

Workforce Reskilling: Enabling Your Future



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During a time of rebalancing work-life of the individual while pace of automation and machine skilling amongst organisations is holding firm, to what extent the workforce of each organisation is prepared for jobs of tomorrow will define their future success. However, the acute requirement of human reskilling today will add to a better and even new direction for organisations that act.

1. What is the impact?



Only three of the ten skills businesses will need by 2025 are confidently possessed by more than half of UK workers.⁵

In 2020, companies listed about 33% more skills on job ads than they did in 2017.⁷



Half-life of a job skill is about five years.³



70% of employees say they have not even mastered the skills they need for their jobs today.⁴

By 2025, the time spent on current tasks at work by humans and machines will be equal.¹

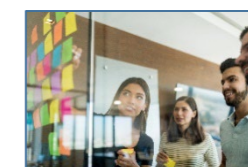


50% of all employees will need reskilling within five years.¹

In Q1 2022, for the first time since records began, there were fewer unemployed people than job vacancies in UK labor market.⁶



In 10 years, 90% of jobs will require digital skills.²



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2. What challenges are businesses experiencing?

While the current market conditions make it harder to understand the full effects of the pandemic – or even for these to materialise – in businesses, within sectors and across our society, at least effects in the workplace and workforce of most UK organisations are evidently permanent, deep and broad having changed how employees work forever. However today yet new challenges and opportunities for businesses have emerged about workforce effectiveness and productivity that are likely to drive decisions and further changes in the composition of the workforces of many businesses, as well as, about organisational, business and operational priorities needing to have. Maintaining an effective workforce has rarely been more relevant, while preparing it in order to be able to compete in the years ahead has never been more strategically important.

The level of workforce skilling today is an ever more important catalyst of the performance of organisations. However with automation accelerating across more areas in business and corners of our society, and machine abilities fast improving, the ability of employees to continue to perform their roles and add or exceed the required value is scrupulously reassessed. For decisions on productivity potential of a role, comparison is not only between employees and their abilities. The case of automation or semi-automation of a role is frequently considered. Business leaders and their employees need to work together in developing a forward-looking future-ready workforce for their organisations, where new skills are developed, productivity per employee is increased, life experiences of employees are supported and human talent is able to flourish while balance between humans and machines is achieved and a strong organisational culture is maintained. The organisational path that businesses choose to pursue for developing their workforces is not expected to be easy and success is never guaranteed, however as the last crisis has taught everyone, resilience, tenacity and resolve are still human traits that can deliver what is needed in business and beyond.



3. What businesses need to do?

Today, many organisations in the UK are experiencing a skills gap between skills they require and those that employees possess, recruitment difficulties with fewer people applying for roles and accepting role offers, as well as, labor shortages where in Q1 2022 was the first time since records began that number of job vacancies were more than number of unemployed people in the labor market. In the last two years, the pandemic-driven crisis that happened and changed the workplace and even workforce of most organisations forever and significant acceleration of digitalisation in business have created a new highly challenging requirement for workforce reskilling across multiple industries.

Businesses need once again to respond decisively, however this time it is not a quick solution that is needed or can be implemented but strong understanding of the labor market, distinct organisation vision and a compelling strategy for L&D. Business leaders need to take ownership of the development of their workforce, communicate in a regular manner business initiatives in automation that transform their organisation but also affect their employees and cascade a clear accountability from the top for increasing employee participation in forward-looking novel L&D programmes. This can ensure effective workforce reskilling for their organisation to be able to compete today while with elevated confidence they set strong foundations of their workforce for the future.

In a highly uncertain economic environment for businesses today, where the road to full recovery of businesses from the pandemic abruptly stopped, a new crisis in energy having emerged challenging set business goals but also affecting everyone's livelihood including their employees, supply chain bottlenecks creating operational shocks to businesses, in addition to, new labor market dynamics and intense workplace considerations, workforce skilling has earned a strategic place in business. The time business leaders have today to act is most likely less than in previous stages of our history as acceleration of automation is gathering pace and the next industrial revolution has already begun.



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4. What businesses can achieve?

Increasing L&D initiatives to reduce skills gap with emphasis on development of lifelong human skills, digital skills and relevant key skills of tomorrow.

Placing L&D as a strategic priority with appointment of the Chief Learning Officer or CEO ownership/accountability. Establishing clear vision to drive development of workforce for the future.

Regular assessment of skill requirements of new/existing roles and career paths. Increasing skills per employee driven by focused training, astute mentorship, effective management and increased internal mobility.

Increasing synergies between teams, departments and areas of business with focus on skill building and role transitions. Sophisticated employee enablement programmes for skill development and time-bound succession between roles in career path.

Supporting an organisational culture of experimentation for employees to work in new areas, increasing resources aiming for human innovation, encouraging participation in L&D activities and rewarding employee improvement.

Regular employee communications from leadership of a strong L&D strategy and key organisational activity, achievements and recognition for key/rare skills and skill diversity.

Defining role models with a tiered skill-based component and introducing compulsory employee participation in skill-building work and training for meeting minimum requirements of reskilling per employee.

Increasing staff investment for reducing workforce skills gap based on business competitiveness and opportunity linked to workforce reskilling, (a stronger) strategic direction for L&D, as well as, labor market dynamics and competition for talent.

Attaining strong strategic focus to achieve workforce reskilling/upskilling and balancing with machine skilling and business automation initiatives. Define additional budget to expand annual L&D remit in order to support long-term organisational objectives for development of workforce for the future.

Redefining role of HR to increase L&D support and developing employee learning hubs to create greater awareness of available L&D initiatives amongst employees and an enabling culture for professional development.

Endnotes

1. The Future of Jobs Report 2020, World Economic Forum, Oct. 2020
2. Jobs will be very different in 10 years. Here's how to prepare, World Economic Forum, Jan. 2020
3. Skill, re-skill and re-skill again. How to keep up with the future of work, World Economic Forum, Sep. 2017
4. Discover how to do more with data to close critical skill gaps, Gartner, Sep. 2018
5. These are the top 10 job skills of tomorrow – and how long it takes to learn them, World Economic Forum, Oct. 2020
6. UK labour market overview, ONS, May 2022
7. 9 Work Trends That HR Leaders Cannot Ignore in 2021, Gartner, Jan. 2021



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