

# The Importance of Upskilling in the Workplace

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Skills are top-of-mind for many organizational leaders. Now more than ever they are seeing the importance of skills-based talent management. They can envision **skills** as the currency with which employees navigate into, within, and across their organizations. But, how can



companies get the skills they need? What role does

higher education play? What does "upskilling" or "reskilling" mean? When is it the answer? How can the right learning culture prepare individuals and organizations for what comes next? Let's take a deeper look.

## Hiring Experts and New College Graduates

To minimize essential skills gaps in your organization, you either need to hire skilled professionals or develop the skills of your current employees. Often, the fastest, simplest (and most expensive) fix is hiring skilled employees away from competitors. You're hiring professionals with current, relevant skills and experience.

Beyond the salary cost, though, be prepared to face a raging talent war, since employees with some of the most coveted skills are scarce and in high demand. Even if you can afford them, you may not find enough skilled professionals who choose to work for you.

Hiring new college grads brings less experienced (and less costly) skills sets. On the one hand, you'll get fresh-faced, bright, recently educated minds. When it comes to skills, though, buyer beware.

"Even the best universities are increasingly failing to prepare students with the skills they need," <u>cautions David Blake</u>, co-found of Degreed and co-author of *The Expertise Economy*. While colleges and universities may be teaching students problem-solving, writing, and basic project management skills designed to get papers and projects submitted on time, most are not developing the skills required to instantly convert excellent students into skilled professionals. Skills development will primarily become the employer's (and employees') responsibility.

### Importance of Upskilling

"Upskilling" generally describes skill improvement – doing what you do now, only better.

With the accelerated speed of technology change, professionals who are expert today need to master new technologies constantly and continuously, just to keep up. They need to constantly upskill. That goes for today's expert AI professionals, cybersecurity experts, intelligence analysts, car mechanics, system engineers, and pretty much everyone else who touches technology or whose job is influenced by technology. In other words, pretty much everyone.

Upskilling is a shared responsibility that you and your employees should embrace. Without a concerted effort to upskill, those highly qualified, highly paid professionals you recruited away from your competitors will quickly become less valuable as their skills and competencies lag behind what is required in the industry.

There are many benefits of upskilling employees. For one, you don't need to go through the time and expense of hiring and onboarding new employees. Your starting point is a current employee – someone who already has a solid skill set, who is familiar with your organization and culture, and who, presumably, is committed to his or her job and your company.

These employees aren't learning everything from scratch; they are just fine-tuning the skills they need to keep up. Plus, mastering skills is a win-win. Employees who improve their skills at work not only contribute at a higher level, but they also feel more engaged and loyal to their employers.

#### **Reskilling in the Workplace**

Reskilling is about acquiring *new* skill sets. Certainly, your recent college grads will need to acquire more skills to succeed in their first jobs out of school. But they are not the only ones. The advancement of automation, digitization, and AI will make many of today's important skills, at all levels of an organization, obsolete tomorrow.

The U.S., for example, is closely tracking the evolution of self-driving vehicles and last mile delivery robots. Companies that transport parcels, goods, and people (think Amazon, Walmart, Ford, Lyft, and even the U.S. Postal Service) are seeking to improve efficiencies and reduce expenses – from the long-haul trips between distribution centers to neighborhood deliveries.

If you have expert drivers in your employ, whether they deliver packages or transport people from point A to point B, their primary job skills could become obsolete in the near future. So, as employers, we have a choice to make -- whether or not to reskill our employees, and if so, how to go about doing that.

However, if we think broadly about the skills and competencies that current employees bring to the table, it seems like a no-brainer to retain – and *retrain* – employees with valuable knowledge and experience. Through reskilling, they can take on new skills that support the company's transformation and success in an evolving marketplace.

### Developing the Right Learning Culture

A case has been made that there are three levels for learning cultures. At the most basic level, companies engage in "compliance training" — workplace safety and workplace behavior training that's required. Next is "necessary training," designed to help employees build job-specific skills. But many believe, including Avilar, it's the highest level of "continuous learning" that companies should want to cultivate.

In a continuous learning culture, employees learn every day. Podcasts, videos, eLearning, mentoring, and other formal and informal learning tools blend naturally into how employees work. They learn skills that help them do their jobs better as well as those that help them contribute to the company more broadly, positioning both parties for long-term success.

#### **Ready to Take the Next Step?**

Ready to think about upskilling and to track, manage, and harness skills and competencies in your organization? <u>Contact us</u> to find out how Avilar's <u>WebMentor Skills</u><sup>™</sup> can support your performance management efforts.