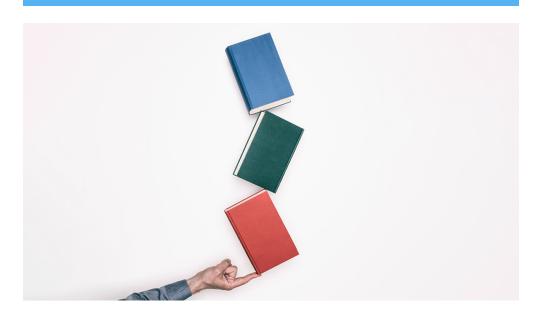


Digital Article

Leadership & Managing People



# Organizations Need a Dynamic Approach to Teaching People New Skills

by Sari Wilde, Alison Smith, and Sara Clark

## Organizations Need a Dynamic Approach to Teaching People New Skills

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As employees and organizations adapt to hybrid work norms, emerging technologies, and general business disruptions, the skills needed to succeed in today's work environment are shifting rapidly. According to a Gartner analysis of more than 7.5 million job postings, in 2018, U.S. job postings in IT, finance, and sales roles required an average of 17 skills. The same types of roles now require an average of 21 skills, including at least eight that weren't previously required. At the same time, 29% of

the skills from an average job posting in 2018 may not be needed next year.

This poses a major challenge for organizations, particularly in today's war for talent. Organizations are struggling to find a way to keep up with changing skills, but they can't rely solely on hiring strategies to meet their needs. Instead, organizations must find or develop the skills they need within their existing workforces.

To better understand how organizations are managing their shifting skills needs, we surveyed 6,500 employees, as well as 75 HR leaders. Except where indicated, our findings come from these 2020 surveys. Our analysis revealed that most organizations used one of two approaches to ensure employees have the skills the business needs when it needs them:

- **Reactive** Unfortunately, many organizations find themselves taking a reactive approach, scrambling to build new skills as needs arise. One HR leader from a large manufacturing organization shared the challenge of trying to keep up with requests from the business to develop new skills: "When we put together a learning solution, the business has already moved on." In organizations with a reactive approach, employees apply only 54% of the new skills they learn after 12 months. These organizations are simply too slow to get the skills to employees at the times they're needed most.
- **Predictive** On the other side, more than 50% of HR leaders think the solution is to get ahead by predicting the business' future skills needs. Without a crystal ball, attempts at predicting future skills are more likely to lead to misplaced investments in wasted training or outdated skills. Our research finds that trying to predict skills is worse than reacting: Employees apply only 37% of the new skills they learn

at organizations with a predictive approach — significantly less than the reactive approach.

Rather than making big investments in predictive approaches that may not work or resorting to a reactive approach, our research reveals a third option: the dynamic approach. This strategy casts skills management as a dynamic exercise that embraces ambiguity, makes peace with imperfection, and frees up HR, managers, and employees to move fast in responding to the things they know and can anticipate. In our current work environment, where employees are constantly seeking increased transparency, personalization, and choice, the dynamic approach empowers them with more information so that they can make the right choices to build the skills they need to stay current in their desired roles. Employees at organizations that use a dynamic skills approach apply 75% of the new skills they learn — double the new skills application realized with the predictive approach.

Here are three steps organizations can take to adopt a dynamic approach to skilling and reskilling employees.

#### **Identify Changing Skills Needs**

Most organizations today rely on managers and leaders to identify skills needs and HR to implement solutions. When leaders recognize that employees are missing essential skills, the assumption is that HR can help them develop them. More specifically, over 75% of HR leaders report that leaders within the learning and development subfunction are primarily responsible for skills at their organizations. But leaders outside of HR don't always know the talent implications of business goals, which can result in identifying the wrong skills gaps or overlooking important needs.

To spot and close skills gaps as they arise, regularly bring together input from employees, leaders, and customers by facilitating a network of stakeholders who can report on the specific skills needs in their areas. Together, these skills-sensing networks are able to monitor changing needs and ensure employees are prepared.

For example, Lloyds Banking Group, a financial services company headquartered in London and a Gartner client, takes an iterative approach to mapping skills needs. HR facilitates collaboration among a network of skills stakeholders that include business leaders, partners from each business unit, and HR specialists. This collaboration helps them quickly identify not only skills gaps, but also local and enterprisewide actions to close them. The stakeholders meet regularly to review a skills dashboard that contains information about employees' existing skills and the talent interventions planned to meet the skills needs of the business. They check for progress against the agreed-on interventions and escalate any changes that are likely to impact the enterprise-wide skills strategy. Through this approach, Lloyds is able to make data-backed decisions that ensure local and enterprise-wide skills needs are met.

#### **Jumpstart Skills Development**

Many organizations respond to today's rapidly evolving skills needs by providing more formal training. Unfortunately, according to Gartner's 2018 Shifting Skills Survey of more than 7,000 employees worldwide, there is no significant relationship between the time employees spend in formal virtual or classroom training and the percentage of skills they use. While thoughtful, formal training still has its place, for many indemand skills, it's just too slow. All too often, by the time the training is created and delivered, the need has changed.

