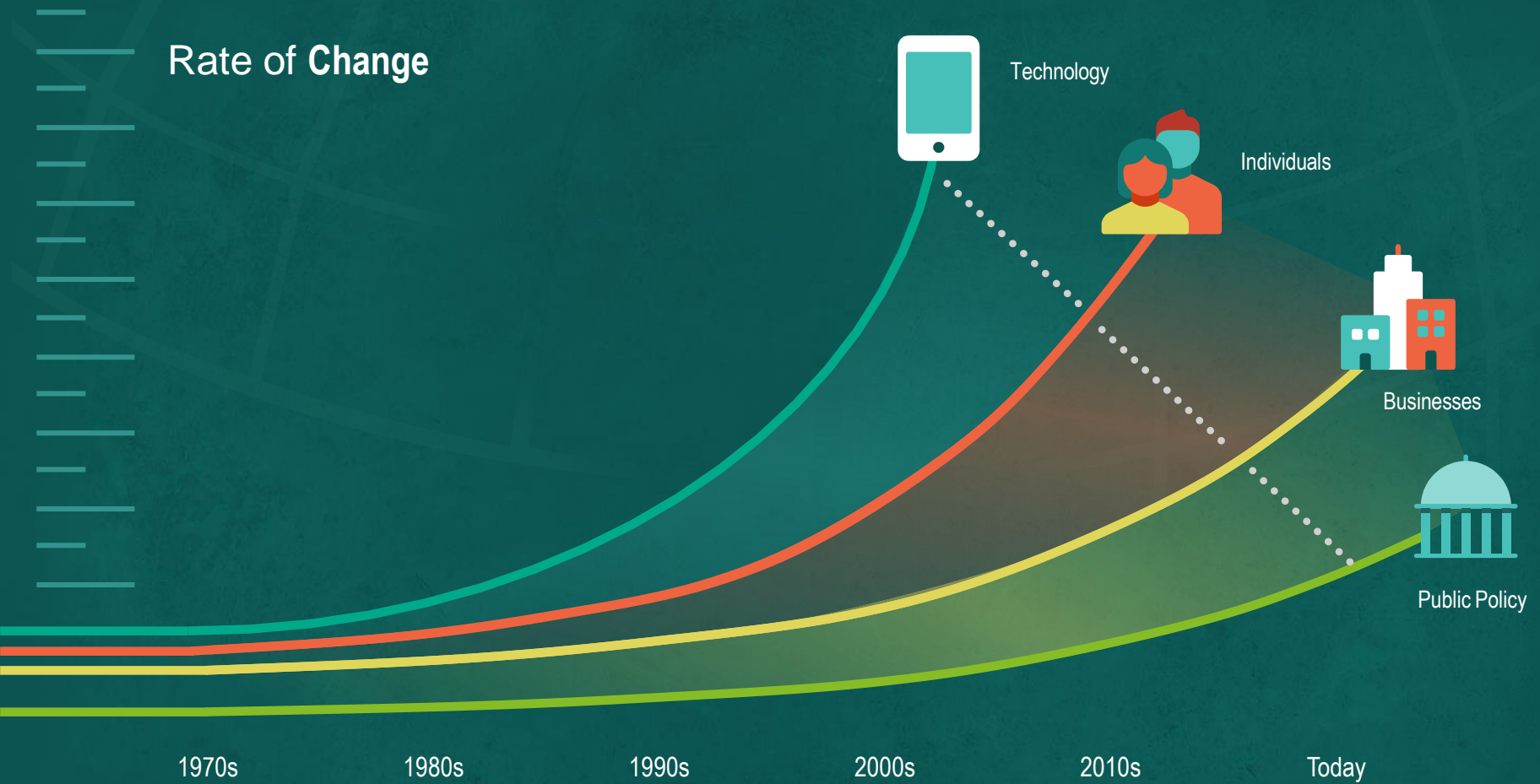


# 2018 Human Capital Trends



Where we **left off...**

# Rate of Change



Technology



Individuals



Businesses



Public Policy

1970s

1980s

1990s

2000s

2010s

Today

Last year, we looked  
inward to solve for  
productivity gaps...

Individuals



Businesses



Individuals

...and we're starting to see  
**progress.**

This year, we are seeing increased pressure on organizations from the **external environment**



The power of the individual  
is growing, with millennials  
at the forefront.

