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Shape Your Talent Strategy With a Skills-Based Approach

Introduction

Leading organizations have acknowledged that if they want to survive in the current landscape, they need to make sure they not only have the right skills for the here and now but understand how their market is evolving and be dynamic enough to be able to develop a workforce with the skills to thrive in the future.

This has never been truer than in areas such as retail, where the pandemic accelerated the move for many away from brick and mortar stores to online shopping. This profoundly affected the most sought-after skill profiles as developers are now the most-searched-for talent in retail.

Skills are apparent in all talent processes, yet there is still room to assess them with greater ease and accuracy, streamlining efforts from sourcing to succession planning and everything in between.

What makes it challenging is the changing nature of skills in the modern workforce, the ever-present effects of the future of work, and the fact that every company is different, so a one-size-fits-all approach is simply not an option.

Which is why we wrote this playbook! Read on to discover how a skills-based approach can remodel your talent strategy.

Contents

This playbook will outline the key steps to follow to ensure you are implementing a skills program tailored to your specific business needs.

01. Benefits of a Skills-Based Approach

If future-proofing your organization isn't enough of a motivation to adopt a skills-based approach, there are plenty of other compelling benefits.

Reducing Bias and Encouraging Diversity and Inclusion

A focus on skills will inevitably allow you to think outside of legacy parameters and attract more diverse, talented candidates from a range of backgrounds who will bring fresh ideas and new approaches. A prime example of this is taking the emphasis away from college degrees in some areas. Technical skills for emerging technologies or competencies needed to thrive in an organization are not necessarily determined by university diplomas, so eliminating this hurdle can allow competent applicants to put their name forward and be considered for roles they might not usually feel qualified for. Tesla, Apple, Google and Netflix[1] recently made a point of highlighting the need to look beyond degrees to discover talent that is often overlooked.

On top of this, having transparent AI technology and personalized skills taxonomies can allow you to tackle unconscious bias, improving D&I as the systems will match skills instead of focusing on other elements like gender or race.

Drive Consistency Across External Hiring and Internal Mobility

A skills-based approach also levels the playing field. It allows for greater consistency across the hiring process by concentrating on skills and competencies, and it minimizes the number of subjective variables that can find their way into interview stages.

This also gives confidence to hiring managers to compare apples with apples. A consistent approach based on people's skills is easier to evaluate, standardizing interviews and subsequent assessments.

[1] Business Insider, 2020.

Understanding Gaps and Developing Skills From Within

Knowing your most sought-after skills is not only beneficial for recruitment but can be used within all talent management practices, allowing you to understand what you are missing and plan ahead. You can fill these skills gaps either by developing your employees, through talent mobility or by hiring them externally, with the first two ideally taking priority.

From an internal mobility perspective, trying to differentiate between internal applicants based on work history or education becomes an increasingly ambiguous exercise as they are bound to overlap. This makes a skills-based approach a more effective way of assigning employees to new opportunities.

Allowing existing employees who already have desired skillsets to transfer across the business drives engagement. It empowers employees to get involved with new projects and build on their skills and has significant cost and time-saving benefits for the employer. Skills gaps can also represent opportunities for those looking to gain new skills supported by tailored training programs.

02. Taking Steps Towards a Skills-Based Approach

Before you can implement a skills-based approach, you first need to identify the necessary skills that will be fundamental to the future success of your business in the context of the market in which you operate.

Identify Important Skills for Your Workforce To Be Future Ready

Hiring managers who have to live and breathe these skills on a daily basis will be able to give the first clue of what you should be looking for. The skills that will allow them to thrive or are currently missing in their teams should be a priority. Next, looking out at the market in which you are operating will shed more light on desirable skills. Asking questions such as:

• Have any recent changes left you with a disparity of skills within the organization?

• Is there a new technology making a splash that should be acquired and mastered by employees within the business?

• What regulation and broader industry changes could affect the way you do business? Do you need expertise in this area?

• Are you expanding? If so, what kind of skills do you need to build out this business unit?

• What nuances in geography and culture will affect the type of skills you will need for expansion?

The answers to these questions will not only allow you to define what skills mean to you but to adapt that meaning in line with market changes and new skills that will invariably be required.

Assess the Current Skills of Your Workforce

Once you have identified what skills are fundamental for your organization to keep pace today and in the future, you need to take stock of the skills you already have within your workforce. There are many ways to do this, but you can start by adding skills-based assessments to current talent management practices so that skills are evaluated and data enriched on a regular basis. Whether this is through performance management reviews, evaluations from internal projects, or feedback from internal interviews, you can work with managers across the business to help build a 360-degree picture of the skills within the company.

To build on this, you can ask employees to enrich the data by creating their employee profiles, proactively inputting their skills and interests. You can verify this information through skills assessments or validation steps. Implementing the right technology that harnesses AI and detailed skill ontologies can streamline this process by identifying skills automatically.

Assessing skills should then be seen as a holistic process, so ensuring you have a platform that brings this together is critical to making your approach scalable on an organizational level.

