News release

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**You can’t have a machine age without humans – PwC report**

With the rise of automation, we’ve reached a point where we’re questioning the role people play in the workplace. How to achieve the right mix of people and machines in the workplace is the critical talent question of our age.

PwC’s 20th CEO Survey highlights that 52% of CEOs say they’re exploring the benefits of humans and machines working together, and 39% are considering the impact of Artificial Intelligence on future skills needs. This a delicate balancing act for CEOs in every sector and region.

Jon Williams, leader of PwC’s global People and Organisation practice, says:

“Getting people strategy right in a world where humans and machines work alongside each other will be the biggest challenge leaders will ever face. No one can be sure how the world of work will evolve, so organisations must prepare for any scenario – and if the events of 2016 have taught us anything, it’s that no scenario can be dismissed as too unlikely.

The workplace model is fundamentally changing and navigating the changes is fraught with unintended consequences – as trailblazers for the new working structures built around the emerging gig economy have found out.

CEOs have an enormous challenge ahead of them. It’s the role of business leaders to protect and nurture the employee-employer relationship throughout this turbulent time, without it, organisations will struggle to find and keep the people they need. The challenge for CEOs is to show that in the technological age, humans are their priority.”

The relentless march of automation will transform the role people play at work. Different skills will be needed, roles will disappear and others will evolve. Some organisations will need fewer people, but others will need more. We will see a rebalancing of human capital as organisations adjust.

Success in an automated world will mean people and machines working together, rather than one replacing the other. Exceptional skills and leadership will be needed. However, 77% of CEOs say they see the availability of key skills as the biggest business threat.

Todays in demand skills are exclusively human capabilities – adaptability, problem solving, creativity and leadership. Software cannot imitate passion, character or collaborative spirit. By marrying these skills with technology, innovation can thrive and organisations can succeed in competitive marketplaces.

Seventy-eight percent of CEOs are actively taking steps to improve their access to talent and attract the people they need by changing their people strategy to reflect the skills and employment structure they need for the future.

Innovation isn’t just about skills; creativity thrives in the right environment, when free thinking people with diverse views and experiences come together and collaborate. Innovation-creating skills can be encouraged through the right training and development, the right creative environment, and the right performance management approach.

Jon Williams adds:

“There are five key areas that business leaders should be working on to ensure their talent strategy is fit to meet the challenges ahead. Firstly – plan for multiple futures. Scenario planning is a powerful tool to prepare your organisation for a future where no outcome can be safely dismissed as unlikely. Prepare your HR function for the recruitment challenge – as our 20th CEO Survey highlights, people and skills are essential in the machine age and competition for good talent is intense.

The demand for soft skills is high; nurturing them is a priority for your business, alongside ensuring you deliver the right experience for your people – it’s essential that each element of this is monitored and understood. Finally, work on trust - with a purpose. Does your organisation have a clear purpose? And where does it fit into society?”

**Ends**

**Notes**

1. PwC interviewed 1,379 CEOs in 79 countries for this report.
2. For more information, visit [ceosurvey.pwc](http://ceosurvey.pwc/).

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