**86%**

of whom think business success should be  
measured by more than just financial  
performance.<sup>1</sup>



Businesses are being expected to fill a widening leadership gap in society.

52%

place trust in businesses “to do what is right”



vs.

43%

in government<sup>2</sup>





Technological change is having unforeseen impacts on society even as it creates massive opportunities to achieve sustainable, inclusive growth.

**87%**

of C-level executives say that digital revolution will lead to more equality, more stability, and—more than governments—the ability to influence the future<sup>3</sup>



# And now...

these macro trends are pressuring organizations to move from the **inside out** to the **outside in**.

1970s

1980s

1990s

2000s

2010s

Today



INTRODUCING THE

# Rise of the social enterprise



# A social enterprise ...



...combines revenue growth and profit-making with the need to respect and support its environment and stakeholder network



...listens, invests, and manages the change that shapes today's world



...has a responsibility to be a good citizen, role model, and promote collaboration



**Ecosystem**  
*(External focus)*

**Increased engagement**



**The social enterprise**



**Enterprise**  
*(Internal focus)*

**Traditional organization**



**Functional**  
*(Siloed operating model)*



**Increased collaboration**

**Symphonic**  
*(“Network of teams” operating model)*



The time is now...

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So how are leading companies

**RESPONDING?**

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**11,000+**



respondents

across

**124** countries

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A SYMPHONIC

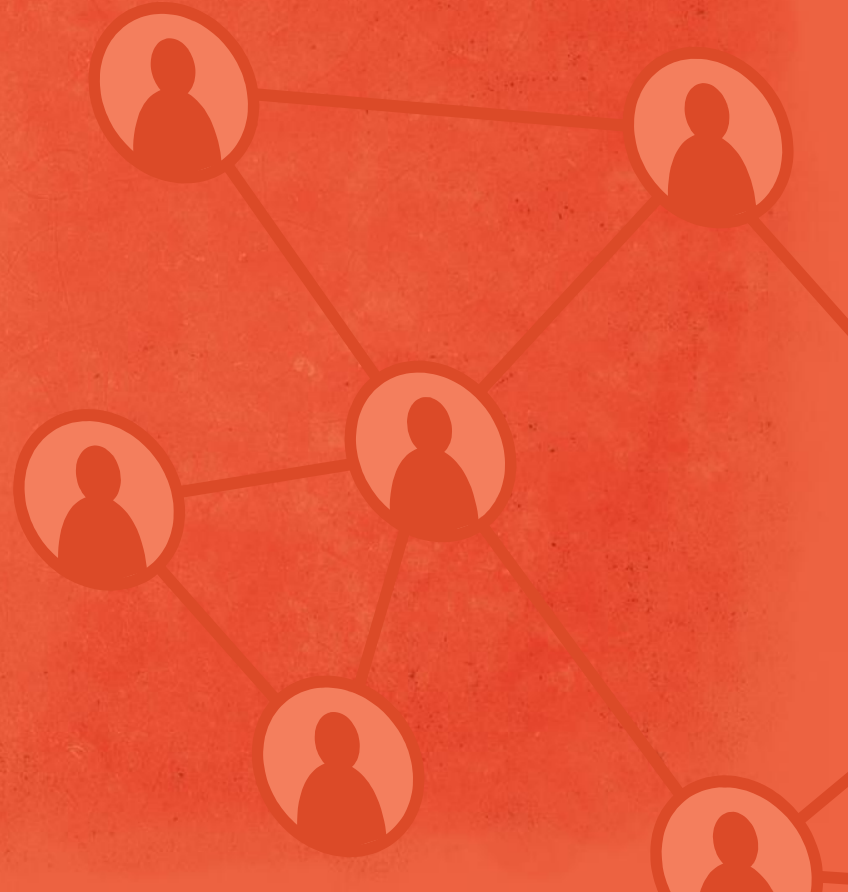
# C-Suite



2017

90%

of companies were redesigning  
their organizations to be more  
**dynamic, team-centric,  
and connected**



Today

73%



of respondents told us that their C-suite leaders rarely, if ever, work together on projects or strategic initiatives.

BUT,

85%



of executives surveyed rated “C-suite collaboration” as important or very important—making it the top issue of 2018.

