

# Closing Your Workforce Skill Gaps with Reskilling



Predictions about how artificial intelligence, automation, and augmented reality will affect the workforce range from doomsday scenarios of massive job losses to nirvana sketches of Al-powered machines liberating employees to perform only the most strategic, rewarding tasks. Reality will surely fall somewhere in the middle. Regardless, the global digital transformation is in full swing and digital literacy is an essential skill for every worker.



As organizations prepare for this next technology revolution, many are scrambling to find or build the talent they need. Hiring certain skilled workers can be tough in a competitive job market. More and more companies are looking at upskilling and reskilling the workers they have to address essential skill gaps. Are you? Should you?

#### Why Upskilling and Reskilling?

Upskilling and reskilling both describe the acquisition of new skills. Upskilling generally describes skill improvement – doing what you do now, only better. Reskilling is about acquiring new skills.

The terms have been around for a while, but they are starting to take center stage in workforce development conversations because of recent headlines like these: "IBM Announces AI Reskilling Initiative." "White House Launches Cyber Reskilling Program." "Private Companies Rise to Reskilling."

Leading industry consultants, government agencies and business leaders believe that jobs will continue to evolve quickly, therefore individuals and employers need to master everevolving skill sets in order to be successful over time.

### **Delivering Skills Training**

In the "Future-Proofing the Workforce" study, Adecco Group and The Boston Consulting Group interviewed 4,700 workers about preparations for the future world of work. Employees were "extremely concerned" about the impact of technological changes in their jobs. They are very willing to acquire new skills. Additionally:

- 2/3 of workers anticipate significant job changes at least every 5 years because of technological advances.
- 62% see themselves as primarily responsible for acquiring the skills, yet...
- 59% expect their employer to develop the training opportunities.

Employees are aware that jobs are evolving and the types of skills they need are constantly changing. The good news is that employees are eager to learn and generally buy into a lifelong learning approach. However, most are looking to their employers to define the skills they need and deliver the skill-building training.



## Leadership Understands, But Falls Short

The same Future-Proofing study conducted indepth interviews with executives and institutions. Interviews revealed that most companies understand the need for their employees to acquire new skills. But leaders are hesitant to build a robust program to reskill employees who may later leave the company. It's also difficult to predict what skills will be needed in the future.

Still, there is pressure to act now, as skill gaps continue to widen in technical, white collar and blue collar jobs.

Gartner warns that only 20% of employees have the skills needed for both their current role and their future career.

IBM research predicts that as many as 120 million workers in the world's ten largest economies may need to be retrained or reskilled as a result of Al and intelligent automation.

<u>Deloitte</u> estimates that between 2018 and 2028 there will be 4.6 million new manufacturing jobs in the US to fill; and that more than half (2.4 million) will go empty due to skills shortage.

There's also inspiration to act. The U.S. government's Federal Cybersecurity Reskilling Academy is currently planning a spring 2019 trial run to certify about 25 federal workers, who do NOT have technical backgrounds, as cyber defense analysts. We'll all get to see what works, what doesn't, and what lessons are learned as the government and other

organizations build and share their reskilling efforts.

And, as more research firms look beyond the skills shortage problem to reskilling solutions, we'll start to find optimistic data points and direction. For example, the World Economic Forum's new "Towards a Reskilling Revolution" research shows that 96 percent of people dislocated by AI or future of work can easily be reskilled for new jobs; and 65 percent see wage increases.

Business success ultimately begins and ends with workforce skills. Indicators point to a need (and desire) for companies to adopt reskilling and upskilling strategies to ensure an approach to work that is sustainable for employees and employers alike.

## How to Build Reskilling into Your L&D Program

The foundation for a strong reskilling program is not so different from that of a strong traditional learning and development program. It's the pace and nature of skill development that has evolved. Here are five essential elements of a reskilling program:

A culture of lifelong learning. Learning, upskilling and reskilling need to be part of everyday life at your organization.

Ongoing skill assessments. Again, skill assessments should be a routine element of employee, group, and organizational planning and development so all leaders are aware of where there are skill gaps to address. Skills are a fast-moving target, so you'll likely need technology, like a competency management system, to help keep track.

Organizational alignment. Just as you revisit your strategic plan every year, you'll want to ensure that the skills you're tracking and developing align with the current company goals and strategy.



Remember soft skills. Headlines tend to focus on specific talent shortages in technology, aviation, and manufacturing. While it's true that you'll want to build needed technical skills, be sure to monitor, measure and develop the full set of skills and competencies to do the work. Even if soft skills don't change as quickly, they are still essential to success.

**Embrace reskilling**. As job skills become obsolete and brand new skills become essential, look for employees who are ready, willing, and able to learn a whole new set of skills. They already know your company and most will feel more engaged and more loyal for having the opportunity to stay relevant and productive.

The rise of new ways of working creates exciting opportunities but also highlights a need for systematic evaluation of the potential gaps between workers' current skills and those they will need in the future. A shift in thinking and a skills-based approach to workforce development will help you and your employees

thrive as required skill sets dramatically change from one year to the next.

#### **About Avilar**

Avilar – The Competency Company™ is a leader in web-based competency management and learning solutions for corporations, government, and non-profit organizations. Formed in 1997, Avilar was a pioneer with its award-winning WebMentor™ product line and has built itself on the basis of superior customer service and highly adaptable product design.

Avilar consultants are recognized as industry thought leaders and have decades of experience in implementation and analysis. Let Avilar help you transform your organization from ordinary to extraordinary. Visit our website to schedule a demo of our competency management system or our LMS. You can be confident that we will listen to your organization's specific needs and help you find the best solutions to the talent management challenges you're facing.

