New workforce
for new results

Key theses for the report
at the "New nuclear generation" section

Roland Berger

Tech advancement & demographic shift are defining new workforce requirements; millennials' idiosyncrasies have effect on 2 key elements
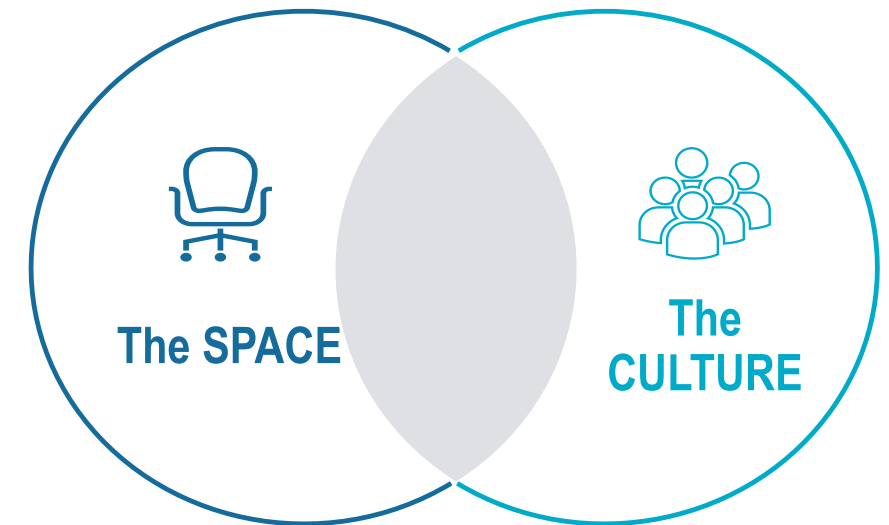
Future of workforce

Technological Advancement

> **Rapid technology advancement** will drastically **change the way businesses operate**
> **Requirements for workforce will be changed** as a result

Demographic Shift

> Millennials' share going from **50% in 2020** to **75% in 2025**
> Unique set of characteristics, incl. **multitasking, connected, and tech-savvy**

Millennials and numbers[1]

92% Believe that business success should be **measured by more than just profit**

88% Prefer a **collaborative work culture** rather than a competitive one

84% Say that helping to make a **positive difference** in the world is more important than professional recognition

80% Prefer **on-the-spot recognition** over formal reviews and feel that this is imperative for their growth

74% Want **flexible work schedules**

69% Believe **office attendance is unnecessary** on a regular basis

69% Either want to **start a business** or already have started one

64% Rather make X a year at **a job they love** than 2.5X a year at a boring job

The SPACE

The CULTURE

The future of workplace

1) Results from a survey by INC, and is based on US data

To create a conducive environment for the next-generation workforce – 4 aspects must be considered

The space – The 4 considerations

Facebook AUS HQ

1   Unconventional and purposeful design

2   Activity-based layout

3   Embracing natural elements

4   Functions for creativity and balance

To compete for top-talents, companies are creating workplaces that are original, unconventional, and purposeful

Unconventional and purposeful design

Unconventional

> **Unconventional office design is on the rise**

> Companies are **competing to attract top talents** – and now are showing off their latest **office design as magnet**

> **Outdated workplace can lead to lower morale**

> Millennials prefer everything but conventional, **outdated workplace** can lead to a **perception of** company **not being innovative**

> **Exciting workplace increases productivity**

> Studies have shown that a **more dynamic and exciting workplace** that makes employees feel at home and comfortable **increases job satisfaction and productivity**

Purposeful

> **Purpose motivates Millennials**

> Many of the **new workplaces embody the culture and purpose in the design** to attract, retain, and motivate workers

> **Workplace design reinforces the company's values**

> Company with strong values can build **strong ties to their mission through design**

> **Purposeful workplace leads to higher morale**

> Workplace that designed with values embedded serves as a **constant reminder of the purpose** – leading to higher morale

Source: World Economic Forum, Office Snapshot, Gensler, Roland Berger

While open-plan office is now believed to decrease productivity – Activity-based workplace is the future

