

Rachel Reeves MP
Business, Energy and Industrial Strategy Committee
House of Commons
London
SW1A 0AA

By online submission

13 August 2018

Dear Chair,

CMI welcomes the current focus of the Business, Energy and Industrial Strategy Select Committee on automation and the future of work.

CMI is the chartered professional body for management and leadership. We are dedicated to improving managers' skills and growing the number of qualified managers across the UK.

With a member community of around 100,000, CMI provides individual managers, employers and learners with access to the latest management thinking and with practical support to help them embrace change, build high-performing teams and improve individual and organisational performance. We are a UK awarding body for management and leadership qualifications and the only body that awards Chartered Manager, the hallmark of any professional manager.

As the Committee recognises, the economy is facing an unprecedented rate of technological change. Automation and the rise of artificial intelligence have the potential for making a huge impact on the world of work, and the Committee rightly highlights both the impact on jobs, and also the potential productivity gains to be had.

Amid the change, one thing is clear: the need for strong managers and leaders. The success of automation will come down to how organisations manage and lead the change and exploit the opportunities created.

Working with the APPG on Management, our forward-looking Parliamentary Commission report *Management 2020*¹, identified the ever-increasing value that will be placed on management and leadership skills in the future world of work. While we cannot fully predict the impact of automation and artificial intelligence, we know that strong management and leadership skills will be required more than ever to fully reap the benefits.

Management 2020 highlights the three common areas of good practice that underpin the best performing organisations, and those that will be best placed to embrace change:

- **Purpose** - what social benefit does the organisation exist to achieve and how are its leaders held accountable for these aims?
- **People** - How does the organisation prepare managers and leaders at all levels?
- **Potential** - How does the organisation support the next generation of managers and leaders?

¹ [Management 2020: Leadership to unlock long-term growth](#), CMI (2014)

At a recently convened round-table, CMI Companions (senior business leaders) came together to discuss the impact of artificial intelligence and automation on the world of work and in particular the role of managers².

One thing was clear, the evolution of automation will positively impact productivity by freeing up time spent on the more mundane tasks completed by managers and allowing more focus on higher value-added activities. Those who will thrive in the future will be those who are both comfortable with technology but also with high emotional intelligence to engage others and to lead change and innovation.

While automation will undoubtedly result in job losses, it can also lead to job creation. According to research by Gartner³, artificial intelligence is predicted to result in the elimination of 1.8million existing jobs in 2020 but create 2.3million new jobs, leading to a net employment gain of 500,000.

It is therefore vitally important that the focus turns to the retraining of those most at risk of job loss. More managers, too, will be required to facilitate this change. By 2024, 1.9million more managers will be required to meet growth and replacement demand in the UK economy⁴.

New initiatives, such as the new trailblazer apprenticeships in management and leadership, are already helping to train those most at risk and deliver the management capability required in the future. It is vital the Government maintains its commitment to delivering high quality apprenticeships moving forward.

In the coming months CMI will be looking at revisiting our *Management 2020* work looking at the future skills needed by managers and leaders in the light of automation, artificial intelligence and our wider changing environment. We would be delighted to discuss this with the Committee as we shape our programme of work and look at how we can further support this important inquiry.

Kind regards



Rob Wall
Head of Policy

² [Management in a post-AI world: the future according to CMI Companions](#), CMI (2018)

³ [Predicts 2018: AI and the Future of Work](#), Gartner (2017)

⁴ [Working Futures 2014-2024](#), UKCES (2014)