Bridge the Workforce Skills Gap:

3 Key Places to Start

cornerstone

Introduction

It's been said that 2020 brought about three years of digital transformation in three months. The initial phases of that transformation centered on adapting to the dramatic and sudden changes thrust upon us, such as enabling remote, distributed workforces to simply work, communicate, and collaborate.

What we know now is that this change is far more permanent than many expected and organizations are grappling with a new challenge — **how do we adapt and grow in this new reality?**

At Cornerstone, we believe that the best way to navigate the turbulent road ahead is to welcome the opportunity to build stronger, more adaptable, and more resilient people and organizations. The long-discussed skills revolution accelerated overnight and it is now upon us. We felt it, you felt it, and we decided to take a proactive approach to research it.

In the spring of 2020, Cornerstone conducted a **global research survey** on the progress that has been made in the last few years in the area of skills development. We wanted to seek a broad viewpoint, including business leaders, HR practitioners, and employees across organizational lines and industries.

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Introduction

In this research, we identified a serious confidence gap between employers and employees about their ability to consume skills development. We also found that developing critical skills in a way that's effective and meaningful for employees is a challenge. These challenges exist across companies, industries, and the world.

Identifying these challenges is the first step. This e-book offers practical next steps for talent leaders to address and enable skills development to empower their people — and organization — to thrive in the future.

Begin at the Beginning

Based on our global report and previous research, we see three key actions that talent leaders must take to address these challenges.

1

Close employee confidence gaps

2

Identify the skills employees need to succeed

3

Remove barriers in skills development

Let's explore what the research says and the actions available to talent leaders.

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Stage One
Close Employee Confidence Gaps

What the Research Found

One of the key themes to emerge from our research was a statistically significant confidence gap between leaders and employees about their organization's abilities and resources to develop critically needed skills.

Employees have less confidence than talent leaders in their organization's ability to develop and equip them with critically needed skills.

One

When we asked leaders and employees how confident they felt overall about developing skills, we found confidence is lacking in employees.

Employers	90%
Employees	60%

There's a **30-point gap** between leaders and employees.

Two

When we asked leaders and employees about whether they had resources to develop skills, employee confidence was similarly lacking. There's a 25-point gap between leaders and employees.

Employers	87%
Employees	62%

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Stage one: Close Employee Confidence Gaps

The Steps Organizations Must Take

We believe that many talent leaders have invested in the capabilities and the resources required to develop their people's skills; however, companies can do better to communicate and demonstrate their commitment to development to employees.

1. Address the confidence gap

Perception isn't always reality. That's why it's important to start by taking on the confidence gap in your organization.

Transparently communicate your commitment to employees. A simple place to start is consistently telling employees across all groups what you're doing to address skills. Many organizations have invested in development, but employees don't see that. Whether you're an executive, a talent leader, or a frontline manager, you can address what you're doing to make progress and where your challenges lie. This indicates to employees that you're actively thinking about these issues.

Exercise empathy and be a champion. Employees have long been anxious about keeping their skills current in an environment where the shelf life of a skill grows shorter as changes accelerate. In 2020, new concerns like psychological safety and access to resources **are also top of mind for employees**.

As **online learning skyrocketed** in the second quarter of 2020, skill development can show commitment and empathy for the new challenges your people face. Listening and evaluating what resources people are consuming is a great path forward for all leaders in helping manage the stress that comes with change.

Back up your commitment to skill-building with planning. It might start by taking smaller steps, like creating personalized development plans for your employees or creating a short-term list of skill-building priorities. It can also mean mapping employee skills to a larger talent plan. Ultimately, your larger initiative has to fit the company's vision and strategy, and be adaptable to the current environment.

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Stage one: Close Employee Confidence Gaps

The Steps Organizations Must Take

2. Build development into the flow of work

Another way to close confidence gaps is to make development part of how your people get work done.

Integrate development into where people actually work. Microsoft Teams, Office 365, and Slack are just some of the places where work gets done. Learning that happens within the flow of work can tap into natural moments with recommended training in the moment of need. While **84% of leaders think integrating learning into these platforms is important**, that vision is not yet a reality for many organizations.

