



Whitepaper

# Fundamentals for the Future of Work

Insights from Deloitte's "2023 Global Human Capital Trends" report.

The phrase “future of work” has long been a rallying cry for impending change. But the “future of work” is no longer about the future. The phrase now describes the present nature of work, one that’s experimental and agile, and how companies are thriving in it.

Unprecedented disruption pushed companies into a fast-track growth zone, experiencing changes in months that would have normally taken years. Accelerated adoption of remote work, hybrid work schedules, and automation and [AI technologies](#) are just a few workplace developments that were spurred by the need to adapt in a pandemic-impacted landscape. Now many of those adaptations are business as usual.

With a more expansive view of what is possible, business leaders are seeking to formalize the future of work into a sustainable practice.

For organizations seeking to move beyond the aspirational future of work, highlights from the [Deloitte “2023 Global Human Capital Trends”](#) report show what it’s going to take: organizations will need to internalize the fundamentals in performing “boundaryless” work, a term used to describe the dynamic nature of work in a digital era.

“Many of the boundaries that used to provide the structure of work have been dismantled,” says Chris Ernst, chief learning officer at Workday, in the Deloitte report. “Now the boundaries that remain are much more focused on human dynamics, and how people interact with and engage with work.”

For the “2023 Global Human Capital Trends” report, Deloitte surveyed more than 10,000 business and HR leaders across industries, with participants spanning over 105 countries.

“Today, as we enter 2023, the initial crisis response of the global pandemic has faded, but change has continued to enter the workplace at a blistering pace,” the Deloitte report states. “Perceptions that economic growth is slowing, fears of an impending recession, and rising costs of living are putting increased pressure on organizations and business leaders to do more with less. At the same time, global talent trends—including a hot labor market, a rise in stakeholder capitalism, and shifts in the composition of the workforce—call into question the very foundation of how, where, and why we work.”

Deloitte highlights a number of key fundamentals, but we’re focusing on the four organizational conditions that will make the most impact in fostering the mindset and the skills required to thrive in the future of work:

- Navigating the end of jobs
- Powering human impact with technology
- Unlocking the workforce ecosystem
- Taking bold action for equitable outcomes

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**Chris Ernst**  
Chief Learning Officer, Workday

## Fundamental to the future of work: navigating the end of jobs.

Consider this, as noted in the Deloitte report: “For the past century, we have been governed by a mechanistic view of work. We have assumed that work is fixed and repeatable, readily organized into discrete tasks, and grouped into well-defined jobs. Transformation efforts focused on cost and productivity—how to deliver the same outcomes through faster, more efficient methods. But in recent years, those models have been challenged as organizations and workers grapple with a greater degree of discontinuity and disruption than ever before.”

It’s like when many companies invested in upskilling their workforce, shifted to remote operations, and [adapted new business models](#) in response to navigating the disruption caused by the pandemic. The organizational agility sparked the realization that work could be completed outside the confines of a physical workplace or a job description.

“An alternative definition of the word ‘boundary’ is frontier,” says Ernst. “A frontier represents the location of the newest, most innovative, most value-creating opportunity in an entity or an organization. The fundamental challenge, and opportunity, is to reframe how we think of boundaries as not just things that create limits or restraints, but as the very source for new value creation, innovation, and creativity.”

The shift to a boundaryless workplace ushers in a new fundamental in the new world of work: thinking like a researcher.

Thinking like a researcher describes the need for organizations to approach business and workforce strategies as an experiment “from which they can learn, adapt, and improve,” the Deloitte report states.

But that raises the question, how do organizations design work that’s meant to evolve?

The answer is in what Deloitte describes as “[navigating the end of jobs](#)”, another fundamental for the new world of work:

“Many are experimenting with using skills, not jobs, as the baseline for how workforce decisions are made,” Deloitte states. “When unboxed from jobs, workers have the opportunity to better utilize their capabilities, experiences, and interests in ways that advance organizational and worker outcomes.”

