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Building the future of work together

Working in a Digital Age: Orchestrating Digitalisation for Better Labour Markets

by Bettina Schaller

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The Digital Revolution is changing the nature of work profoundly. New digital technologies such as artificial intelligence, blockchains, virtual and augmented reality, Internet of Things and HR analytics are instrumental in developing new ways of working and new forms of work organisation. Digitalisation is also transforming the employee-employer relationship and policymakers need to adapt our legal frameworks to accommodate these massive technological changes.

Let's explore some of the opportunities and challenges that digitalisation opens up for labour markets.

Over the past two years, the Covid pandemic has dramatically accelerated the digitalisation of companies and given people work flexibility, allowing many of us to work when and where we choose. But the digital age is also taking workers into new territory where digital skills are becoming crucial. With 30% of jobs likely to be automated by 2030, a full range of new skills will be required to adapt to this new world of work. At the same time, digital tools such as gamification and virtual reality can facilitate access to training. There is no way around it: to be futureproof for the digital age, workers need to get the skills and training required to adapt, as intuition might only get them so far.... For many companies, digitalisation has improved business efficiency, boosted innovation and opened up new markets. Take talent acquisition and retention: in recent years the use of digital solutions such as Applicant Tracking System (ATS), interviewing platforms, multi-channel candidate sourcing, AI powered talent acquisition, automated skills assessment, using social media recruiting to attract passive candidates, interview chatbots, and other tools has soared. As these programmes are all drafted by humans, bright minds are already shaping the potential of ChatGPT in the human resources world. Many still remember the days of the good old Rolodex – if it's still around it can't coexist without harnessing technologies to develop a robust candidate pipeline, reduce cost per hire, improve collaborative hiring and support career assessment.

Yet, these developments have been accompanied by major criticism on the subject of ethics and fears that we will lose the human touch that is so crucial in human resources. Labour market

stakeholders face major challenges when implementing new technological solutions: ethical use of digital tools, the need to develop new rights for workers, maintaining a human-centric digital transformation, advancing inclusive digital labour markets, creating meaningful work in a hyper-connected world and more. It is clear that we must find the right balance so that digitalisation benefits everyone.

Ultimately, this digital transformation is challenging the way we do business and our current understanding of managing a workforce & the talent within it. In this new landscape, business leaders remain relevant if and when they facilitate a culture of change and innovation. Management style must evolve to be conducive to participation and empowerment - especially towards a workforce that is increasingly remote and digitally distributed.

Working in the digital age we need to understand the many new ways in which workers and employers can engage in work. This is fundamental in harnessing workforce potential and business sustainability. It is also an essential prerequisite to shape legal frameworks that allow corporate innovation without jeopardising workers' rights. To try to make sense of this cacophony of – seemingly – divergent voices, we need a conductor to orchestrate digitalisation tools and harness their potential for the benefit of all.

The HR services industry is uniquely placed to play such a role. Connecting daily with thousands of workers, union representatives, academics, innovators, entrepreneurs, business leaders, company representatives of all sizes and policymakers from all shores, we have a good understanding of the challenges and opportunities that digitalisation offers.

We invite all stakeholders interested in the potential that digitalisation offers in the world of work to join us in Brussels on 29 March for the [World Employment Conference 2023](#). Together, let's explore how we can orchestrate digitalisation for better labour markets!

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