
The key to agility and success: Take a 360-degree skills approach in your organization



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As HR leaders focus on setting up successful workforces for the future, they are quickly realizing that the global economy has reached a watershed moment: How, where and why people work have all shifted, and success in the future means creating an agile workforce with skills that are fundamentally different from those required in the past.

The nature of work has been changing for decades, even before the pandemic. Digitization has changed the way work is done in virtually every industry, leaving employers of all kinds seeking tech-savvy workers. With automation, the jobs available and the skills required—even in high-level roles in previously “secure” sectors—shifted the focus from labor to human skills like problem-solving and empathy.¹ And after more than a year of the pandemic—when work became more flexible, less geographically contingent and more collaborative than ever before—employees know it

is possible to do meaningful, skills-based work on their own schedules, at flexible locations and in nimble, project-focused teams, leading to what Forbes called “The Great Resignation.”²

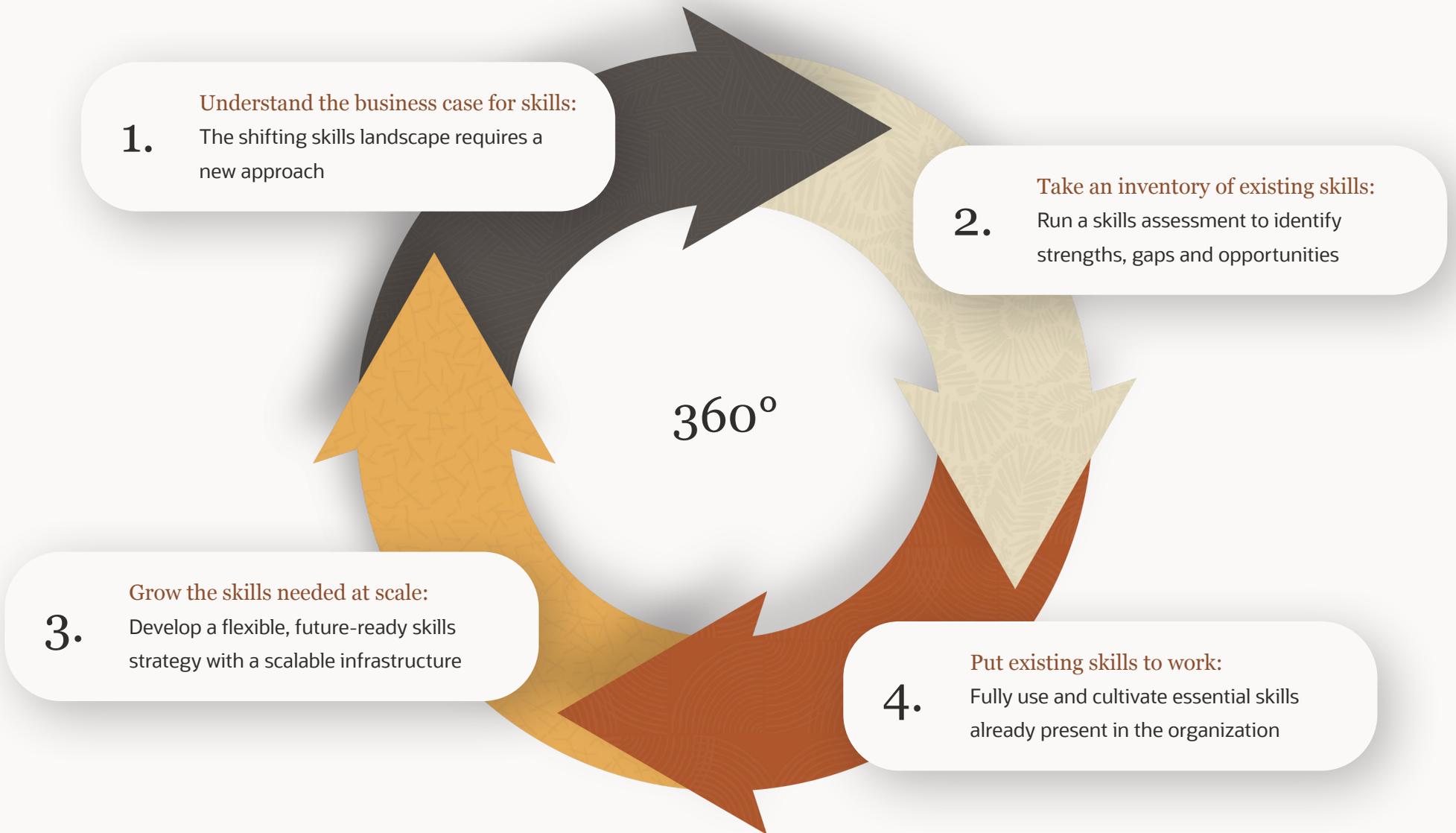
In response, companies are scrambling to implement new norms that adapt the nature of work to the times. But adjusting to a post-COVID work landscape won't be a simple matter of flexible schedules and work-from-home options. The pandemic further exposed an unaddressed weakness at the core of the economy: modern business increasingly requires a workforce with the skills, flexibility, and creativity to meet rapidly evolving objectives and customer expectations.

