RESOURCESOLUTIONS

Skills

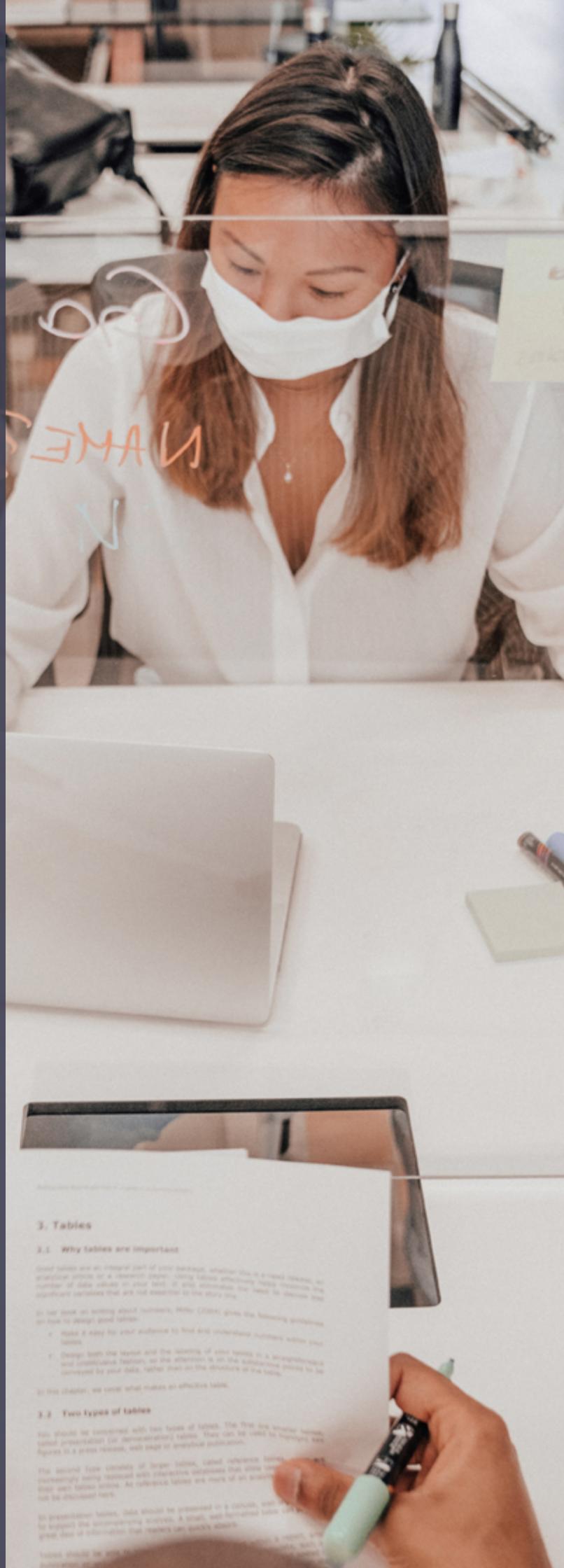The key to the
Intelligent Age

A Robert Walters Group Company

Introduction

“ Very few businesses could have predicted the wide-ranging and sustained impacts of the COVID-19 pandemic. Perhaps even fewer can predict what the world of work will look like once it is over.

But, even before the pandemic, it was clear that the world of work was changing. New skills were being created while others were becoming obsolete, and the ways in which we work and source talent were changing, too. In some instances, the pandemic has merely accelerated those changes; in others, it has introduced new processes and practices that have already become 'Business As Usual'.

This whitepaper collates reputable research on the ways in which organisations, business leaders and HR managers can prepare for the post-pandemic world of work. It explores the key skills that both employers and employees alike will need for that new world. And it provides a roadmap for the changes you need to be thinking about, and planning for, in the days ahead. ”

Norma Gillespie
CEO of Resource Solutions

The need for change

The pandemic has highlighted the need for evolving skills, and shone a light on outdated HR approaches in sourcing skills. Contemporary skills will not suffice for the jobs of tomorrow, as even newly acquired skills quickly become obsolete. By 2022 42% of core skills required to perform existing jobs are expected to change. As a result of this churn, an average of 33% of the skills needed three years ago are no longer relevant.

"41% of global CEOs suggest their post COVID business models would become more flexible by increasing the share of remote and contingent workers."