Finding and Filling Gaps With Avature:

AI-powered skill management tools, driven by broad skills ontologies, can offer personalized skills gap analysis and career pathing options, highlighting areas for improvement that can be complemented with customized training programs.

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Industry Leaders in Action

Cisco

Cisco is a **Fortune 500** company that hires over **10,000 new employees** annually from a pool of **800,000 candidates**. To say that they have an active recruitment strategy would be an understatement.

As Cisco lives on the cutting edge of technology, specializing in the latest security, collaboration, cloud, and data centers, hiring someone who has experience in the newest technology is like trying to hit a fast-moving target. Cisco realized you can't rely on past jobs or industry experience alone to recruit for emerging technologies, so it needed to take a different approach to source the most relevant talent.

Subsequently, Cisco developed and carried out a comprehensive study to map their workforce architecture to skills. This gave them a personalized and detailed skills taxonomy that stems from the critical skills currently thriving in their organization that can then be used to build the workforce of the future. Armed with this information and the Avature platform, **Cisco has now adopted a skills-based approach** to their talent processes. One that will continue to adapt as quickly as the technology itself.

"How do you recruit today for a job that didn't exist yesterday? You may not be able to find someone who has the years of experience but you can definitely find people with the skills to do the job, as long as you can clearly define and understand the skills are required to be successful."

— Jeremy Bloom,
Manager, Digital Experience,
Cisco

03. Creating an Action Plan to Fill Any Skills Gap

With your comprehensive workforce skills assessment complete, you've likely identified specific skill gaps that you need to fill. There are two avenues you can follow in order to do so:

1. Finding the Skills You Need With External Hires

Looking for talent externally can often be the only option if you are breaking into new markets or simply keeping up with the rapid advance of the external market. Here we discuss how to make that shift toward a skills-based approach possible.

Sourcing Tools For Skills

Bring skills into play from the very start of the process. With the right technology, as soon as profiles enter your database, the system can start scanning and identifying skills, mapping them against the skills ontology. These can then be quickly segmented, allowing sourcers to spend more time building those relationships and less on data entry. In the case of Avature,

sourcers can import profiles from the web and social platforms in a simple click and drag and drop or use Avature's WebSources tool to search across dozens of sites to massively import leads.

Having a powerful search mechanism within your CRM, such as Avature Semantic Search, which provides a google-like experience, can give semantic suggestions that can uncover hidden gems from the depths of your database to help sourcers access these records as soon as a new role comes through.

Being able to carry out searches within your system, spearheaded by desired skills that have been automatically populated using tailored AI and skills matching ontologies, will unearth candidates that might not initially spring to mind. A skills-focused search cuts through previous job titles, education, or even the role they originally applied for and matches skills to the opportunity you are looking for. Enabling the system to think out of the box so you don't have to.

Make The First Touchpoint Count

Sourcing isn't about just siphoning candidates into your CRM or applicant tracking system; it is an excellent opportunity to create a positive first impression and get your relationship off on the right foot. Although this is the part of the candidate journey with the highest volume of candidates, this simple fact doesn't stop everyone from expecting a personalized service.

Personalization has been around for a while, but offering tailored recommendations and content related to a candidate's skills takes this to the next level. For example, you could share tips on improving specific skills or stories from employees with similar skills profiles and even highlight roles to applicants that they wouldn't typically have put themselves forward for. With the right technology, skills matching improves their experience and broadens their scope of potential opportunities while allowing you to reap the benefits of creating talent pools that are broader and more diverse.

But to do it successfully, you need to start building detailed skills profiles the moment a candidate arrives at your career site or applicant portal or speaks with your recruitment team. You are also reliant on their willingness to share information about their skills and interests, so focus on driving engagement by improving other elements of the candidate experience. Incorporating a skills parsing feature can take the bother out of creating profiles, and with the Avature platform, skills can then be added or subtracted from the profile once parsed.

Allowing candidates to apply by simply importing their social profiles takes the pain out of an application process, with the added benefit for you of enhancing their skills profiles.

AI-powered functionality that provides live suggestions as candidates type keywords or recommendations based on their skills, building on other vital data such as their browsing history, previous applications, work experience, or geolocation, also streamlines the process.

Great experiences mean candidates will not be shy about returning. These skills profiles can be developed over time, as you constantly collect little bits of additional data and hone your recommendations and, subsequently, their experience.

To make this a win-win for hiring managers and candidates alike, ensure candidates are matched with recommendations against a skills ontology personal to your priorities.

A customized skills data model will guarantee your matching criteria is your own and not someone else's idea of what your desired skills should be.

Cultivate Contingent Skills Profiles

Usually, the assessment focuses on permanent hires, but contingent talent often provides valuable skills, and successful contractors could be re-assigned across the business. Temporary employees are often not assessed in the same way as full-time employees. Crafting a contingent talent marketplace not only allows the opportunity for them to be scouted by other areas of the business towards the end of their contract but means they can be rated on their skills and project deliverables at the end of each assignment for future reference. Comprehensive skills profiles give a fuller picture of current contractors and returners.

