CLOSING THE

SKILLS GAP

A FRAMEWORK TO ENSURE YOUR EMPLOYEES HAVE THE SKILLS NEEDED FOR FUTURE SUCCESS

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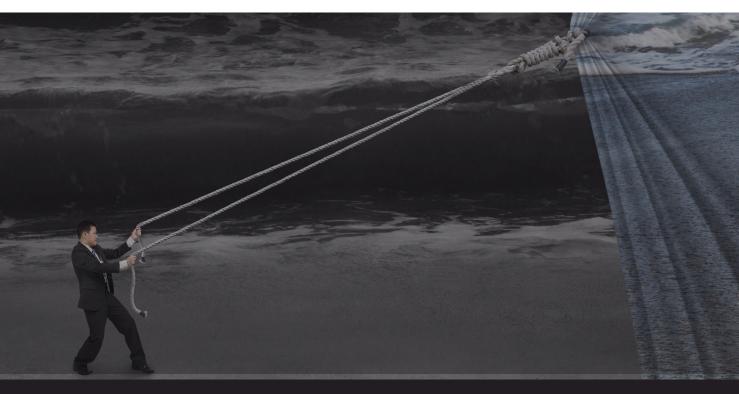
BIZ

The Gap

According to the US Department of Labor February 2016 report, there are more than **7.8 million people seeking work that are unemployed.** At the same time, US Bureau of Labor statistic reports there are **5.5 million unfilled job openings** in the US economy. Okay – on the surface of it, this data does not appear to support the notion that finding people for open jobs should be a problem. Of those 7.8 million out of work people, you can add several million more who are considered under-employed who would like to find full-time work or better jobs.

The problems organizations have finding qualified candidates stem from a whole host of issues, many of which organizations themselves can affect and change. We are going to focus on the business benefits to organizations to fill any skills gap in the following critical areas:

- Leadership Skills
- Technical / Professional Skills
- IT / Computer Skills



"Leadership remains the top human capital concern and the largest "readiness gap." Organizations need to develop leaders faster, globalize leadership programs and build deeper bench strength."

> Bersin by Deloitte, Leadership Development Factbook

Human capital is the competitive advantage

If we start from the perspective that human capital is a critical competitive advantage, then the core strategic approach to how we recruit, hire, develop and retain human capital has to be front and center in our thinking. We also have to examine the current "state of the art" in these areas, and ask ourselves a few important questions. The first of which is, "Does this approach adequately meet our organizational needs today and for the future?"

Many, if not most, organizations do not examine the totality of the human capital strategies. Many organizations source candidates using modern tools, but they do so by applying traditional strategic objectives and perspectives.

A specific example is the rise of Applicant Tracking Systems (ATS). These are widely used now by organizations of virtually any size. At their core, these tools enable a recruiter or team of recruiters to quickly and easily sort through a large volume of applications to find "matches" to the job posting. Sounds good, right? So logically, these systems really ought to be called Applicant Screening Systems, because that's what they do. They screen applications for organizations, and they do so based upon a set of conditions contained in a job posting or job description. These systems do not and cannot think. There is even a whole section of advice for applicants on "how to beat the robots" and some career coaches even teach applicants how to completely circumvent these highly impersonal, rote systems altogether.

"We have moved from the industrial age, through the information age, to the age of talent."

Thomas Friedman, The World is Flat

Human capital is the competitive advantage

Why? As much as ATS save organizations time and effort screening applicant pools, these systems are not adept at reacting to a changing marketplace or changing needs for new or unique skills. Human beings do that a lot more effectively. A more modern approach to sourcing candidates might involve more active and intentional networking by hiring managers - connecting with people who show the ability to learn new skills in a different light, etc.

Experts looking at the impact of ATS cite them as part of the problem. In a 2013 Career Advisory Board survey of 500 U.S. hiring managers, Cait Murphy said, "67 percent said they "don't feel like they have to settle for a candidate without the perfect qualifications." So if they don't find the white elephant, they will keep hunting - even though there are willing elephants ready to do the job."



"To be innovative and competitive in today's global digital economy, organizations have little choice but to invest in information and communication technologies. However, without the proper skills to put these technologies to effective use, firms are at significant risk of wasting their investments and missing key opportunities for growth and competitiveness.

European Commission, INSEAD

3 shifts in your strategic approach to human capital and development



There are three strategic shifts that can make an impact on your organization's approach to human capital management and development.

SOURCE DIFFERENTLY

Hire for potential and ability to learn new skills and attitude, not for experience and a checklist of credentials. Organizations need a significant and renewed commitment to the training and the development of their employees, which means looking for employees with the ability to acquire skills rather than looking for employees with a preselected set of qualifications.

It's also important to shift ultimate responsibility for hiring and sourcing away from just your "recruiters." Your hiring managers must be tasked with building great teams, and that includes finding the talent to fill the team.

The HR recruiter and lead developer must work together to find the talent. The HR person is in charge of recruiting (bringing talent) and then the lead developer can assess each of the specific skills needed for the job. It's a two-person job. (or three or four!)