PwC, CEO Panel Survey, 2020

Over half of HR executives suggest that if their department doesn't modernise its approach it will become irrelevant within the modern, and future, organisation. The evolution of requisite skills, and the ability to source them, is a clear reason for this as 133 million new roles are expected to emerge by 2030 that require people to move into new career paths. Failing to meet the skills demand of the new technological era could put $11.5tn in potential GDP growth in the G20 at risk over the next decade. For individual companies this translates to fewer opportunities, employee disengagement, high turnover and lower growth prospects.

We have identified core areas in HR practice and function impacted by a tech-driven evolving skills profile, which, if addressed, can enable you to thrive through this period of existential change in workforce composition:

"Only 28% say their organisations make effective decisions on how to close skills gaps."

McKinsey and Co. 2020

Identify future skills

Engage in horizon scanning

- Identify changes in the labour market and project how new and emerging technologies will likely impact the talent, competencies and skills required, even in unrelated industries.
- Along with strategic workforce planning, develop strategies that derive from future skills scenarios, then work backwards.
- Revisit workforce shaping scenarios frequently and secure C-suite buy-in

Map talent needs

- Horizon scanning and scenarios should enable you to map out how automation, AI and other technologies could impact future skills needs.
- Hire (and train) for cultural change, since a corporate culture unwilling to embrace technology remains a significant barrier to transformation.

Workforce analytics

- Use workforce analytics to inform your talent strategies.
- Identify which job roles and tasks are most likely to be automated or heavily shaped by tech and then identify which adjacent roles can be learned within the company and provide relevant training.

Develop digital HR leadership

Prepare leaders for digital

- Become more data-driven to provide detailed and accurate insights to leaders.
- Move focus from silos towards skills led outcomes.
- Identify how technology developed/used to augment the workforce in other industries could be used in your own.

Adopt and align the latest technologies

- Provision of latest tech for workers can increase talent magnetism.
- Consider the impact of given technologies, then focus on acquiring, broadening, redeploying or downsizing roles or functions.

Understand the automation of management

- AI could make an increased range of business decisions and shift the rationale, role and composition of leadership and teams.
- Adopt change management methods suitable for the intelligent era.

Shape employee experiences

- Build/source new metrics for measuring people and what they are held accountable for.
- Provide employees with the authority, motivation and capacity to adapt, (un)learn and evolve in their use of digital technologies and working practices.

Create a learning/teaching organisation

Redefine HR priorities

- Aim to develop a valued and strategic HR function, starting with redefining its priorities. (e.g. investing in future learning is only fourth on HR's priority list).
- Reskill for new HR capabilities. Consider creating a new role at the intersection of corporate strategy and HR, focussed on up-skilling and evolving the workforce for the future.

Adopt a continuous learning culture

- Create a learning ecosystems and encourage a cultural shift in which willing learners are recognised as valuable. Job swapping could form part of this.
- Establish learning pathways that are as clear as career pathways.

Launch targeted up-skilling programs

- Build a skills strategy able to adapt across time horizons, silos and networks.
- Build metrics for assessing learning and reward it appropriately.
- Ensure pathways flow from learning to applying it in jobs.

Role of new tech in learning

- Use new technologies such as virtual reality in learning, particularly for soft-skills, which can be employed quickly, and cost-effectively.

Collaborate for skills

Building the core

- Identify the critical 2% of the people that generate most of the (future) value and consider how best to support them.

Partner for new skills and old skills

- Develop a multitude of pathways and partnerships for sourcing new skills that enable temporary teams to be built quickly and reliably.
- Consider alumni programs and skills recycling partnerships with other sectors – skills redundant in one industry are often needed in others.
- Build a network that expands beyond existing industry boundaries.

Reassess organisational boundaries

- Consider the role of virtual versus physical talent and their respective advantages and drawbacks with regard to overall strategy and culture.
- Consider the prospective blend of borrowing versus building in efforts to acquire new skills.
- Choose partners who can help build relationships to develop, retrain, apply and redeploy skills within and without your organisation.
- Redeploy workers on new learning curves that can enable them to share and build on their skills, whether with partner organisations or in-house.

PwC and others are using flexible talent pools where people are matched to work based on skills and preferred working pattern.

Korn Ferry, 2019

Less than 20% of CEOs say they have made significant progress in 'establishing an upskilling programme that develops a mix of soft, technical and digital skills.'

PwC, 2020

If the half-life of a job skill is now about five years as research claims, continuous disruption is baked into multiple sectors, whether they tacitly accept it or not. Technology will induce change in several skillsets, both directly and indirectly, while its strategic use demands a new wave of management and organisational abilities.

