Deloitte.
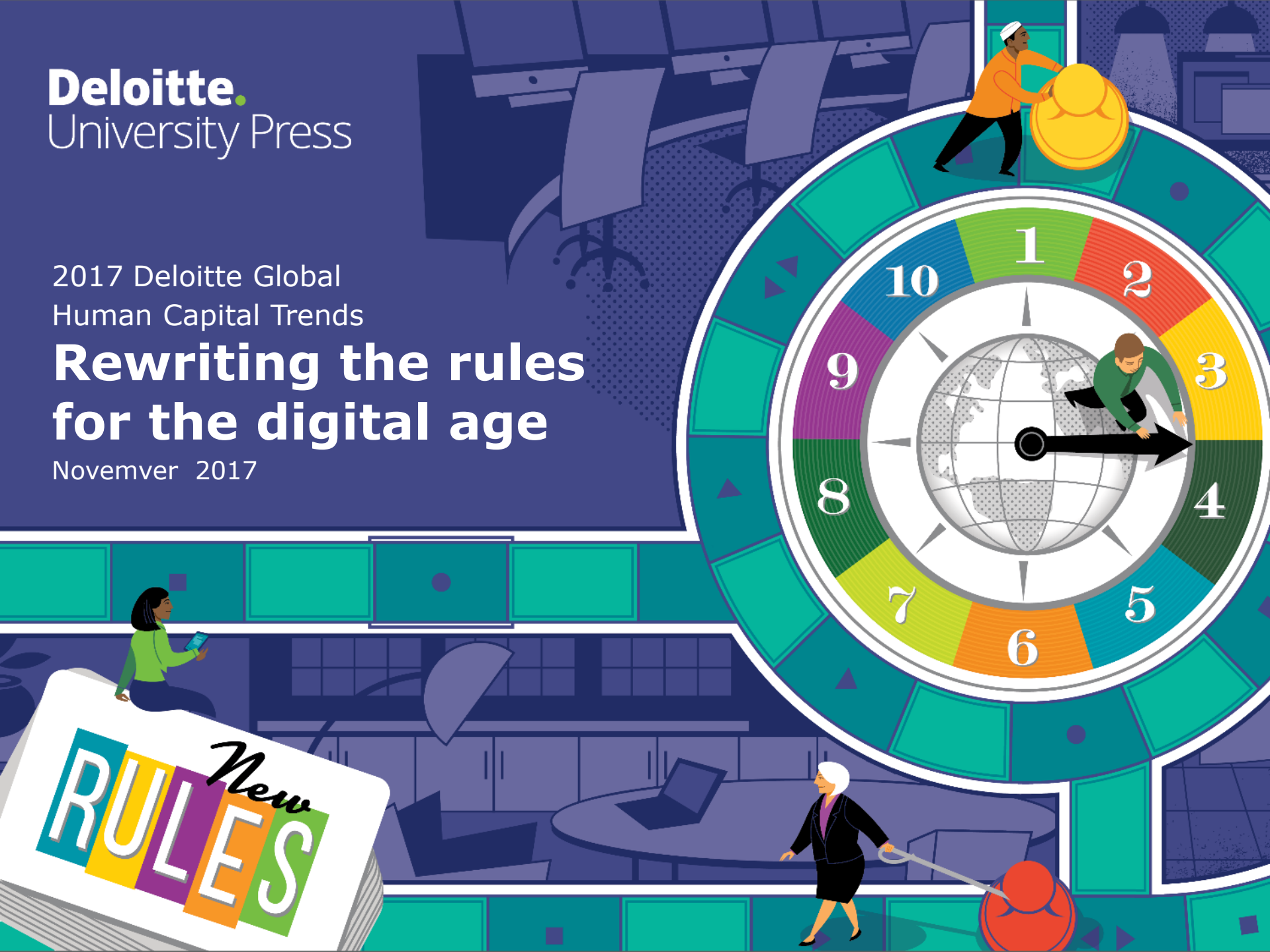## University Press

2017 Deloitte Global
Human Capital Trends

Rewriting the rules
# for the digital age

Novemver 2017

What *appears* to be happening

The gap between technological sophistication and business productivity continues to increase

- Mobile, sensors, AI, cognitive computing, data
- Access to technology by consumers globally
- Technology infiltrates home and political life

