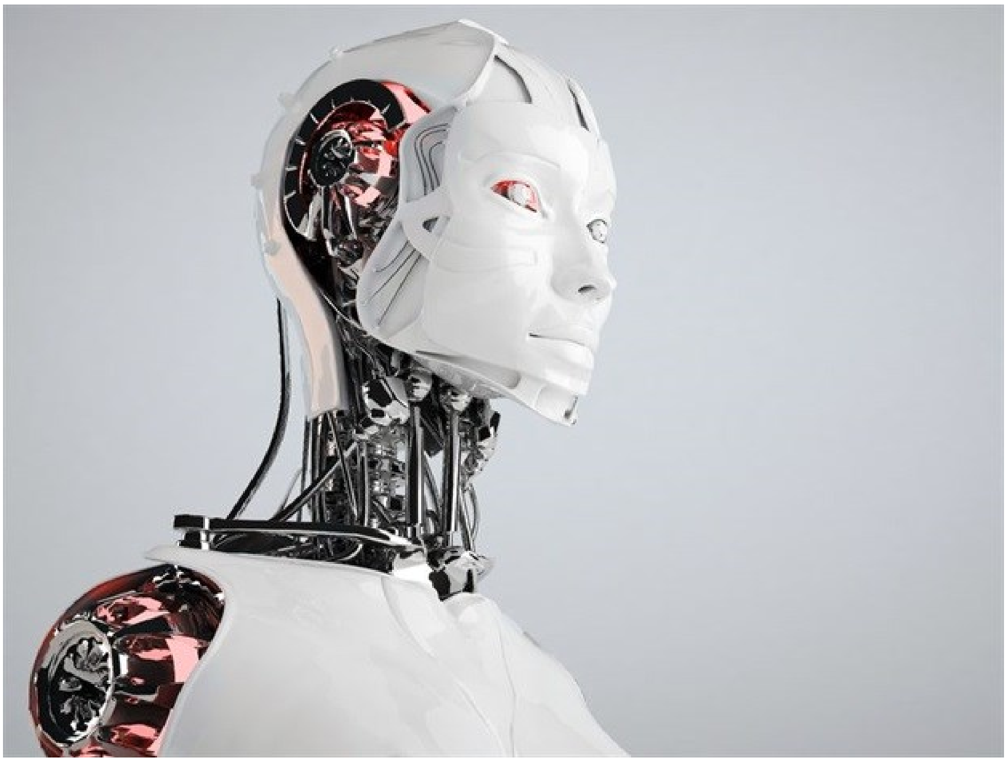
Machines will cut jobs, CE survey finds

Global CEs are planning to hire - rather than fire - more employees in the next 12 months, as they recognise the most difficult and important skills to find are those that cannot be performed by machines, according to a PwC survey.



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"Computers far outstrip humans when it comes to analysing vast quantities of raw data, for example. But they lack the intuition, empathy and creativity required to make sense of that data. Creative, innovative leaders with emotional intelligence are in very short supply," PwC finds in its 20th Global CEO Survey.

Views from interviews with 1,379 business leaders in 79 countries are presented in the recent survey.

Technology has profoundly affected the global workforce: at 1.8-million, there are more than twice the number of industrial robots worldwide today than 20 years ago, while the advent of self-driving delivery trucks and automatic supermarket billing are examples of jobs threatened by technological innovation.

Yet only 16% of the CEOs surveyed planned to cut their company's headcount in the next 12 months, with just a quarter saying this is primarily due to technology.

Conversely, more than half the CEOs surveyed plan to hire more employees.

This number is even larger among CEOs who are more confident about their company's growth prospects.

Machines cannot replicate the skills considered most important by CEOs, the survey finds. These skills, ranked in order of importance to organisations are problem-solving, adaptability, leadership, emotional intelligence and creativity and innovation.

Three-quarters of CEOs said creativity and innovation were the most difficult to find among prospective employees, followed by leadership (75%) and emotional intelligence (64%).

Organisations continue to need people for several reasons, according to PwC. These include the length of time it takes to adopt new technologies, the regulatory environment and the degree to which technology, at least at this stage, can replicate more complex jobs.

"Ultimately, however, it's the ability to acquire new skills that's kept people employed through past disruptions like the industrial revolution," says PwC.

Companies are looking farther and wider to find the skills they need, with 74% of CEOs saying they seek out the best talent regardless of geography and 78% saying they have changed their talent strategies to reflect the skills their companies will require in the future.

Less than a third of CEOs are confident global economic growth will improve in the next 12 months, with 38% - up from 35% in 2016 - saying they are very confident about the 12month revenue prospects for their companies.

Positively, 51% say they are very confident in their organisations' three-year revenue prospects. CEOs list uncertain economic growth, overregulation, the unavailability of key skills, geopolitical uncertainty and the speed of technological change as the greatest threats to growth prospects.

As global trade slows down, CEOs are looking at a mix of countries in which to find opportunities to expand.

Emerging markets are no longer the world's foreign direct investment darlings, with the US, China, Germany and the UK topping the list of destinations that CEOs consider most important to their growth prospects.

Source: Business Day