Make learning role specific. Different roles have different learning needs, so you need to think about ways to incorporate learning into different types of work. This also means that your learning technologies need to have relevant content recommendations in the time of need, so that learning becomes part of your people's everyday use.

Personalize, personalize, personalize. Whether you're using technology to enable your efforts or doing it on your own, development opportunities that are based on employees' interests and preferences will make it more relevant and engaging. Personalization is critical for employees to engage with learning on their own.

Stage one: Close Employee Confidence Gaps

The Steps Organizations Must Take

3. Help managers become effective coaches

Your managers are your lifeline to delivering valuable guidance to employees, so it's important you leverage them as your multiplier effect.

Help managers connect with employees. Successful development conversations between managers and their team **start with good questions and curiosity** to understand ongoing work and goals. What parts of your job are most interesting and rewarding? What areas are you finding most challenging right now? What are you doing to reach short- and long-term career goals? How can I help?

Arm managers with the right tools and data. Do managers have deep skills profiles and information to better understand their team's interests, personal and professional aspirations, and even their emotional well-being? This information is the fuel for meaningful conversations that pave the way for personalized career paths. It's also the foundation for understanding the skills you have in your organization today and growth in the future. Without this data, the expertise to recommend complementary skills development will be limited by a manager's time and ability.

Turn managers into coaches. With the right tools and data, managers become coaches who help their employees explore career possibilities. By understanding the skills that

may be required for a new role, and taking the next step with recommended actions such as learning content, stretch assignments, and suggesting mentors, the conversation turns away from being purely evaluative.

Stage Two
Identify the Skills Employees Need to Succeed

What the Research Found
The disconnect in employee confidence is directly attributable to the acceleration of workplace change, with both short-term shocks and long-term trends making them concerned about a skills deficit. Events preceding 2020 have left employees feeling insecure about the future of their core skills and roles.

Employee sentiment in our survey proves that:
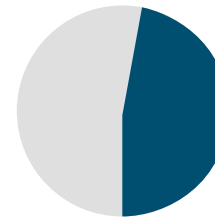
47%
concerned their role will change significantly
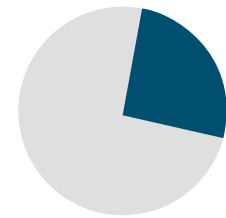
30%
concerned their jobs won't be needed in the next few years

What specifically causes these employees' concerns? Employees' top concerns include:

21%
"My role will become too digitally technical."

20%
"My role will be filled by more-qualified candidates."

18%
"My role will be automated by a machine."

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Stage Two: Identify the Skills Employees Need to Succeed

The Steps Organizations Must Take

It's no secret, people want to do meaningful work, expand their career opportunities, and understand their impact.

This is an opportunity for organizations to help employees feel capable, secure, and connected to their careers, and to the organization's mission and goals.

1. Equip your employees with skills that emphasize adaptability

Adaptability was critical prior to the disruption that came with 2020. Now, with change as the new constant, it's more essential than ever for organizations to create learning that enables their people to be change-ready.

Agility and adaptability in learning as the norm: A recent survey found that 94% of HR leaders believe it will be a priority to move from episodic training to perpetual reskilling, yet just 18% are prepared to do so. Changes to technology and in the way we work have created tremendous demand for an approach that shows a commitment to lifelong adaptive learning with the ability to quickly learn, unlearn, and relearn to adjust to the changing nature of work.

Creating a model for asynchronous work: Making work possible for employees to complete, regardless of where or when they're working, helps your people and organization become more adaptable. With the help of learning tools, you can help scale skills to help your people work more independently when needed. Enabling knowledge-sharing empowers you to highlight your internal experts, increase recognition and motivation, and develop deeper collaboration.

Gig projects: Another way to help your team be more agile is to create gig projects by assembling people with certain sets of skills vs. having projects contained in silo groups. This provides experiential learning opportunities to collaborate outside typical organizational boundaries and solve business challenges with cross-functional teams and skill sets.

Stage Two: Identify the Skills Employees Need to Succeed

The Steps Organizations Must Take

2. Create opportunities that are embedded with meaning

If you want your employees to invest in thinking about their careers and skills, you need to think about what the word "meaning" really represents to them.