These quickly evolving skills needs require new, faster solutions — what Gartner calls "skills accelerators." Skills accelerators leverage existing resources and expertise to enable upskilling support that's "good enough" to meet skills needs in a timely way. Enacting a sufficient solution in time is better than implementing a perfected training solution too late. In practice, this can look like:

- **Identifying skills adjacencies** Building shortcuts to in-demand skills by identifying adjacent, stepping-stone skills from skills employees already have.
- Training "skills disseminators" to coach peers Upskilling a select cohort of motivated and influential employees and then having them coach their peers on new skills as the need arises.
- **Delivering learning to employees when they need it most** Using data to identify and tailor learning delivery to the moments when skills needs arise in the business.

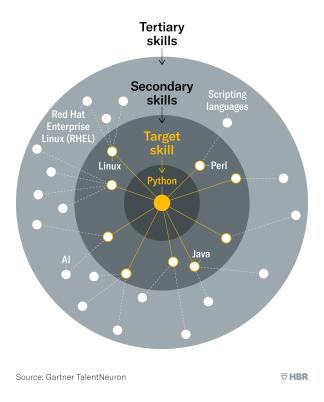
Identifying skills adjacencies can help business leaders tap into a broader and more diverse pool of employees and candidates who can get up to speed quickly. For instance, your organization may need an employee skilled in Python, a general-purpose programming language. Instead of limiting recruitment or internal searches to employees with knowledge of Python, a hiring manager should also consider candidates with closely related skills, such as Linux, Java, or Perl. Having one of these adjacent skills generally makes it easier for an employee to upskill — even through self-directed or on-the-job learning — in the desired area.

The figure below shows the skills adjacencies for Python. Closely related skills like Java are part of an overall network of complementary skills that people with the Python skill usually have or can develop quickly.

Tertiary skills, like other scripting languages, are related to Python but one more step removed.

### Adjacent-Skills Map for the Python Programming Language

Linux, Java, and Perl skills are closely related to Python skills.



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One large manufacturing organization we interviewed took this approach by thinking broadly about the backgrounds of current employees most likely to be able to develop data science skills. Instead of competing to hire experienced data scientists, they invested in developing these skills among employees with backgrounds in adjacent areas like mathematics, statistics, and business analysis.

Delivering learning to employees at the right times is another skills accelerator. Recognizing that time of learning and application were disconnected, one of Gartner's clients, CVS Health, a healthcare company that owns the CVS retail chain, focused on aligning learning delivery with moments of employee and business need. HR leaders realized that inputs from business leaders aren't always sufficient or timely enough to identify when new skills and learning are needed most. They use data from a variety of sources to identify:

- Moments in which employees need to apply new skills and can benefit most from learning (such as tenure milestones and promotions).
- Opportunities to build skills to support the business during highdemand moments (such as flu season).
- Real-time productivity or on-the-job performance data that HR accesses directly from the various business systems to trigger training, reskilling, or upskilling on a regular basis.

#### **Foster Transparency Between Employees and the Organization**

Ensuring both the organization and employees are moving in the same direction is key to developing skills dynamically. While many leaders and managers try to motivate employees to engage in continuous learning by fostering a learning mindset, most employees are already motivated. In fact, 97% of employees report that they would learn a new skill if given the opportunity. Yet only 39% percent believe their organization is effective at helping them understand how information about skills needs applies to their own context.

To help employees make informed decisions about their development, leaders need to share evolving skills needs — even when plans are uncertain — and how these changes are likely to impact specific roles. Employees should also share their skills and career goals with the

business. Exchanging this information empowers employees and leaders with the information they need to match and pursue mutually beneficial and flexible development opportunities.

"Connector managers" — those who can connect employees to the right people and resources at the right time — are particularly effective at diagnosing their employees' strengths, development areas, motivations, and career aspirations. They're also more transparent with employees about skill needs and opportunities.

In our interviews with HR leaders about their approaches to more transparently sharing skills information among leaders and employees, we found that a few leading organizations have started to ask employees to document skills as part of a portfolio or profile throughout their careers. At these organizations, employees use an HR-supplied portal to track current skills, knowledge, and experiences alongside their career goals and development aspirations. Leaders can also access this information to fill critical roles and direct employees to development opportunities based on their profiles. Helping employees understand the connection between tracking skills information and future career opportunities makes them more likely to commit to maintaining their profiles.

As industries, organizations, customer needs, and work norms continue to shift and evolve, the need for rapid reskilling and upskilling will only intensify. These challenges require organizations to rethink the boundaries of current solutions to skills gaps. Rather than trying to read a crystal ball to identify the skills of the future or waiting for requests from business leaders for new skills, taking a dynamic skills approach leads to the highest likelihood of employees actually applying the skills they learn in their current roles.



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