Deloitte goes a bit further by explaining the fundamentals of navigating the end of jobs by taking a skills-based approach:

- **Define work based on the skills required:** First, organizations need to understand the strategic objectives or desired outcome in order to identify the work required to achieve them, and as a result, identify the skills required to complete the work.
- **Collect and analyze data about worker skills:** Advances in technology are giving organizations differentiated insights into work skills data, which gives organizations a holistic view of a worker’s skill set that can include workers’ interests, work preferences, and more.



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- **View workers based on their skills, not job titles:** Organizations should view workers as unique individuals with a portfolio of skills, unique interests, values, developmental goals, and more, and match work that aligns with those qualities. The approach creates “a more equitable and human-centric worker experience, creating value for workers and society at large,” Deloitte states.
- **Make decisions about workers based on skills:** Make a skills-based approach a focal point in the talent lifecycle, starting from hiring and including performance management and rewards.

## Fundamental to the future of work: powering human impact with technology.

Another aspect of thinking as a researcher is “[powering human impact with technology](#).”

“The boundary between humans and technology as separate forces continues to disappear as new technologies are entering the workplace that not only automate and augment the work done by humans, but actually enhance human and team performance,” states Deloitte.

For example, [AI and machine learning \(ML\)](#) can power talent management platforms to provide insights and predictions that help to identify and align skills with jobs. The capabilities enable companies to turn employee data into a strategic advantage, such as being able to identify opportunities for internal candidates and uncover previously unseen skills matches. But more so, AI and ML can help workers and teams create meaningful human impact, such as providing workers with suggestions on learning opportunities that can grow their skills and capabilities in a way that opens opportunities for continued career development.

At a time when the employee experience is becoming a business imperative, taking advantage of technology that offers employees an opportunity for internal mobility and advancement—while also listening to what employees have to say—is mission-critical to retaining talent and driving overall business success.

Here are the fundamentals to ensuring that technology is used to foster new behaviors:

- **Enable technology to work on the worker (and the team):** Companies should leverage technology to help create systems that reinforce desired behavior.
- **Use interventions and nudges to make humans better:** Embrace how technology can help people get better at what they already do best or actions that are “fundamentally human.” For example, technology can be used to help drive well-being and foster teamwork.
- **Scale insights for greater impact:** Given that the technology being used will create a trail of data, companies should look to ways data can be used to scale insights.



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## Fundamental to the future of work: unlocking the workforce ecosystem.

To conduct boundaryless work, Deloitte says “organizations and workers must co-create their relationship.” In other words, workers need to be involved in driving the evolution of work and how work gets done, as opposed to just doing the work.

“Organizations should abandon former illusions of complete control and recognize the role they play in living, evolving ecosystems, as workers assume greater influence and accountability for organizational and societal outcomes, leading hand-in-hand with the organization,” Deloitte states.

An area of work that needs to evolve through co-creation is “[unlocking the workforce ecosystem](#).” The workforce ecosystem refers to the classification of employees in an organization: contingent workers (who are also known as gig workers, freelancers, or contractors), seasonal hires, part-time workers, and full-time employees. Through the lens of labor law, employee classifications determine the scope of employer liabilities and employee protections. But through the lens of workforce management, employee classification determines the expectations of how work is going to get done—an area that has significantly changed due to the talent shortage stemming from the pandemic.

Workers started to shift away from full-time work as a way to prioritize flexibility and work-life balance. Still needing access to critical talent, organizations increased hiring of nontraditional workers despite only having workforce strategies and practices designed for full-time workers.

That’s a roadblock in fully embracing the future of work.

“The value of fostering diverse workforce ecosystems is enormous, but many organizations are still stuck in old patterns of talent access and management because they’re not giving workers of all types any say in where, how, and for whom they work,” Deloitte states. “Organizations that adapt their strategies and practices to fit the real-world talent pool, which is far more complex and increasingly comprises nontraditional workers, will gain access to skills and experiences to accelerate growth, innovation, and agility.”

The diverse workforce ecosystem isn’t going away. In the Deloitte report, over half of the workers surveyed said they have changed or plan to change their worker classifications throughout their career, such as fluidly moving between full-time work and freelance. And Deloitte notes that contingent workers are already a large part of an organization’s talent labor pool.