Ask your people what matters to them. People are motivated by different things. Many times leaders think they know what matters to their employees, but are surprised to find differences. For example, a person on a production line who has shown promise as a leader may actually want to transition into another career entirely. When thinking about careers that embed meaning, it needs to be personal for each individual.

Embrace finding blended purpose. People can find meaning in ways that go beyond work. In some cases, it can be a promise to a parent to reach a career milestone or to simply find stability to take care of their family. Adam Grant, **speaking with the World Economic Forum**, argued post-COVID-19, remote work could help find meaning and a greater sense of purpose that brings together both work and family.

Expand development opportunities. For years we have talked about the death of a career ladder and it morphed into the career wall. With the changing face of careers and a move to flatter organizations, career progression looks different in most organizations. More often, it's about exploring ways to extend employment growth within your organization, finding stretch assignments to develop skills in an area of personal career growth, and discovering opportunities for non-linear career progression. When there's no clear growth within your organization, people will pursue opportunities outside your organization.

Stage Two: Identify the Skills Employees Need to Succeed

The Steps Organizations Must Take

3. Invest in comprehensive skills data to make smarter, better business decisions

Organizations and people need a complete picture of their organization to understand the skills they have and the skills they need to close skill gaps. Because if you can get clarity on these two areas, then your organization and people will have the ability to act faster as you face challenges at a more rapid pace.

Create a common skills language. One of the biggest initial challenges for organizations is creating a skills taxonomy, or structured list of skills, that is continuously updated and relevant to the skills in the organization. The only way to manage this effectively at scale

is to combine machine learning and the human, as it's proved time and again to be impossible when managed by the human alone. This allows for the technology to make intelligent associations, clusters, and hierarchies that are necessary for organizations to rapidly adapt and identify skill needs quickly.

Extend skills access to employees to help identify skills. Helping employees know where they stand, and letting them add to their own skills profile in a standard way, is key to getting an accurate picture of skills strengths and weaknesses across the organization.

A high-level view for informing organizational decisions. Armed with this information, organizations can start to determine the skills they need to develop, along with individualized competency-based training to develop skills needed for the future. You'll be able to pivot people faster and match to initiatives to drive to faster outcomes.

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Stage Three
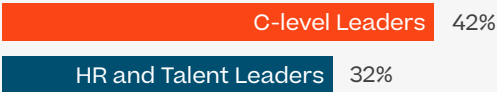## Remove Barriers in Skills Development

What the Research Found

Skills development shouldn't be an afterthought, and our research showed in many organizations there are logistical challenges in creating focus. The three top issues for employers and three of the top five issues for employees holding them back involve technology, vision, and planning.

Learning technology has been an effective solution to support employees, but scale is still a need for many business leaders. Employers also need help developing a vision and a plan.
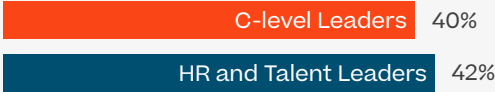
Greatest Challenges

Having a strong vision

C-level Leaders	42%
HR and Talent Leaders	32%

Technology to enable and scale skills development

C-level Leaders	46%
HR and Talent Leaders	42%

Developing a plan

C-level Leaders	40%
HR and Talent Leaders	42%

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Stage Three: Remove Barriers in Skills Development

The Steps Organizations Must Take

People want to do meaningful work and understand their career opportunities. Organizations must help employees feel capable, secure, and connected to their careers and to the company's mission and goals.

1. Embed learning and development into your culture

Learning must be part of who you are as an organization. That means encouraging the behaviors that lead to success.

Democratize access to skills. When every individual has access to the skills they need, the time to learn, and visibility to potential paths, they can apply purpose to their career and growth. They don't have to be dependent on having a great manager in order to take charge of their own learning. Skill development becomes time well spent and purpose filled for organizations and employees.

Reward those who play a part. Have a manager who consistently develops employees who become future leaders? Have an employee who develops great content that others value and learn from? Work rewards for these efforts into your compensation plan. Right now, **only 39% of organizations are doing it**.

