

Prepared by OfCourseMe

SKILLING, *BUT HOW?*

How to future-proof your
workforce and live happily



LOUDS ON THE HORIZON: THE SKILL GAP

Will my work be replaced by artificial intelligence? Will it still have any usefulness in 5 or 10 years time? What can I do to remain employable? Amidst doubts and questions, today's workers look to the future wondering what their place will be. Automation, new technologies and AI continually challenge human capital, always requiring new skills, knowledge and capabilities. A World Economic Forum report predicts that 75 million jobs will be written-off in 2022, but at the same time innovation will create 133 million new roles. In short? The risk is that there are jobs, but not enough people with the necessary skills to do them.

The skill gap is a problem for both workers and companies, because it makes the former vulnerable and the latter at risk of talent shortages. The problem is well known and companies have already put in place a number of strategies to address it, such as hiring new staff or using external contracts, but according to McKinsey, training is on the whole the preferred solution by companies (McKinsey, *Building workforce skill at scale to thrive during - and after- the COVID 19 crisis*, page 5). And, it can be added, it is also the most socially far-sighted choice.

It's now some years, that learning programmes aimed at bridging existing skill gaps were set up, but the pandemic has definitely accelerated the times and today companies have doubled their efforts in this area (McKinsey, page 5). The results? Between 71% and 90% of those interviewed say that corporate training has had a positive impact for the company, in particular in 4 aspects:

- **Corporate strategy**
- **Employee satisfaction and performance**
- **Company reputation**
- **Productivity increase**

Enthusiasm for training is widespread (77% of employees feel ready to do a full retraining - PWC, *Hopes and Fears 2021, February 2021*), but putting in place an efficient large-scale up/reskilling programme seems not to be that easy. The Skilling Today survey (Randstad Risesmart, *Skilling Today*, page 3), in fact, reported that both employees and employers feel the lack of a guide that leads the way and coordinates everything, that has a vision of the future market, of the job and can recommend the skills to be promoted.

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Is there a perfect recipe? The training steps

What are the basic steps to create an effective learning program? Below we analyse the different recommended steps to create a coherent strategy, by comparing the data deriving from the experience of OfCourseMe with the aforementioned reports.

STEP 1: KNOW YOUR SKILLS

- **Mapping:**

To create a future-proof workforce, it must first be analysed: **assess its size, composition and possible future evolutions** (BCG, *The Future of Jobs in the Era of AI*, March 2021). But to do this, there must be a change of mentality: in fact, roles within the company must be seen **as a set of skills** (Accenture, "Future skill pilot", 2021, page 5).

Compiling the skills required by the various roles in the company, both those of today and those planned in the future, is therefore a fundamental step. Each job within the company must be mapped, working out what skills and knowledge it requires. The result of this analytical phase can be called skill taxonomy.

The same mapping must then be applied to people: the various skills possessed by individual employees must be assessed. This step will only be effective if the aspiration of the individual is also taken into account: in fact, everything depends on the degree of interest and willingness of a worker to change roles (Accenture, page 8). For this reason, skill assessment must be done on an individual level, putting people and their personality at the centre.

- **Skill assessment**

Finally, after mapping the company's situation (which skills it has at the moment and which it will need in the future), it is possible to determine the extent of the skill gap, i.e. which skills are lacking and will need to be found in the future.

Skill assessment must be based above all on recognizing the adaptive capacity of people, also assessing their personality and character.

Skill assessment is a delicate step, which is often made difficult by human nature. In fact, according to an interesting experiment conducted by Accenture in collaboration with Sky-hive, the mapping of skills by HR managers and employees is often burdened by cognitive biases, which do not allow a clear and detached assessment. Using artificial intelligence overcomes the limiting and self-limiting tendency of individuals (often even stronger in the categories shown below): according to this test, an average person identifies 11 skills in themselves, whereas AI identifies 34. Furthermore, the data show that often an employee lacks only some additional skills to completely change roles and that on average 6 months of training are enough for a total change of path.

Skill assessment, therefore, must be based above all on recognizing the adaptive capacity of people, also assessing their personality and character: an approach built around the person, which completely understands the potential of workers.

STEP 2: CONTINUOUS TRAINING

In the second step it is necessary to decide what mix of strategies to use to fill the lack of skills, i.e.:

- hiring new talent;
- use of external consultants;
- internal transitions;
- up/reskilling (or skill building).

As already mentioned, according to McKinsey, **skill building is the predominant option chosen by companies** (McKinsey, page 5) and according to BCG, definitely the most convenient also from an economic viewpoint (BCG, 2021).

Having decided on the resources and budget available for skill building, it is necessary to create and design the strategy for the training programmes, by posing several questions.

Who should be offered training?

According to the Skilling Today survey (Randstad Risesmart, page 12) training is often dedicated just to managers, as 65% of survey respondents confirm. **Instead, it is important to offer training to the entire company population: this allows for the creation of future leaders and managers and allows hidden talents to emerge and grow.**

A very important factor to consider is that often those who need to study less, are more inclined to do so, and vice versa: according to PWC (PWC, 2021) young people are more enthusiastic about and predisposed to learning, unlike more mature workers who are in more need of updating. If this trend continues, there is a risk of widening the gap, for example, between those who know how to use technology and those who don't.

