

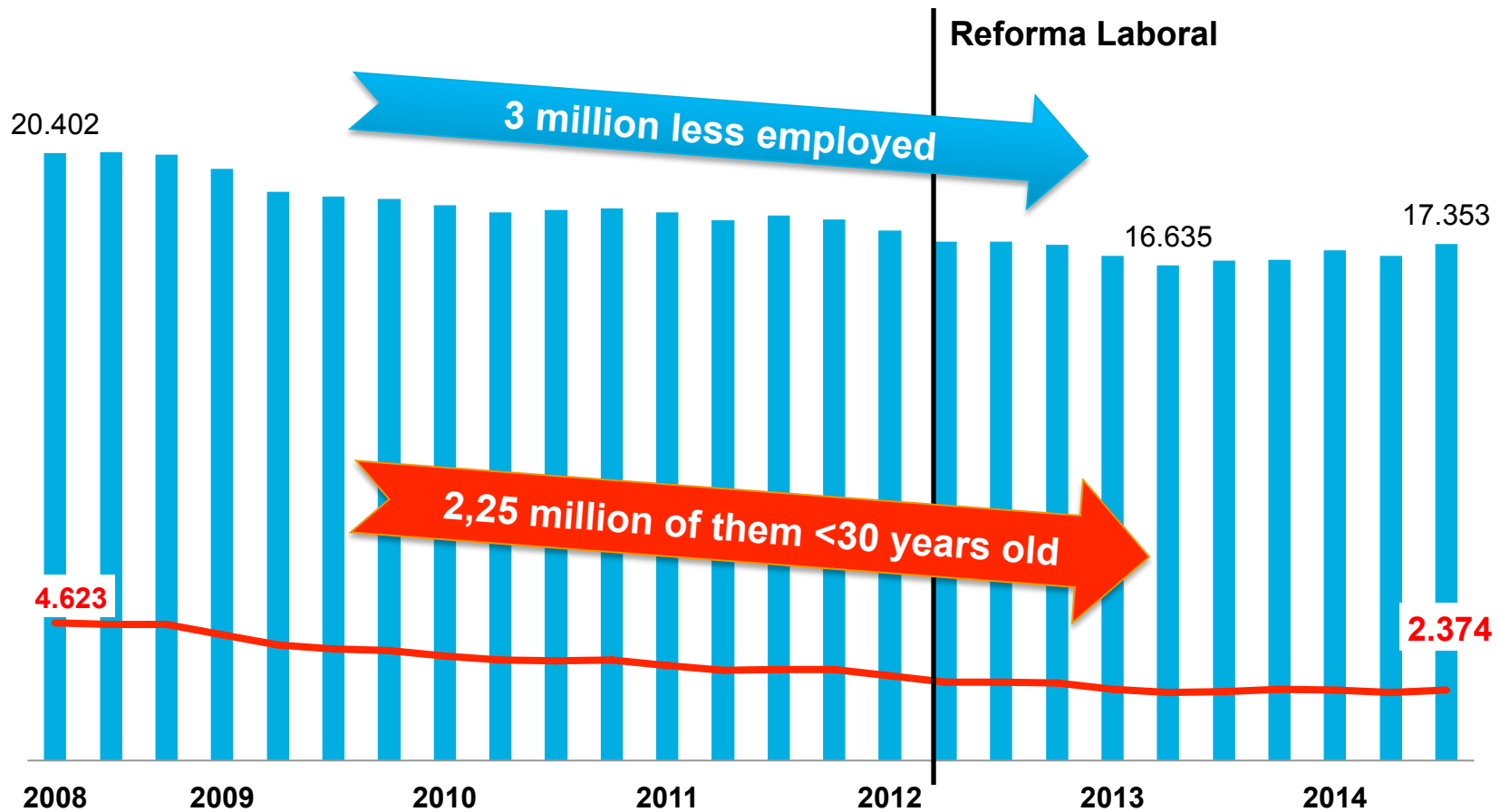
CHANGE IN THE WORLD OF WORK CHRISTOPHER DOTTIE

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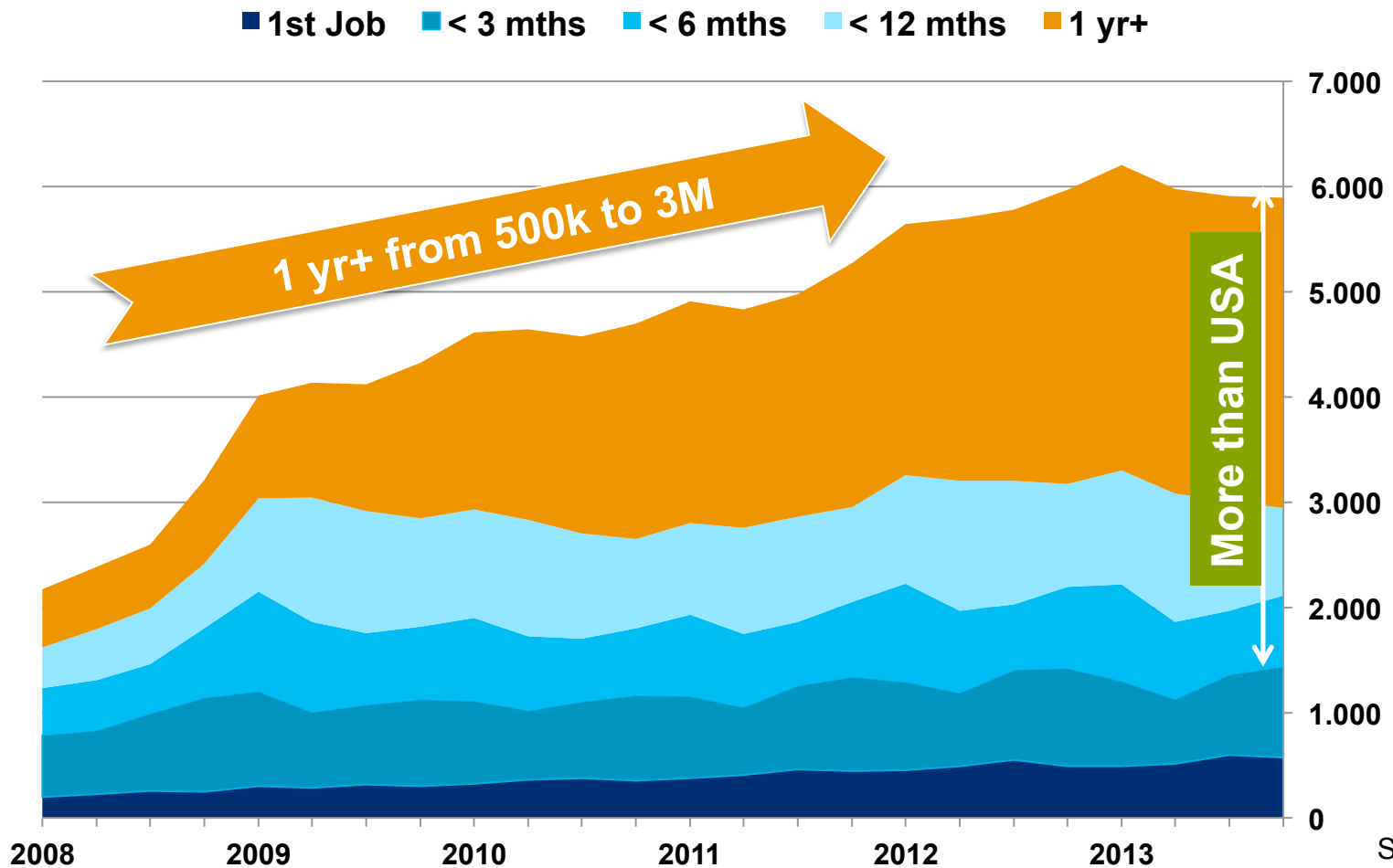
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PARADISE LOST
IN THE WORLD OF WORK