Technology change

Gap in business performance potential

Business productivity

Rate of change

Time
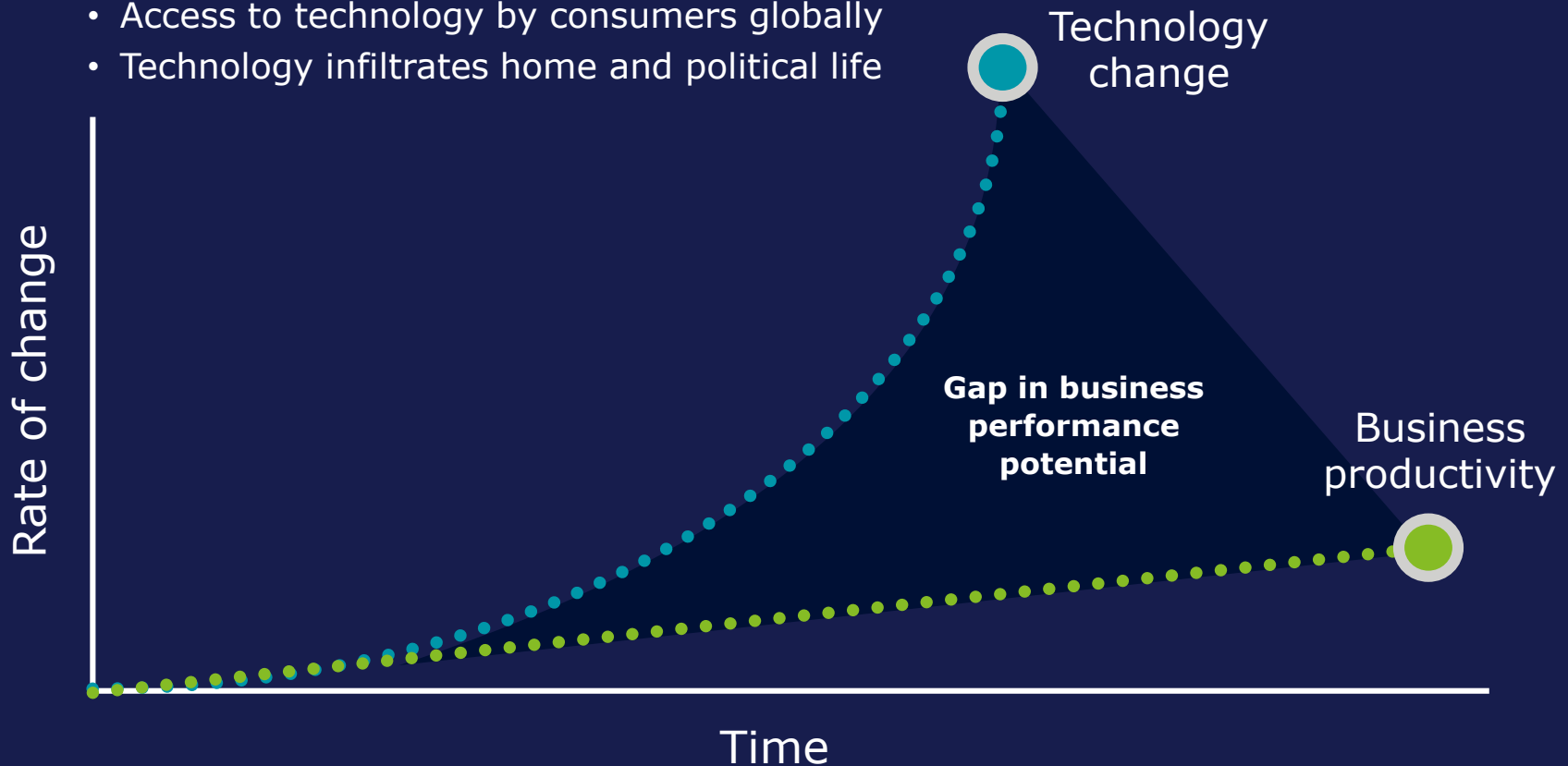
What is *really* happening

HR's opportunity: help close the gap among technology, individuals, businesses, and society and governments

