

The Good Work Framework

Video transcript

Speakers: Ravin Jesuthasan, Senior Partner and Global Leader for Transformation and Cynthia Cottrell, Partner and Pacific Leader for Workforce Consulting and Digital

Cynthia Cottrell: Ravin, it's so great to have this opportunity to chat with you today. Even more special, because I know that we have you at the crack of dawn, there at Davos, as you meet with world leaders and executives and thought leaders from all over the world. And you're there at such an important time with the launch of the Good Work Standards. It would be wonderful just to hear from you, Ravin, the role that you've played in supporting this initiative, and what the Good Work Standards are all about.

Ravin Jesuthasan: Yeah, Cynthia, it's lovely to be here with you. We're really excited at Mercer to have played a role in partnering with the World Economic Forum on the Good Work Framework. It underpins an alliance of many, many organisations, I think we're up to maybe 21 at this point, all of whom have signed up to this charter for good work. And again, over the course of the better part of the last year, we've had the privilege of working with all of these organisations to drive some consensus, and agree to a set of minimum standards, as well as a set of aspiration goals around areas like promoting fair pay and social justice, providing flexibility and protection for all workers, not just employees, but everyone who touches an organisation's value chain, delivering on health and wellbeing, driving diversity, equity and inclusion. And then lastly, fostering employability and a learning culture so the workforce can stay relevant for a changing world.

Cynthia Cottrell: It's so timely, Ravin. As you might know, here in Australia, we are now under a new government. Our elections were just this past weekend. And we're not unique to a number of changes happening all over the world right now. And everything you've just mentioned, around the changing work patterns, flexibility, equity, sustainability are all top of mind, particularly here in Australia and New Zealand. Tell us a little bit more about what you think will help organisations live up to these promises that we're talking about in this framework?

Ravin Jesuthasan: Cynthia, at the heart of much of what we're seeing in terms of this change, and this really kind of underpins my recent book, *Work Without Jobs* that I co-authored with John Boudreau. And it really builds on the first three books that John and I wrote. But as we look at this emergence of the world of work post-pandemic, if I were to be so bold as to say that, there's really two things that seem to be coming to the fore consistently.

The first is, how do we redesign work to enable talent to flow to it as seamlessly as possible, while sending talent the signals and the resources to enable its perpetual reinvention as work changes? And then the second key variable here is how do we re-envision the talent experience, so we can meet more and more people on their individual terms in a manner that's equitable, inclusive, as opposed to our traditional frames of reference as organisations, where we forced people to comply with our one size fits most?

And I really do think those two pivotal questions are really at the heart of what's going to shape the world of work. It's certainly what underpins what we've just talked about with the Good Work framework. It's certainly a core underpinning for much of the research that John and I have done, that has been the basis for Work Without Jobs. And it's coming out in spades, in our recent research, global talent trends that Mercer has now done for over a decade.

Cynthia Cottrell: Yeah, and speaking of the Global Talent Trends, that has absolutely been trending, if you will, here in Australia and New Zealand. In fact, we were just with a major four bank earlier today, just discussing those trends, and they certainly are resonating. One of those trends is working in partnership. And that really does seem to belie the meaning behind the Good Work Standards. When you think about working in partnership, and with the organisations that you consult to, have worked with, what are some of the key stand up items that those organisations are doing well, in relation to working in partnership?

Ravin Jesuthasan: I think it goes back to that second question we just talked about, right? Where instead of forcing talent to come to us on our terms as an organisation, and very much, typically, that's a one size fits most option, to increasingly saying, "I'm going to meet you on your terms." I'm going to be inclusive, I'm going to be, as we say at Mercer, right, leading with economics and empathy. What does empathy actually mean, but an understanding of what it means to walk in that other person's shoes, and being able to be a lot more inclusive, and recognising that that work experience is just such a unique one.