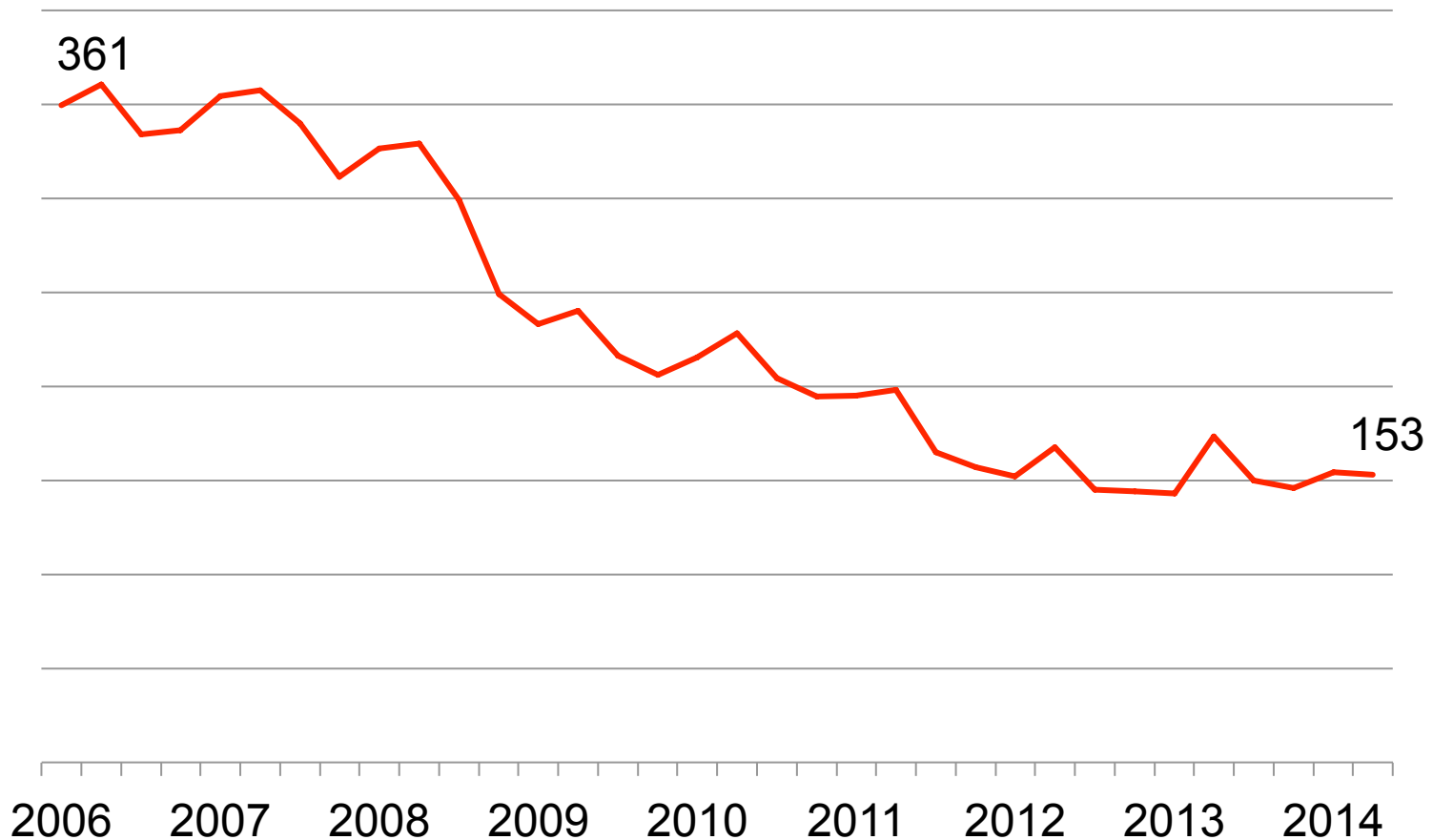
EMPLOYED IN SPAIN (THOUSANDS)



UNEMPLOYED IN SPAIN BY DURATION (THOUSANDS)



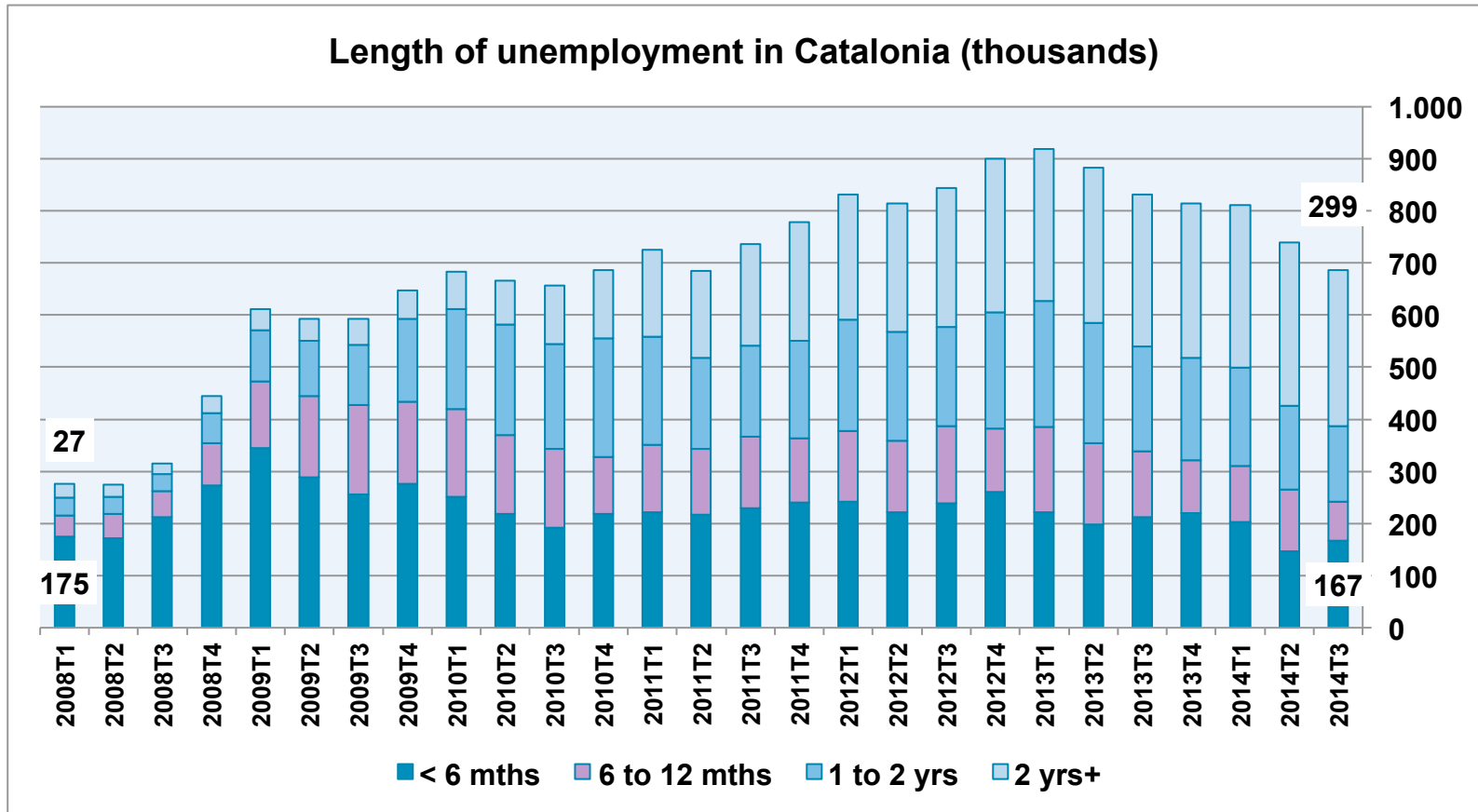
EMPLOYED 16 TO 24 YRS IN CATALONIA (THOUSANDS)