Only 31% of leaders say they can quickly develop the talent they need with their current resources and processes.

Gartner, 2019

Across all sectors, basic digital skills, a wider range of professional skills stemming from working in increasingly intelligent organisations and enhanced communication skills will be required. Over 21 million British workers are forecast to lack basic digital skills by 2030. UK digital management skills could be lacking in 11 million workers, while advanced comms - a key necessity given distributed workforces - could be lacking in 10.6 million workers. Such deficits are repeated globally. The EU already has around a third of its citizens lacking digital skills while technology and telecommunications skills could be absent in 4.3 million workers in the US by 2030.

Such skills will become prerequisites, but in themselves are unable to build competitive advantage. To tap the revenue streams and opportunities of tomorrow more specific and advanced skills will also be required. Including for example:

Industry	Key changes	Top 5 tech related skills in 12-24 months	Top 5 tech related skills in 24-36+ months
Asset Management	Currently, only 20-30% of asset managers qualify as digital pioneers.	• Analytics • Cybersecurity Management • Personal Risk Management • Change Management	• ESG Governance (using IoT for real-time sensing)
Financial Services	AI is thought to risk 2.5m FS jobs, saving organisations $1Tn.	• Cybersecurity Management • Data-driven Personalisation (AI) • CX Agents/Trust	• IoT Real-time Data Analyst • Behavioural Psychologists
Global Banking	Bankers need to 'leverage advanced analytics to gain a wider understanding of the market, economic environment, portfolio positioning & customer behaviours.'	• Cybersecurity Management • Advanced Data Analysts	• Interface Designers • Algorithm Developers • Behavioural Psychologists
Industry	85% of manufacturers globally believe connected workers (heavily augmented by AI/automation) will be commonplace in their plants.	• Human-Machine Management • Risk Management (AI) • Digital leadership • System Designer	• Additive Manufacturing wedded to workflows
Insurance	People using AI are starting to replace those who don't or can't. Moving from a model of compensation for loss to the active prevention of loss.	• Data Analytics • Cybersecurity Management • Ecosystem Development and closer 3rd Party Collaboration	• IoT Management & Machine Learning • Real-time Underwriting (using AI)
Pharmaceuticals	'Big data and machine learning in pharma and medicine could generate a value of up to $100bn annually.'	• Cybersecurity Management • Risk Management (AI) • Biotech Scientists • Organisational Re/Designer • Entrepreneurship / High-Level Social & Emotional Skills	

Professional Services	'Data, AI and other tech (will be used) to predict outcomes, reduce costs, improve transparency and ultimately add value.'	• Virtual Collaboration • Cybersecurity Management • Foresight Executive • Data Analytics/ Personalisation	• Prescriptive AI
Regulatory	Regulators might '… beta test regulations, sandbox small segments of innovation as a litmus test, turn to crowdsourced Q&A, and rely upon consumer data.'	• Crowdsourcing • Collaboration • Data Analytics • Machine Learning • Deep Industry Specific Consultants (T-Skills)	
Technology	90% of businesses don't consider themselves IT resilient , yet some 80% of revenue growth will likely depend on digital offerings by 2022.	• Advanced Data Analytics • Cybersecurity • Deep Industry Specific Consultants (T-Skills) • Foresight Executive	• AI Ethicist

The HR department of the future will become a pseudo-futurist organisation. Only 35% of execs believe that CHROs are prepared to tackle the challenges their companies will face in the future but it will increasingly be within the HR remit to anticipate skills gaps and provide a pipeline for a range of future scenarios. HR should take a top-down, cross-functional view of future roles, functions and skills in the organisation. HR organisations that can anticipate these future needs will help reposition the function as a strategic driver and allow the organisation to develop the requisite agility in, what are becoming, increasingly dynamic markets.

We are entering an era in which core staff, expertise-as-a-service and forms of Artificial Intelligence (AI) will work side by side in pop-up teams that form to address specific initiatives - and dissolve as those needs expire.

CIO Magazine, 2018

What HR leaders do and how they go about doing it are highly interlinked. For example, the use of predictive analytics could help in both identifying future needs and boosting employee experiences yet less than 20% of organisations possess the ability to apply predictive analytics in addressing people issues. It is also critical that HR leaders understand the implications of AI and ways of minimising bias in its use for recruitment, assessment and wider issues of employee engagement. While AI ethics form part of this, the need for design thinking to inform a connected, frictionless and human-centric process is often underappreciated. A deep understanding of technology, that moves beyond headline hype and is cognisant of how to align technologies with necessary skills and durable careers, is urgently needed and will be key to success in the future.