And I think what we've seen with the pandemic is that very personalised experience laid bare for all to see on Zoom. And I think we see so many organisations now recalibrating to recognise that they've got an opportunity to not think about people working for them, but to think about the workforce working with them in pursuit of a common mission and purpose. So much of what we're seeing with our large clients around the world is, how do I index the way I engage with talent, (a) to meet them on their terms, but (b) to also ensure that I'm reframing culture, reframing what it means to be a part, a member of this enterprise, not so much in terms of competitive pay and benefits, and a work environment where we spend 40 hours a week – and those are still important – but increasingly, how the mission and purpose that I advocate for aligns with the mission, the impact you individually would like to make on this planet.

Cynthia Cottrell: It's just inspiring altogether, just to hear you articulate in that way. Ravin. You did mention though, a couple of interesting points just now around work practices. And this is certainly top of mind. And we know that Davos, there's been discussion already about a four-day work week. We did a report on that as well, in the global talent trends 36 percent of organisations are now offering a four-day work week. What are you seeing in these trends, as more flexible options seem to be at play? Is that really all it takes to get us to Good Work Standards? Is it really coming down to four-day work weeks? Or is there more?

Ravin Jesuthasan: I think there's a lot more to it. As we look at those five categories I started off talking about, it's really about everything that touches the work experience. It's certainly flexibility and protection, and things like portability. Because in certain countries like the United States, things like health care and pensions are so intricately tied to your status as an employee, versus in other countries around the world, there is a lot more flexibility and protection, even as people move. So trying to drive more of a level playing field just on that one topic.

I think this notion of recognising that mental wellbeing has been really put at risk for many individuals over the course of the last two years. And the recognition that we have to keep the workforce relevant for a changing world. This notion of employability, and a learning culture and driving greater learning agility. So I think it's a bit more than a four-day work week. But I do think, Cynthia, to the essence of that four-day work week is really around flexibility. And as we often say to our clients, it's not flexibility if it's not a choice. So a four-day work week is great, but there really has to be embedded in that sense of choice and control and ownership.

Cynthia Cottrell: That's a really neat way of putting it. And I think to that point about choice, and something that really resonates with so many that you've talked about both in your book, and also when discussions in different forums, is skills being the new currency of our time. And I know that certainly here in Australia, we're at record unemployment lows right now. We've actually dipped below 4 percent, and it continues to drop. As we think about skills, reskilling, upskilling, what would you recommend to organisations in Australia and New Zealand in regards to skills, and how to best recognise, leverage them to help navigate this new way of working?

Ravin Jesuthasan: That's such a great question. As you know, we really are seeing this massive pivot from the job as the currency of work, to skills as the currency of work. And what I think it drives is a much greater level of agility in organisations as they shift from that one-to-one relationship between a job and a job holder, to the many-to-many, between the unique bundle of skills that's Cynthia versus Ravin, and the many different ways in which we could contribute.

And what we're seeing is that greater agility is allowing organisations to move to think of talent as being much more – I want to say fungible, but fungible doesn't quite capture it. But recognising that we have

more utility players and talent who can contribute in so many different ways, beyond what we might have traditionally limited them to with a job. And I think it's really at the heart of what is – I know you've been talking to many organisations about this, Cynthia, it's why the internal talent marketplace is becoming such a, for lack of a better phrase, a hot phenomenon. And it's not just hot, because it's a fad. But it's because its time is here. And as we see organisations move from that one-to-one relationship, and those architectures of jobs, job holders, to seeing the value of talent being deployed to work more seamlessly through projects and assignments and gigs, alongside jobs, what we're seeing are these massive gains in productivity with various clients, as they move in that direction, and as they start to see skills really manifesting has been the currency for work in their enterprises.

Cynthia Cottrell: We are excited by that future. And one of the things we really loved about your book is, the book seems to lay out this wonderful recipe, or methodology, to really think about this in a systems way; I think, in fact, you use the term 'operating system.' And I think that if you could summarise two or three top things that organisations can do if they are to pursue a more learning driven talent management system, what would you recommend as these top two or three things?