CURRENT SITUATION IN CATALONIA

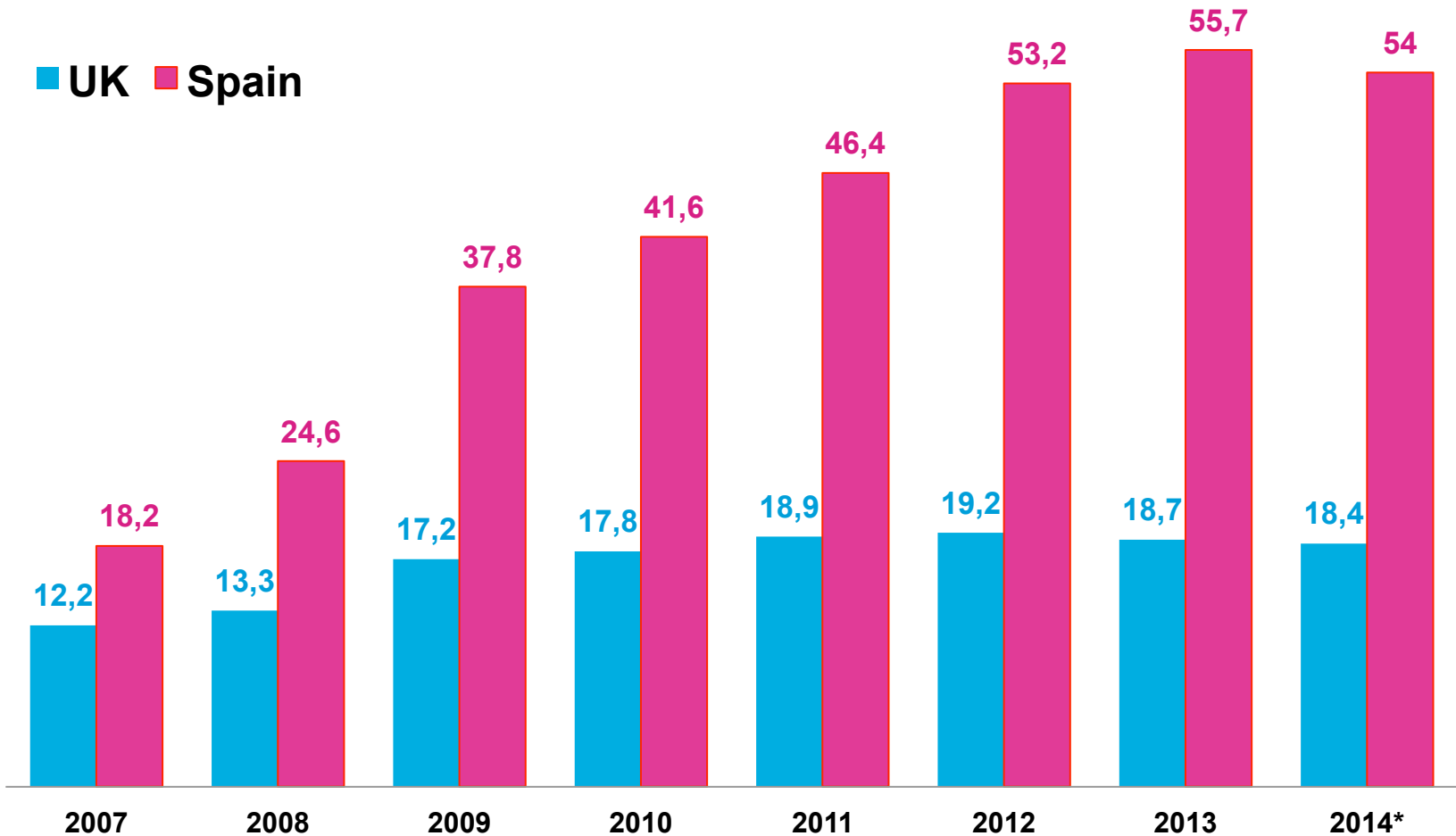
Source: INE

Catalonia in Europe: 1% of population 2.6% of unemployed

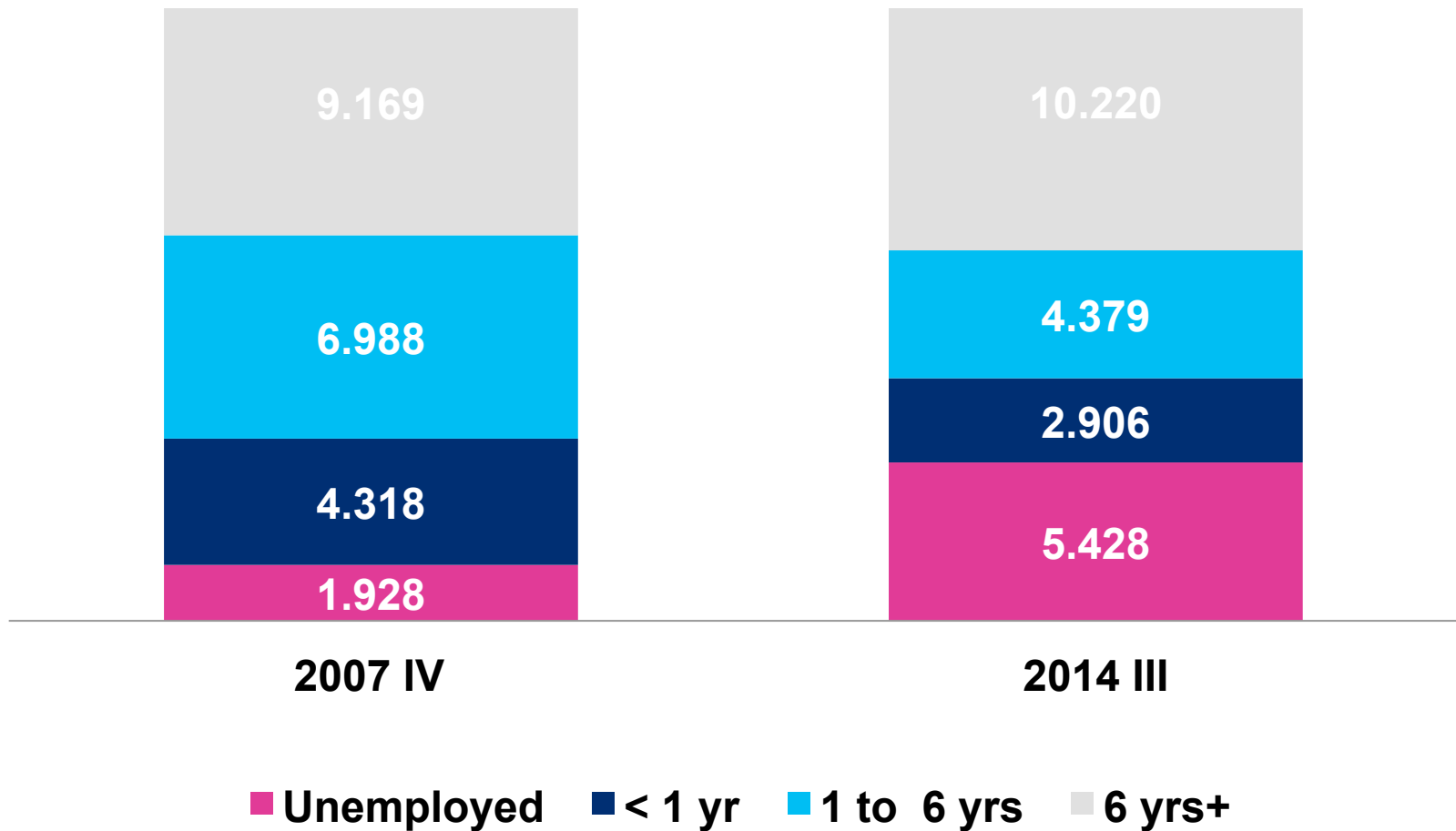


YOUTH UNEMPLOYMENT RATE (%)

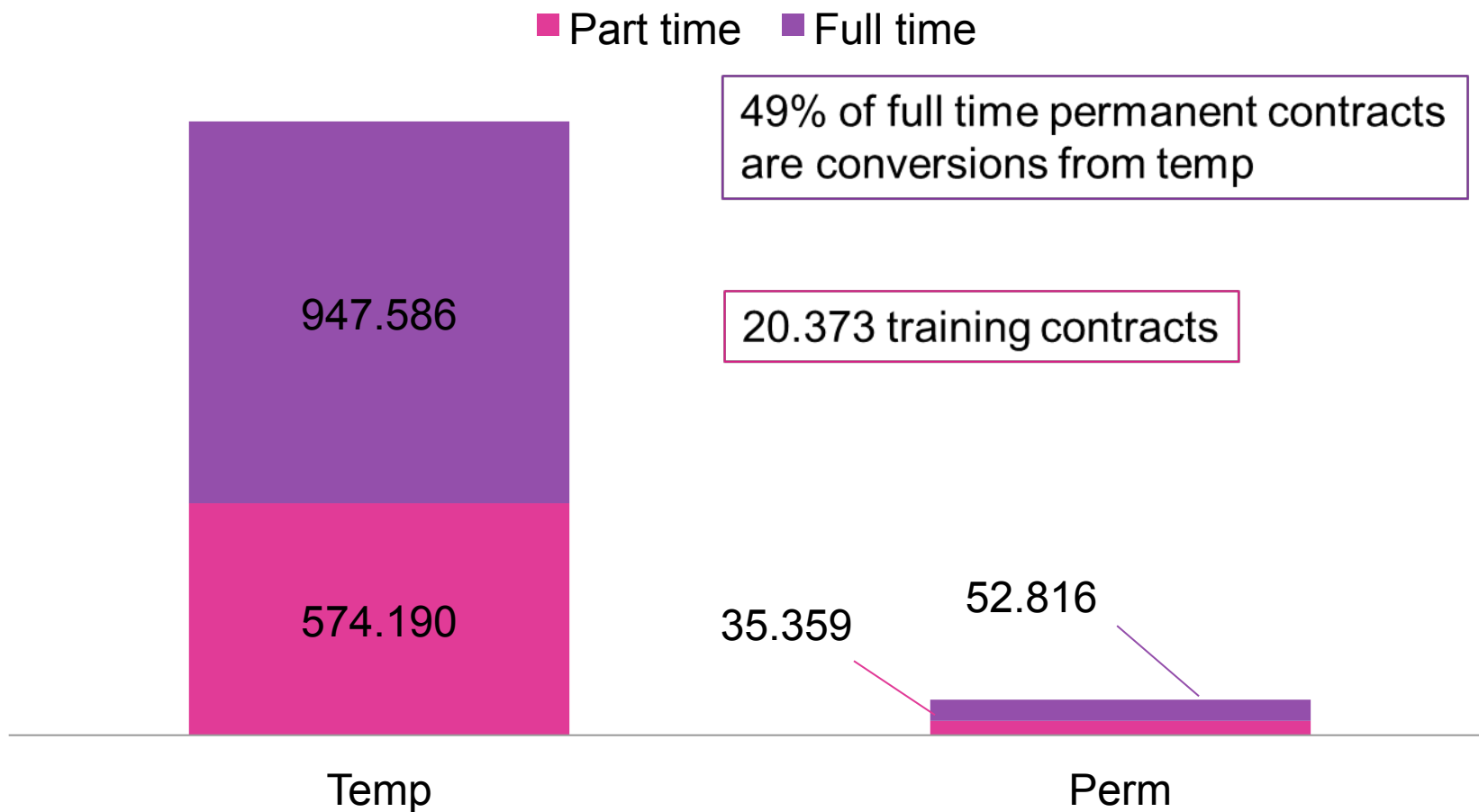
Sources: INE & NIS



EMPLOYEES BY TIME IN CURRENT JOB (SPAIN)



1,7 MILLION CONTRACTS SIGNED IN SPAIN IN OCTOBER



CURRENT FORECASTS IN SPAIN



International Labour Organisation (UN) estimates we will recover pre-recession levels of employment in **2023**

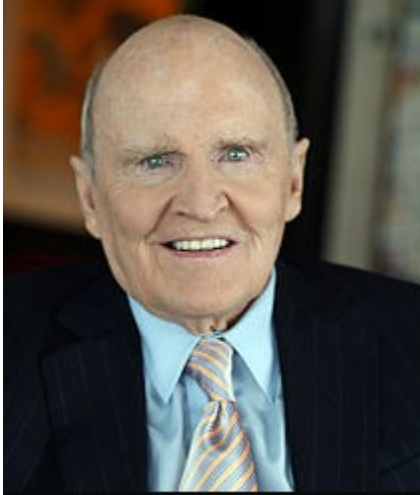
Spanish government forecast nearly **23%** unemployment until **2016**

