



Arriving at Work: Rewarding a New Work Exchange

March 18, 2024

Dr. Scott Cawood, CCP, GRP, CSCP, CBP

CEO, WorldatWork

**At this
moment,
51 percent
of the world's
3.4 billion
workers are
looking for a
new job...**



A blue-tinted photograph capturing a moment of professional agreement. Two individuals, dressed in dark business suits, are shown from the chest up, shaking hands firmly. The background is a blurred crowd of people, suggesting a public event or conference. The overall mood is professional and collaborative. The word "WORK" is superimposed in the center in a bold, white, sans-serif font.

WORK

A blue-tinted photograph of a business meeting. In the foreground, a man in a suit and tie is shaking hands with a woman in a light-colored blouse. They are both smiling. In the background, two other people, a man and a woman, are watching the handshake. The scene is set in an office with large windows in the background.

Work is an exchange



Work's many moments in time



Humans' Primary Work Throughout History

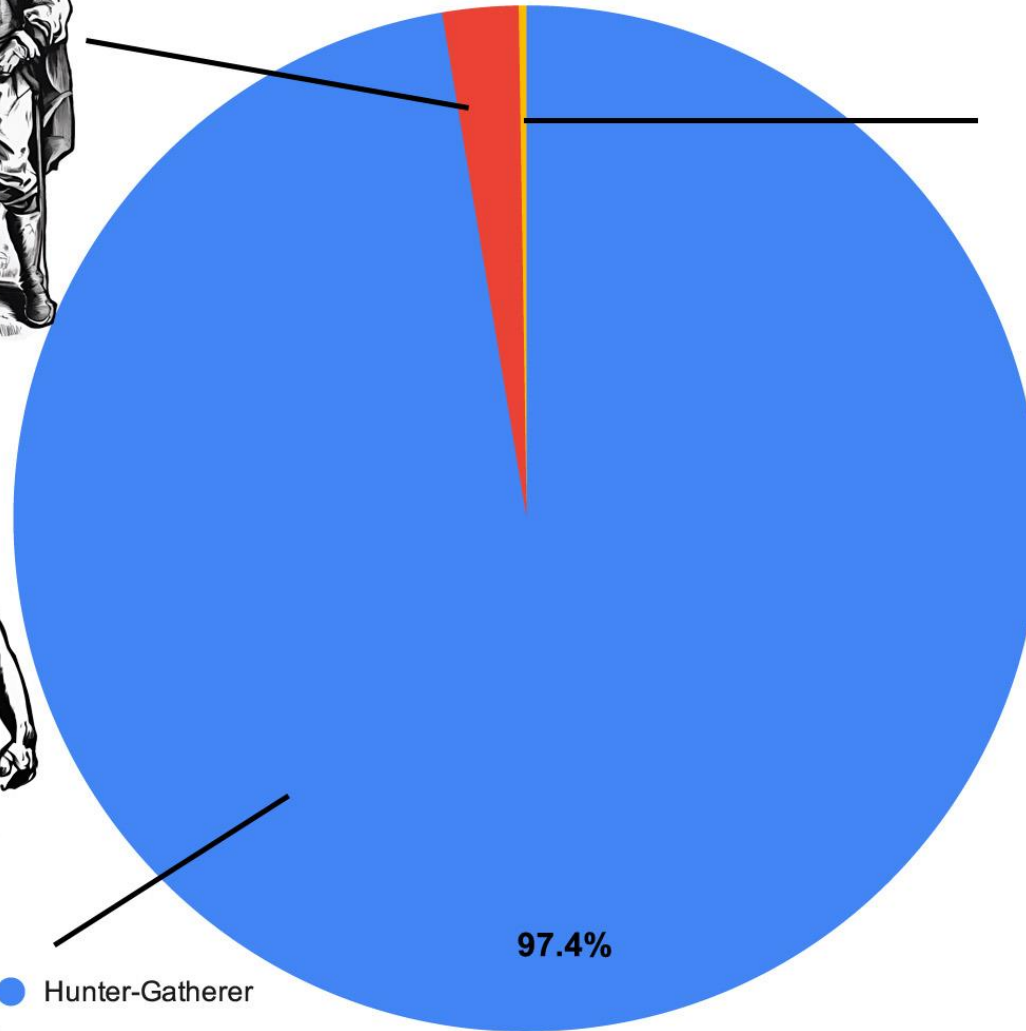


● Agrarian Laborer

● "Worker"



● Hunter-Gatherer



97.4%

A blue-tinted photograph of a Dutch windmill complex, likely the Zaanse Schied, situated along a canal. The central focus is a large, dark wooden windmill with four lattice-patterned sails. To its left, another smaller windmill is visible. In the background, there are several traditional Dutch buildings, including a white building with a distinctive gabled roof. The scene is reflected in the calm water of the canal.

**First Industrial Moment:
Water and steam power
mechanized production**

A blue-tinted historical photograph of a large industrial factory interior. The scene is filled with a complex network of machinery, including large gears, belts, and pipes. Several workers are visible, engaged in various tasks. The overall atmosphere is one of intense industrial activity.

**Second Industrial Moment:
Electric power created
mass production**

A blue-tinted historical photograph of an automobile assembly line. In the foreground, a worker is kneeling and working on the front wheel of a car. The car is a vintage model with a prominent grille and headlights. In the background, a long line of workers is visible, each working on a car. The factory floor is filled with the cars, and the overall scene depicts a busy industrial environment.

**Third Industrial Moment:
Electronic and information technology
used to automate production**



**Work's next
moment
has arrived**

**Work is no longer
defined by
a supply mentality**

it's defined by...



An [on]demand
mentality

Why Speed and Velocity Matter



8 Seconds

Human
Attention Span



3 Seconds

You Leave the Site



1 Second

Increases Mobile
Conversions by 27%



STARBUCKS

8300

DRAFT



→ E-S CLEARANCE ←

STARBUCKS CO

What's
your
speed?

The image shows a YouTube video player interface. The video content features the logo for "WorldatWork® Total Rewards Association" in blue and grey text. Below the logo, the text "Half-speed, normal, or double speed? >>" is displayed. A dark grey playback speed menu is open on the right side of the video, showing options: 0.25, 0.5, 0.75, Normal, 1.25, 1.5, 1.75, and 2. The option "2" is selected with a checkmark. The video player's control bar at the bottom shows a play button, a skip forward button, a volume icon, a progress bar at 0:00 / 2:05, a settings gear icon, and a full screen icon.