# Tomorrow



A direct correlation between C-Suite collaboration and higher business growth



THE POWER OF  
THE

**Individual**



# The Workforce Ecosystem

THERE ARE APPROXIMATELY

**77M**

formally identified freelancers in  
Europe, India, and the US<sup>1</sup>

YET ONLY

**16%**

of organizations have a well-defined strategy to deal  
with the hybrid workforce





## New Rewards

**37%**

rated rewards as very important

**BUT ONLY**

**9%**

indicated they were ready to deal  
with this challenge

# Careers to Experiences

**72%**

say career paths at their company are not based on the organizational hierarchy

**YET ONLY**

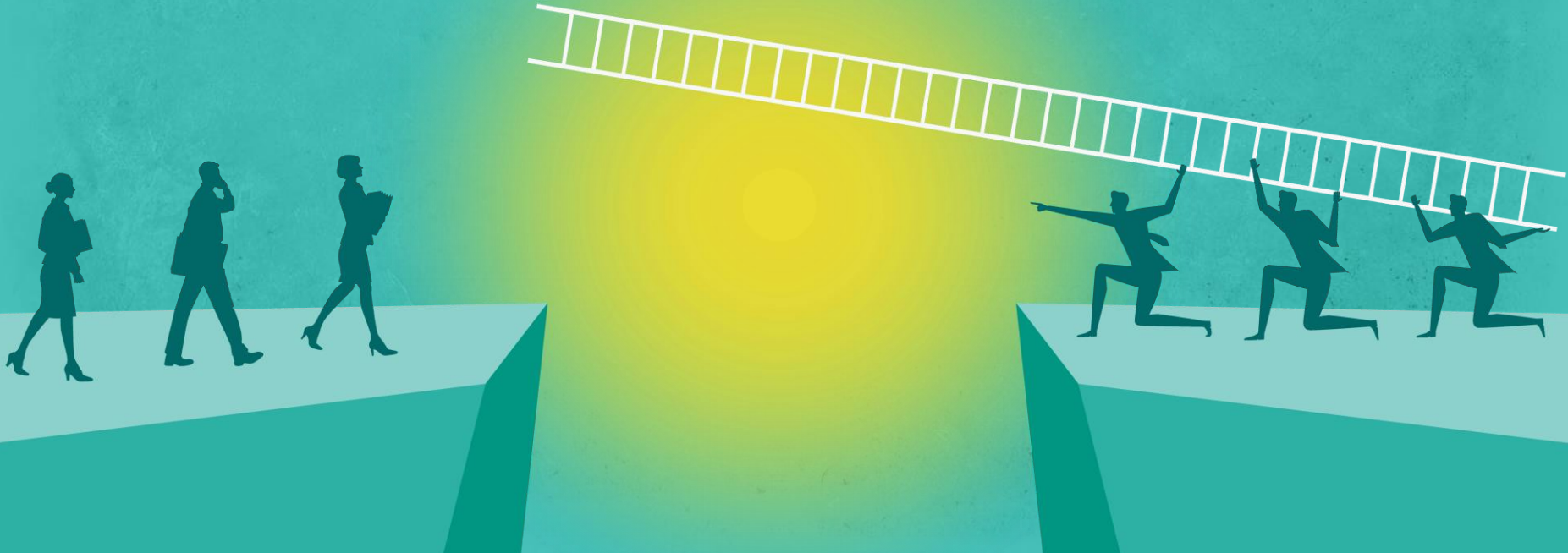
**18%**

feel they give employees the ability to actively develop themselves and chart new pathways for their careers



