

WHITEPAPER

# Beyond automation

How language, soft skills drive success  
in the age of machines

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## Transforming the workforce to meet challenges brought about by automation

The workforce is facing an unprecedented rate of automation. Forecasts are alarming – IBM predicts 120 million workers in the world's largest 12 economies will need to be reskilled during the next three years, as a result of new technological innovations.

Automation of people's jobs is not new. In the first industrial revolution, machines took over agricultural and manufacturing jobs. However, the advent of intelligent software and robotics looks set to dwarf the impact of previous industrial revolutions on jobs. Consultancy firm McKinsey suggests that by 2030, 75 million to 375 million workers (3 to 14% of the global workforce) will need to switch occupational categories as a result of automation, while 60% of occupations have at least 30% of constituent work activities that could be automated<sup>2</sup>.

Intelligent software, or artificial intelligence (AI), will bring greater efficiency and productivity. Early adopters of AI, companies who make transformative use of intelligent software rather than simply automating existing processes, will stand to gain a real edge on their competitors – if they get the human side of the equation right. Businesses that transform their operations with AI technology must do this hand-in-hand with a transformation of the workforce.



## The impact of automation on the workforce

In the near future, jobs that fuse AI and automation with innately soft skills (like communication, service and collaboration) will become the norm. We will see that happen more quickly in certain areas. For instance, when assessing the automation potential of Germany, where there is an aging population and a widening skills shortage, McKinsey suggests that 24% of current work activity hours may well be automated by 2030, up to 47% in a scenario of rapid change. Meanwhile, in China, 16% of current work activity hours could be automated by 2030, or up to 31% in a rapid change scenario.

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is just as likely to be found supporting knowledge workers and employees in the service sector. Intelligent software helps law firms with contract review, supports cross-selling in the financial sector, and even takes food orders, and, in conjunction with robotics, waits tables in restaurants in China. Machine-human working is indeed the new normal. At present, the best use of human capital comes through automating mundane and routine tasks and allowing people to add the human touch that smooths collaboration, speeds time-to-market and wins sales. The human touch remains evident and is still necessary in soft skills such as language and communication, negotiation and collaboration skills.

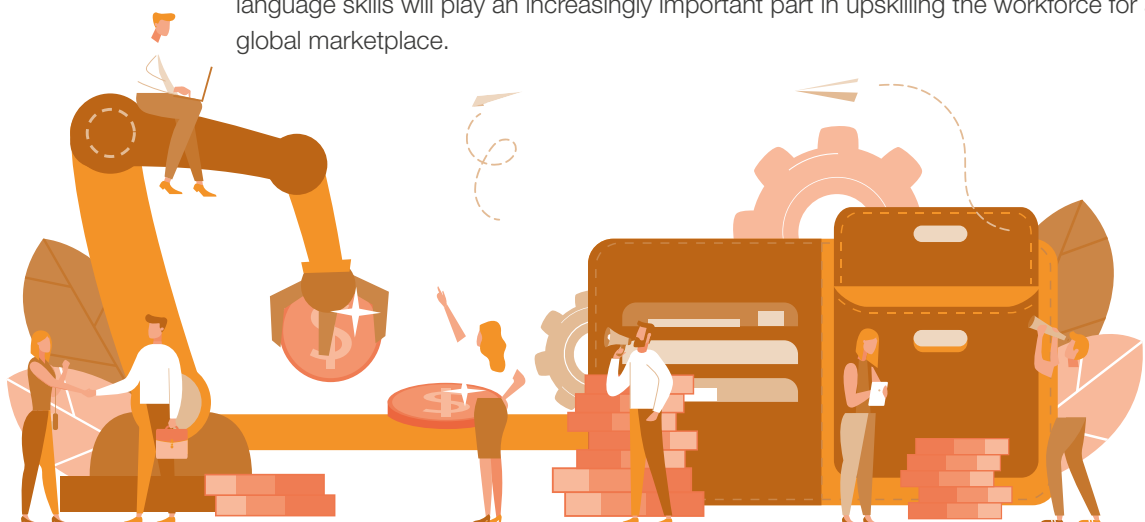
McKinsey predicts that job roles will continue to evolve alongside increasingly capable machines: “Some of that adaptation will require higher educational attainment, or spending more time on activities that require social and emotional skills, creativity, high-level cognitive capabilities and other skills relatively hard to automate.”

There is clear evidence that businesses have woken up to this requirement in the past couple of years and are taking action. IBM’s latest study<sup>1</sup> finds that global executives are increasingly looking to boost soft skills to cope with the effects of automation, revealing shifting priorities for skills requirements. When asked to rank skills requirements in 2016, ‘technical core capabilities for STEM’ and ‘basic computer and software/application skills’ were ranked joint top priority.

“While the demand for STEM skills is losing ground massively, the requirement for foreign language proficiency is now ranked higher”

Two years later, the 2018 IBM Institute for Business Value Global Country Survey found that soft skills – IBM calls these ‘behavioral skills’ – dominated the top four core competencies that global executives are looking for, while ‘basic computer and software/application skills’ had dropped to eighth place. The top four skills that businesses need are now ‘willingness to be flexible, agile, and adaptable to change’, ‘time management skills and ability to prioritize’, ‘ability to work effectively in team environments’ and the ‘ability to communicate effectively in a business context’.

Perhaps surprisingly, in the context of the top four skills being behavioral or soft skills that depend on high levels of communication skills, foreign language proficiency is ranked as a technical skill. However, while the demand for STEM skills is losing ground massively, the requirement for language proficiency is now ranked higher than in 2016. As we head towards 2020 and communication skills become top priority, foreign language skills will play an increasingly important part in upskilling the workforce for a global marketplace.



