

# Analysis of US labor data suggests 'reskilling' workers for a 'feeling economy'

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Being able to solve problems and analyze data will not be the keys to your success in the future, says marketing professor Roland Rust at the University of Maryland's Robert H. Smith School of Business. Artificial intelligence will soon have that covered. If you expect to have a viable career, you better get in touch with your emotions, he says, because the "Feeling Economy" is coming.

The first wave of AI already has replaced humans for physical repetitive tasks like inspecting equipment, manufacturing goods, repairing things and crunching numbers. That shift started way back with the Industrial Revolution and gave rise to our current Thinking Economy, where employment and wages are more tied to workers' abilities to process, analyze and interpret information to make decisions and solve problems. But be prepared, because AI is already starting to take over those thinking tasks, Rust says.

"It means that if humans want jobs, they better get good at feeling," Rust says. "Things like [interpersonal relationships](#) and emotional intelligence will be much more important." Even though people skills have always been important, what the researchers conclude is that the value of these skills will soon be of unprecedented importance.

Rust and Maryland Smith finance professor Vojislav Maksimovic, along with Professor Ming-Hui Huang of National Taiwan University, have been studying this shift. They sifted through U.S. Department of Labor data about work tasks associated with jobs and the people who perform

those jobs, covering millions of workers throughout the U.S. economy. They coded the things people report doing in their day-to-day jobs as physical tasks, thinking tasks or feeling tasks and compared the breakdown for each job in 2006 and 2016. Their results reveal a profound shift across the board toward feeling tasks, a big indication that the move to a Feeling Economy is already under way.

Their paper, ["The Feeling Economy: Managing in the Next Generation of Artificial Intelligence"](#), appears in the most recent issue of the peer-reviewed *California Management Review* that examines how AI will change business.

"This is something that is going to hit people before they know it," says Rust. "It's already happening. We're already seeing the shift in feeling as being more important, not only in terms of employment growth, but in terms of compensation growth. There is greater compensation growth in feeling than there is in thinking. This is really across the board—you name a job and we can show a shift from thinking to feeling."

Take the job of a financial analyst, for example. Think that sounds pretty quantitative and thinking-oriented? No so, says Rust. The research reveals it has become much more feeling oriented in the last 10 years. "People are using more AI-powered tools that can do a lot more of their analytical work for them, and what's left in their job is to hold people's hands and to reassure them about things like stock market dips," he says. Going forward, those "feeling" skills become even more critical.

"What we're expecting is 'people-people' will be the ones who will be the big successes," says Rust. "This is different from how it is right now and how people assume it's going to be in the future."

Since AI can do more of the thinking tasks, firms need to recruit people who can perform well in feeling tasks and jobs, say the researchers.

People management, working with others, emotional intelligence and negotiation skills are already in strong demand and will continue to be top skills for the future.

As the Feeling Economy emerges, the nature of all jobs will change, so companies and individuals should prepare, says Rust. Organizations need to manage differently, with more emphasis on feeling, empathy and emotional intelligence. The companies that take advantage of this trend will be the most successful, he says. There will be new opportunities for feeling-oriented companies and products. This also creates opportunities to pull ahead in the global market, says Rust.

Individual workers can safeguard their jobs by enhancing their feeling and empathetic skills and gravitating toward jobs that emphasize those tasks. The most successful workers will be those who can manage relationships in an empathetic and emotionally intelligent way. Managerial [jobs](#) need to be more people-oriented and feeling-conscious. This may give the edge to women for their emotional intelligence, say the researchers. The "people" person becomes much more valuable than the anti-social tech geek.

Rust says there are also big implications for education at all levels, where more emphasis is needed on developing [emotional intelligence](#).

"You certainly don't need to worry about things like multiplication tables," he says. "You can do that on a machine, and everybody's cell phone will do that for them. That kind of skill is just useless."

Rust says we better get used to the idea of AI doing more. He thinks AI will eventually even take over most of the emotional tasks of relating to people. And as AI gets more sophisticated, there's no going back, he says. "The genie is out of the bottle."

**More information:** Ming-Hui Huang et al, The Feeling Economy: Managing in the Next Generation of Artificial Intelligence (AI), *California Management Review* (2019). [DOI: 10.1177/0008125619863436](https://doi.org/10.1177/0008125619863436)

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