WorldatWork®
Total Rewards Association

Half-speed, normal, or double speed? >>

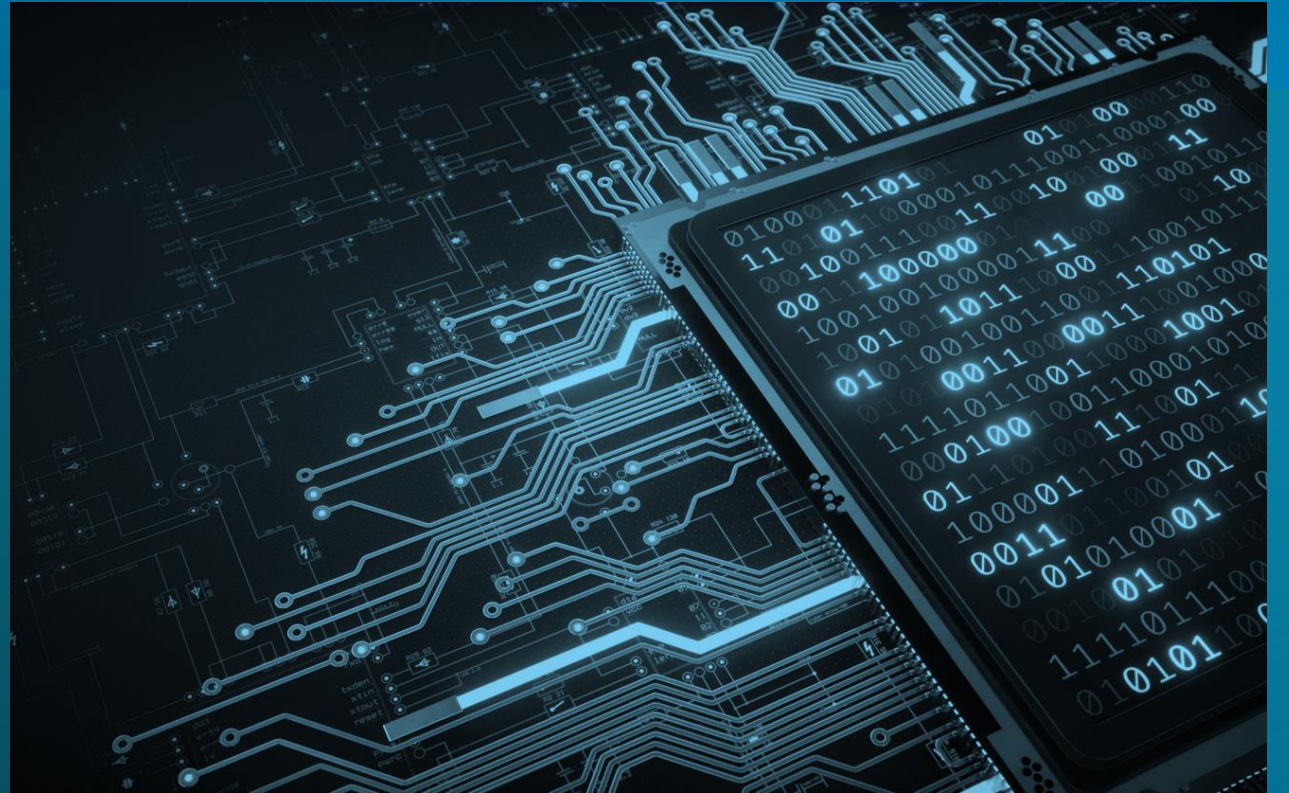
Playback speed Custom

- 0.25
- 0.5
- 0.75
- Normal
- 1.25
- 1.5
- 1.75
- ✓ 2

0:00 / 2:05

**“We won’t experience
100 years of progress
in the 21st century—it
will be more like
20,000 years of
progress.”**

—Raymond Kurzweil



1 The accelerating pace of change ...



2 ... and exponential growth in computing power ...

Computer technology, shown here climbing dramatically by powers of 10, is now progressing more each hour than it did in its entire first 90 years

COMPUTER RANKINGS

By calculations per second per \$1,000



Analytical engine
Never fully built, Charles Babbage's invention was designed to solve computational and logical problems



Colossus
The electronic computer, with 1,500 vacuum tubes, helped the British crack German codes during WW II



UNIVAC I
The first commercially marketed computer, used to tabulate the U.S. Census, occupied 943 cu. ft.



3 ... will lead to the Singularity



Apple II
At a price of \$1,298, the compact machine was one of the first massively popular personal computers



Power Mac G4
The first personal computer to deliver more than 1 billion floating-point operations per second

2045
Surpasses brainpower equivalent to that of all human brains combined

Surpasses brainpower of human in 2023



Surpasses brainpower of mouse in 2015

Source: Time Magazine

**What
does AI
mean for
me?**



A woman with her hair in a bun, wearing glasses and a dark blazer over a light-colored shirt, is smiling and looking at a laptop screen. The laptop screen displays a webpage with the text "Increase Revenue" and several images of people. The background is a blurred office environment with other people working. The entire image has a blue color cast.