Activity-based layout

Benefits

1 **Tackling of open-plan offices' deficiencies**
> Open-plan work spaces have been scientifically proven to decrease collaboration, productivity and creativity, being in fact more distracted, unfriendly, uncollaborative and not helpful
for forming co-worker friendships

Learning

Focusing

2 **Allowing employees to choose different type of work-setting**
> Employees are not assigned to a particular workstation, but are free to choose from private, semi-private, to open-plan, and standing to sitting workstation

Collaborating

3 **Providing the space for everybody**
> Extrovert, introvert, Gen X, Gen Y, male and female can choose to work in the environment they are most productive and comfortable

Socializing

Source: Gensler, Australian HR Institute, NY Times, World Economic Forum, International Well Building Institute, Roland Berger
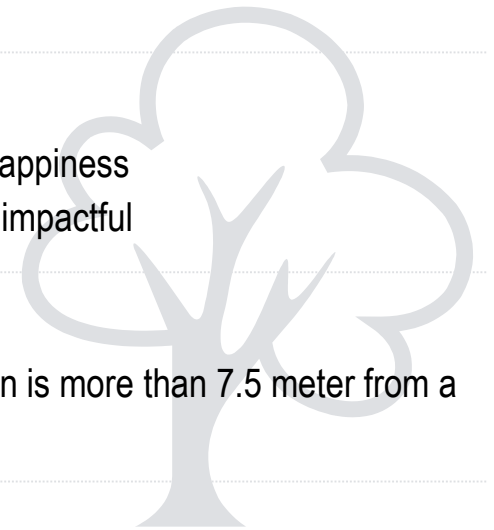
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Roland Berger

Effectively utilizing natural elements (incl. Biophilic design) can significantly boost productivity and happiness in workplace

Embracing natural elements

Benefits

1 **Leverage Biophilic design**
> Visual connection to nature elements (such as trees, water, nature sounds) in workplace can boost cognitive performance by 8% and wellbeing by 13%

2 **Use natural texture**
> Spaces containing natural elements have positive impacts on staff happiness
> Usage of "natural" textures such as wood, textiles and stone can be impactful

3 **Ensure abundance of sunlight**
> Research shown workers' productivity declines when the work station is more than 7.5 meter from a window

4 **Embrace outdoor space**
> Space for employee to step out for some fresh air can improve focus and productivity

Source: World Economic Forum, International Well Building Institute, Roland Berger

Roland Berger

Future workplace will become more integral for work and life by incorporating (sometimes quite bizarre!) 'play' and 'relax' functions

Functions for creativity and balance
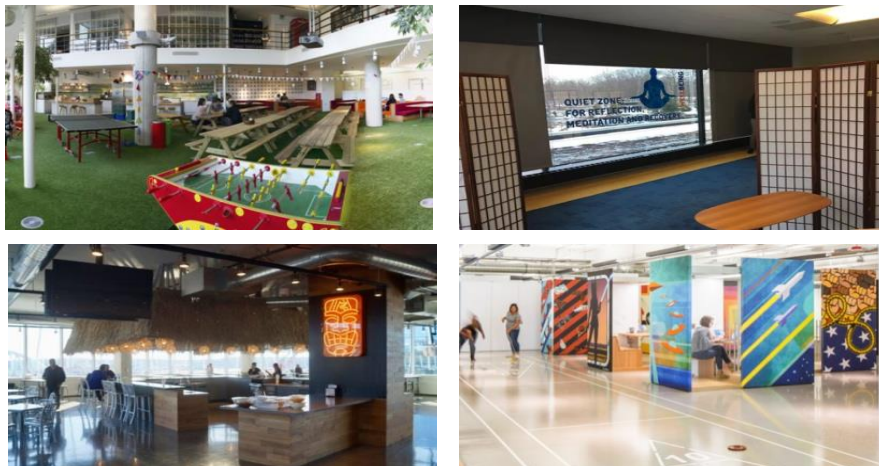
Type of function