Technology

Individuals

Businesses

Public policy

Rate of change

1970s   1980s   1990s   2000s   2010s   Today
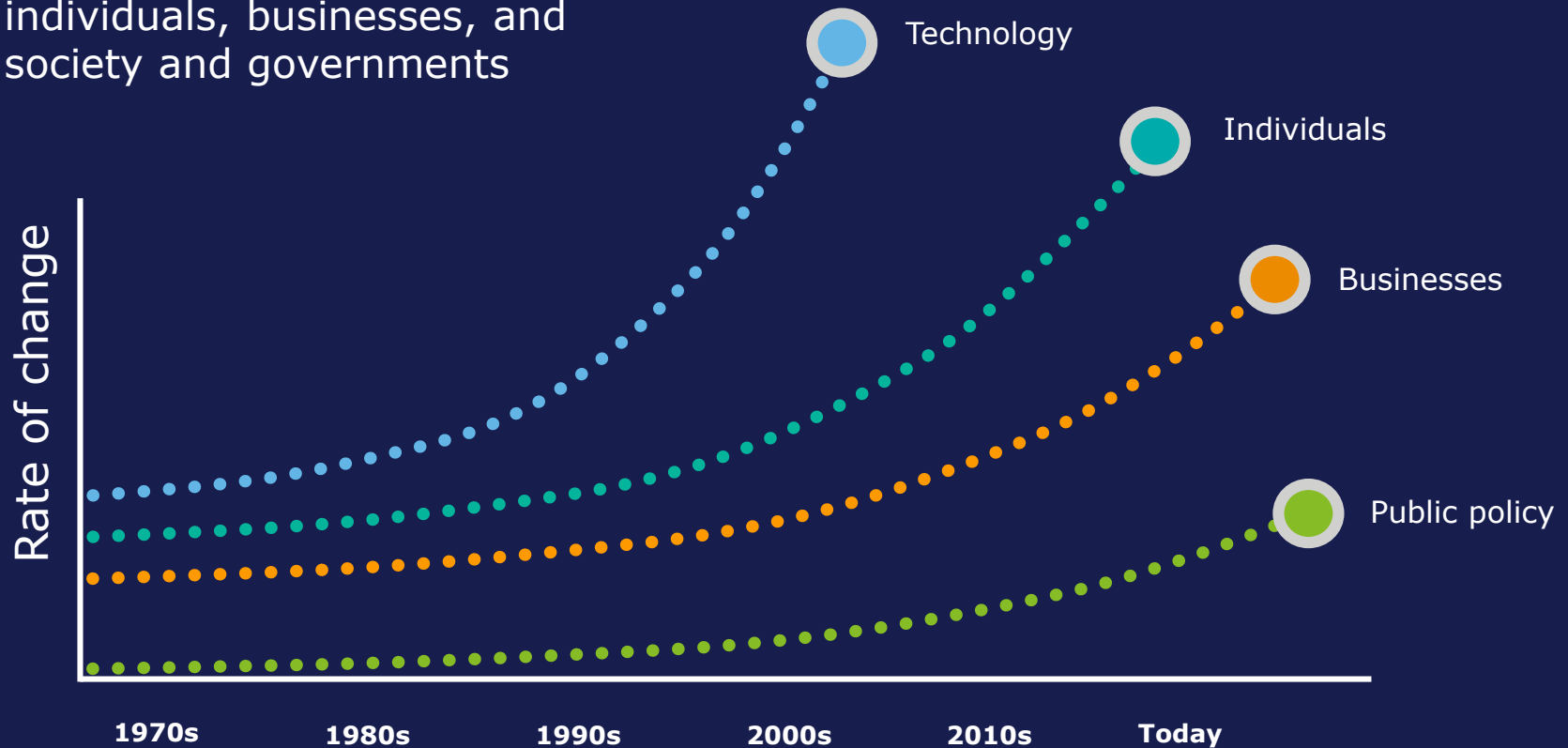
Research overview

New rules reflect the shifts in mind-set, behavior and actions required to **lead, organize, motivate, manage,** and **engage** the 21st-century workforce