**Augmenting work—not just
replacing people**

Coming to the World of Work by 2025



**97
million**

**Jobs displaced
by machines,
artificial
intelligence,
and general
automation**

**12
million**

**Opportunities
net gained
surpassing jobs
lost or displaced**

**85
million**

**Roles created for
the “new division
of labor” with
humans,
machines, AI**

**"Pepe" the
kitchen runner:**

**Facilitating
human
work**



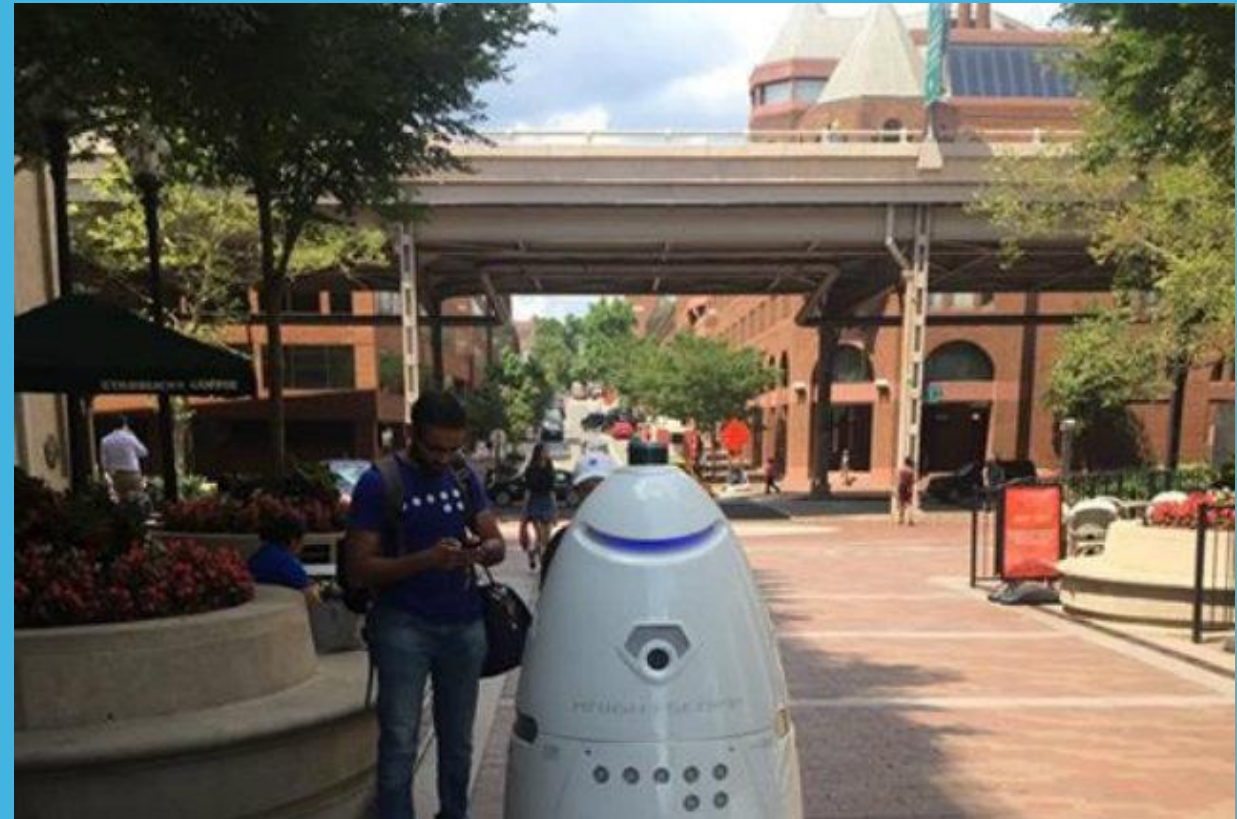
Working *with* people





Balancing Being Human

Hello, Steve!



Steve has fallen...





The *NEW*
work exchange

The image is a collage of three scenes, all tinted in a light blue color. The top-left scene shows a woman in profile, smiling, holding a baby. The top-right scene shows a large industrial robotic arm in a factory setting, with a person standing in the background. The bottom-right scene shows a man sitting at a table with a child, who is looking at a device. The central text is overlaid on the collage.

What people are
working for
has changed

**Delivering
what
matters to
people
requires
*radical
resets
in rewards!***



From “You work for us.”



To “We work together as stakeholders.”



**We are
shifting from
“managing
employee
experience”
to “cultivating
employee life
experiences”**

Total well-being, rewards, and incentives

Accenture: Digital personal assistant system for personal and work-life

Adobe: \$10,000 per year toward learning and continuing education

AMEX, JPMorgan Chase, Bank of America, Morgan Stanley, Paramount Pictures, Mastercard, Johnson & Johnson, VMware: College admissions counseling


Facebook: Up to \$4,000 in "baby cash"; reimbursement for egg-freezing and adoption fees

Genentech: Menopause benefit with 24/7 access to specialists, drop-in menopause support group, on-demand video chat and messaging with menopause specialists

Google: Flex hours; full gyms; sleep pods; TGIF celebrations; "Bureaucracy Buster" days; free food; bring your children/parents to work

HubSpot: 401k match up to 12%; three months of leave for mothers and one month leave for fathers

RMSI: In-office entertainment facilities; free music lessons; specialized women's health care services; free counseling; free self-defense and Zumba classes



**Organizational trust
depends on
truth & transparency**



**“Investors need
not worry about
climate risk...”**

**—Stuart Kirk,
formerly of
HSBC**

Dance like no one is watching



Have you established the exchange your organization needs? Is it working?



FLEXIBILITY

JOB DESCRIPTIONS



**PRODUCTIVITY
PARANOIA**

**Move work
forward
by creating
and
rewarding
your new
*work moment***

Reactivate purpose

Why should people want to work with your organization?