Ravin Jesuthasan: In the book, and we call it a new work operating system, because our traditional work operating system has been one indexed to this notion of jobs and job holders. And as we move to one where skills and capabilities are the currency of work, there's really four principles that we see consistently coming to the fore, Cynthia, and governing that pivot.

The first is starting with the work, the current and future tasks, not just the way they're organised in jobs. Secondly, ensuring that we're seeing that nuanced way in which automation comes into organisations when you lead with the work. So getting to the optimal combinations of talent and technology, where you have a clear sense of where activities are substituted, versus augmented, versus created, as a result of the presence of automation.

Thirdly, ensuring that we're thinking about how we connect talent to work in evermore agile ways, beyond just the job, but thinking about the internal gig, freelancers, alliances, projects. There's a whole myriad different ways in which we can connect people to work. And then lastly, ensuring that we're creating the conditions for the perpetual reinvention of work, and continuously looking for opportunities to take the friction out of how we connect people to work, enabling them to flow to work, versus defaulting to thinking about jobs and job holders.

Cynthia Cottrell: It's super exciting. And at the same time, Ravin, it feels the right time to tackle this as organisations, with the coming together of technology, data, with more data about our workforces, about our people than we've ever had before. And continue to create that data, great volumes, structures and

processes, as laid out in your book, for example, give a simple, concise recipe to get there. One thing I wanted to ask you about as we kind of come to the close of our discussion today, is the human centred leadership that helped drive this throughout all organisations. What would your advice be like if you were giving advice to Chief People Officers, CEOs, Chief Risk Officers as we embark on this new way of working?

Ravin Jesuthasan: Cynthia, it's a great question, because this pivot from thinking of work being bound up in jobs, and if you think of everything in organisations that is indexed to that, right, you've got your job architectures, you've got your traditional org structures, everything sort of layers up, based on that fundamental unit of a job. And in HR we surround that structure with our talent lifecycle, and what we ask of leaders, and how we think of leaders, and how we classify them, right. And again, I think as we move to a world where skills are the currency of work, we see a much more human centric model for getting work done. And that really is what underpins the Good Work Standards, certainly is at the heart of what we wrote about in Work Without Jobs.

But it does require some very different leadership muscle. The capacity to orchestrate work is a really significant new skill, as opposed to the traditional model of delegating and opening requisitions, and structuring work in traditional functions. I think we see more and more work being flowed to talent, as opposed to talent being organised around processes. Because of the greater human centricity of work, you see leaders being asked to think in a much more nuanced fashion about automation. How does automation play out, given that human centricity, given the work, as opposed to, I've got a process and now I've got some new tech, and I'm going to figure out how to apply that technology to the process.

So you really do start to see a very different set of leadership puzzles. Probably the most significant one that John and I wrote about is this notion of, as I said at the beginning, leaders shifting from leading with quote/unquote, 'hard power,' and being able to organise work in very rigid structures to increasingly leading through influence and soft power. Because you're really trying to sort of align and influence a much more human centric work ecosystem. And it's where the notion of leadership brand becomes really important, right? Because followership becomes ever more important when you don't have the traditional structures that you've relied on to align people to you. And instead, you have a more agile enterprise, where talent is flowing to work. I think it's a really exciting time for the world at work.

Cynthia Cottrell: It sure is, I've really appreciated this conversation, Ravin. Do you have any favourite places you'd like to visit – this is not your first visit to the World Economic Forum, I know. But any tips or tricks for anyone who's on their way out there?

Ravin Jesuthasan: It is a truly one of a kind experience, because of how much you have going on. And I think really the thing that, to me, has made me really enjoyed and has stretched me, is the opportunity to see how what we do, what you and I do, stretches and cuts across different domains. I've learnt things

from watching some of the sessions on physics, and it's made me question what I do from a human capital in the work perspective, and equally seeing how some of the things we just talked about, might play out in other domains. So it's been really more of a learning experience than anything else.

Cynthia Cottrell: Well, we are so lucky that we were able to grab a bit of time from you this morning before you go off to your first event at the floor. And thank you so much, Ravin, for joining us. And we'll go ahead and say goodbye for now. Thank you.