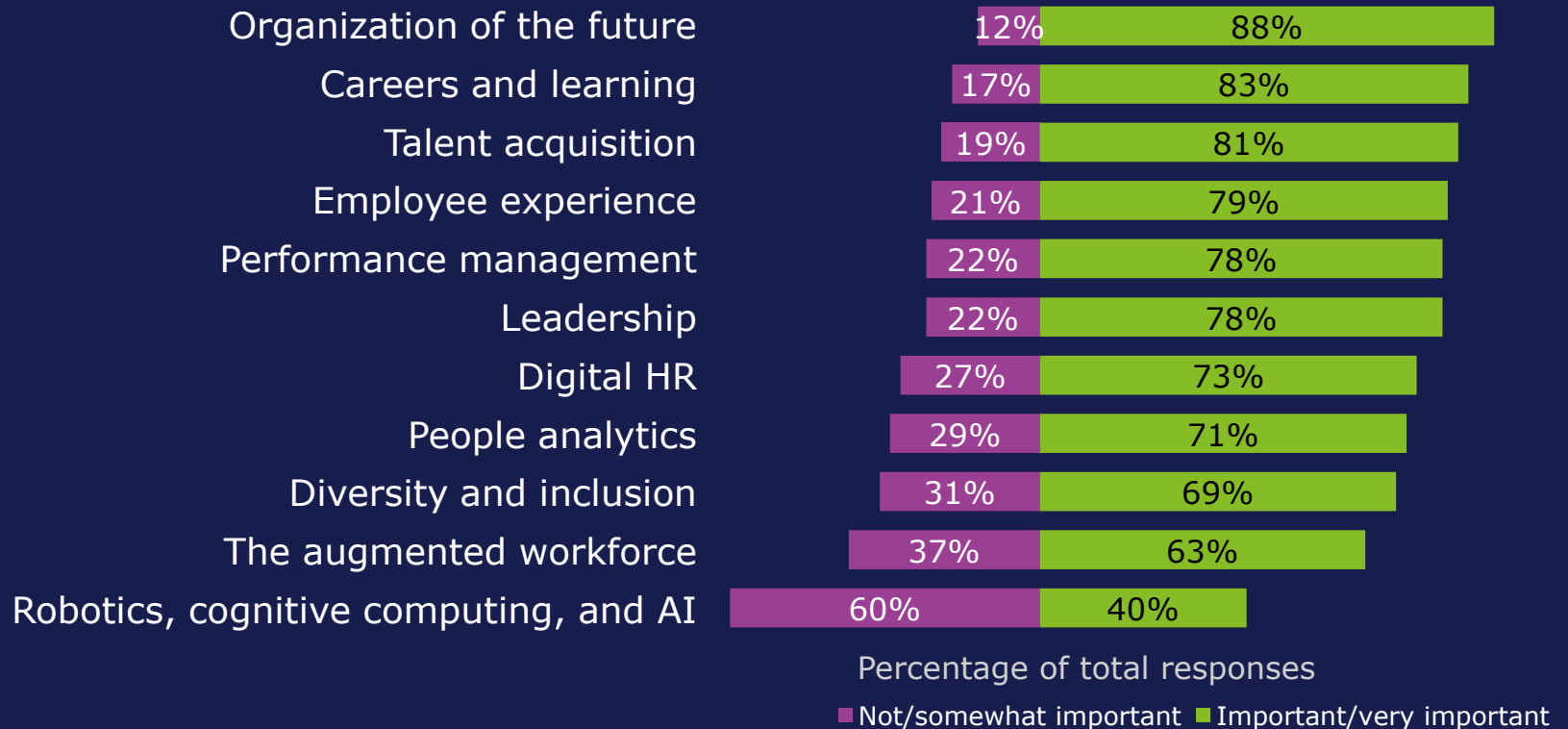**Deloitte's largest and most extensive human capital survey to date**

10,000+ business and HR leaders

140 countries

Unless otherwise noted, all data referenced in this is from 2017 Deloitte Global Human Capital Trends: Rewriting the rules for the digital age.

Ranking of 2017 trends by importance

Trend	Not/somewhat important	Important/very important
Organization of the future	12%	88%
Careers and learning	17%	83%
Talent acquisition	19%	81%
Employee experience	21%	79%
Performance management	22%	78%
Leadership	22%	78%
Digital HR	27%	73%
People analytics	29%	71%
Diversity and inclusion	31%	69%
The augmented workforce	37%	63%
Robotics, cognitive computing, and AI	60%	40%

Percentage of total responses

■ Not/somewhat important ■ Important/very important

Note: Ratings for "The augmented workforce" and "Robotics, cognitive computing, and AI" both relate to the broader trends on "The future of work" discussed in this report.