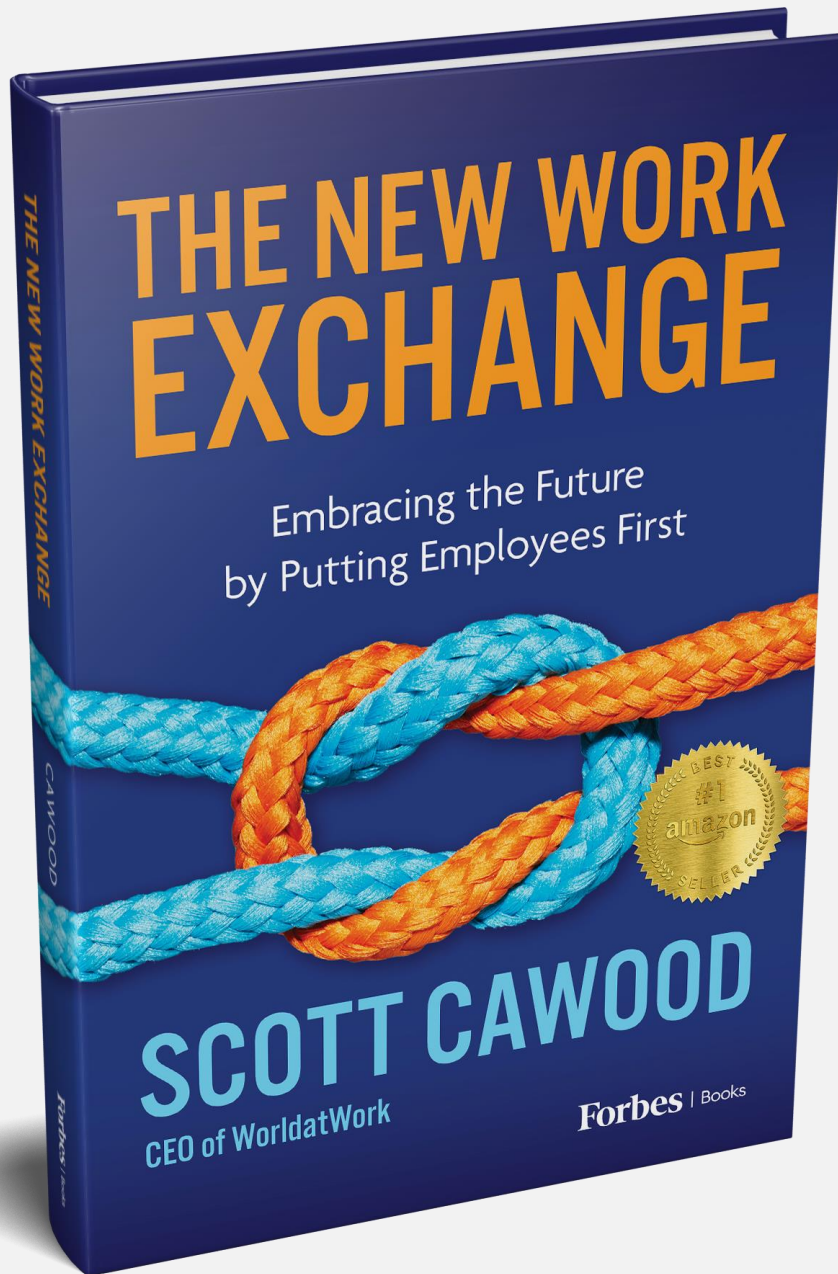
Reframe value to more than employee

What's unique about your organization and workplace?

Shift from Rewards being what you get, to what you get to do

Are you listening to what people need *now* & *in the future*?





It's Time to Make Work Better. For Everyone

All proceeds from *The New Work Exchange* go to the WorldatWork Foundation, which provides ongoing learning, skill development, and scholarships.

An exploration of what *really works at work*, *The New Work Exchange* signals a time to embrace a radical realignment of how, when, and why we work—as well as what we produce.

Read the #1 Best Seller



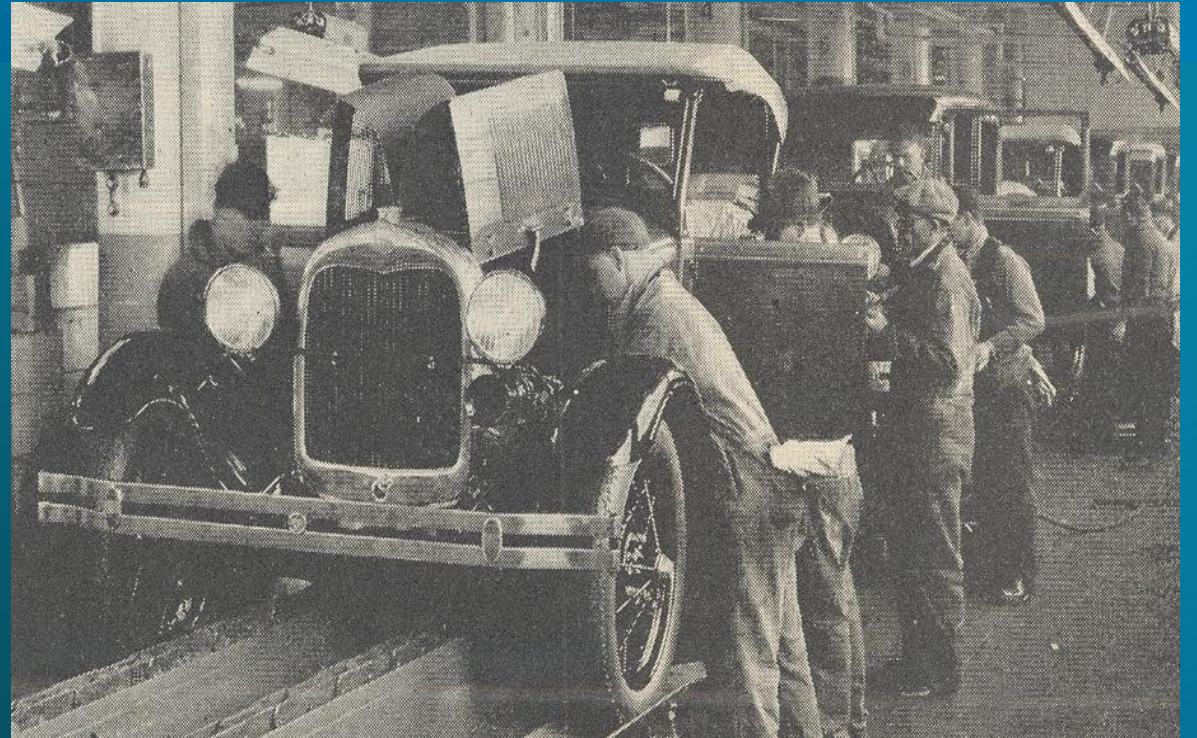
Thank You!

**Dr. Scott Cawood, CCP, CBP, GRP, CSCP
CEO, WorldatWork**

**Be sure to follow me on LinkedIn
@scottcawoodworldatwork**



**No work exchange
is permanent—
the circumstances
of work are
unpredictable
and perpetually
changing**





Cognitive Dissonance

Sorry I missed your
text...my brain can't
keep up

**What
work
exchange
are
you in?**



BUILDING A DIGITAL MINDSET: TRANSFORMING HR AND TOTAL REWARDS FOR THE MODERN BUSINESS LANDSCAPE

March 2024
Atlanta, GA



WHO AM I?



Jason Averbook
Senior Partner, Global Leader
HR Transformation, Mercer



CONNECTED VS. CONNECTION

WHAT IS DIGITAL?

WHY IS IT SO IMPORTANT?



The Pace of Change

Acceleration of digitalization and AI



Geopolitical Crises

Digital living

New generations & purpose



Diversity, Equity & Inclusion

Heightened risk landscape



New business models

Health & wealth protection gap

Rise of new ways of working



Shifting economic interests

Stakeholder capitalism

Re-design of work and jobs

Importance of Sustainability



ESG factors


Skills as the currency of the labor market



**THE WORLD OF WORK CHANGED MORE
FROM 2020-2024 THAN IT DID
FROM 1970-2020.**



**CHANGE ISN'T
THE ENEMY. IT'S
THE STRATEGY.**

The background features a dark blue field filled with a vertical stream of white and light blue digital data points, resembling a binary code or data stream. In the lower-left foreground, the dark silhouettes of several people are visible, appearing to walk or stand in a dimly lit space, possibly a server room or a digital environment.