🛏 **Relaxation**		🎮 **Entertainment**	
🏋 **Wellness**		🍺 **Social**	

Benefits

1 **Enhanced collaboration and creativity**
> As the **skills required for the future will be more behavioral, social, and higher cognitive** - Having these functions serve as places for informal gathering to happen, allowing employee dare to **think outside-the-box** and **meet new colleagues** from various of functions

2 **Improve work performance**
> **Attractive working environment helps employees feel energized**, valued and determine to create an impact
> Many researches show that a nap of about 20 minutes in the afternoon has a **positive effect on focus, mood, and alertness**

3 **Attract the Millennials workforce**
> Many tech companies have integrated many of these 'play' and 'relax' functions into the office to **strengthen the culture and to attract top talents**
> Letting employees **get work done in their own way** has proven to be a effective model for tech companies and startups

Culture – whether established consciously or unconsciously – exists and has a profound impact on organizational success

The culture – Benefits

Company Culture

> **Culture**, whether established consciously or unconsciously, exists, and has a **profound impact on organizational success**

> Solid strategy is fundamental to financial success, but these **strategies must be executed by people** who are driven by their own interest, belief, and aspirations

> The emphasis on healthy culture is even **more important** now as the workforce's **generation is shifting to Millennials**

Benefit for the company

1 **Performance and productivity**
> Research shows that having a **strong culture can account for 20-30% in corporate performance** when compare with weak culture competitors

2 **Identity and reputation**
> **Culture shapes the identity** of the company and it's a powerful ways to set and **maintain the cohesiveness** of the workforce to the company's values and goals

3 **Employee engagement and retention**
> **Millennials,** more than ever, are **driven by the purpose** and the environment they feel align with their values – Engaged employees are a powerful asset to drive strategy to results, and are **87% less likely to leave the organization**

4 **Recruitment**
> **Highly educated talents are prioritizing culture components** than do those with lower levels of education – Having a strong healthy culture is a differentiator and a powerful tool to attract top talent

8 culture profiles have been identified – Companies must recognize its current and adjust according to future trajectories

The culture – 8 distinct profiles

Profile	Focus
Results	> Achievement and winning
Caring	> Relationships and mutual trust
Order	> Respect, structure, and shared norms
Learning	> Exploration, expansiveness, and creativity
Purpose	> Idealism and altruism
Safety	> Planning, caution, and preparedness
Enjoyment	> Fun and excitement
Authority	> Strength, decisiveness, and boldness

Culture profile preference ranked by industry[1]