To thrive in the future, many organizations are shedding conventional playbooks on jobs, knowing that leaving workers in siloed, inflexible and increasingly irrelevant roles puts their companies at risk. Instead, future-forward HR leaders must create workforces that

identify and uplift individual and enterprise-wide skills that can be adapted to different situations while aligning with broader company strategies. This shift requires taking a complete view of skills in the business, learning how to redefine and assess skill opportunities, fostering and developing existing skills rather than static job roles and parlaying this into a strategy to tap into those skills.



Here are 4 key steps to developing a future-ready skills strategy:



1.

Understand the business case for skills: The shifting skills landscape requires a new approach

The most effective skills strategies look different from approaches in the past. The

way people work—and the way they work together—is becoming less rigid and more fluid. Some experts predict the decline of traditional, hierarchical jobs—that is, fixed, task-based work.³

Research from Deloitte Insights shows that networks of teams are increasingly replacing reporting lines; prescribed roles and tasks suited to narrow skills are giving way to broader roles, responsibilities—and a need for talent with more capabilities and skills.⁴

Here are the key drivers of this shift:

Set-in-stone jobs/roles are not as critical as they once were.

Of the millions of jobs lost during the pandemic, some estimate 42% may not come back at all.⁵ One factor in this shift is automation, which could replace as many as two million more workers in manufacturing alone by 2025.⁶ With this comes a change in the skills required for jobs of the future—those that enable companies to successfully navigate continuous change. McKinsey estimates that the demand for repeatable, predictable tasks is expected to decline by

nearly 30 percent over the next decade, while the demand for complex cognitive skills and high-level social and emotional skills—such as initiative and leadership—is expected to increase by more than 30%.⁷

In this context, it's important to consider the people in your organization not as rote performers of a certain set of activities, but as essential problem solvers with flexible skills that can be applied in one role, across roles or even across teams. When you apply a 360-degree approach and continually scan for skill gaps, you can fill them with individuals who have those skills. This not only helps organizations better weather change, but attracts employees who, increasingly, want to diversity their own skill sets.⁸



The business world changes quickly.

Businesses learned the hard way when COVID-19 hit in 2020 that the world can change very quickly. And when change exposes skill gaps, many companies turn to hiring to address the problem. But that is easier said than done. The Bureau of Labor Statistics reported 8.1 million open jobs in the U.S. at the end of March 2021.⁹ Just one month later, 9.3 million open jobs were available to workers—the highest amount ever reported. But even with all this need, many companies are struggling to those fill roles.¹⁰

In contrast, organizations that have full insights on the skills they have on hand are positioned to address change quickly. In a competitive talent environment, taking a more flexible, dynamic approach to skill-based work instead of permanent role-based assignments makes better use of people already in the organization.

Skilling or re-skilling an individual or team is vastly different from re-skilling at scale.

