siemens/)

11. The future of jobs and skills, World Economic Forum, 2016 (http://reports.weforum.org/future-of-jobs-2016/chapter-1-the-future-of-jobs-and-skills/)

12. Five must have capabilities for HR professionals, Australian HR Institute, 3 February 2020 (https://www.hrmonline.com.au/change-management/5-capabilities-hr-professionals/?utm_source=HRM&utm_medium=e-news&utm_campaign=HRM+announcement)

13. Interview with Carlos Gonzaga, head of human resources at Deutsche Bank Italy, for Randstad Standing Out, 2015 (https://www.randstad.com/workforce-insights/employer-branding/case-study-employer-branding-at-deutsche-bank/)

14. Interview with Pilar Pons, IBM's HR leader for Spain, Portugal, Greece and Israel for Randstad Standing Out, 2018 (https://workforceinsights.randstad.com/randstad-employer-brand-research-2017-standing-out)

contact your local office today.

Adelaide (08) 8150 7031	**Darwin** (08) 8923 4300	**Perth** (08) 9320 1666
Brisbane (07) 3031 3200	**Hobart** (03) 6212 7500	**Sydney** (02) 8298 3898
Canberra (02) 6132 3800	**Melbourne** (03) 8319 1111	**Wellington** +64 4473 6223

Transform the way you manage your
workforce with our Digital Toolkit
randstad.com.au/employers/digital-toolkit

randstad

randstad.com.au