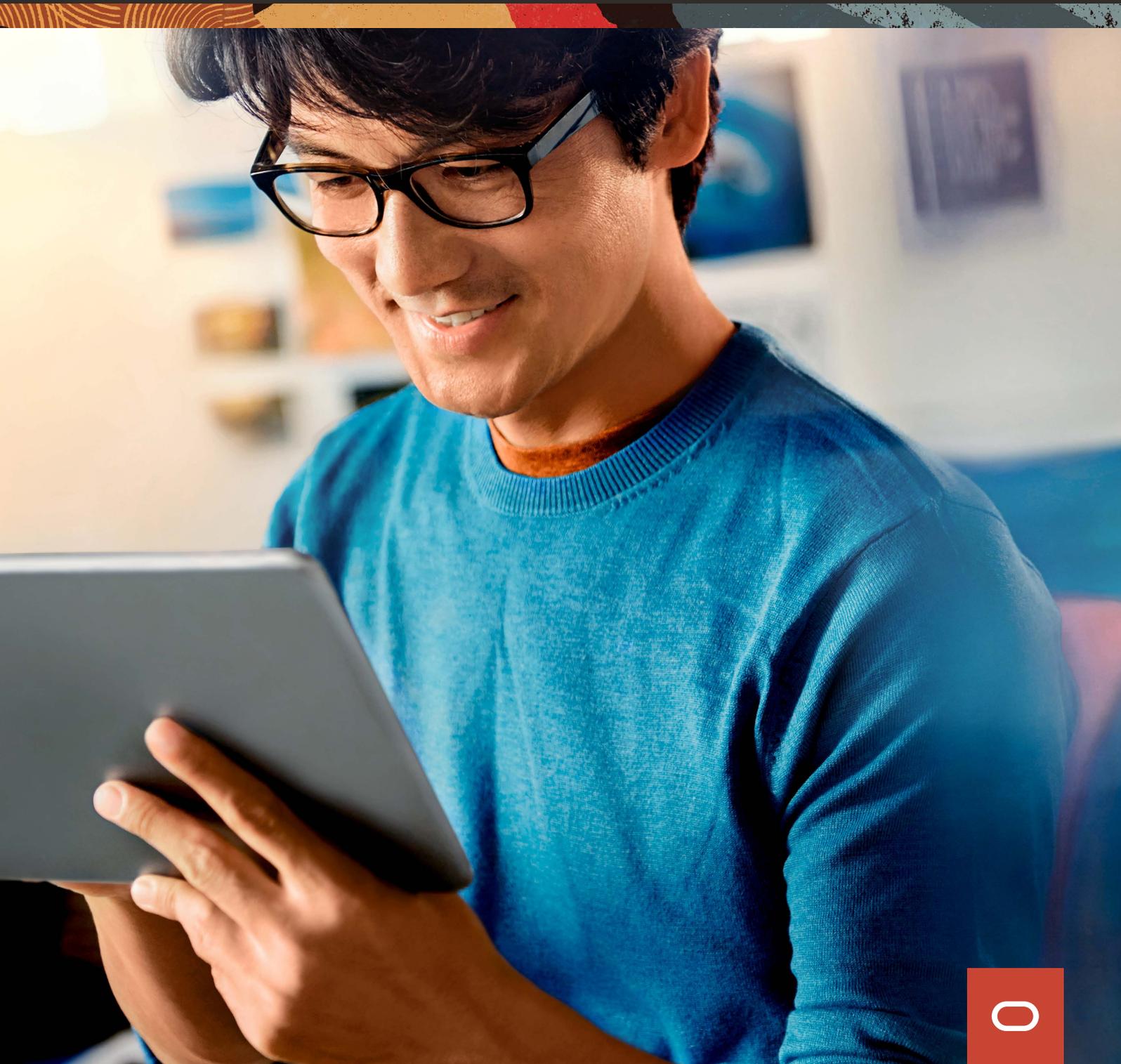


# Why a Skills Gap Analysis Should Be Key to your HR Strategy

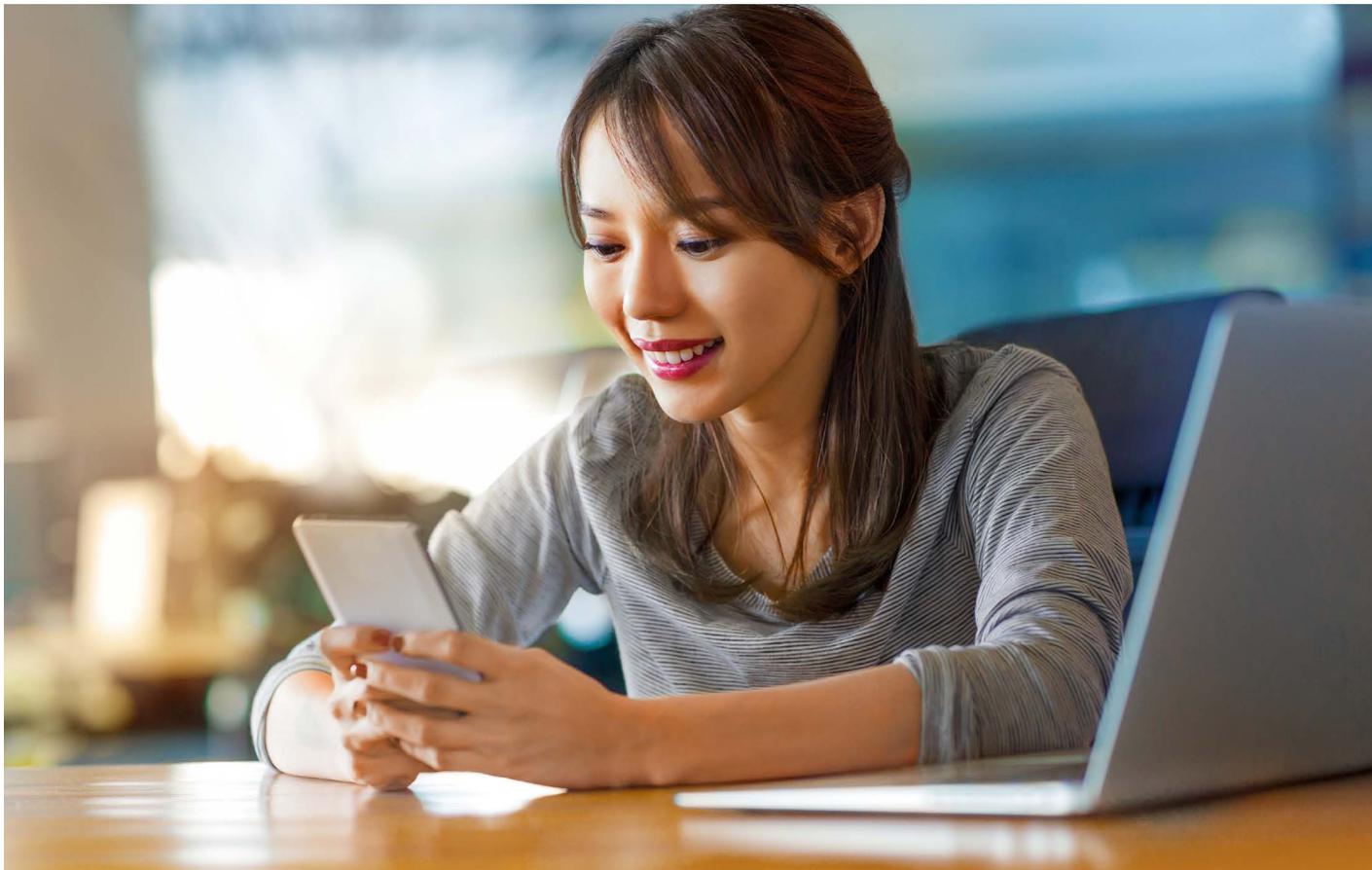
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In this unprecedented economic climate, COVID-19 has raised the need for a Skills Gap Analysis to become a central part of strategic workforce planning. Organisations are looking to increase their agility and be able to adapt and accelerate – having the right skills and capabilities is key to this (for example, moving nurses from maternity to A&E to support the pandemic crisis).

Understanding your organisation skills gaps allows you to identify the strengths and weakness in your resource pool and to target specific HR interventions, whether it be capability development programs, recruitment or training budgets. It enables targeted driven ROI.

This begins with gaining an overview of the skills gaps and capabilities within your business. In the medium term, this will be supercritical for organisational agility, reliance and commercial success. This is often known as a skills portfolio or establishing your “AS IS”.





According to HR Grapevine, a skills gap analysis (aka. Skills mapping) approach should include: “a snapshot of all the company’s skills at any given time. This means that for each job, the employer can see what skills, soft and hard, as well as the level required for each, are required.” It is, continues the article, important that jobs are referenced and not positions. Why? “A position is a set of tasks and responsibilities carried out by an employee and can change from company to company, whereas a job or profession is part of a global context.”<sup>1</sup>

KPMG also says that in setting your organisation up to survive in the short term and thrive in the post-COVID-19 world it is key to ensure, “you have the right skills, at the right time, in the right place to constantly adapt to uncertain external trends, agile operating models and rapidly changing customer demands... This has already had a fundamental impact on the strategy, structure and shape of the workforce across organisations and industries.”<sup>2</sup>

1. After Covid-19: Anticipate the skills gap with skills mapping
2. The importance of workforce transformation in a COVID-19 world

# Linking capability gaps against operational plans

With a 360 view of capability and performance, an organisation can do two critical things. They can either determine that they have the skills needed for the immediate future or that they don't.

