Amazon Is Signaling a Major Workforce Trend: Here's How to Act on It.

October 3, 2019 5 min read

Opinions expressed by *Entrepreneur* contributors are their own.

IBM recently estimated that within three years, 120 million workers across the globe will require retraining thanks to automation and artificial intelligence. For employers, especially those running startups in which agility and adaptability are vital to success, this kind of statistic should be a wake-up call. In the very near future, the makeup of successful companies will look quite different than it does today.

Amazon has been paying attention to this trend. The company announced a $700 million effort to retrain 100,000 workers over the next six years. The tech giant is creating programs based on internal insights and offering training not only for technical positions, but also for jobs such as nursing that don't fall under the company's traditional umbrella. Amazon knows that to weather the changes of the future, it needs to be bold about making changes today.

Related: Here's How This Company Is Adding Robots But Also Keeping Its Workers

Unquestionably, automation and AI will transform the business landscape. Many jobs will be taken over by machines, potentially putting people out of work. However, that doesn't mean that automation will replace people in the workforce.

Some occupations that machines can’t touch — such as musicians, therapists and criminologists — will only increase in demand. New positions will be created as a result of these technological advances.

That said, many people will still be unwilling or unable to adapt. According to one Gallup and Northeastern University survey, most people aren’t even sure what automation even means in practical terms, much less what will happen to their jobs. People are afraid, and it doesn’t help that many businesses seem to lack any real contingency plans. The bigger the business, the more likely it may be to replace employees with machines and leave them high and dry.

For entrepreneurs, however, this fear and uncertainty should look like an opportunity. By reinvesting in the workforce and helping employees transition, entrepreneurs can future-proof their businesses without leaving people behind. Because startups thrive on creative thinking and innovation — skills that AI can’t yet replicate — it’s the perfect place to show people the way forward by example.

Related: 3 Ways Intelligent Automation Can Help Grow Your Business

To do this, entrepreneurs will need to prioritize their hiring and training to factor in automation, and they need to start now. Hiring and retraining for the near future isn’t only the purview of big corporations; startups are the ideal environment for this kind of preparation, abd entrepreneurs can use these few simple strategies to take the future by the horns.

1. Determine who (or what) will do the work.

Before a startup can position its workforce for success, it’s

important to get a clear idea of what that success looks like. In other words: What work will machines perform and which tasks will human workers handle as automation takes root? This is the approach Accenture is taking: investing in its employees by first gaining a better understanding of how technology can aid the company in its efforts. That way, employees and technology can work toward the same future, instead of being at odds. Once a position has been identified as one that automation will overtake, the employees who currently do that job need to be given opportunities to learn new roles and skills.

2. Hire for everlasting skills.

McKinsey predicts that most of the jobs that will be replaced by automation require the most technical expertise, whereas positions that require a more holistic approach will stick around for much longer. Therefore, the workers least likely to be replaced by automation are those with skills you can't directly get a diploma for, such as problem-solving, creativity, emotional intelligence, social awareness and curiosity.

If you are not already hiring for these skills, you should resolve to do so immediately. Even if automation isn't expected to be a concern for you down the road, creative problem solvers are assets for any startup. If your current team doesn't already have these skills, try to coach or train them to reach their potential. As for new hires, focus interview processes on recognizing creative skills. Plenty of online resources provide advice and suggestions when it comes to separating the true innovators from the common denominators.

Related: Focus on Education and Training to Retrain Your Workforce

3. Make retraining short, cheap and measurable.

Many companies favor retraining over hiring because it’s often cheaper and easier to “fix” a current employee than to find a new one. Hiring a new worker can cost up to 60 percent of that job’s salary ($30,000 for a $50,000 position), while the average cost of retraining an employee is a mere $1,208.

The retraining process can seem more intimidating than it actually is. Discrete online courses such as Udemy have made the retraining for many positions almost trivial. Short courses that often require producing “homework” or a final product are ideal because they offer a better idea of how each employee is progressing.

If possible, stay away from sending anyone to college, even if it’s part-time or online. College tends to offer education on a longer timeline, but what’s needed for retraining is education that will have an immediate impact. Training can and should be completed within a year.

One reason automation causes such worry is that most people don’t actually know what that future looks like for them. By investing in retraining and making it clear what skills can’t be machine learned away, leaders can reassure employees while also ensuring that their startups are ready to take on whatever the future has in store. Automation and AI will transform the landscape of work. It’s up to the leaders to decide what that landscape looks like.

https://www.entrepreneur.com/article/340193