We will save **€4,500** million in **2015** from reduced unemployment benefits

**IS THIS THE LABOUR MARKET WE WANT?
OR ARE WE INCAPABLE OF CHANGE?**

ECONOMIC CHANGE AND THE WORLD OF WORK

GLOBALISATION: PROTECTIONISM OR OPENNESS



**IF YOU DON'T HAVE A COMPETITIVE
ADVANTAGE, DON'T COMPETE**

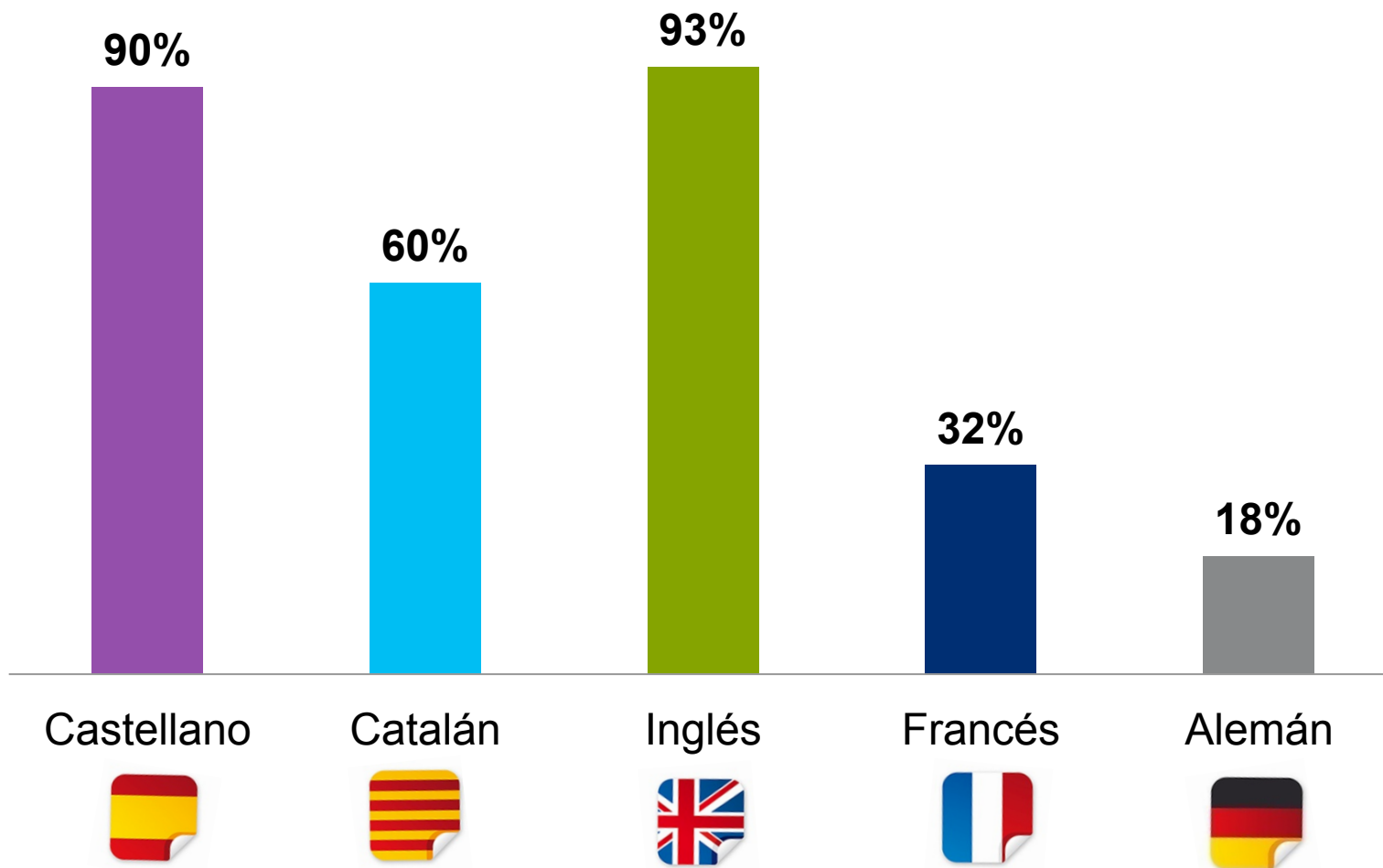
||< JACK WELCH

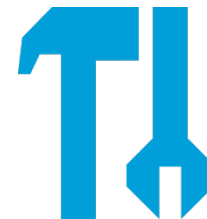


COMPETITIVENESS OF SPAIN

| RANKING OUT OF 60 | |
|----------------------|----|
| PRICES | 17 |
| INTERNATIONAL TRADE | 18 |
| EDUCATION | 37 |
| BUSINESS LEGISLATION | 43 |
| VALUES | 49 |
| MANAGEMENT SKILLS | 53 |
| LABOUR MARKET | 56 |
| LANGUAGE SKILLS | 56 |

MOST VALUED LANGUAGES FOR RECRUITMENT IN CATALONIA





COMPETITIVENESS OF SPAIN

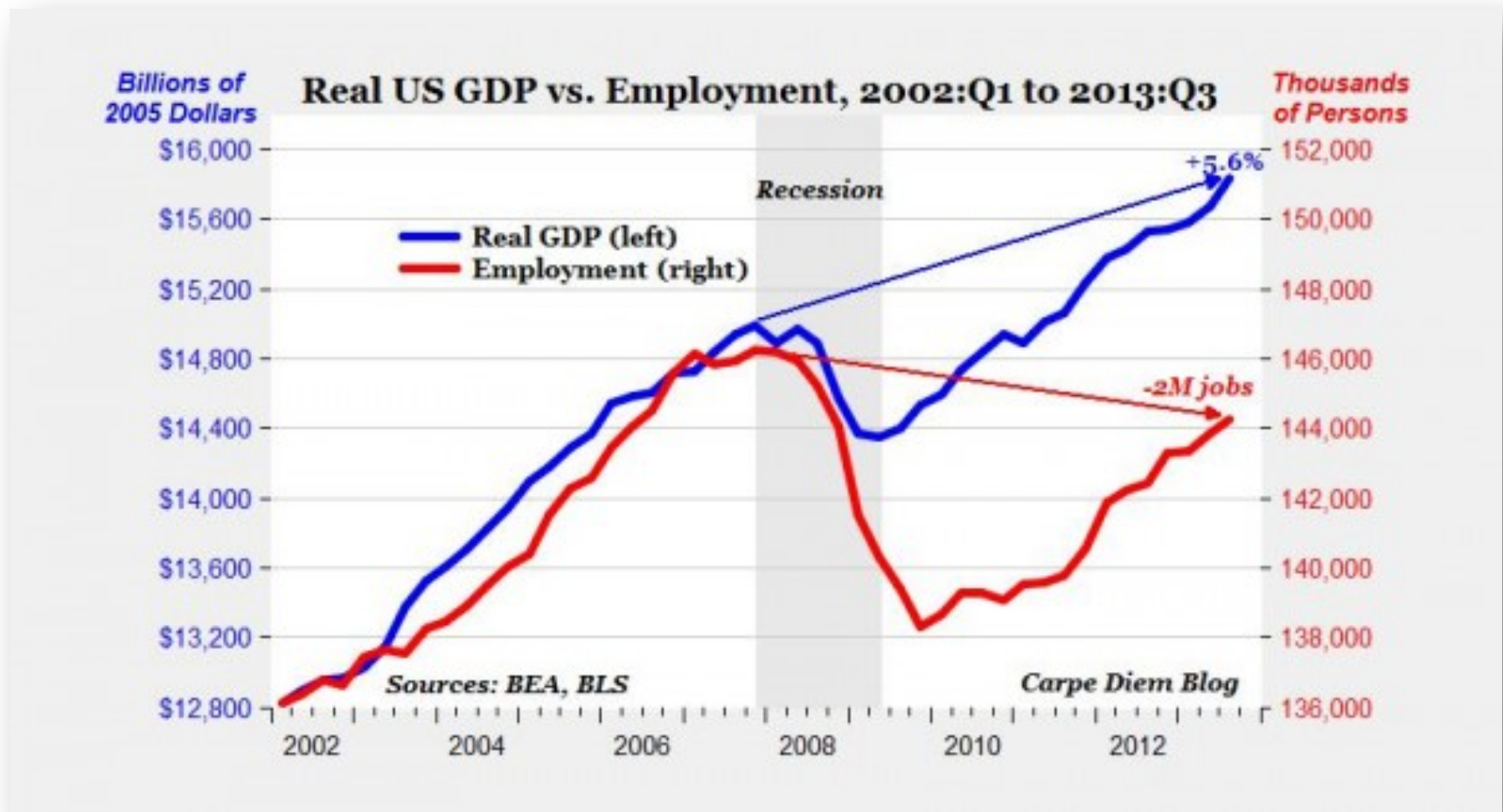
RANKING OUT OF 60

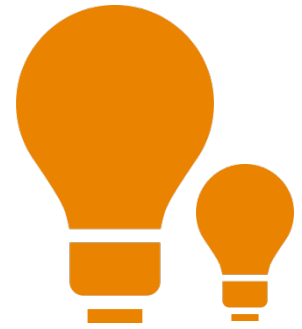
| | |
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| VALUES | 49 |
| MANAGEMENT SKILLS | 53 |
| LABOUR MARKET | 56 |
| LANGUAGE SKILLS | 56 |

ATTRACTIVE ELEMENTS (LIST OF 15)

| | |
|-------------------------------|------------|
| SKILLED WORKFORCE | 76% |
| INFRASTRUCTURE | 72% |
| COSTS | 65% |
| OPEN ATTITUDE | 43% |
| LABOUR RELATIONS | 24% |
| GOVERNMENT COMPETENCE | 5% |
| COMPETITIVE TAX REGIME | 3% |
| R&D | 1% |

THE JOBLESS ECONOMIC RECOVERY IN THE USA





IDEAS

The EU is considering “**one-in one-out**” legislation

Italian companies of **less than 15 employees are exempt** from many elements of labour law

Only **20% of online sales** in EU are cross-border

UK is creating **1 company per minute** and using Chambers of Commerce around the world to facilitate exports

UKTI is divided into the sectors that have been defined as **key for the future**