2017 Deloitte Global Human Capital Trends

How we build a new management system to empower and engage the teams

TREND 5
Performance management: Play a winning hand

TREND 9
Diversity and inclusion: The reality gap

How we build a culture of continuous learning, adaptability, growth, and personal development

TREND 2
Careers and learning: Real time, all the time

TREND 3
Talent acquisition: Enter the cognitive recruiter

How we leverage data, cognitive technologies, and AI to improve the organization and its teams

TREND 8
People analytics: Recalculating the route

How we redesign the organization and its leadership for the future

TREND 1
The organization of the future: Arriving now

TREND 6
Leadership disrupted: Pushing the boundaries

TREND 4
The employee experience: Culture, engagement and beyond

How we design the employee experience for engagement, productivity, and growth

TREND 7
Digital HR: Platforms, people, and work

How we leverage digital technology to design and improve work, the workplace, and the workforce

TREND 10
The future of work: The augmented workforce

The organization of the future:
Arriving now

88%
Very important
or important

As organizations become more digital, they are shifting from designing to actively building the new organization
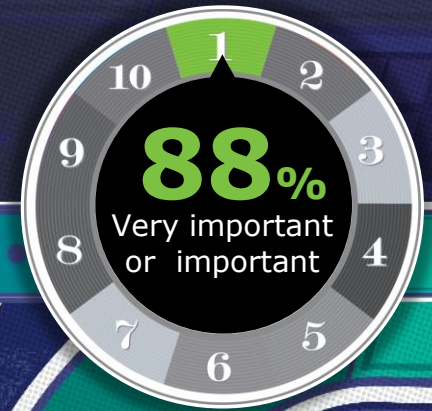
73% experimenting with collaboration tools, however only

8% using organizational network analysis (ONA)

11% believe they understand how to build the organization of the future

94% say "agility and collaboration" are critical yet...

6% are highly agile today

Careers and learning:
Real time, all the time

83%
Very important or important
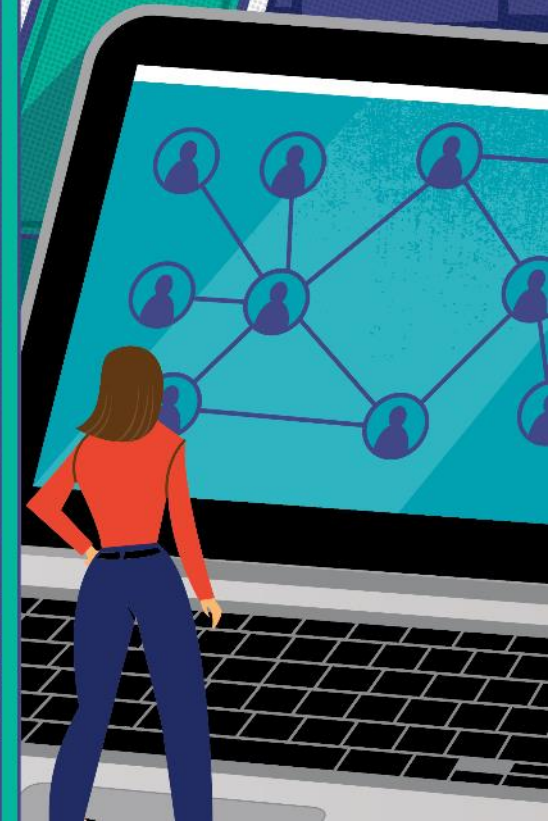
Continuous learning is critical for business success

83% are moving to open career models

The changing nature of the career

Length of career

60 to 70 years

Average tenure in a job

4.5 years

Half-life of a learned skill

5 years

Organizations need to deliver learning that is always on and always available over a range of mobile platforms

Talent acquisition:
Enter the cognitive recruiter

81%
Very important or important

In the open talent economy, technology allows talent to move more freely than before

Biggest disruptor in talent acquisition today is experimentation with tech solutions and services

excellent at managing talent-sharing resources
19%

excellent at managing crowdsourcing
8%

excellent at using games & simulations to attract and assess potential candidates
6%

The employee experience:
Culture, engagement, and beyond

79%
Very important or important

Organizations are leveraging pulse feedback and self-service tools to design the integrated employee experience

14% believe their internal processes for collaboration and decision making are working well

22% are excellent at building a differentiated employee experience

23% believe their employees are fully aligned with the corporate purpose

10% are using design thinking as part of crafting the employee experience

Performance management:
Play a winning hand

78%
Very important or important

Organizations have radically changed the way they measure, evaluate, and recognize employee performance