What content/formats should be used?

In the training programmes it is recommended to combine different actions: the actual learning must also be accompanied by direct experiences in the field, where workers can put into practice what they have learned and are therefore increasingly stimulated to broaden their horizons (Rebecca Henderson, "Organizations Must Improve Skilling To Futureproof Their Business And Their Workforce", Forbes).

As far as formats are concerned, it is recommended to maintain a varied and multi-channel approach. Including more unusual experiences such as group learning or face-to-face lessons with coaches increases the success of the initiative (McKinsey, pages 7-8).

How to deal with digital learning?

Digital learning is the preferred method of companies and the one amongst all of them that brings most success to training initiatives (McKinsey, p. 8). **This entails a great individual responsibility and mutual trust between company and employee: dedicating oneself to study must enter into the daily planning of work, and become an everyday habit.** The formats offered must be varied: we are not all the same and people study differently.

- **The MOOCs and video lessons** are suitable for those who prefer academic or long-term courses, perhaps split into several parts in chronological order.
- **Learning pills** are preferable for those who prefer to concentrate for a limited time: few minutes and very clear and concise information.
- **Podcasts** tend to be more inspirational and discursive, suitable for those who are passionate about a theme or a subject.
- **Tutorials** are formats suitable for learning practical things, such as the use of software or a particular technique. Particularly appreciated especially in the design and IT fields.

Offering an organized but flexible structure helps employees to be able to combine personal attitude with a structured programme, eliminating disorganization and waste of time. **A cultural change, however, is essential: work is fluid, in continuous movement and for this we must become continuous learners.**

How and when to communicate?

A good corporate communication strategy, which encourages and gives importance to the learning programme, can be instrumental in keeping employees' engagement high. **Attention and enthusiasm can be fleeting and this is why it is important to often introduce new, fresh and updated content, and communicate these updates through company communications, internal newsletters, emails.** In this way, stimuli, inspiration and ideas are continuously offered to workers to improve themselves and their way of working.

N.B.: There are companies and training managers who believe that having the latest technological innovation and lots of content is enough to stimulate continuous self-learning. **Well, that's not so. Designing and implementing a continuous and functional engagement plan for the promotion of the tools and content provided is even more important than the technology and content themselves.** Those who understand how to apply the right marketing strategies to training get much higher than average levels of interaction.

STEP 3: DATA, DATA, DATA

Once the whole structure has been set up, **it is necessary to analyse the data:** how many people are following the training, what are the most followed contents and formats, what works and what doesn't, from which device are people using the training contents and when, etc.

According to the McKinsey survey, **the data analysis step and monitoring the progress of learning programmes is the one in which companies encounter the most problems.** According to this report, there would be difficulties in assessing the results, such as what potentials have been created in workers or what impact they have had on business or productivity (McKinsey, page 11).

For this reason it would be best to create an infrastructure dedicated to learning (McKinsey suggests a skill-hub) that deals, among other things, with creating **matches between acquired skills and new roles, evaluating possible internal transitions.**

Furthermore, it is fundamental to create an impact of learning tracking system: data, which allow not just training courses to be adjusted and improved, **but above all to understand how much return there is on the investment made and what impact it has on productivity and revenues** (McKinsey, page 6) .

It is therefore necessary to calculate the economic impact of learning in various areas, such as:

- 1.** Reskilling/upskilling in the company **will save money on hiring and consultants** and there will be less costs for the layoffs of employees who are no longer productive;
- 2.** If we increase the engagement of people, **there will be less churn among the talents** that we want to keep in the company and that are difficult (and expensive) to find and hire on the job market;
- 3.** If we manage to position the right person in the right project, **the delivery of the project could improve**, with direct, tangible and measurable benefits on business;
- 4.** People today have high expectations of their employers: offering targeted training is often one of the **benefits they expect from the company, thus increasing commitment;**
- 5.** Learning also helps solve certain problems, such as work organization, or the prevention of burnout, **avoiding costs or inefficiencies for the company.**

CONCLUSION

Nothing of what has been said up to now has any meaning if one does not deeply believe in the often underestimated and unexpressed potential of people; and the pandemic has already confirmed the great adaptive and resilient capacity that we all possess.

Changing people's culture and transforming them into continuous learners has an impact of great value not just for companies, **but for society in general:** the future of work, and of us all, will be based on **continuous inventions and changes and to keep up it will be necessary to continue to evolve and improve. In a nutshell: keep learning.**

Finally, no training project can start without a basic element: **mutual trust between employee and company, trust in culture, trust in man.**

We at OfCourseMe have long embraced this approach and coined and evolved our methodology. Among our downloadable resources you can find: [the guide where we explain curation](#); [the guide dedicated to population segmentation](#); [a guide dedicated to managers and developers on APIs and their use](#). In this section you can find the [Insights](#).

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SOURCES:

- McKinsey, *Building workforce skill at scale to thrive during - and after- the COVID 19 crisis*, 2021
- BCG, *The Future of Jobs in the Era of AI*, March 2021
- PWC, *Hopes and Fears 2021*, February 2021
- Randstad Risesmart, *Skilling Today*, 2021
- Accenture, "Future skill pilot", 2021
- Rebecca Henderson, "Organizations Must Improve Skilling To Futureproof Their Business And Their Workforce", Forbes).