**DIGITAL
≠
TECHNOLOGY**

Digital Equation for Success

Purpose

Rethinking how to better **design and deliver services** starts with **purpose**.
How do we exceed the **expectations of the workforce** and meet the **needs of the business**?



35%
Mindset → Vision

- **Vision and understanding** of digital HR and the right **roles & responsibilities** to deliver on it
- Coordinated and aligned approach to **prioritize, plan** for and **make progress** on digital initiatives
- **“Go-begin” mindset** to drive continuous improvement and sustained adoption
- Stakeholder buy-in and the capabilities needed to **manage organizational change**



30%
People → Audience

- **Voice of the customer** informs **what** problems to solve **when**
- **Employee feedback** and **co-creation** inform **how** to solve problems
- Experiences are **personalized** to meet **unique audience** needs
- Organizations can **easily communicate** with the entire workforce or targeted segments of it



25%
Process → Journey

- Experiences are **frictionless** – the right person, product, channel and time
- Design focuses on end-to-end, **cross-functional journeys**
- Processes are **efficient, effective** and **deliver value** to the business
- **Workforce is empowered** through digital direct access to knowledge and services



10%
Technology → Solution

- **Digital experience architecture** is intentionally designed to be personalized and intuitive
- **Tech ecosystem** is fully rationalized to support a frictionless workforce experience
- **HR is empowered to design** and configure digital **solutions**
- **People data** has clear ownership and integrity and is available for use and/or analysis where it is needed

DIGITAL TRANSFORMATION OR TECHNOLOGY TRANSITION

WHAT KIND OF CHANGE ARE YOU LOOKING FOR?

We all must **CHANGE** from

doing
**technology
projects**



being
digital

A photograph of two men in a meeting. One man is pointing at a tablet on a table while the other looks on. The image has a blue and purple color overlay.

DIGITAL is the ability to deliver personalized, meaningful services and capabilities, at scale.

The essence of “being digital”



The future of digital transformation isn't about replacing humans with machines. It's about **amplifying our human capabilities with technology to create new possibilities for business, society, and human potential.**

Satya Nadella, CEO of Microsoft



1

Digital technologies are not meant to replace humans but to amplify our capabilities and potential.

2

Human qualities such as creativity, empathy, perspective and judgment remain essential and cannot be fully replicated by machines.

3

Digital tools act as a catalyst, enabling people to achieve more and reach further than ever before.

4

When used by skilled and imaginative individuals, digital technologies can help solve problems, create value, and foster connections in unprecedented ways.

5

The true essence of the digital revolution lies in empowering humans to be their best selves and make their greatest contributions to society.

**It's 2024 outside of work,
what year does it feel
like inside?**



Changing change



THE IMPORTANCE OF UNLEARNING

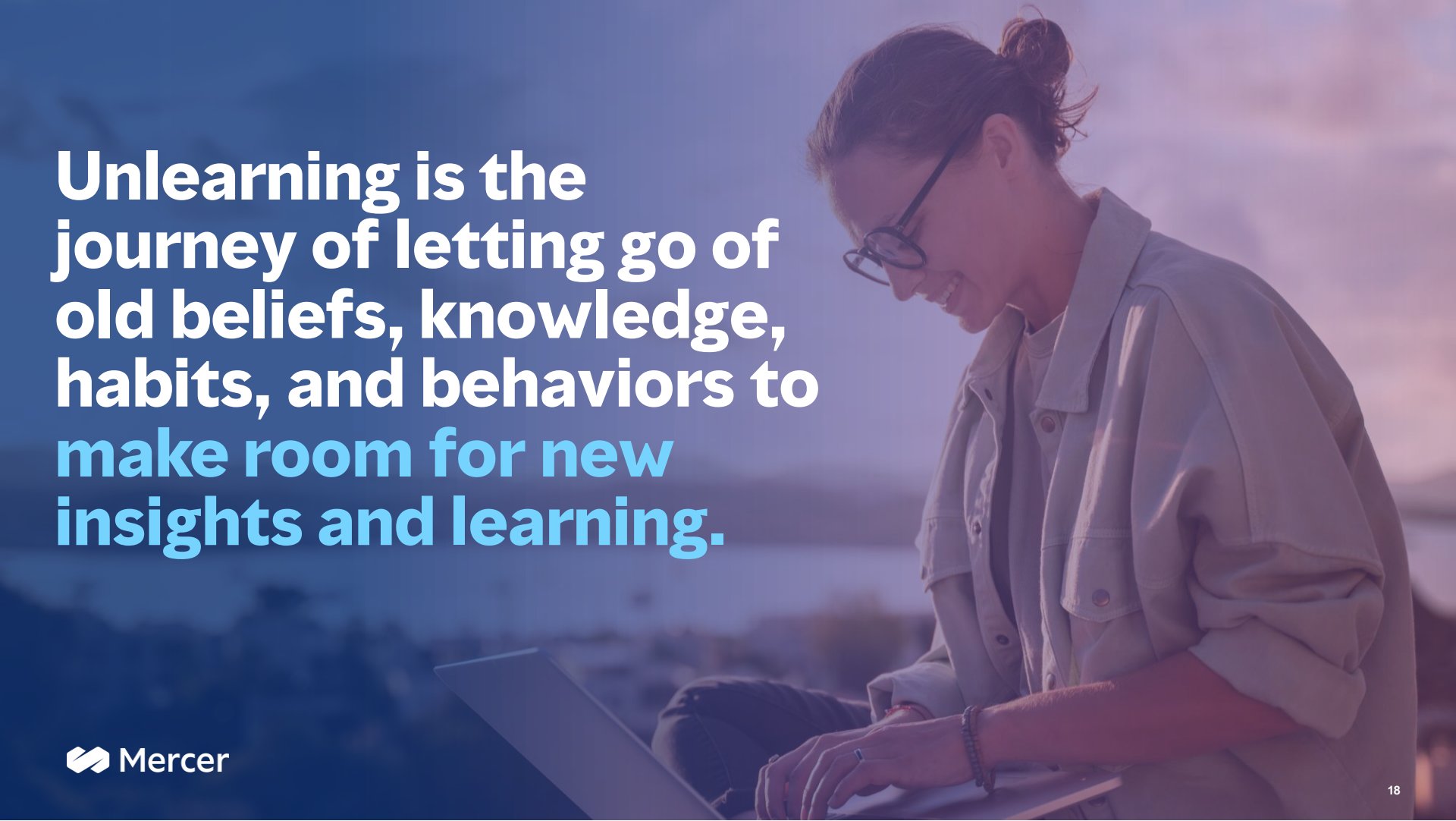




The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn.