Capabilities to implement performance management have improved by **10% since 2015**

The focus has shifted from talking about people to talking with people in open conversations

Agile goal management, check-ins, and continuous feedback are becoming common; new models of evaluation and rewards are next

Leadership disrupted:
Pushing the boundaries

78%
Very important or important

High-performing leaders today need different skills and expertise than in generations past

The leadership gap has become larger; organizational capabilities to address leadership **dropped by 2%**

5% feel they have strong digital leaders in place

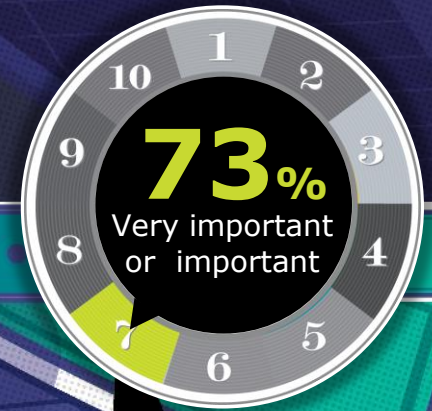**72%** developing new leadership programs focused on digital management
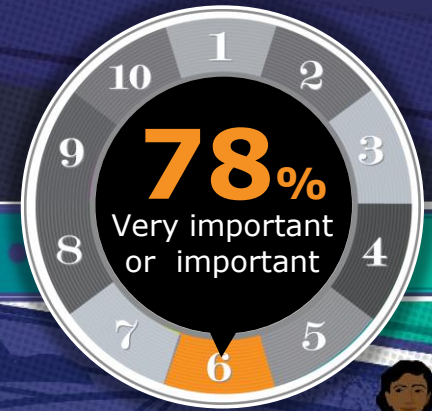
Digital leadership required shifts in how leaders must think, how leaders must act, and how leaders must react

Digital HR:
Platforms, people, and work

73% Very important or important

HR leaders are being pushed to help drive the organization to "be digital" not just "do digital"

HR is being asked to help lead the digital transformation in 3 areas:

Digital workforce

Digital workplace

Digital HR

56% are redesigning their HR programs to leverage digital and mobile tools

33% are using some form of artificial intelligence (AI) technology to deliver HR solutions

People analytics:
Recalculating the route

71%
Very important or important

People analytics is becoming a business function focused on using data to understand business operation, and embedding analytics into real-time apps and the way we work

8%
report they have usable data

15%
have broadly deployed HR and talent scorecards for line managers

SLOW

FASTEST ROUTE

9%
have a good understanding of which talent dimensions drive performance

New tools are emerging and analytics are shifting from push to pull

Diversity and inclusion:
The reality gap

69%
Very important or important

Fairness, equity, and inclusion are now CEO level issues, but continue to be frustrating and challenging

78% believe diversity and inclusion is a competitive advantage

38% report the CEO is the primary sponsor of diversity and inclusion program
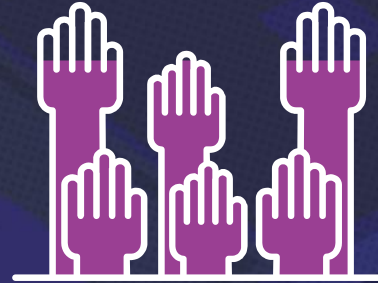
Traits of an inclusive leader: commitment, courage, cognizance of bias, curiosity, cultural intelligence, collaboration