In the aftermath of a year that required businesses to scramble to maintain

business continuity, companies are now urgently realizing the need to quickly shift their skills strategy to find and leverage skills to address new customer and business expectations. Organizations must implement a 360-degree business development strategy with both the ability to assess, replace and grow skills at its core to gain true organizational agility. Unlike the linear paths of the past—which saw workers as an assemblage of fixed skills made to deliver inside static roles—the organization of the future must be lean and agile—allowing workers to apply a diverse and growing skillset to an array of projects that bring them purpose and the company productivity. And to be successful, it needs to integrate into the core cultural DNA of the company.

2.

Take inventory: Use a skills assessment to identify strengths, gaps, and opportunities

A key step in developing a 360-degree skills strategy is to fully understand the skills already present across the organization. Doing so will reveal three critical truths that can be used to drive strategy: strengths, gaps, and opportunities.

This approach will enable businesses to understand where they can lean in, where they need to expand, and where they need to invest.

“ —————
*[It] starts with a few simple questions: **What's critical to success? What tasks will help us meet our goals? What skills do those tasks require? What skills do we have now?***
————— ”

– McKinsey¹¹



Guide to taking your skills inventory

Assessment	Action
<p>Strengths: Where are we especially competitive? What can we easily lean into to advance against our competitors? Where do we shine? Understanding strengths reveals where the business can easily go next.</p> <hr/>	<p>Invest: Promote workers who excel in their fields and can better contribute in higher positions, or better compensate valuable workers at risk of attrition.</p> <hr/>
<p>Gaps/Threats: What do we need that we lack? Where are we weak? Where are we lagging behind the competition? Understanding gaps reveals what the company may need to acquire to take advantage of market changes, weather disruptions, or pivot to new priorities.</p> <hr/>	<p>Acquire: Bring in new skills to take advantage of market changes, weather disruptions, or pivot to new priorities.</p> <hr/>
<p>Opportunities: Where do we have underutilized skills? Where do we have highly skilled workers who are at risk of attrition? Are we using the best people in the most appropriate role or position? Opportunities reveal a decision that needs to be made.</p>	<p>Train: Uplevel workers who have a skill that can be further developed, or retrain workers whose skills are no long in high demand.</p>



3. Put existing skills to work: Use and cultivate essential skills already present

Once the strengths, gaps and opportunities within the organization are identified, the next step is to make full use of all the skills that employees already have. By setting up an internal skills “marketplace,” organizations enable internal mobility by quickly matching available skills with business requirements as they shift. When companies eschew typical role and responsibility structures and empower employees to embrace their unique skills and experience, they open the door to new ways of thinking and solving problems. Here are a few ways organizations can invest in a 360-degree skills approach that maximizes the collective power of their talent pool:

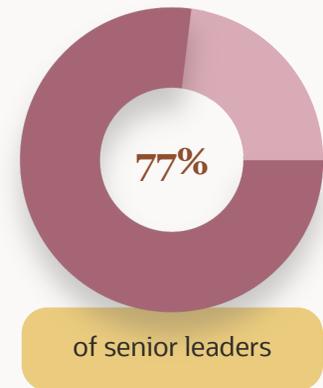
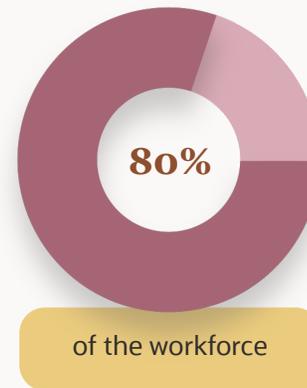
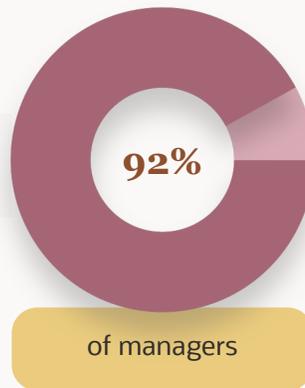
- **Remember that skills don't need to be limited to a job role or geography.** Flexible workforces make the best use of skills, allowing people to bring their greatest value to the company when and where they are most comfortable. This isn't just nice to have—it's what employees are demanding. In fact, a May 2021 survey showed that 39% would consider quitting if their employers didn't offer flexibility. Among Millennials and Gen Z, that figure was 49%.¹²
- **Don't rest on your laurels.** Like businesses, people's skills are constantly evolving, which means there are also new opportunities to use those skills. Once an employee gains new skills, don't let those skills languish. Assign new projects that put into practice what the employee has learned in theory. And be patient as employees make mistakes, learn and grow.
- **Redeploy skilled workers to more valuable roles.** High-performing talent in a low-value role may not be as valuable as the same employee in a different role or team where they can make a greater impact. This doesn't necessarily mean promoting them to leadership; it may mean transferring them to a product or service team in which the company is more invested. By allocating the best workers to high-value products or services, organizations can reap much greater dividends without acquiring outside talent.
- **Cross-train.** Cross-training allows more skilled workers to mentor more novice talent; research shows this deepens the understanding and proficiency of the taught skill. It also is engaging for employees, stabilizing the internal talent pool. One report found that 36% of workers expect continuous learning opportunities, and 46% prioritize career advancement opportunities.¹³