## Recruiting for soft skills

Companies that operate with a global workforce are finding themselves in a global recruitment marketplace. As intelligent technology automates the function of traditionally blue and white-collar workers, 'new-collar workers' are emerging<sup>3</sup>. New-collar workers are characterized by a commitment to lifelong learning and a willingness to develop both soft and technical skills. Recruiting these people is challenging as recruiters need to look for potential, attitude and soft skills rather than academic qualifications.

In the past, employees were recruited for their technical and role-specific competencies. Soft skills, particularly communication and language proficiency, were seen as 'nice to haves.' As these skills become core to business success, candidates are starting to highlight soft skills that are less susceptible to automation and simply cannot be replicated by machines. For example, accountants on LinkedIn have been prioritizing less automatable skills and deprioritizing more automatable skills, according to a study looking at more than 160,000 accountants globally adding skills to their LinkedIn profiles<sup>2</sup>.

Recruiting for soft skills is becoming increasingly important as training employees in more complex soft skills takes longer than traditional vocational training. IBM has found that globally, in 2014, the median time it took to close a capability gap through training in the enterprise was three days. In 2018, the median was 36 days<sup>1</sup>. IBM researchers believe that behavioral skills, such as teamwork, communication, creativity, and empathy must be consolidated through real-world experience rather than relying on a learning program and this takes time. There is no doubt that blended learning, combining digital learning on demand, coaching, mentoring and peer learning is the most effective way of delivering soft skills learning, particularly foreign language skills.



## Developing communication skills in the age of machines

There are a number of steps organizations can take to prepare to succeed in the age of machines:

- 1. Reassure employees that you are acting in their best interests.** Organizations must work on governance and compliance, ensuring there is transparency around the business' use of AI and the impact of AI on employees. Employees are increasingly alert to security and data privacy issues. They want to know how their data is handled and who has access to their learning data.
- 2. Keep your finger on the pulse – automation often comes in through the back door.** Oftentimes, companies introduce intelligent software piecemeal, to offer specific point solutions, such as data analysis. HR and learning and development professionals need to keep their finger on the pulse to find out about implementations of intelligent software and to be prepared for the issues and opportunities it presents.
- 3. Build an entrepreneurial culture of lifelong learning.** A transparent approach is best, creating a collegiate atmosphere where employees know which skills are in demand and why these matters to business success. Provide employees with the tools to self-direct their learning and career, especially as opportunities for professional growth are now viewed by job applicants as just as important as things like salary and vacation days when considering a new job.
- 4. Assess and address foreign language proficiency globally.** It is important that the language and communication skills of employees in different regions are assessed according to a consistent global standard. Alongside this global approach, a local and personalized approach to learning is key to its effectiveness and speed – and AI can help companies personalize learning content and delivery 'at scale.' This means going further than segmenting employees in the same job roles. AI can use learner data to assess the current skill level of every employee and personalize a meaningful learning path that is mapped to organizational objectives.
- 5. Make AI work for learning and development.** At SpeeXX, we use intelligent technology to select the best possible and personalized learning paths for each user. AI helps us predict user behavior and provide recommendations based on that information. Intelligent software detects when a user is not putting enough effort in, so that extra support can be put in place and prevent drop-outs. The automated solution dynamically schedules sessions for the global virtual classroom, considering the preferred date and time of our users, topics, and language coaches.





## The machine-human future is bright

Intelligent software can help companies personalize learning content and delivery 'at scale'

Strategic use of intelligent technology will lead to a bright future for us all. Early AI adopters achieve higher profit margins<sup>2</sup>. The boring, repetitive parts of jobs will disappear, leaving more time for employees to use human skills to work more effectively. Using intelligent technology to increase the value of human capital is key to success. Rather than replacing human jobs, AI in conjunction with human soft skills can improve performance and increase revenue.

Navigating the new machine-human landscape demands high-level human skills. A business model that invests in ongoing language and communication skills as well as the latest intelligent technology will ultimately deliver success.

For more information about how SpeeXX can help your organization prepare to meet the challenge of automation, please contact – contact number or link to other assets.

### References

<sup>1</sup> 'The enterprise guide to closing the skills gap'. <https://www.ibm.com/thought-leadership/institute-business-value/report/closing-skills-gap>

<sup>2</sup> 'Jobs lost, jobs gained: workforce transitions in a time of automation' <https://www.mckinsey.com/featured-insights/future-of-work/jobs-lost-jobs-gained-what-the-future-of-work-will-mean-for-jobs-skills-and-wages>

<sup>3</sup> <https://www.forbes.com/sites/scholleybubenik/2019/01/24/new-collar-workers-who-are-they-and-how-are-they-contributing-to-our-labor-shortage/#162680782c2f>

**Armin Hopp,**  
Founder and President of  
SpeeXX  
[www.speeXX.com](http://www.speeXX.com)  
[@speeXXtweets](https://twitter.com/speeXXtweets)  
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### About SpeeXX - empowering communication

SpeeXX uses groundbreaking AI technology to provide language skills testing, training and continuous performance support to global top 1,000 companies driving better ROI on training budgets and workforce productivity. Unlike traditional training providers, SpeeXX uses advanced technology to build, grow and maintain the language skills that matter.

More than 8 million users in 1,500 organizations around the world – including UNHCR, Adecco, Daimler and Credit Suisse – use SpeeXX to learn a language smarter and deliver results on time. SpeeXX is headquartered in Munich/Germany with offices in London, Madrid, Milan, Paris, Sao Paulo, New York and Shanghai.

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