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# How Automation Will Change Future Workforces

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**By: Elliot Dinkin**

As an undergraduate economics major, I studied British economist John Maynard Keynes and his teachings.

One Keynesian economics theory from the early 1930s predicted widespread technological unemployment. However, he further stated that technological unemployment would only be a temporary phase of *maladjustment* and predicted that the standard of life in progressive countries, 100 later, would be between four to eight times as high as it is now.

### The Solution:

Employers should continue to focus on the premise that automation will not eliminate the demand for all workers. But it's imperative to meet the demand for higher paid workers with more skills and education. A recent study found [nearly half of jobs](#) are vulnerable to automation, but it also discusses the premise that this will free up people to pursue more interesting jobs.

In order to be successful, companies of all types, from service to manufacturing, must continue to navigate a transition and master the art of meshing the existing workforce with automation technology.

There are other factors that companies consider when reducing the number of employees. For example, let's assume that that an added automation activity would reduce costs by 30%. In planning for reducing costs, just one single idea will not solve the problem – even if it could radically change the cost structure of your company. Simply stated, even if an idea like that really existed, it would have to be so risky that a company would never implement it. As such, if you are attempting to reach a goal of cost reduction, then a larger number of ideas – probably 15 or more—are needed.

### Other Steps to Consider:

As part of any decision to alter headcount, there are other steps or considerations that companies should always focus on, as follows:

- *Keep it simple* – When organizations grow, they often create unnecessary layers, positions and locations. As part of any decision-making process with staffing, consider the benefits of eliminating layers within organizations and keeping everything simple.
- *Consider phasing out products and services* – Considerations should be always be given to eliminating products or services that have outlived their value.
- *Manage the balance between today and tomorrow* — Companies always have a choice between investing in current operations and innovating for the future. When the balance is overly skewed towards short-term revenue, it's easy to build up employees (and other costs) that provide results today but cannot be sustained in the long term. Keep the focus on a proper balance.
- *Degree of organizational disruption* — Another factor to be considered when considering cutting costs and/or employees is the degree of organizational disruption caused by your reductions. Can we possibly measure this impact – even if careful analysis is made before hand –

as there is always unintended consequences? What will happen to customers? How will your top performers react to job cuts?

Specifically, the challenge for companies is to blend the world of HR with the world of science and engineering to drive forward the most effective way. Company leaders must determine how to utilize employees for new roles. First, this will involve more training and support from leadership. It also means a willingness to humble oneself and come to the table with a learning mindset. As with any evolutionary cycle, those who don't or can't adapt will be left behind.

Automation works to streamline workflows that include repetitive, manual tasks. However, certain types of work can't possibly integrate into an automated workflow. The need for creativity is an essential trait for any business as it cannot be replaced by automation. Thus, companies must proceed with caution in making staffing decisions and simply cutting jobs and consider other factors in the complexity of the future of automation, such as:

- *Disruptors* – Future events that will shake up how we do things; look no further than the evolution of the internet and mobile phones
- *People* – General reluctance and skepticism in embracing new technologies
- *Laws* – May establish roadblocks or create disincentives to implement changes

Automation has already impacted day-to-day work to boost productivity for select tasks. These gains are realized through enhanced output, accuracy, safety, speed and quality of work. People are still better at performing complex or delicate jobs, so most industries will employ both employees and technology to increase the quality of their products and productivity. A recent study found that instead of completely disappearing, many jobs will simply involve [new forms of cooperation](#) between man and machine.

This doesn't mention the fact that robots are a long way from being appropriate for all industries and sectors. The study above also notes that robotics and automation won't have much effect for the foreseeable future on jobs that involve social interactions, managing people or applying expertise. Additionally, jobs that have a high level of unpredictability won't see much automation anytime soon.

At the end of the day, a robot's co-worker will likely be a real person rather than another robot.

[Elliot Dinkin](#) is president and CEO at [Cowden Associates, Inc.](#), specializing in helping corporate clients find the best solutions, both for the enterprise and its employees, with regard to compensation, healthcare benefits, retirement and pension issues, and Taft-Hartley fund consulting.

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