Alvin Toffler, Author





**Unlearning is the
journey of letting go of
old beliefs, knowledge,
habits, and behaviors to
make room for new
insights and learning.**

Some Examples of “Not” Unlearning

Ever hear these?

"If it ain't broke,
don't fix it."

"We've always
done it this way."

"Better the devil you
know than the devil
you don't."

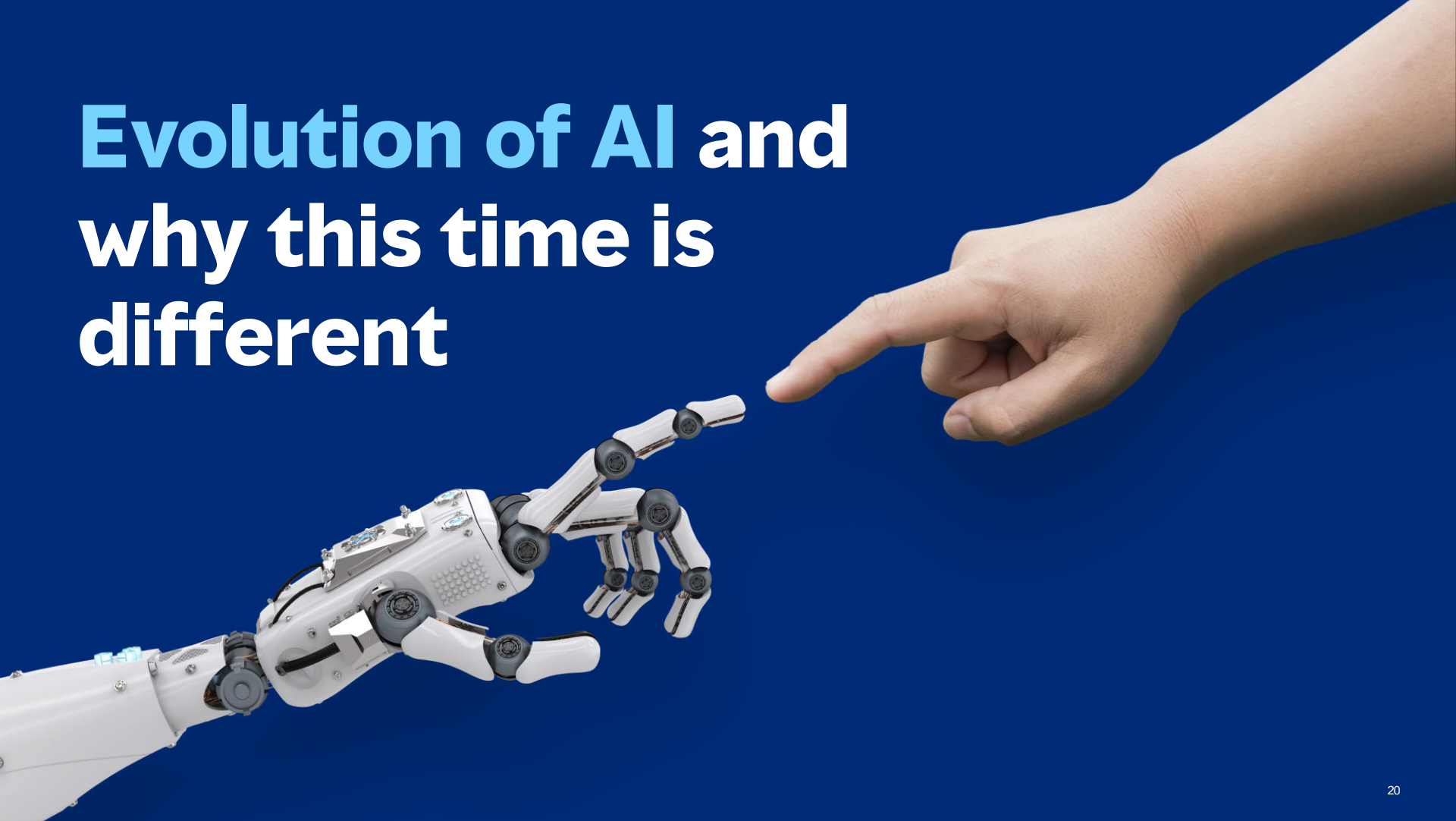
"That's just the way
things are."

"Don't rock the boat."

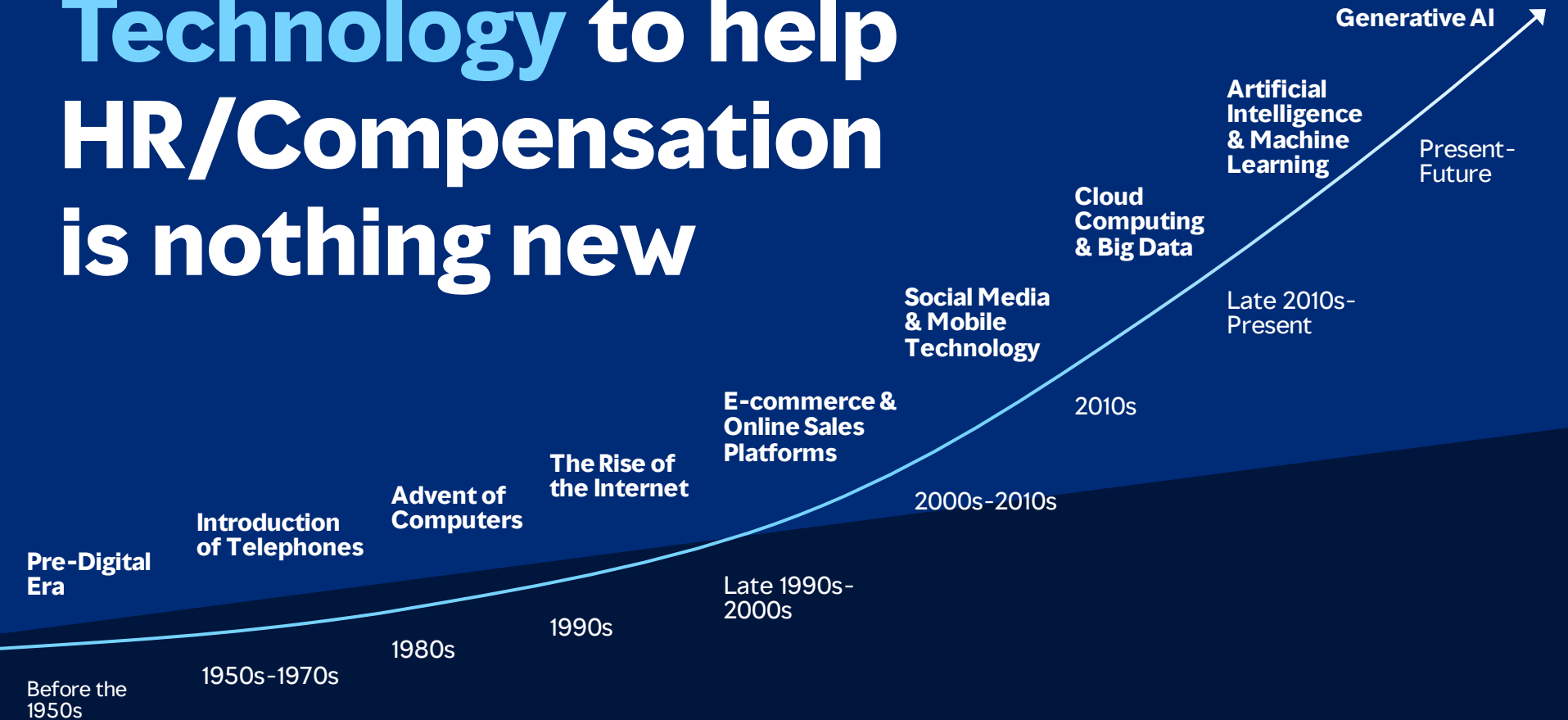
"You can't teach an
old dog new tricks."