Future of work:
The augmented workforce

63%
Very important or important
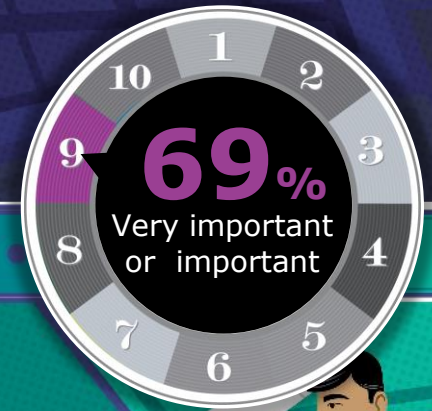
Organizations must implement cognitive tools, retrain people to use these tools, and rethink the role of people as more work becomes automated
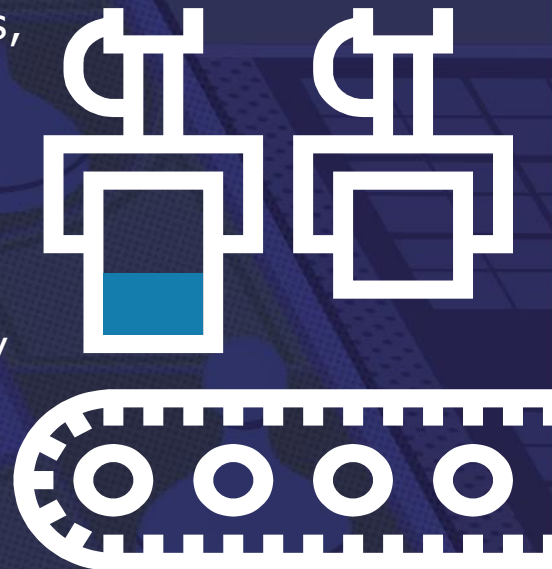
41% have fully implemented or made significant progress in adopting cognitive and AI technologies

17% report being ready to manage a workforce with people, robots, and AI working side by side

66% believe their use of off-balance sheet talent will grow significantly in the next 3–5 years, but **49% are not able to manage contingent labor well**
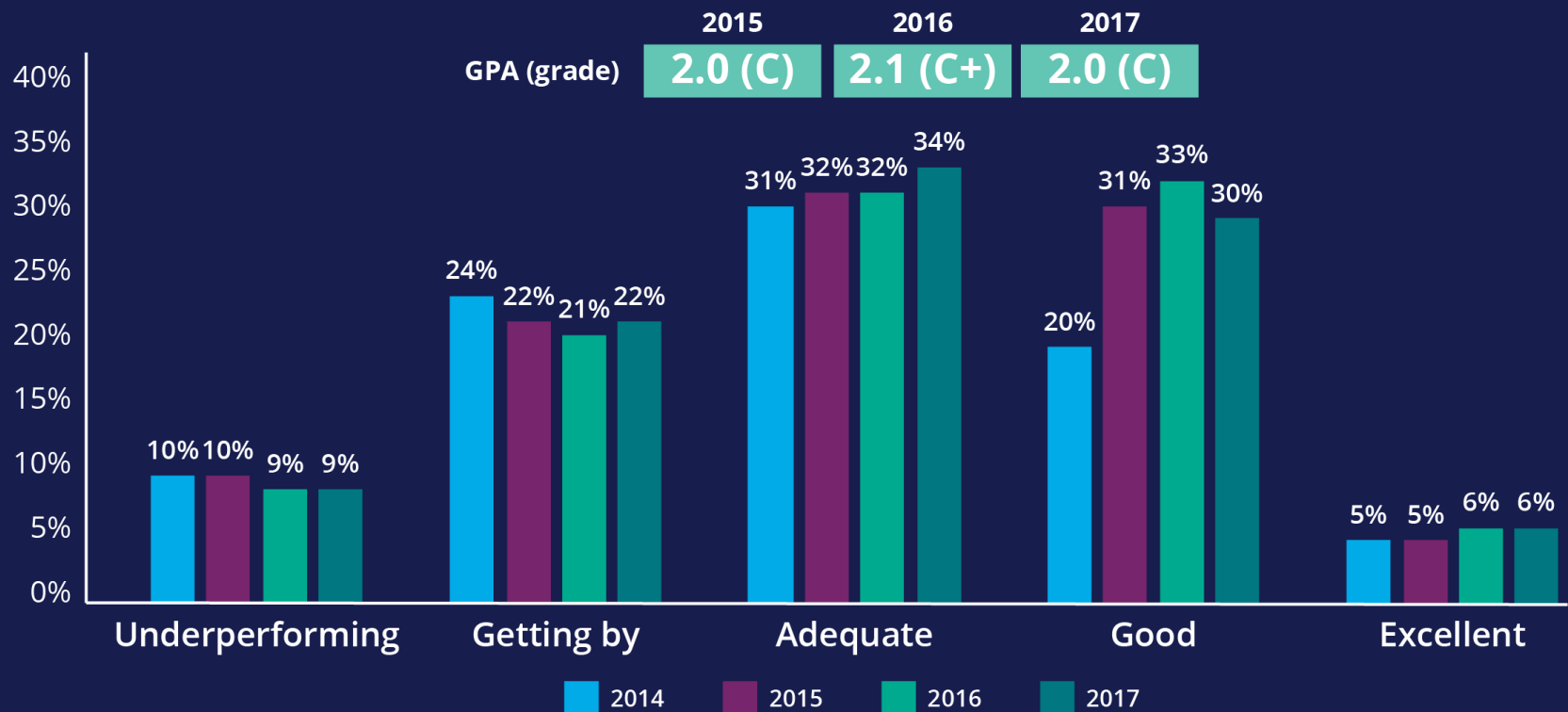
HR performance scorecard, 2014-2017