3 shifts in your strategic approach to human capital and development



EMPLOYEE TRAINING AND DEVELOPMENT

For most organizations, employee training and development has focused on improving the performance of employees in current job roles. That needs to remain a key strategic objective. However, when specific jobs remain hard to fill, employee development teams can provide training and development to candidates who show the ability to acquire the skills needed to perform successfully. Some creativity may be helpful to create partnerships with colleges, community colleges, local job and employment agencies, etc., but getting involved to build your own pool of qualified candidates to interview seems like a smart investment compared to leaving key jobs unfilled for lengthy periods of time.

SUCCESSION PLANNING MUST BECOME THE NORM

Every organization needs leaders. Unfortunately, not every organization engages in effective, strategically focused succession planning to ensure its next generation of leaders are ready. Succession planning cannot, or at least should not, be just about replacement planning. Succession planning should be about preparing the entire organization for the future. Participants should be selected with an eye towards the future needs of the organization, and with a keen eye on their potential to grow, learn and develop. According to a Harvard Business Review article, <u>The Big</u> <u>Idea: 21st Century Talent Spotting</u>, four traits common to great leaders include: curiosity, insight, engagement, and determination. Our next generation of leaders is too important to leave their development to chance. Take charge. Find them. Nurture them. And help them grow today.

Targeting skill gaps

With this strategic framework in mind, let's focus on three critical business areas where organizations can influence their own skills gap with effective, thoughtful, and well-planned human capital planning.

LEADERSHIP.

For most of us, the term "leadership" conjures up images of great CEOs or top level executives. There is no question that our senior leadership team is very important. We need clear development initiatives to keep them focused, informed and knowledgeable. But great leadership development programs should also work to develop and enhance the skills in our organization, not just at the C-Level or top executives.

TECHNICAL AND PROFESSIONAL.

Employees that fall into these areas are growing in importance in many organizations. And some of these roles didn't even exist five years ago. Examples of these professionals include architects, UIX developers, digital marketing managers, social media managers, project managers, etc. Some of these jobs (and there are many other examples), require specialized training and continuing education for certification purposes.

IT AND DESKTOP COMPUTING.

IT professionals have a unique set of needs, and organizations frequently find these among the most difficult jobs to fill due to the highly specialized and sometimes very specific nature of these roles. As for desktop computing, nearly every employee in most organizations uses some sort of desktop application. Keeping up with changes in technology isn't always easy, and lost productivity can be costly.

Leadership Skills

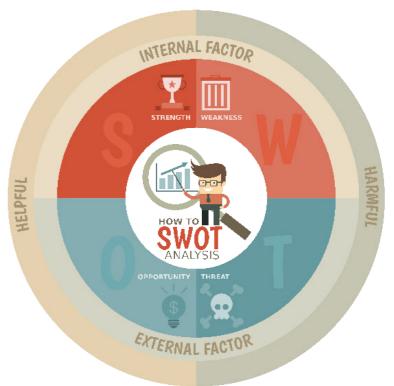
Filling the leadership skills gap requires a strategic approach that includes an analysis of the pros and cons of looking outside your organization compared to growing your own leaders. No matter which option you choose, you should carefully examine your leadership needs looking to the future.

Some important questions you might consider include: What are our current leadership strengths? Every organization does things well. Do these strengths look well-suited to take your organization into the future?

For instance, if you believe the future of your organization requires new products and the entry into new markets, and your current leadership strength is consistency and patience, your current strengths might not be well-suited to a future where innovation and new ideas will be important.

Where are we the weakest? Just like strengths, every organization has leadership weaknesses. Be honest. This may be an area that you can improve with an outside hire and recruiting, or this could be an area to address with a well-planned succession planning effort. Using the example above, the succession planning program might have innovation as a focus with a strategic goal of improving that capacity on the leadership team in the next 2-3 years.

Each organization will have its own unique leadership challenges. The key is to ask the right questions about your own current and future leadership needs so you can develop smart answers.



Leadership Skills

What should leadership development cover? Here are a few ideas to get you started:

COMMUNICATION SKILLS

This includes both verbal communication skills and effective listening skills. In a multi-generational, diverse workplace, complex and sophisticated communication skills will be critical to ensure clarity and that team members understand objectives and responsibilities. Additionally, as more and more teams begin to include remote employees, that adds another layer of communication skills that most organizations have never taught before.

LEARNING AGILITY

Leaders will need to learn how to function effectively (and routinely) in unfamiliar situations. The ability to learn effectively from past experiences, and apply those lessons to new situations is referred to as "learning agility," and it's a competency that is emerging as critically important for forward thinking organizations.

PEOPLE DEVELOPMENT

Helping members of team members advance their careers is central to the overall level of career satisfaction and engagement for many employees. It's no longer enough to simply point employees in the right direction and ask them to go learn something. Leaders will need to learn how to truly develop the skills, talents, and careers of their team in today's workplace.

Leadership Skills

PRESENTATION SKILLS

All it takes to understand the importance of presentation skills in today's marketplace of ideas and knowledge workers is to sit through back-to-back presentations at a conference. One presentation done in the traditional text and bulletpoint heavy PowerPoint style, and then one that is presented artfully and professionally to "get" why presentation skills can make or break careers, land deals, or earn promotions.