PUBLIC SECTOR CHANGE AND THE WORLD OF WORK

CHANGE IN THE PUBLIC SECTOR



**“EUROPE TODAY ACCOUNTS FOR JUST OVER 7 PER CENT OF THE
WORLD’S POPULATION, PRODUCES AROUND 25 PER CENT OF GLOBAL
GDP AND HAS TO FINANCE 50 PER CENT OF GLOBAL SOCIAL
SPENDING”**

ANGELA MERKEL

PUBLIC EMPLOYMENT SERVICES

Ratio of employees per unemployed:

SPAIN **1/280** UK **1/28**

SEGMENTATION

COLLABORATION

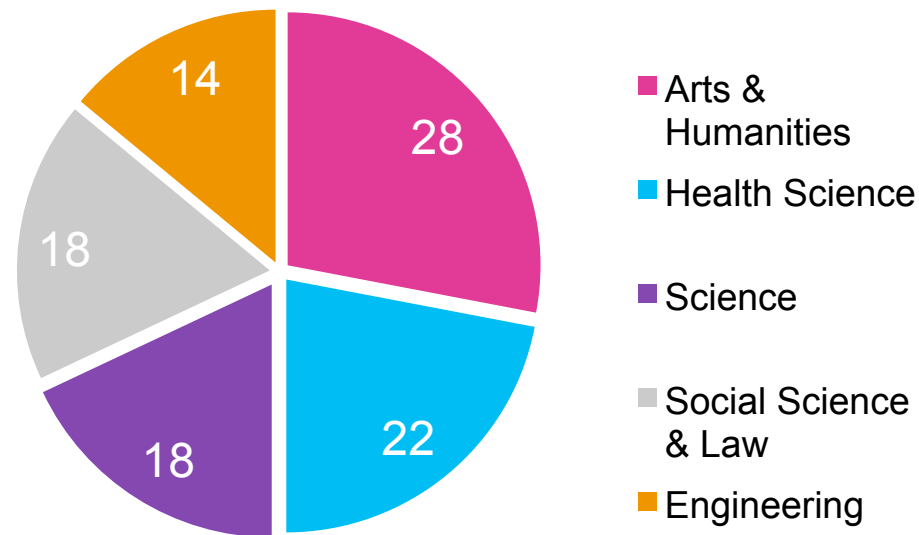
RESULTS FOCUS



EDUCATION

18% of employees regret their area of training (up from **16%** previous year)

The distribution of those **18%** was:



29% of the employed do not work in their area of training

TRAINING FOR THE UNEMPLOYED

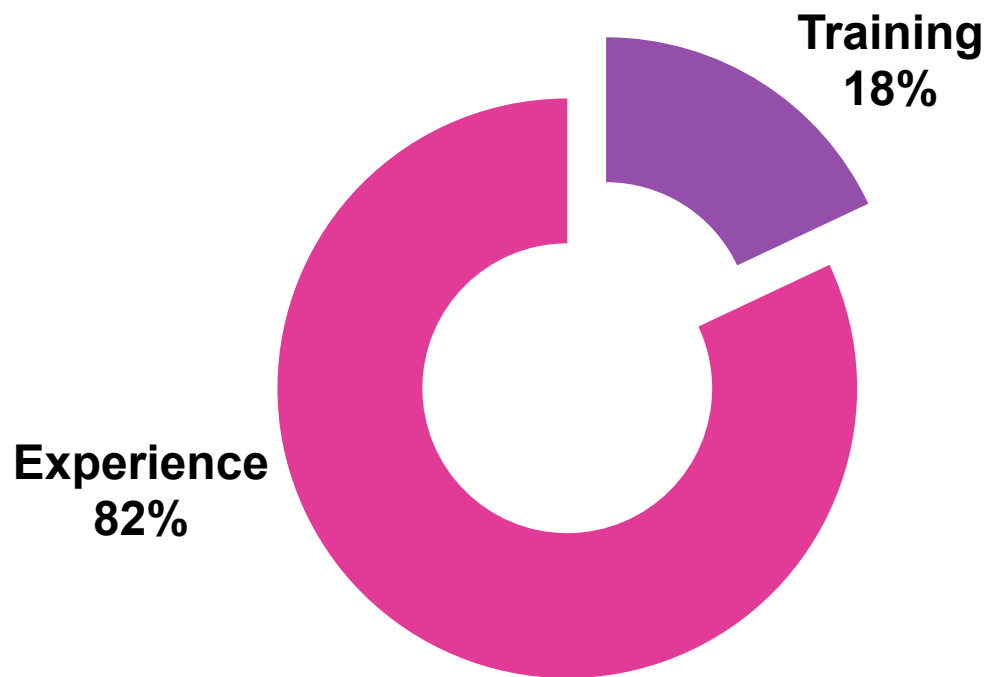
17% found related work

7 out of 10 did not improve their employability

Subjects studied:

| | |
|-----------------------|-----|
| Sociocultural Studies | 45% |
| IT & Communication | 9% |
| Tourism | 4% |

COMPANIES' PREFERENCE WHEN RECRUITING



DEMOGRAPHIC CHANGE AND THE WORLD OF WORK

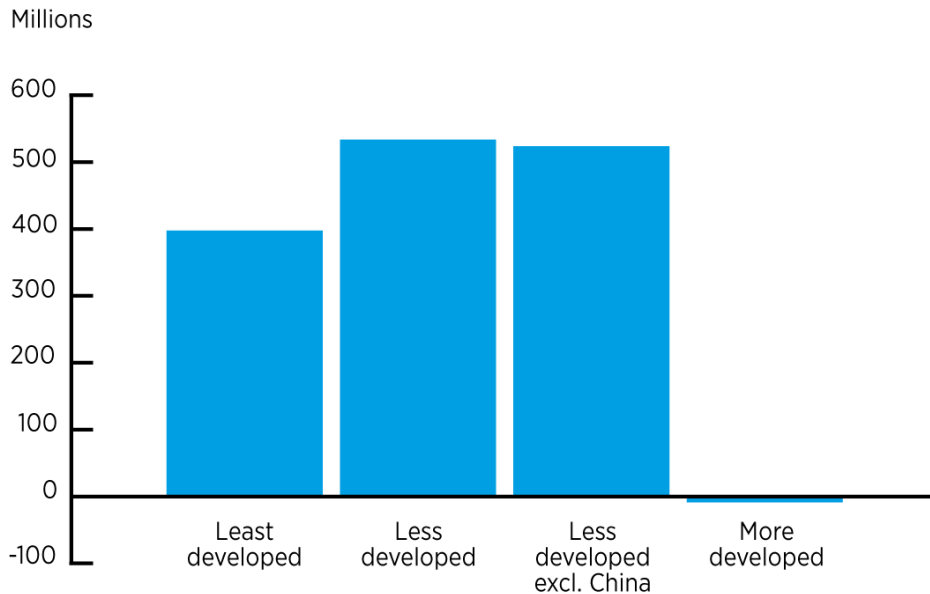
“THE ONLY ADVANTAGE
TO ECONOMIC
FORECASTING...
... IS TO MAKE ASTROLOGY
SEEM RESPECTABLE”



 **J.K.GALBRAITH 1908-2006**

¿HOW WILL LABOUR MARKETS CHANGE IN THE NEXT 20 YEARS?

Change in working age population between 2010 and 2030



Source: Oxford Economics and UN

The 10 countries forecast to experience the fastest growth in population of working age between 2010-30

| RANK | COUNTRY | PEOPLE (000S) |
|------|-------------|---------------|
| 1 | India | 241,116 |
| 2 | Pakistan | 62,930 |
| 3 | Nigeria | 54,330 |
| 4 | Bangladesh | 34,850 |
| 5 | Ethiopia | 34,591 |
| 6 | Indonesia | 31,770 |
| 7 | DR of Congo | 28,953 |
| 8 | Philippines | 23,648 |
| 9 | Egypt | 20,675 |
| 10 | Tanzania | 19,774 |