The proportion of respondents rating their HR capabilities as "Getting by" and "Adequate" has marginally increased, and that rating their capabilities as "Good" has marginally decreased, since 2016

	2015	2016	2017
GPA (grade)	2.0 (C)	2.1 (C+)	2.0 (C)

Bar chart data:

	2014	2015	2016	2017
Underperforming	10%	10%	9%	9%
Getting by	24%	22%	21%	22%
Adequate	31%	32%	32%	34%
Good	20%	31%	33%	30%
Excellent	5%	5%	6%	6%

Scale used: Excellent (4), Good (3), Adequate (2), Getting by (1), Underperforming (0)

A new game requires new rules

New **RULES**

Call to action
for HR and business leaders to understand the significant impact of change and develop new rules for people, work, and organizations
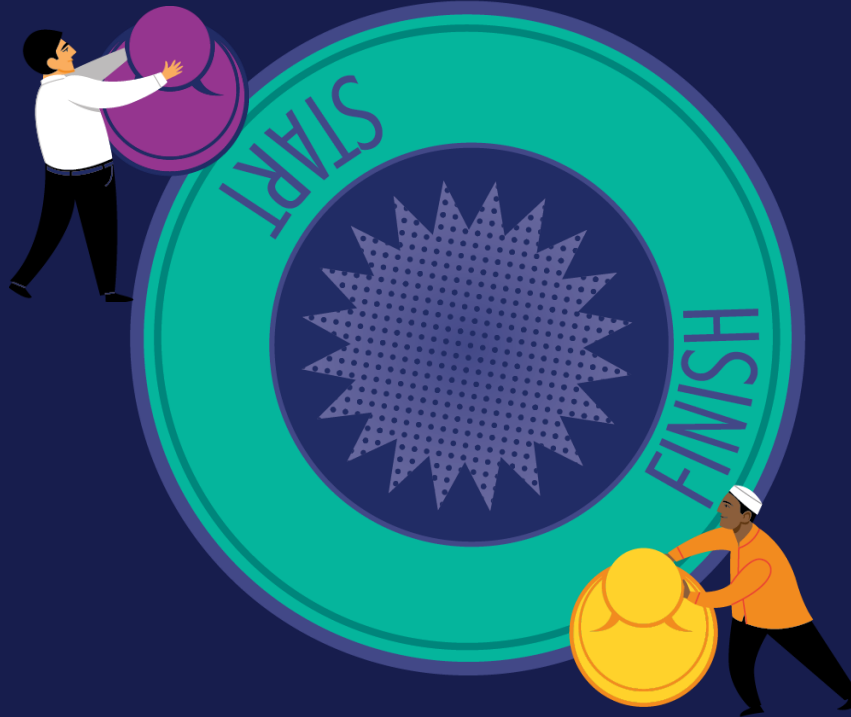
START

FINISH

New rules
reflect the shifts in mindset, behavior, and actions required to lead, organize, motivate, access, manage, and engage the 21st-century workforce

Questions?

The organization of the future: Arriving now
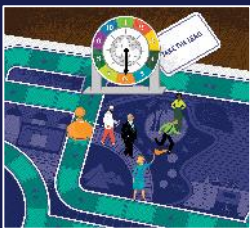
Careers and learning: Real time, all the time

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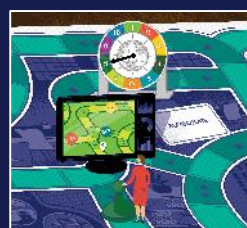
The employee experience: Culture, engagement, and beyond

Performance management: Play a winning hand

Leadership disrupted: Pushing the boundaries

Digital HR: Platforms, people, and work

People analytics: Recalculating the route

Diversity and inclusion: The reality gap

The future of work: The augmented workforce

Rewrite the rules

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