Create a culture for learning agility. Focus on connecting relevant learning content to skills, job roles, and other areas your people interact with so that you are able to make personal and valuable learning recommendations in the time of need. Your people will continue to upskill and reskill when they find the experience valuable. That enables your people to adapt more quickly to business changes.

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Stage Three: Remove Barriers in Skills Development

The Steps Organizations Must Take

2. Help employees identify new skills — and how they apply to your organization and industry

Employees need to understand how new skills are applied to the present and future of their organization and the broader aspects of how it impacts their industry.

Enable better conversations about skills. Our survey shows that most employees look to managers to discover what skills to learn next. That guidance means that managers need to be trained to have that conversation. Great managers can add context and an industry perspective to the skills employees need to build.

Create unique learning paths. Personalization here is important, especially when aligning with a person's career ambitions. Helping employees pivot faster means aligning to existing skills and using them to build a path that's right for them and the organization.

Develop adjacent skills. Discovering skills that are useful in many work situations — that "bridge" across many roles and that can be used in new and unique ways — helps people perform better, and is key to broadening your people's capabilities. Leverage data and technology to explore the breadth of opportunities related to adjacent skills and uncover potential and personalized career paths.

Stage Three: Remove Barriers in Skills Development

The Steps Organizations Must Take

3. Demonstrate organizational impact

Organizations should consider adjusting their approach to skill development to reduce barriers and improve outcomes across the workforce.

Focus first on the big picture. Understanding the entire universe of skills isn't possible but knowing what is important, broadly, for your organization is possible. What are the skills you have today and what are the top skills you'll need in the future to adapt to accelerated change in your market?

Understand the critical skills and relationships. Knowing critical skills across the organization in a vacuum isn't helpful on its own. Instead, identifying the development priorities and the adjacencies and relationships between certain sets of skills can improve your ability to take action and skill up with scale.

Organize and filter skills through a personal lens. Adding more sophisticated ways of organizing and clustering your skills activity is key to personalizing the experience. For example, if you know what skills someone needs to move to a management role, you can use your skills clusters to develop personalized plans for interested employees.

Conclusion

Employees and Companies Must Work Together in the Reskilling Revolution

The world of work has changed forever, and your employees are painfully aware of the effects. Organizational talent leaders have the power to make a difference in the lives of their people. We encourage you to use the challenges of 2020 as an opportunity to improve and enhance development programs and cultural practices. You have a unique chance to reboot behaviors and norms in your organization for the better, by reskilling and upskilling employees to thrive in this uncertain future.

As **RedThread Research put it**, "skilling is a shared responsibility." Leaders can marshal the resources required to reskill their people, providing a meaningful career with purpose and promise. And enabling your people to be in the driver's seat of their own learning, growth, and career helps engage and inspire your people to be the best versions of themselves. Business success depends on it.

This paper focused on three big action items that you can take now that will have a dramatic effect on you and your organization:

One

Close the employee confidence gap — It's real, so acknowledge and find ways to reduce the gap.

Two

Identify the skills that your employees need — When you do this well, it's valuable for employees and organizations.

Three

Remove barriers to skills development — Prioritize the experience to reduce the effort it takes to develop skills.

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Conclusion

Closing employee confidence gaps, identifying the skills employees need to succeed, and removing barriers in skill development are critical factors to organizational and employee success.

If we've learned anything from these challenges, it's that the fate of organizations is tied directly to the development of their people. That's where Cornerstone can help.

We believe anything is possible when people are encouraged to be their best. We create people experience software because we believe that with the right development, coaching, and support, people can rise to be extraordinary and deliver extraordinary business results. Cornerstone offers talent experience software, with a people-first strategy, to foster skills development, coaching for growth, curated learning, and people data insight.

If your organization would like to learn more about how Cornerstone's Skills Graph can quickly enable "strategic skilling" — the practice of matching skills to people, learning content, and job role — to predict, prepare for, and quickly respond to dynamic business changes, we'd love to connect with you.

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We help organizations close critical skills gaps and empower your people to develop as quickly as your business.

Learn More

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