All companies | Consumer discretionary | Consumer staples | Energy and utilities | Financial & prof. services | Healthcare | Industrials | IT and Telecom
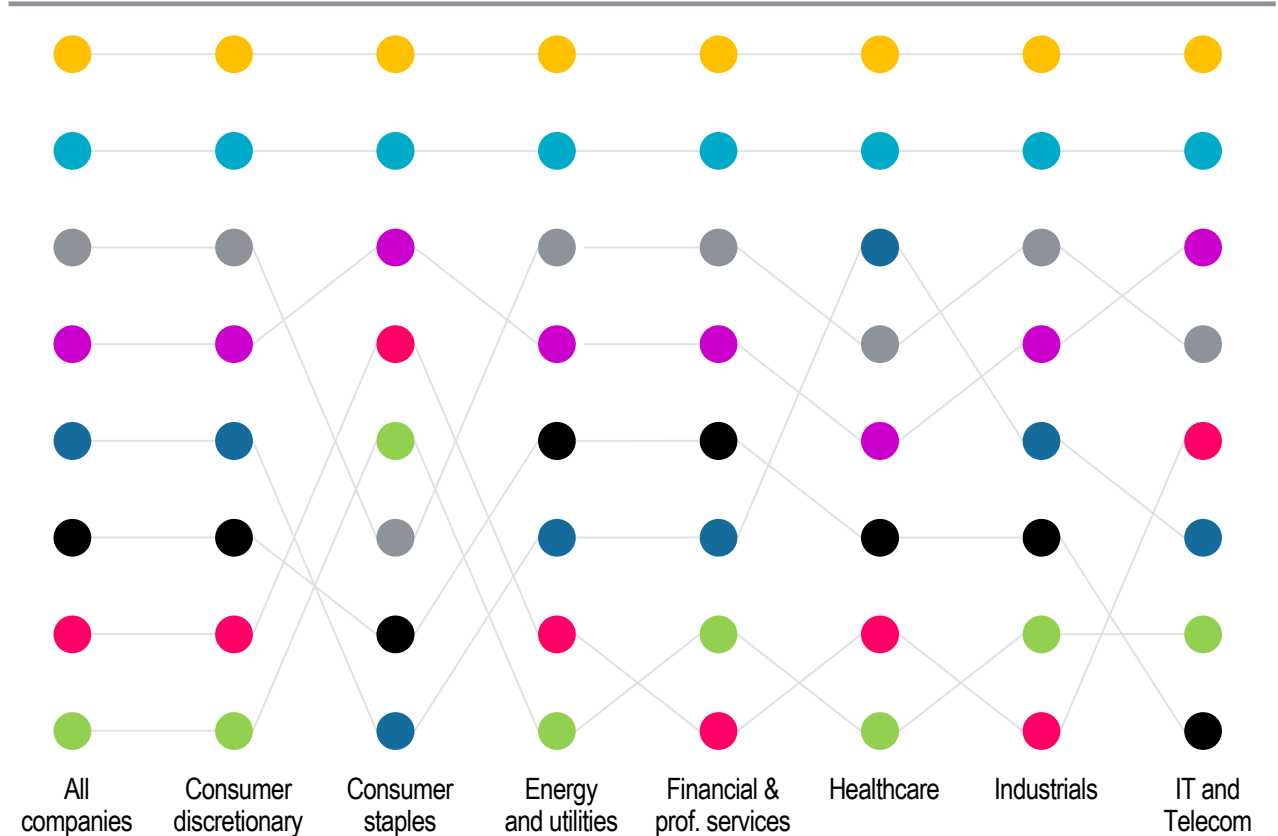
1) From a survey conducted at Harvard Business School – an assessment of 230+ companies

Source: Harvard Business Review, Roland Berger

New era workforce increasingly get their space & culture needs met in corporate "open innovation" platforms – Place to test-fail/succeed

Open innovation – Examples of international practices in the energy domain

ENGIE

Collaborative projects: Gaya, 13 partners

~100 collaborations with universities

- SIGFOX
- KiWiPOWER
- APIX ANALYTICS
- Advanced Microgrid Solutions

8 investments

Partnerships with incubators
~20 employee projects in Europe

- LE VILLAGE
- ATLANPOLE
- WSL

Key programs

New ventures	Unicorn factory

580 projects innov@ENGIE **€115m** Ventures Fund **800** researchers in **9** centers

Innovation & new business	Research & technology

50 innovation managers connected to innovation ecosystem

Open Labs: battery lab, 3D printing lab

ENGIE Digital
- Analytics
- Mobile Apps
- Internet of Things
- Cyber Security

- kony
- FJORD
- C3 IoT

Open innovation eco-systems

enel x

Collaborative projects: 9 partners

140 ongoing projects

- YOUSAVE INNOWATIO group
- Electric MotorWerks
- ENERNOC

35 investments

Partnerships with incubators

- START-UP CHILE
- Startup Europe Partnership

Key programs

New ventures	Open Power

3000 startups screened Partnerships with **5 VC funds**

Crowdsourcing platform	Research & technology

9 labs

enel x
- Renewables
- Heat power
- ICT
- Trading

Open innovation eco-systems

Source: Engie, Enel, Roland Berger

Our digital hub Spielfeld is the Engine of Europe's digital transformation – Great place to innovate, work, network & get inspired

AIRBUS
> Capability map and growth options
> Market endgame scenarios
> Long term vision
> Holistic strategy review

TOTAL
> Develop concepts, test and launch startups in Europe and Africa
> Accelerate the deployment with pre-defined budget (start-up approach)

ALSTOM
> Development of digital top line diversification opportunities
> Digital vision and organizational redesign

kfw BANKENGRUPPE
> Digital vision & strategic fields of action
> Digital roadmap
> New innovation environment