"When in Rome, do
as the Romans do."

Evolution of AI and why this time is different



Technology to help HR/Compensation is nothing new





18th Century -- Printed materials mobilize the French and American revolutions

20th Century – Printed texts enable mass education, giving rise to the new middle class

21st Century – AI becomes the “printing press” that can *create its own content* and share it with billions in a matter of seconds

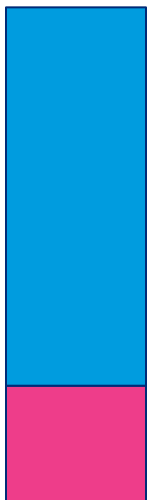
15th Century – Gutenberg invents the movable type printing press

PRINTING PRESS MOMENT

There are moments in history where technology, and our choice to employ it, advance the whole world and change the trajectory of humanity.

How AI is changing work

...80% of today's jobs are likely to be affected by Generative AI!...



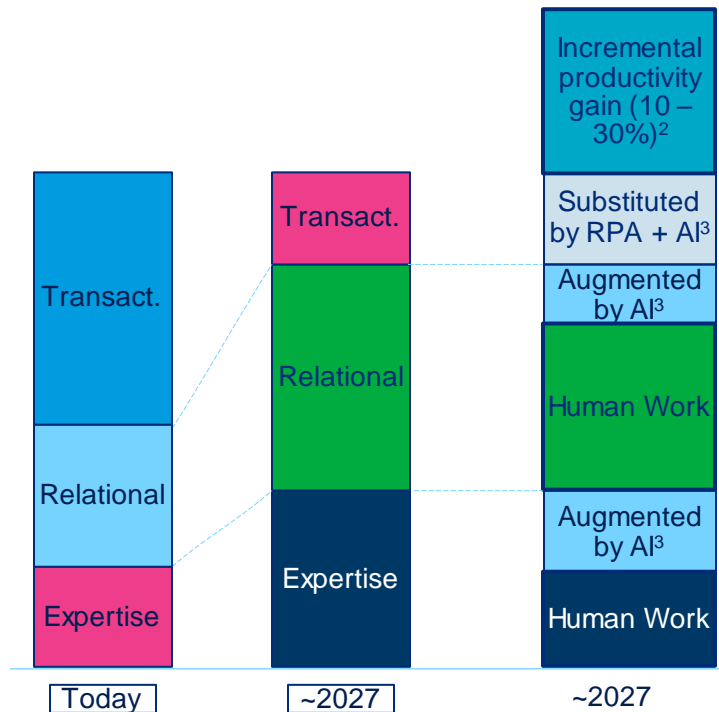
... Most importantly, virtually **all jobs** will see their core tasks change significantly



... but 19% of jobs will see 50% of their tasks affected...

Sources:

- 1) OpenAI, OpenResearch, and the University of Pennsylvania
- 2) Brookings Research
- 3) Goldman Sachs Research, Reinventing Jobs: A 4-Step Approach for applying automation to work (Jesuthasan and Boudreau, HBR Press 2018)





**ALL OF THIS
HAS CREATED
MASSIVE FOBO**

Designing work for what people should be doing



Hands work



Heads work



Hearts work

Impact of Generative AI on our world of work

WORKFORCE TRANSFORMATION

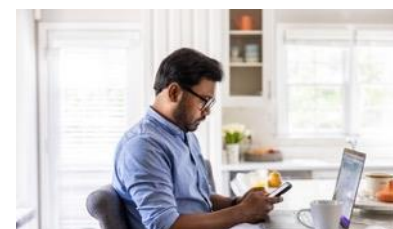
HR TRANSFORMATION

Change Work

Change the Workforce

Change Employee Experience

Change HR



HOW

AI will cut deep into workflows, unleashing leapfrog improvements across the entire value chain

By **democratizing knowledge and creativity**, it will differentially affect all roles, shifting skill premiums

Shifting operating models and skill premiums will result in different ways of engaging talent with work

It will **transform virtually every aspect of the target interaction model**

RESULT

1. Redesigned Workflows
2. Radical efficiency and effectiveness gains
3. Roles disappearing, new roles, highly altered roles

1. They will require new work models as work and skills cross traditional functional boundaries
2. Shifting skills premiums will require rapid assessment, upskilling/reskilling and redeployment

1. HR will need to retool all aspects of the employee experience
2. This in turn require changing EVPs and rewards

1. HR will need to incorporate Generative AI into its service delivery model
2. HR will need valid, complete and accurate data and data literacy skills
3. HR will need help identifying, selecting and managing its technology and data models

As Gen AI gets incorporated into new and existing platforms, we will see **consolidation and the emergence of new players**

