Remembering the human side of digital transformation

The combined power of digital and soft skills



Digital acceleration is ubiquitous. And it's making daily tasks more convenient—and fast. We can get food delivered to our doorstep and book the least expensive flight in seconds flat. In business, we can automate tedious tasks, reduce human error and derive insights from endless data points.

If companies were slow to adopt emerging technologies, like automation, COVID-19 gave them the opportunity to catch up quickly. Bumble pivoted to online video; Airbnb flipped from hospitality to lifestyle with online classes; Chipotle, having invested in a major digital transformation even before the pandemic, made a transition to remote ordering, delivery and curbside pickup—<u>tripling its sales</u> in the second quarter of 2020.

The speed at which AI solutions are deployed will only quicken. In PwC's <u>AI Predictions 2021 survey</u>, 25% of

companies report widespread adoption of Al—up from 18% last year. And another 54% are heading there fast. Beyond automating tasks, companies are looking to Al to manage cybersecurity threats, improve Al ethics and bias detection, help employees make better decisions and analyze scenarios with simulation modeling.

At this point, upskilling is table stakes for companies to succeed in digital transformation. Technology alone is not enough to drive digital transformation especially if your people don't know when or how to use it. To be successful, you'll need to push further.

By 2025, <u>97 million new jobs</u> may emerge that divide labor between people and machines and algorithms. The workforce of the future will actually need to go beyond digital and reintroduce a more nuanced collection of skills—including what it means to be human.



Remembering human intelligence

Augmented and artificial intelligence (Al) are pushing new emerging technology innovations and fundamentally changing the nature of work. Humans and machines will increasingly collaborate to make decisions and uniquely human traits like emotional intelligence, creativity, persuasion, innovation will become more valuable muscles that many workers may not have had the chance to flex.

Additionally, Al and automation risks

make human discernment a requirement. Take robotic process automation (RPA), for example. Even though these types of bots can help reduce costs and save hours of manual work, if left completely unchecked they can potentially present <u>some level of</u> <u>risk</u>. Are your RPA bots making accurate, bias-aware decisions? Do your users know what the AI is doing and why? Is it violating anyone's privacy? What failsafes and monitoring are in place? Using AI, especially when sensitive data is involved, still requires human—and educated—decision-making. Compliance, privacy regulations, performance and cyber threats can change fast. Employees managing AI tools will need to know how to make tools more explainable, secure and controlled.

Upskilling employees in digital acumen can lessen the burden from IT, too. Time and opportunity is put on hold when you need to outsource the building of an automated bot to another busy team. By bringing functional areas into the digital transformation fold, you can iterate solutions more quickly and start producing value without the long wait.

As an added bonus, you're empowering the people closest to the problems to build their own solutions. They just need the skills—human and digital—to successfully do it.



Upskilling soft skills is the wind in your digital transformation sails

While tech-savviness will continue to be one of the most coveted skills of business, employers should always look for individuals who are committed to continuous learning. The good news is that employees want to learn—<u>77% of US workers</u> are ready to learn new skills or completely retrain, and most workers consider <u>softer skills critical</u> to the future of their careers.

Most US workers consider softer skills critical to their future career path

- ✓ Problem-solving 32%
- ✓ Ability to learn new skills and apply them quickly 31%
- Adaptability 27%
- Critical thinking (analysis of facts to form a judgement) 24%
- Creativity and innovation 22%
- New leadership skills (such as inclusive leadership and managing remote teams) 21%
- ✓ Collaboration skills 21%
- ✓ Digital skills (AI, coding, robotic process automation, etc) 18%
- Emotional intelligence (ability to identify own and others' emotions) 18%

Source: PwC's Workforce Pulse Survey findings for March 24, 2021

Problem-solving and critical thinking helps people define and solve new problems. The ability to conceptualize and analyze data allows employees to draw conclusions, identify new opportunities and give leaders reasoning. Adaptability helps employees pivot more easily in the course of organizational change-meaning less hand-holding. Emotional intelligence is a key ingredient to accomplishing extraordinary goals. Creativity can help unlock narratives within data so stakeholders can more easily digest information and commit to proposed solutions. And agile project management and leadership can help your teams collaborate better and drive growth across your organization.

When companies give employees the opportunity to upskill in soft and digital skills, they see **big payoffs**. Organizations with more advanced upskilling in place see stronger employee engagement, higher workforce productivity and greater business growth. Even organizations just starting on their upskilling.

Others that have **fully embraced Al** have also reported high-value wins:

86%

have created better customer experiences

75%

innovated their products and services

achieved cost savings

There's a large-scale benefit to upskilling, too. Upskilling and reskilling initiatives could boost **GDP by \$6.5 trillion** and create 5.3 million net new jobs by 2030.

The initial wave of digital transformation pushed companies to new lands of automation and AI, but it's the softer skills that will allow you to mature. People who can learn to creatively solve problems, think critically, lead and adapt give your organization the human-led judgement it needs to drive innovations and thrive. The value of a skill like data visualization is markedly increased when combined with human creativity, problem-solving and change management.

Human-led and tech-powered: the next frontier

Even as automation takes over certain roles, <u>millions of new roles</u> will be transitioned in, which will require soft and digital upskilling that can help employees adapt to the new divisions of labor between people, machines and algorithms.

To propel your path forward to being a <u>human-led and tech-</u> <u>powered</u> organization, you'll need a solution that can help pave the way to personalized learning. One that not only provides digital skills training but also focuses on critical thinking, design thinking and agile ways of working.

ProEdge is a revolutionary upskilling solution that enables digital transformation through <u>categorized and curated</u> content, topics, and skills—digital and human–in over 20 functional areas and engaging formats like podcasts, videos and scenario-based projects.

Giving your workforce a multitude of ways to learn new digital and soft skills cultivates a continuous learning environment, <u>closes</u> <u>skill gaps faster</u> and moves you closer to achieving your digital transformation goals.







Learn more at ProEdge.PwC.com

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