Mercedes-Benz
> Target picture and gap-analysis
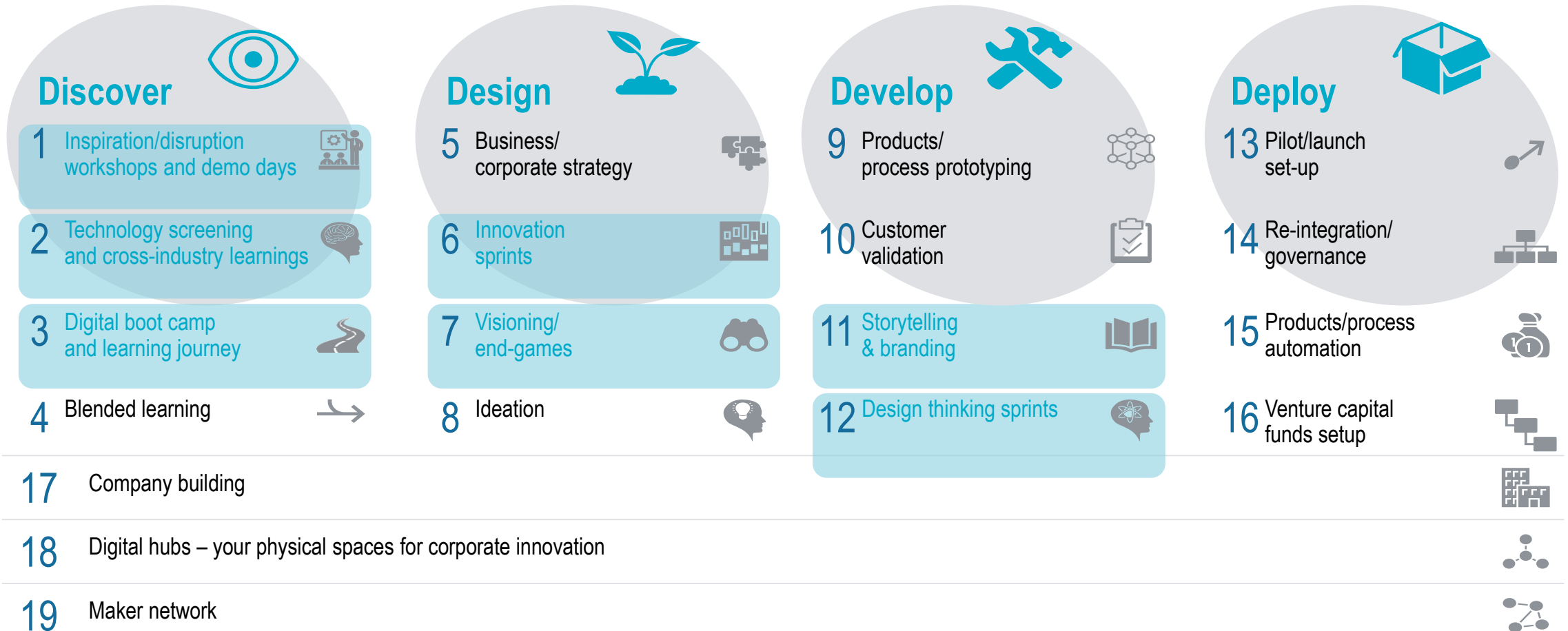> Definition of customer journey (s)
> New value pools and business models
> Implementation roadmap

Spielfeld portfolio helps clients raise the full potential during all digital transformation phases – Cooperation is at the heart of it

Open innovation – Spielfeld (2/2)

SPIELFELD

Discover
1 Inspiration/disruption workshops and demo days
2 Technology screening and cross-industry learnings
3 Digital boot camp and learning journey
4 Blended learning

Design
5 Business/corporate strategy
6 Innovation sprints
7 Visioning/end-games
8 Ideation

Develop
9 Products/process prototyping
10 Customer validation
11 Storytelling & branding
12 Design thinking sprints