Change Tech Landscape

Decision makers will need insights into the changing landscape of providers

4 Generations of Artificial Intelligence



AI 1.0

Rule-based Systems



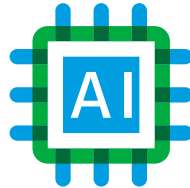
AI 2.0

Machine Learning



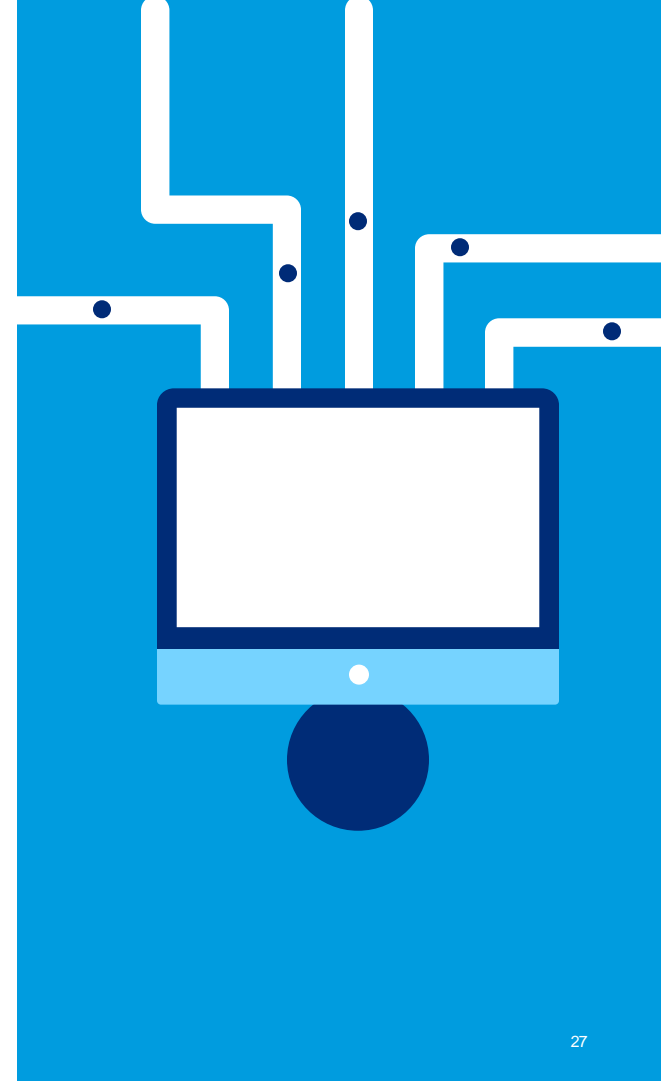
AI 3.0

Deep Learning



AI 4.0

Generative AI



Generative AI

What is AI and why is everyone so excited about it?

Generative AI vs. “traditional” AI



Content creation

Create vs. classify



Learning ability

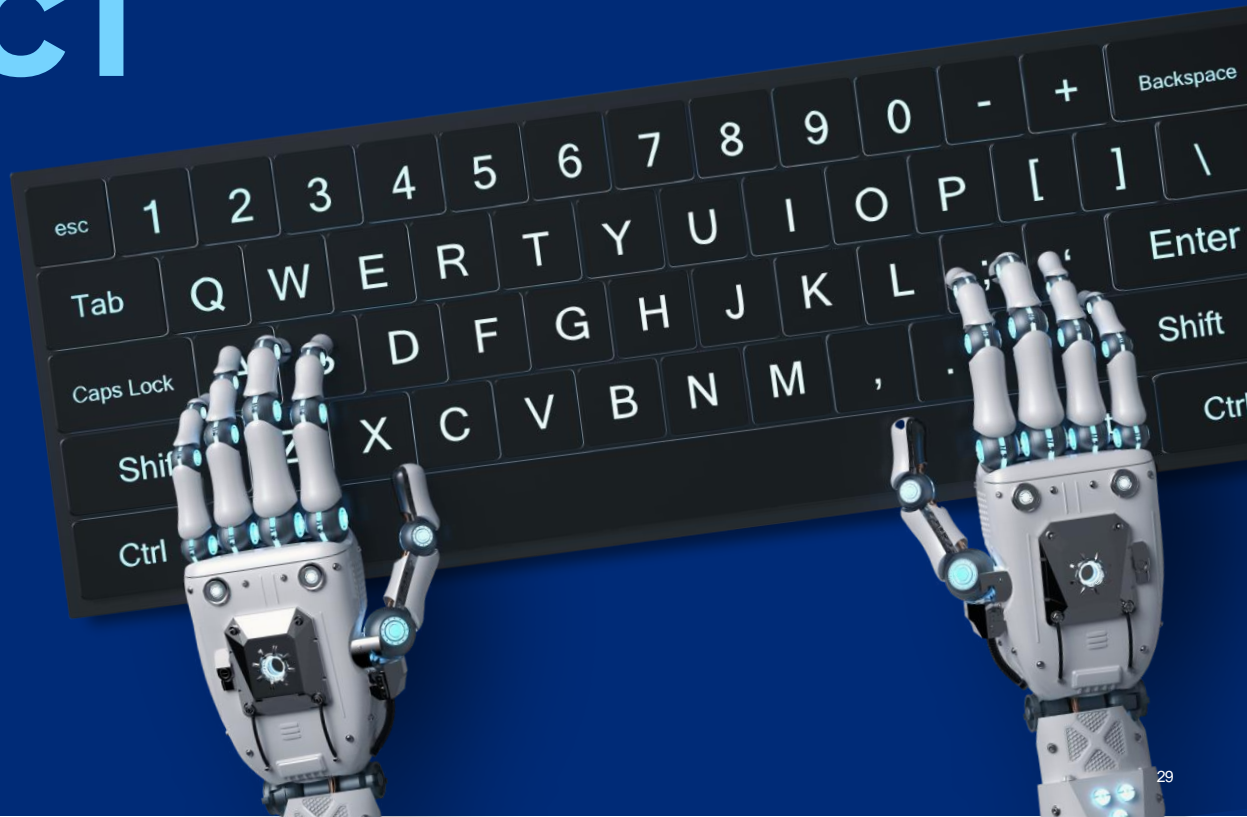
Existing data vs. new data



Human-AI interaction

One-way vs. two-way

USING AI TO MAKE AN IMPACT



Where to learn more



Discover how to rethink and reorganize work with AI in mind



Join the Now of Work digital meet-Up, every Friday at 1:00pm US Eastern



Follow our podcast, AI-volution: Redefining HR



Download the Oliver Wyman Generative AI Report



Get the latest insights from Mercer — [visit our AI hub](#)

THANK YOU!