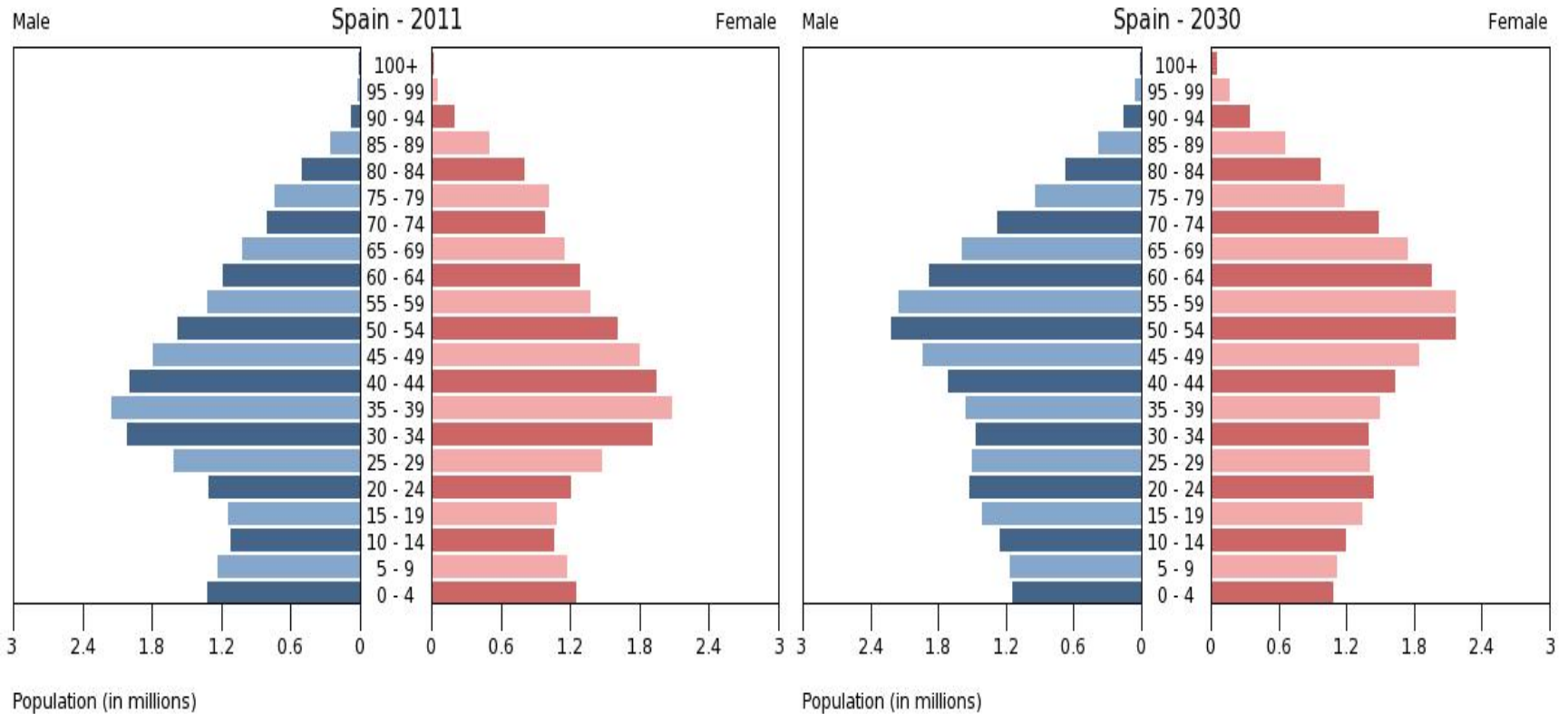
Source: Oxford Economics and UN

The 10 countries to experience the sharpest falls in population of working age between 2010-30

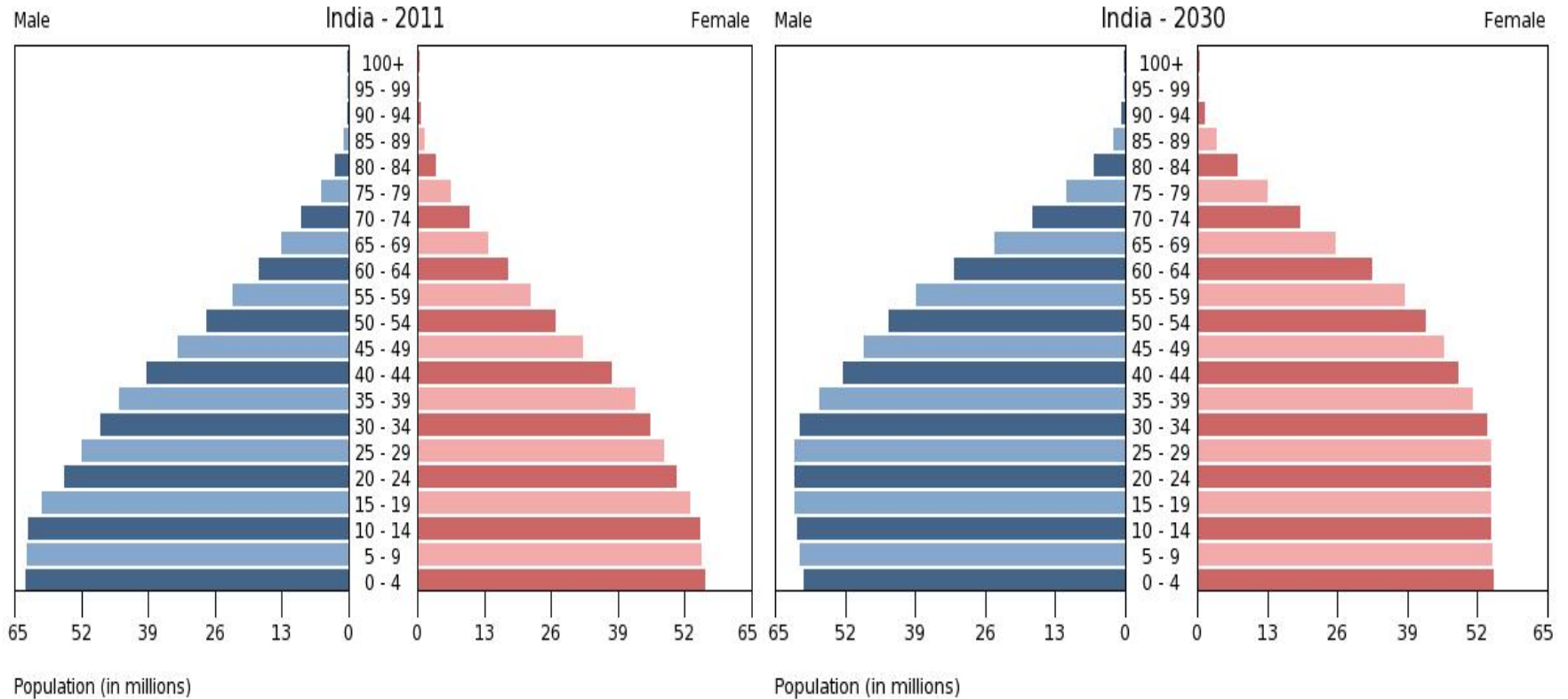
| RANK | COUNTRY | PEOPLE (000S) |
|------|-------------|---------------|
| 1 | Russian Fed | -16,997 |
| 2 | Japan | -13,037 |
| 3 | Germany | -8,124 |
| 4 | Ukraine | -6,071 |
| 5 | Poland | -3,967 |
| 6 | South Korea | -3,723 |
| 7 | Italy | -3,014 |
| 8 | Romania | -1,677 |
| 9 | Belarus | -1,154 |
| 10 | France | -1,061 |

Source: Oxford Economics and UN

DEMOGRAPHIC CHANGES



DEMOGRAPHIC CHANGES



DEVELOPED ECONOMIES ARE AGEING

POPULATIONS IN 2030:

44 million less people between 15 and 65 years
93 million more people 65 years and over

SPAIN IN 2030:

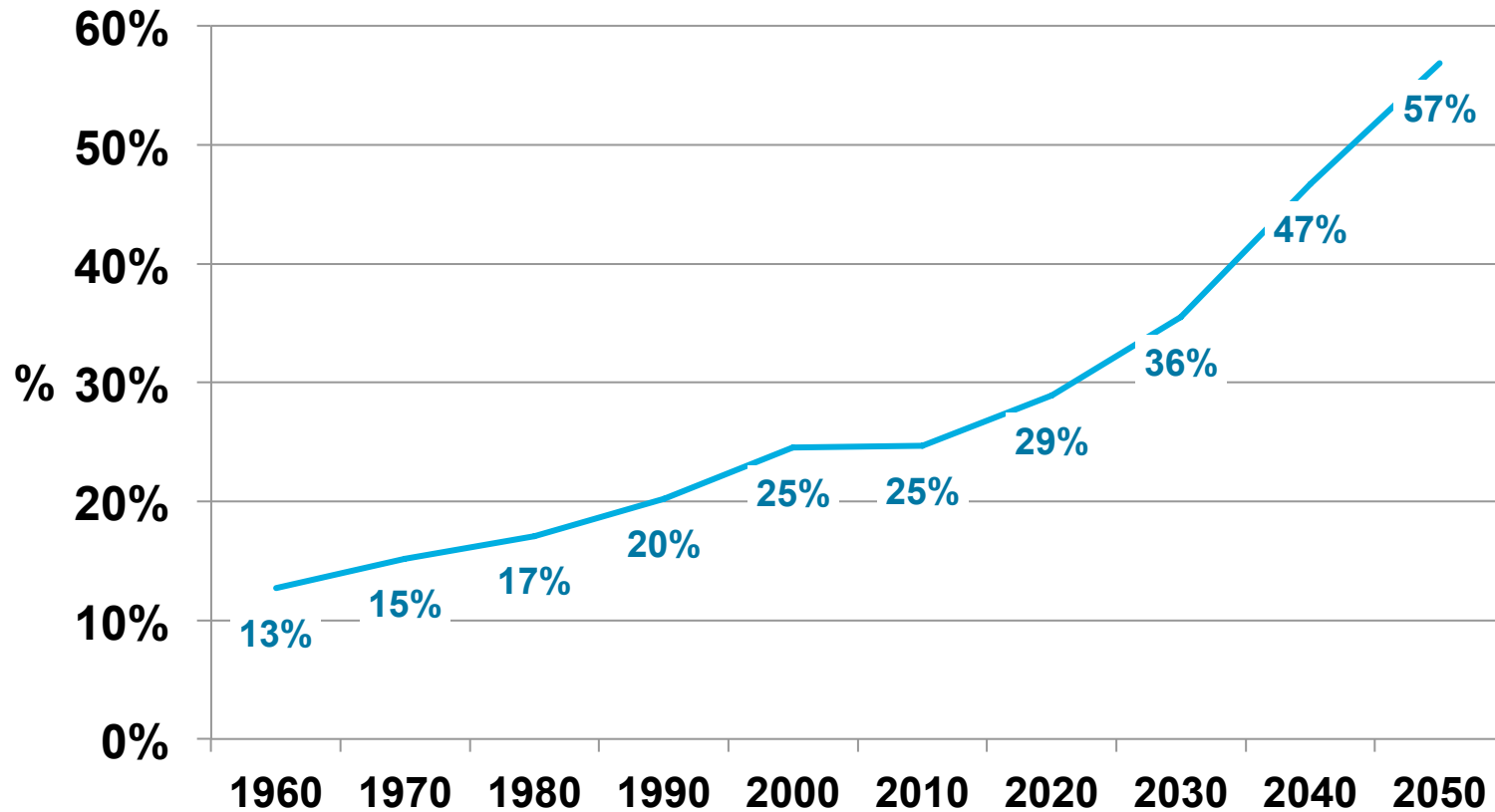
2,33 million more 15 to 65
3,53 million more 65 years+