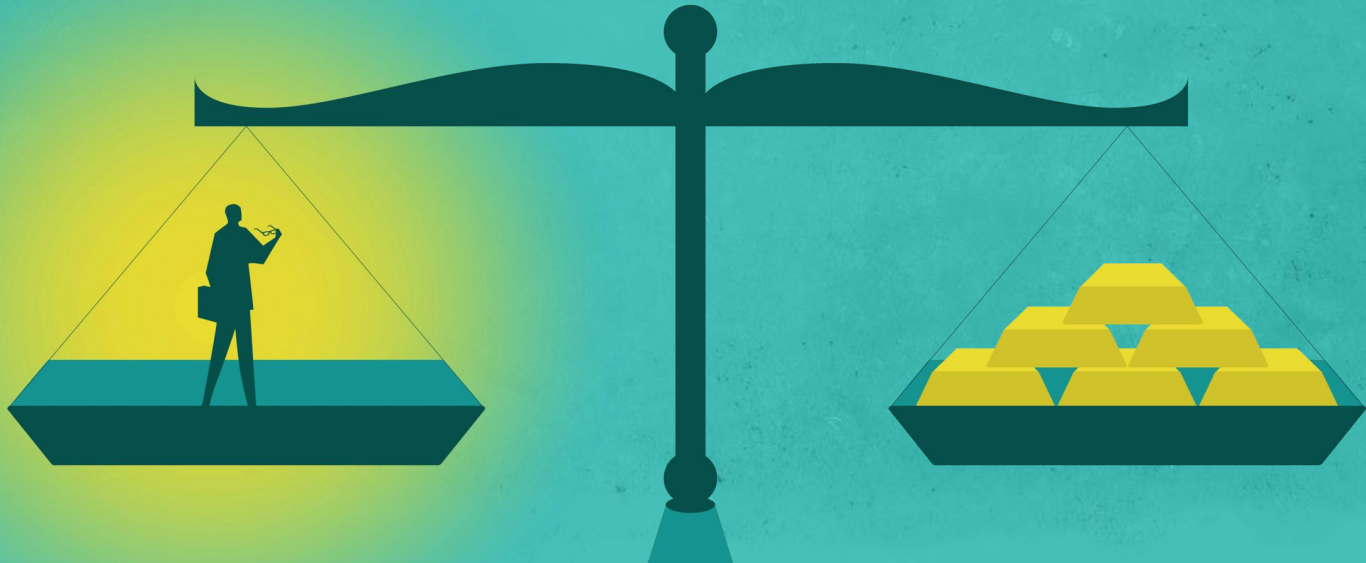


FILLING SOCIETY'S  
Leadership Gap



# The Longevity Dividend

Our research shows that older workers represent a largely untapped opportunity



# The Longevity Dividend

Our research shows that older workers represent a largely untapped opportunity

YET ONLY

**18%**

of respondents view age as an advantage in their organization



## Citizenship & Social Impact

**77%**

see citizenship as important

YET

**18%**

said that citizenship was a top priority reflected in their corporate strategy



# Well-being

66%

of organizations state that well-being programs are critical to their brand and culture

YET

wide gaps exist between the well-being programs offered and employee expectations





LEVERAGING  
TECHNOLOGY FOR  
**Sustainable  
Growth**

# AI, Robotics, & Automation

**42%**

of executives believe that AI will be widely deployed in their companies in the next 3-5 years

YET ONLY

**31%**

of our respondents feel ready to address this trend





## Hyper-Connected Workplace

**71%**

believe new communications tools improve their personal productivity

YET

**47%**

of respondents were concerned about whether these tools are really driving overall productivity



## People Data

**70%**

are in the midst of major projects to analyze and integrate data into their decision making

YET ONLY

**10%**

felt their companies were “very ready” to deal with the challenge of protecting that data



The background is a bright yellow with a subtle, mottled texture. On the left and right sides, there are stylized, light blue buildings. The building on the left is a tall, narrow skyscraper with a grid of windows. The building on the right is a shorter, wider building with horizontal stripes. The text is centered in the middle of the image.

What is at stake for  
**the Social Enterprise?**

What is at stake for  
**the Social Enterprise?**

Reputation, Relationships, and...  
**Success or Failure.**



An illustration on the left side of the slide. At the top is an hourglass with a brown rim, containing yellow and orange liquid. Below it is a globe with a blue and green grid pattern. At the bottom, a group of colorful silhouettes of people in various poses, including some with arms raised, stands on a dark, reflective surface. The background is a dark teal color.

# The time is now to **take action.**

---

**Listen** carefully to the external as well as the internal environment

**Invest** in the broader social ecosystem, starting with your own employees

**Actively manage** your position in the social ecosystem by engaging with stakeholders



Now, the  
data is yours...



The symphonic  
C-Suite



The power of  
the individual



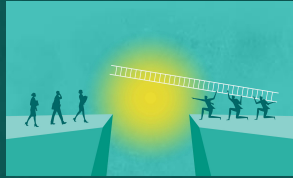
The Workforce Ecosystem



New Rewards



Careers to Experiences



Filling society's leadership gap



The Longevity  
Dividend



Citizenship & Social  
Impact



Well-being



Leverage technology  
for sustainable growth



AI, Robotics, & Automation



Hyper-Connected Workplace



People Data

# Deloitte.

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