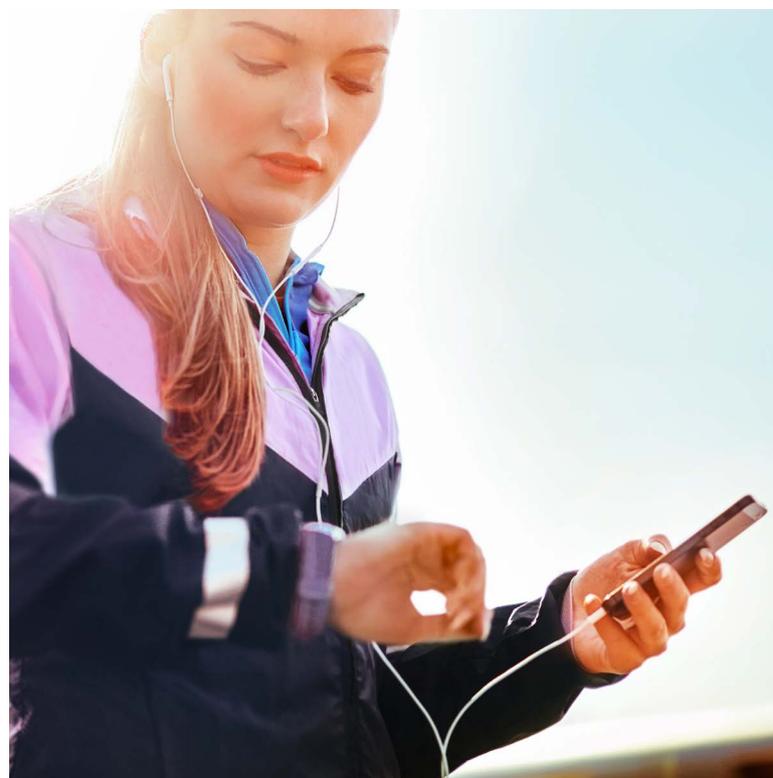
For example, the BBC reported<sup>3</sup> that Primark's sales dropped from £650m per month to £0 due to not having an eCommerce platform they could leverage over the COVID-19 closures. Imagine if they now decide to build an online retail platform, it will be crucial to conduct a skills gap analysis. They can determine the organisational effort required and if they currently have the in-house expertise, should train or hire new employees or consider outsourcing. Here a skills gaps would be so strategic it would be factored in the modelling as part of the strategic workforce planning.

Based on the gap assessment, L&D can move to establish operational plans and medium-term strategy, enabling them to prioritise budgets and spend against critical skills gap.

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Organisations are looking to increase their agility and be able to adapt and accelerate – having the right skills and capabilities is key to this

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3. Coronavirus: Primark sells nothing as retailers struggle, BBC April 2020

A comprehensive HR solution should span the entire organisation and provide an overview of capabilities for employees to prepare for job changes based upon projected areas of need, aligned career goals.

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4. 5 ways COVID-19 has changed workforce management.

Predictive automation AI technology is also helping to identify where the skills demand is, or will be. In the past skill gap analysis was heavy lifting, and we missed these insights. AI now enables much quicker, even real-time, review and analytics. For example, it can recommend jobs where demand is increasing, so that workers can focus on developing skills needed to be successful in the future. Utilising AI helps to understand what capability provides optimal performance, in what roles, and in which section of the organisation. This is not only useful for internal talent capability and skills mapping, but for recruitment strategy too.

“The quick adoption of new, advanced technology is the central catalyst and is likely to lead to an acceleration in the creation of new roles”, notes the World Economic Forum leadership blog, where “Reskilling and upskilling can help employees move from one part of the business to another.”<sup>4</sup>. The world’s response to COVID-19 has resulted in rapid business transformation. Let’s ensure we all measure and track our development of skill gaps, so we know where have been successful, and where we need to concentrate our resources in the short, medium and longer-term.

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**The world’s response to COVID-19 has resulted in rapid business transformation.**

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Within [Oracle Cloud HCM](#), strategic planning, talent management, performance and workforce modelling all work together to enable L&D to be at the heart of an organisation. Ultimately, accurate data enables your managers to make more informed decisions. Our platform recommendations and predictive analysis enables your organisation's unique culture to establish, grow, and thrive. Finding the skills gaps is an important first step toward enabling your workers to leverage and develop skills, find new opportunities and energise the workforce. Using new and more convenient ways to connect workers has proven to improve workforce morale and performance.

Understanding your workforce and personalising experiences to their specific situation improves your organisation speed, accuracy, and agility – all of which will be critical business success factors in the post-pandemic world.

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Finding the skills gaps in an important first step toward enabling your workers to leverage and develop skills, find new opportunities and energise the workforce.

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To discover how Oracle Cloud HCM can help, [contact your Account Manager.](#)

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