Deploy
13 Pilot/launch set-up
14 Re-integration/governance
15 Products/process automation
16 Venture capital funds setup

17 Company building

18 Digital hubs – your physical spaces for corporate innovation

19 Maker network

Terra Numerata was launched in 2014 to answer clients' needs in the digital era where technologies move fast and cooperation is key

Open innovation – Terra Numerata
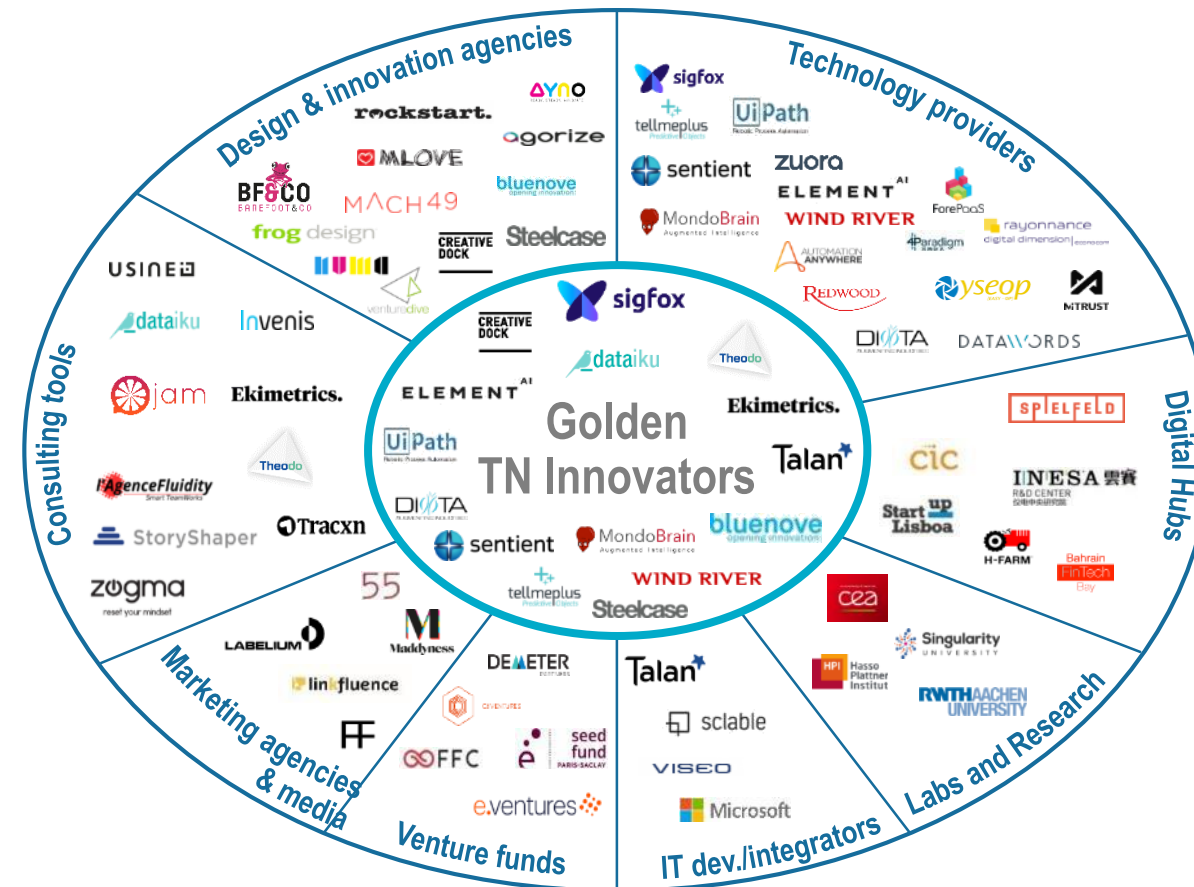
An **open innovation** approach through an ecosystem of **external partners** offering expertise, knowledge and digital solutions for our clients

Thank you!

Denis Borisov

Senior Project Manager

Competence Centers
"Energy & Utilities" and
"Infrastructure"

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