4.

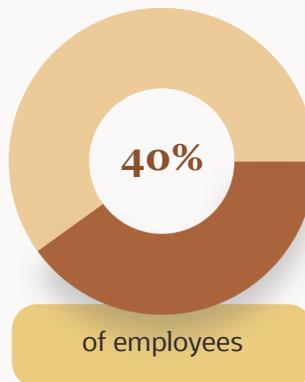
Grow the skills needed at scale: Develop a flexible, future-ready skills strategy with a scalable infrastructure

Before the pandemic, Gartner reported that the top priority for HR leaders in 2020 would be building critical skills and competencies.¹⁴ That insight proved prescient as new work trends, tasks and responsibilities—such as remote work, rapid digital transformation and gig work—emerged and accelerated during COVID-19.

“The need for critical skills has never been greater,” says Scott Engler, Vice President, Advisory, at Gartner. “But labor market and talent data suggests that many companies have unwittingly built the wrong workforce to drive their future—and continue to do so.”¹⁵



already felt **poorly prepared for the future.**



said they **frequently completed responsibilities outside of their role.**

-Gartner¹⁶



To solve this preparation gap, organizations need to build a skills-based plan that fosters a future-focused workforce:

■ **Incorporate skill-building into the dominant company culture.** To effectively grow and scale required skills, employers must embed learning deep in the company's culture. This enables employees to use, seek and grow their skills to support business success. And this effort must be intentional. For example, consider devoting hours each month or week strictly to skill-building or training instead of asking employees to squeeze in extra training when they have downtime. To make learning and development the heart of a company's culture, it should be as much a part of the schedule as status reports and regular meetings.

■ **Create an infrastructure that supports organizational learning.** Many companies rely on individuals to carry the lift of development, but it's important to think about consistency. In the future, regularly fostering required skills at every level of the organization will be critical. This is easier to do by investing in technology such as learning management systems or intelligent software that can recommend and track individual learning opportunities.

■ **Develop custom learning and development paths** to engage valuable workers, build on skills you already have, and develop new skills. Doing so will also improve retention—employees increasingly value the ability to hone skills that help them move forward in their careers.



“ *[People] need to be viewed not as interchangeable cogs in an organization, but rather as individuals with unique and disparate experiences, thoughts, attitudes, needs and, ultimately, value.* ”

— Deloitte¹⁷





The last year dramatically shifted how, where and what work needs to be done, and HR leaders are quickly adapting to ensure their organizations can successfully navigate the continuous change that will mark the future.

At the heart of this effort should be a 360-degree skills strategy that continuously assesses talent to address gaps and leverage opportunities. By fully deploying, cultivating, and growing the key skill sets required for the future, organizations will be poised to achieve business goals, ensure they have an engaged workforce, and innovate.

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