Key skills for the future recruiter

Strategic thinking
problem solving, and general business acumen.

Futures techniques
(horizon scanning and scenario planning).

Design thinking
principles and communication for engaging passive candidates.

Data analytics
for driving hiring strategies and developing a strategic roadmap.

T-shaped skills
to partner closely with IT and other specialist areas on their terms.

Technology specialists
for expanding the role and remit of the function.

AI experience
working on AI platforms and in AI systems.

Conclusion

"As we turn our attention to what the post-pandemic world will look like, it's becoming clear that the future of work will be more about the end of jobs and the start of skills. It will become increasingly important for organisations to invest in learning and teaching programs for their people, in order to meet our reliance on technology. Equally, organisations will need to understand how to harness borderless opportunities and skillsets to strengthen their competitive advantage.

At Resource Solutions, we leverage assessment and training programs to not only close skills gaps, but also encourage the cultural shift that organisations must embrace if they are to shape employee experiences and prepare leaders for an increasingly digital world. We have decades of experience supporting our clients to find the best talent, even as times and skillsets change, by leveraging data and technology to support future growth. If you would like to know more about how Resource Solutions can help you build the teams and skills you need for the Intelligent Age, please get in touch. "

Norma Gillespie
CEO of Resource Solution

Quote and statistic followed by *our response*

Only 28% say their organisations make effective decisions on how to close skills gaps.

The future of business is highly networked, and ecosystem based, especially with regards to talent.

Internal efforts alone are insufficient. Less than 20% of CEOs say they have made significant progress in 'establishing an upskilling programme that develops a mix of soft, technical and digital skills.'

Talent mapping and forecasting will become key levers of success for those looking to proactively source new talent.

Only 31% of leaders say they can quickly develop the talent they need with their current resources and processes. Speed and agility are key as skill half-lives shorten.

Corporate reskilling programmes are useful but not a panacea. Reskilling workers in an era of speeding technological progress will likely prove an on-going transformation

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In Australia, tech now ranks in the top 10 reasons why employees leave their current role.

Tech provision and talent acquisition are becoming increasingly interlinked – Gen Z talent won't want to work in non-digital or legacy tech environment.

The use of remote work - comprising permanent and on-demand talent is forecast to increase to 73% of all small and medium business teams by 2028.

COVID could further blur the distinctions between customer, candidate and employee , especially with regards to remote work, as technologies and processes overlap and become more fluid.

80% of leaders believe that technology platforms will provide instant access to highly specialised, on-demand talent.

Determine which work is 'core' and tackled by internal contributors and which should be parceled to external contributors.

41% of global CEOs suggest their post COVID business models would become more flexible by increasing the share of remote and contingent workers.

There is a need to make it easier for teams to integrate temporary talent.

60% of workers believe permanent employees will become rare by 2035.

A new culture may be needed: focus on achieving outcomes instead of managing head count.

PwC and others are using flexible talent pools where people are matched to work based on skills and preferred working pattern.

No single company can house all the tech-based skills needed to run constantly evolving processes and fluid boundaries, necessitating flexible collaboration models.

32% of organisations are replacing full-time employees with contingent workers as a pandemic induced cost-saving measure.

This trend is likely to consolidate in an upcoming era of accelerated change and needs.

60% of leaders believe their core workforces could be smaller going forward.

Rethink your value proposition and explore the benefits of talent platforms.

We are entering an era in which core staff, expertise-as-a-service and forms of Artificial Intelligence (AI) will work side by side in pop-up teams that form to address specific initiatives - and dissolve as those needs expire.

Accessing skills, talent and ideas will likely see more fluid organisational boundaries and processes.

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About Resource Solutions

Established in 1997, Resource Solutions is a provider of Recruitment Process Outsourcing (RPO) and Managed Service Provider (MSP) solutions. As part of the Robert Walters Group – a world-leading specialist professional recruitment consultancy, our business has considerable resources at its disposal. With a global footprint across 31 countries, we're able to work in close partnership with organisations and manage everything from global accounts with demanding resourcing strategies to single sites with lower recruitment volumes. We currently source and recruit for clients in over 60 countries, manage a recruitment budget of over £2 billion and hire tens of thousands of employees each year.

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