DEVELOPING ECONOMIES IN 2030:

890 million more 15 to 65
357 million more 65 years+



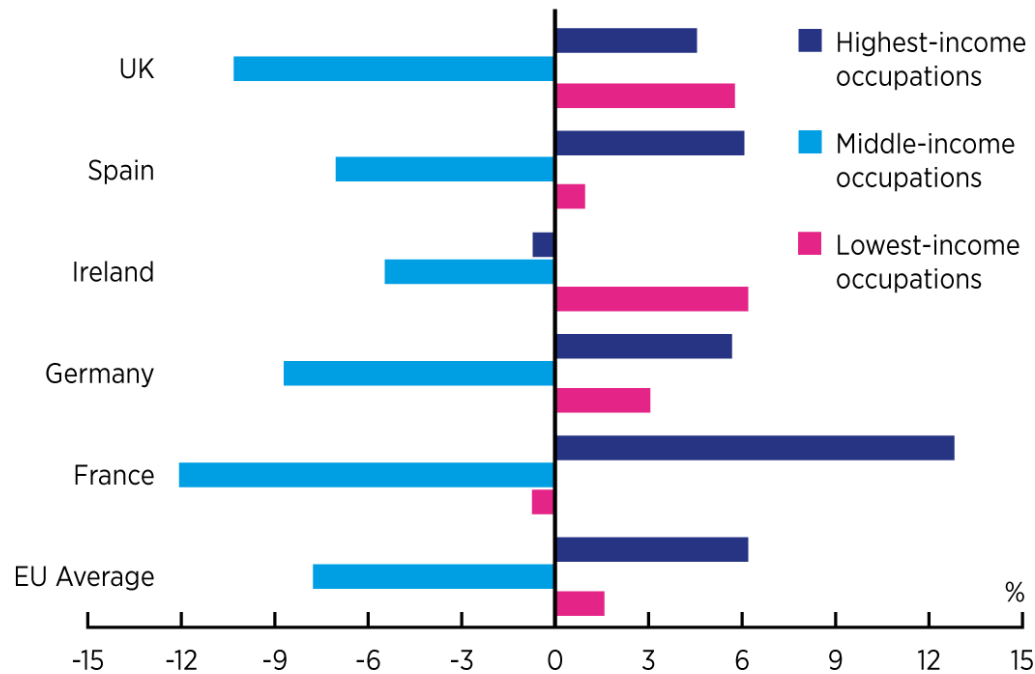
OLD-AGE DEPENDENCY RATIO FORECASTS FOR SPAIN



Population of 65 yrs+ as % of population 15-65 years

WEAKENING OF THE MIDDLE CLASSES

Change in share of hours worked between 1993 and 2006



Source: Goos, Manning & Salomons (2009)

WEAKENING OF THE MIDDLE CLASSES

Labour market in Developed Countries



Type of work

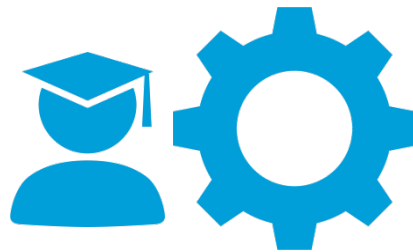
Interational

Transactional

Transformational

MOVEMENT OF LABOUR

- **DEVELOPING COUNTRIES HAVE LOW LEVELS OF QUALIFICATION AND NEED**



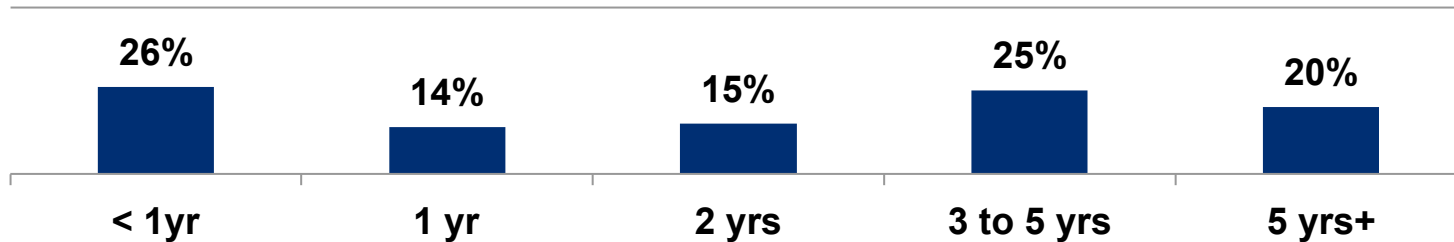
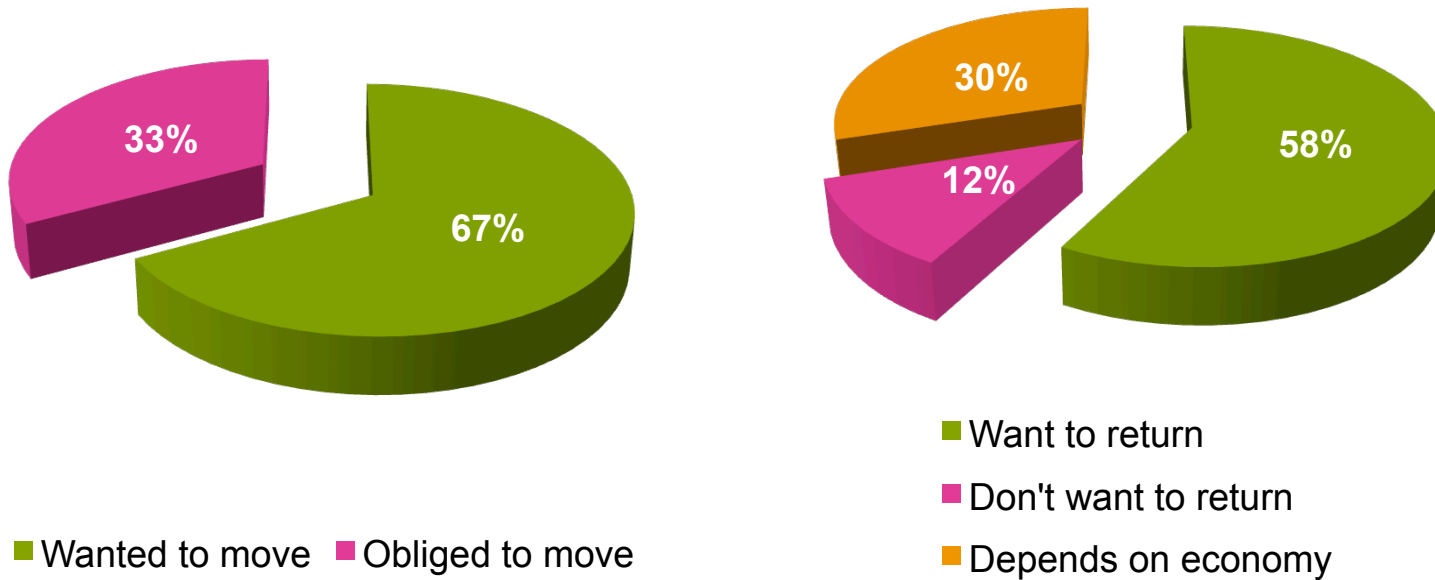
KNOWLEDGE AND INFRASTRUCTURE

- **DEVELOPED ECONOMIES WILL NEED YOUNG, HEALTHY IMMIGRANTS**



TO DO LOW MARGIN WORK

BRAIN DRAIN? SPANISH PROFESSIONALS ABROAD



LONGER WORKING LIFE

IN EUROPE 21.5% OF WORKERS WILL BE 55 YEARS+

KNOWLEDGE WILL BE RETAINED

BENEFITS REDUCED

PROFILE OF OLDER WORKERS WILL BE DIFFERENT:

FLEXIBLE WORKING

LOYALTY AND REDUCED AMBITION

NEED TO UPDATE KNOWLEDGE

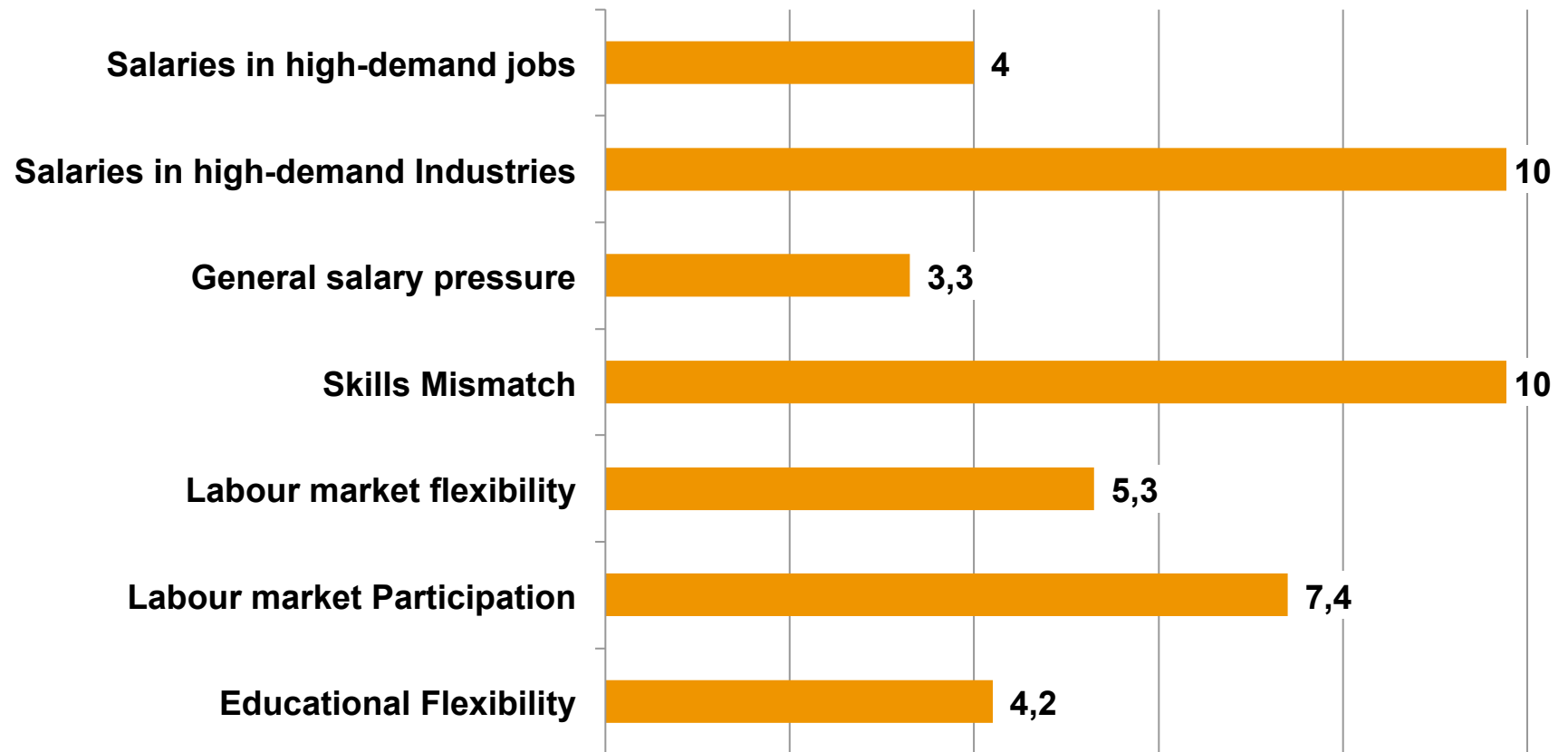


REASONS FOR OPTIMISM IN DEVELOPED COUNTRIES

- **World leaders** in value added sectors (financial services, R&D, life sciences, aerospace)
- **Export** opportunities in huge developing markets that are growing in wealth
- **Globalisation** will generate demand for experts in intermediation
- High quality of **education systems**, providing qualified talent for developing countries



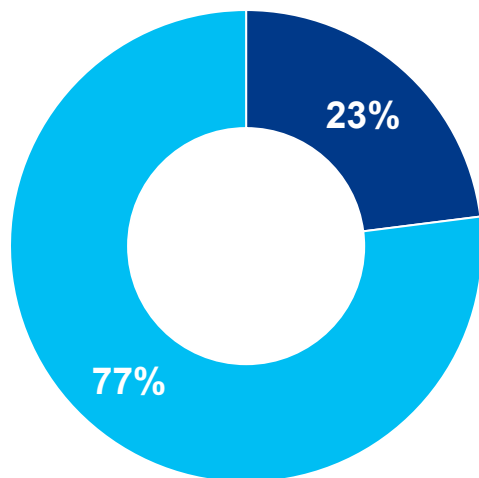
...BUT ACCORDING TO THE HAYS GLOBAL SKILLS INDEX, SPAIN IS CURRENTLY NOT ADAPTED TO BENEFIT



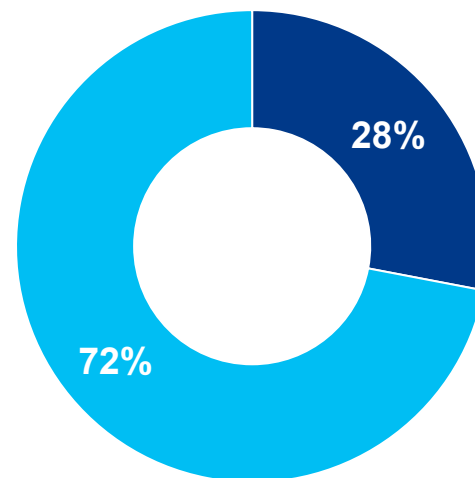
BEHAVIOURAL CHANGE AND THE WORLD OF WORK

HAVE YOU REJECTED A JOB OFFER WHILE UNEMPLOYED?

2013



2014



Reasons for rejecting the offer:

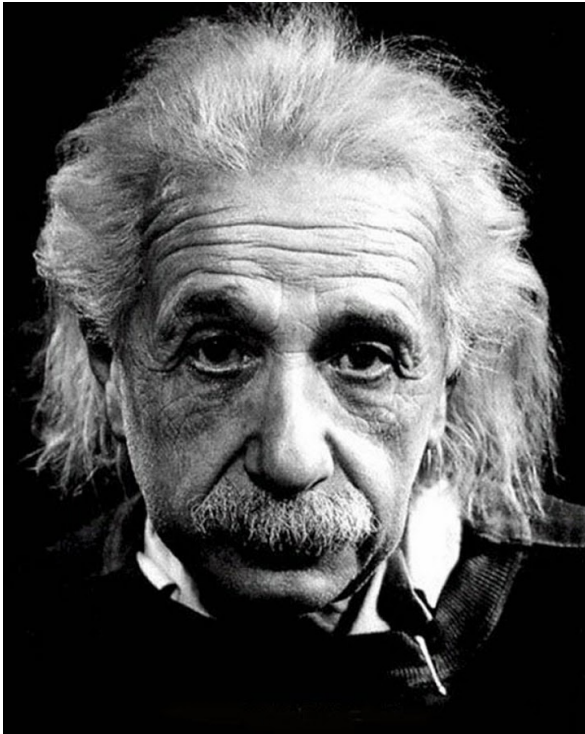
| | |
|-----------------------|-----|
| Salary | 44% |
| Working conditions | 30% |
| Need to be autonomous | 26% |
| Overqualification | 23% |
| Contract type | 17% |

WOULD YOU ACCEPT A REDUCTION IN SALARY SO THAT MORE PEOPLE COULD BE EMPLOYED?

| | | |
|------------|--|------------|
| YES | Yes | 8% |
| | Yes, with a guarantee to resume current conditions | 32% |
| | Yes, if everyone agrees to the same | 10% |
| NO | No | 49% |



CHANGE: THINK THE UNTHINKABLE



INSANITY IS DOING THE SAME THING
OVER AND OVER AGAIN AND
EXPECTING DIFFERENT RESULTS.

 BERT EINSTEIN

DIGITAL NATIVES WILL INVENT THEIR OWN JOBS

- They will want **constant feedback** and progress
- Working relationships will tend towards **transactional** not loyal
- **Flexibility** will be highly valued
- **Knowledge** will be seen as a short-term asset that needs constant updates
- **Employability** will have a wider focus: the ability to communicate, to learn, to be proactive, to take responsibility



SOME SCHOOLS HAVE ALREADY CHANGED

“Se adjuntan los resultados definitivos de la prueba KS2. Estamos muy orgullosos de ti, por demostrar una enorme **cantidad de compromiso** y porque intentaste lo mejor posible durante esta complicada semana. Sin embargo, estamos preocupados porque estas pruebas no siempre evalúan en su totalidad lo que os hace a cada uno de vosotros especial y único. Las personas que crean estas pruebas y las califican no os conocen como lo hacen vuestros profesores.

Ellos no saben que puedes tocar un instrumento o que pueden bailar o pintar. Ellos no saben que tus

amigos cuentan contigo o que tu risa puede dar brillo al día más triste. **Ellos no saben** que escribes poesías o canciones, que juegas o participas en deportes, que te preocupas por el futuro o que a veces cuidas a tu hermano/a pequeño/a después del colegio.

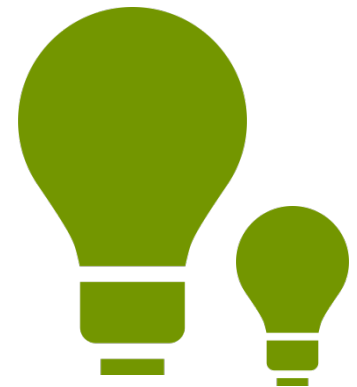
Ellos no saben que eres digno de confianza, amable y considerado y que cada día intentas ser lo mejor de ti... las calificaciones que recibes van a decirte algo pero no van a decirlo todo.



Entonces, **disfruta tus resultados y siéntete orgulloso de éstos**, pero recuerda que **hay muchas formas de ser inteligente.**"

THINK THE UNTHINKABLE

- 💡 Minijobs
- 💡 “Countries with no minimum salary have higher average salaries and lower levels of unemployment” *El Economista* 18/11/14
- 💡 “Convenio salaries are anti-productive. Employees earn the same salary independent of their productivity or the company’s success, so why should they care about either?” President of a large industrial company
- 💡 Workers on company boards
- 💡 Genuine private / public sector collaboration
- 💡 Retroactive changes to indemnity
- 💡 Flexible working



**CHANGE TO
THE WORLD OF WORK
THAT WE WANT AND
DESERVE**



THE FUTURE OF OUR WORLD OF WORK



We need to be more competitive



If there is no more work to do, we need to share more equally



Remuneration and security need to be linked to productivity,
Not just antiquity



Closer links and trust between education, government,
Workers and companies to improve employability



Copy what works



Have the courage to effect real change



We cannot wait

THANK YOU.

**CHANGE IN THE
WORLD OF WORK
CHRISTOPHER DOTTIE**