Here’s what Deloitte identified as the fundamentals to powering the future of work through a holistic workforce strategy:

- **Adopt a workforce ecosystem mindset:** Integrate all workers into the organization’s workforce strategies, plans, and workplace culture.
- **Take a skills-based approach:** Aligned with taking a skills-based approach, a holistic workforce strategy reinforces basing work on skills, not job titles, to achieve desired outcomes.



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- **Create an open workforce platform:** To make the most of the full workforce ecosystem, companies need a platform that's integrated with business strategy and flexible to shifting business priorities, including the ever-changing needs and preferences of workers and customers. These conditions enable companies to have an open approach to managing workers, accounting for the differentiated needs across the workforce ecosystem.
- **Pivot from directing to orchestrating:** Organizations should look to “to effectively access, engage, manage, and develop external workers in ways that were previously reserved for traditional employees,” Deloitte states.

An integrated approach to managing talent regards every worker as a partner who can drive business impact.

As described by Ernst, a holistic workforce strategy “allows our business to get work done in a much more inclusive, agile, and flexible way.”

## Fundamental to the future of work: taking bold action for equitable outcomes.

What happens when organizations adopt fundamentals related to what Deloitte describes as “thinking like a researcher” and designing a workplace by “co-creating new rules, new boundaries, and a new relationship”? Organizations become better equipped to create impact in the broader society, well beyond their workforce, shareholders, and the company itself.

As Deloitte explains, creating programs on important topics such as climate change or equality are no longer enough. “They are fundamental to an organization’s ability to thrive in this new world of work.”

Among the top priorities is “taking bold action for equitable outcomes.” Companies are moving away from diversity as a metric and moving toward diversity, equity, and inclusion (DEI) as an outcome. In other words, the future of work requires organizations to hold themselves accountable to creating equitable outcomes in support of larger societal goals.

Consider this: company leadership programs for women are intended to create more gender diversity in senior leadership roles, “yet many organizations may not update systemic processes, such as internal mobility or performance management practices, that may serve as barriers to equitable advancement,” Deloitte notes.

The example illustrates a common challenge that slows DEI progress: there’s too much emphasis on activities and more focus on solving for the individual, rather than holding companies accountable to equitable outcomes and solving the system.

What’s more, across the business landscape—including workers, customers, suppliers, shareholders, and society overall—there’s a growing expectation that companies commit to and take responsibility for making a positive impact in the world. For example, Gen Z and millennial workers rank climate action as a top concern that should be addressed at the organizational level, according to the [Deloitte’s 2022 Gen Z and Millennial Survey](#).

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There are four fundamentals for organizations to take bold action for equitable outcomes:

- **Reorient to outcomes, not activities:** Instead of measuring the dollars spent, training completed, or participation in affinity employee resource groups, organizations should measure DEI success by DEI outcomes. The focus on outcome enables companies to design solutions that address the root causes of inequities.
- **Focus on the system, not the individual:** For systemic change to happen, companies must embed DEI efforts across the talent lifecycle and multiple talent processes.
- **Produce disaggregated actionable insights, not aggregated descriptive data:** Disaggregated data enables organizations to understand more deeply the equity barriers in the organization. For example, disaggregated data can hone in on the experiences of workers with intersectional identities, and consequently, companies have more insight into creating true systemic change that addresses those.
- **Center DEI as intrinsic to, versus separate from, the business:** In many organizations, the role of chief DEI officer has shifted from reporting to the human resources organization to reporting directly to the C-suite. While the shift reflects the executive priority of DEI, addressing systemic inequities is a responsibility for the entire organization. Workers across all levels must commit to improving equity in all organizational decisions, policies, practices, and actions across spheres.

## Future of work: a boundaryless world.

Navigating the pandemic pushed workers and leaders to accelerate adoption of innovative work models and emerging technologies, and as a result, created a new set of operating guidelines—or rather, a new set of fundamentals for the dynamic of boundaryless work. The fundamentals make the future of work a sustainable practice, and leaders who focus on them—navigating the end of jobs, powering human impact with technology, unlocking the workforce ecosystem, and taking bold action for equitable outcomes—enable their companies to quickly identify opportunities amid disruption and partner with workers to cultivate value in the workplace—and consequently, society at large.



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