Digital Work

Our aging population, the rise of the millennial workforce, and automation of repetitive and physically intensive labor will in future greatly transform the logistics industry. Robots designed to work collaboratively with humans – both physical devices and software (virtual bots) – are on the increase. To remain competitive, companies must develop fresh ways of recruiting, upskilling, and training the existing and future workforce.

KEY DEVELOPMENTS & IMPLICATIONS
An estimated 49% of activities that people are paid to do today can potentially be automated by adapting current, demonstrated technology. While digitalization will certainly automate many logistics processes, it will also relieve increasing labor shortages, particularly in mature markets, and help boost the performance and retention of existing workers. This shift will increase the number of technically skilled jobs in logistics (e.g., programmers and managers of robotics fleets). Innovative new models of work will be needed for recruitment and retention of the increasing segments of millennial and Gen Z talent in logistics.

Human-machine collaboration will greatly influence the future of digital work. In operations robots designed to assist workers with manual handling activities will prove critical to supporting an aging workforce. Software robotics will be essential, particularly in the back office to handle significant amounts of manual and repetitive data entry (spreadsheet data entry, customs document processing, etc.). Here, technologies such as robotic process automation (RPA) in combination with AI can automate many tasks. This enables both time and cost savings, and allows workers to do more meaningful and skilled activities such as process innovation.

Flexible, on-demand workforce models in logistics will become commonplace as sharing economy principles gain adoption in the enterprise. These models appeal particularly to the younger generations with 39% of millennials in the US willing to work in a sharing economy model. Key concepts include crowd-sourced delivery (e.g., Postmates) and on-demand staffing to cover operational peaks with unprecedented speed (e.g., Jobdoh).

Training and upskilling will be constantly required to prepare existing logistics workers for changing tasks. Employees will need training on areas of technology, ensuring they understand and are capable of using physical and software robotics in logistics. Such investments will help retain the existing workforce while also extending retention of older employees. Training concepts and development plans need to be adapted to suit individual needs and capabilities.

KEY OPPORTUNITIES
- Increase in employee satisfaction through the assignment of more challenging tasks
- Technology-aided workforce can improve productivity by automating time-consuming, repetitive tasks
- Greater network and organizational flexibility using on-demand workforce concepts
- Efficiency boost in operational procedures which also leads to more precision in repetitive tasks

KEY CHALLENGES
- Achieve harmonious balance between human workers and physical/virtual robotics
- Ensure sufficient wages and job security when deploying or utilizing on-demand logistics concepts
- Enable relevant training and upskilling for existing logistics workers particularly for technical tasks

Outsourcing Data Science through Online Competitions – Kaggle
- Companies that struggle or are unwilling to hire in-house data science talent can utilize Kaggle, a platform that hosts data science competitions
- These competitions help companies to solve data-based business problems and to recruit data science talent
- The platform provides access to more than a million data scientists

Source: Kaggle