EMOTIONAL INTELLIGENCE

The workplace is nearly always the most diverse place for day-to-day interactions with others. The workplace is, to be frank, much more complex on an interpersonal level than ever before. But, leaders can learn to cope and succeed by raising the level of their emotional intelligence. There is some amazing data that suggests that emotional intelligence is the single greatest indicator of career success, so this one area makes sense for both organizations and individual leaders as a focal point for long-term career development.

DIGITAL LITERACY

This goes beyond simply knowing about social media. Digital literacy is an understanding of the ways in which technology tools impact and are embedded into work, business and our personal lives. Digital literacy requires leaders to be engaged each day in the digital world, because nearly every important efficiency advance and innovation of the future will be based in some way on today's digital world.

Technical or Professional Skills

We've seen our economy evolve into a knowledge-based economy where nearly every organization relies heavily upon people who work with and apply their knowledge to perform their jobs. Daniel Pink described this as the "Conceptual Age" in a Whole New Mind. No matter how you describe the value that certain employees bring to their work, the workplace has fundamentally changed. Unfortunately, what has not fundamentally changed in many organizations is the way in which employees access and apply information, particularly key technical professionals.

Finding these key professionals is a complex problem for many organizations. On the one hand, the organization may have a very specific set of credentials that are required to complete a project, submit a bid, replace a retiring employee, etc. In that circumstance, the organization may simply have to recruit and pay market rate for replacement talent with a matching set of credentials. If that prospect doesn't sound too inviting, there might be some alternative options. But be aware that some of the options require some long-range planning and thinking to build a pipeline of "ready now" talent.

"We spend more time answering and responding to emails than we do communicating and collaborating with our co-workers or searching and gathering information. The only thing that takes more time is "role-specific tasks," otherwise known as "doing our actual job."

Technical or Professional Skills

Remember the numbers we shared about the current labor market - the number of people looking for work or people who are working but might be under employed? The issue with these jobs isn't a lack of potentially qualified candidates. But what you might have to do, is redefine how you view "qualified." Let's try this definition. *Qualified means the person has demonstrated their ability to learn new skills and competencies - not only the specific skills needed for the job opening.*

If organizations defined qualified in that way, what might that do to the pool of "qualified" candidates? Now, we recognize that this definition requires the organization to train and educate such a candidate to perform the job. However, the fact that this type of candidate doesn't yet have any matching experience means the candidate would very likely accept the position for less pay than a perfect match candidate. And would an organization like to have a candidate trained to perform a job exactly the way the organization wants it performed?

Additionally, there may be other creative ways to find trained candidates through partnerships with community colleges, local and state governments, etc. If there is a skills gap in these areas, the gap can be filled as long as organizations are willing to look at candidates a bit differently.

Once hired, these employees face a whole host of other challenges. One of which is information overload. How to find and apply the right information for the problem at hand. According to an IDC study, a knowledge worker spends approximately 25% of his/her time actively searching for information.

Then, on top of the day-to-day demands of simply finding and applying information to the job comes various continuing education requirements, license requirements and other regulatory requirements many of these important employees face.

IT and Computer Skills

This is an area that makes strategic sense for recruiters and HR professionals to collaborate with IT professionals. Managers ultimately should be responsible for the success of their teams, and it makes strategic sense to include sourcing qualified candidates in highly technical areas to the experts. Next, don't shy away from people who can show the ability to learn these skills.

Many of these skills have only been around for a few years, so even seasoned IT professionals have to learn, relearn and unlearn on regular cycles to stay current. As you find new entrants into the IT space, ask them to bring samples of code they have written for your IT experts to see and review. There is nothing like actual work product to demonstrate whether somebody can do the work or not. After all, we do the same thing with graphics and design professionals.

Finally, look for strategic partners to help you source candidates. In many communities all over the country there are classes and programs at vocational schools and colleges teaching coding and IT skills. Find one or two where the classes are being taught by current practitioners and known, established experts in your community.

Establish relationships with these schools and think about offering internships to students. This is a great way to meet potential employees and see the ability to learn first-hand.

But remember, that once hired, all of your IT team will require continuous learning and development to stay current on their skills and knowledge. You're going to have to make sure you have included a way to keep them up to date in your strategic learning plan or risk losing them as they find organizations dedicated to keeping their skills market fresh and up-to-date.

Key Take-Aways to Close the Skills Gap

Take a look at your recruiting and hiring practices.

Consider hiring for potential, ability to acquire new skills, and culture fit.

Step up your training and development.

- It's not just about training employees to perform well in their current job role. It's building skills and knowledge required for jobs that may not even exist today.
- Develop internal talent to fill positions through training and development of new skills.

Succession Planning – get it in your game plan!

It's critical to the success and future of your organization. Train and develop leaders at all levels of your organization including: front line leaders, midlevel managers, executives, and technical/professional leaders.

Learning agility is your secret weapon.

The ability to learn effectively from past experiences and apply those lessons to new situations is referred to as "learning agility," and it's a competency that is emerging as critically important for forward thinking organizations.

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