

How are companies preparing for automation and the new world of work?

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The world of work is evolving, and future-conscious organisations need to be aware of the business implications associated with automation and robotics. A fundamental consideration is how such changes disrupt and affect the world of work and long-standing traditions about the role human beings play in it.



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Recent articles in international business publications indicate that many private sector business leaders worldwide lack a good understanding of how automation and/ or digitisation will affect future skills needs. There are also conflicting views about the best way to obtain these future skills. One view calls for a balanced combination of hiring new talent and retraining and reskilling existing talent; another focuses mainly on retraining and some new hiring; a third viewpoint is that the solution is in fact primarily the hiring of new talent.

A positive trend, according to articles on the topic of automation, is that executives of frontline companies see investment in retraining and upskilling existing workers as an urgent business priority, and consider this an issue where companies, and not governments, must take the lead. Retraining and upskilling are seen as a business imperative over the next five years. Given the fast-paced and blind-siding nature of disruption, lagging behind could mean possible extinction. The view is that business leaders should be examining their organisations and trying to figure out the changes that automation will require of them and their employees.

The future will mean a change to terms and conditions of employment for many employees, and they will need to be consulted with, in accordance with labour laws.

Concern that automation will lead to unemployment

Concern about jobs is valid, particularly in countries like South Africa which have a high unemployment rate. The new world of work will have a significant impact on organisational structure and functions, with automation introducing the real possibility of a number of repetitive and low-value jobs becoming redundant. From an employment law perspective, this would trigger the process contained in section 189 of the Labour Relations Act.

However, such redundancies do not necessarily signal doom and gloom. Automation introduces the real possibility of creating new types of jobs that have not existed before. The net result of automation on employment may accordingly very well be positive - enhancing the way people work, and making organisations more efficient, more productive, more competitive and ultimately more profitable. Organisations will need to be mindful of the potential impact on employees, and will need to support employees through issues such as the stress and uncertainty of change, the challenge of mastering new skills and the pressure to be even more productive. Employers who feel that such workers are not performing at the required standard will need to take such factors into consideration both when determining if an employee is a poor performer, and when putting in place the training, guidance and counselling as required by the Labour Relations Act, in order to allow the employee to perform at the required standard.

As upskilling for automation is uncharted territory, an investment in time and resources is required in order to be future ready. HR functions that will be key will be those of change management and organisation (re)design. Vital to organisations thriving in the new world of work is planning ahead, having a strong management team, timeously taking expert advice, and tactically implementing what is best for individual organisations. There are exciting times ahead.

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