2. Uncover Skills Internally and Upskill Your Workforce

Activate a Skills-Focused Talent Marketplace

Congratulations! You have a new hire! Now is the time to live up to your employer brand, and if your candidate has enjoyed the application and hiring process, then you are off to a good start. Having been through your recruitment steps, you are confident that they possess the skills to hit the ground running, but this is where a holistic approach to skills management can lay the foundations for a fruitful relationship as an employee as you help them thrive within your organization.

As part of the onboarding process, invite new employees to start building a detailed employee skills profile that can be developed from day one. Mentors can be assigned to help new joiners speak openly about their aspirations and, after formal training is complete, they can be offered personalized training and L&D programs to start upskilling or filling skills gaps that might exist.

After onboarding, they can then use this employee profile to join and navigate an opportunity marketplace. An internal opportunity marketplace is an environment where employees can find relevant internal opportunities (job, projects, mentorship, etc.) to grow their careers and skills.

It provides a place where employees can nurture their career development and an essential tool for managers to understand the collective skills available within the company. This subsequently helps the organization adapt to inevitable changes in the market.

Industry Leaders in Action

Delta Air Lines

As a result of the COVID-19 travel restrictions, **Delta Air Lines** put in place hiring freezes. At the same time, the organization faced a conundrum: on the one hand, some employees, including pilots and flight attendants, experienced a downturn as the industry ground to halt. But on the other hand, employees tending to the outpour of customer calls were in dire need of a talent influx.

They wanted to ensure they kept the workforce as engaged as possible while making the most of the skills within their organization. They knew that employees might be interested in spreading their wings and working in areas of the business that needed a helping hand.

So, they created a page for hiring managers to **identify talent and skills gaps**. Employees could then express interest in "special assignments" to fill those gaps short term or transfer wholesale from their original roles. They worked with Avature to automate these assignments, facilitate screening of skills data and tailor eligibility criteria to adapt to the business needs. All of this helped spread the workload and keep their staff motivated as the travel industry was being hit hard by the global pandemic.

"That's one of the huge benefits of Avature, because it is **so configurable** to a company, not only their processes but what they're going through at a certain time."

— Jeri Lynn Wilson,
TA Operations Leader,
Delta Air Lines

Current Skills Are Just One Piece of the Puzzle

An employee profile is a chance to compile key information on work experience, skills, hobbies, professional interests, current projects, and, importantly, any areas of interest they would like to develop while working with you. This information will change over time. A person you hired five years ago is unlikely to have the same skills and ambitions they did when they first started. It is essential the technology you have in place can keep up with this.

For example, maybe you worked as a financial analyst in the past and have various sought-after finance skills; however, you didn't like that job, and you don't want to receive any finance job recommendations. To build a fuller picture, it is important to move away from relying on the extraction of skills from a LinkedIn profile or resume alone. Make sure to not only verify current skills with the employee but those they enjoy the most, as well as any new skills they want to learn.

As the area they want to grow might not always be in line with existing skills.

Considering skills can be the basis of most talent processes, in order to understand if someone is a good fit for a position or project, there are other elements that the company needs to consider.

Is the employee willing to relocate? What about his career aspirations?

To add to this, profiles can be enriched by data from other moments within the employee lifecycle, such as performance management reviews, manager catch-ups, completion of training courses or internal projects and feedback from peers.

For performance management in particular, comprehensive reviews can be carried out around their skills, not only technical but enduring skills to give a more comprehensive picture of the candidate.

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Companies with robust programs to reskill their staff into other positions experience a nearly 30% increase in employee engagement.[2]

[2] Deloitte, 2019.

Staying on Top of Skills Gaps With Real-Time Analytics

Alongside solid leadership and communication and a cultural shift towards a focus on skills, make the most of comprehensive reporting and analytics to constantly assess and hone your strategy. Having the right technology can support data-driven decisions, increase matching accuracy across the business and sharpen the assessment and eligibility criteria for all opportunities. With these analytics you can tailor the recommendations of projects, training or further reading to upskill individuals within the workforce.

Create custom reports centered around skills to allow you to assess how your skills-based approach is performing. Choose a solution that enables you to break down these metrics by division, location, position type or any other relevant parameter, and personalize the information you include in reports for different audiences. See your skills strategy in action and celebrate success while using these tools to sharpen the areas that need attention. If you are honing an already successful strategy, reporting and analytics play an integral role in achieving that.

04. Integrating Into a Holistic Strategy

Skills management is as important to talent acquisition as talent management, forming part of any broad talent strategy. Ensuring your skills-based approach is applied consistently across your talent tech stack is the only way to gain the results a holistic strategy can deliver. From your CRM and ATS to your performance management platform, allowing skills to be assessed and addressed consistently enables you to draw on valuable data and will only enhance your strategy.

Often, all the data available to create accurate matches is scattered between various platforms and stored in a multitude of formats. So, instead of implementing different skills technology for specific use cases, you should consider harmonizing skills at a platform level, ensuring a consistent and coherent approach.

05. Conclusion

As the market changes, so are the tools that will allow you to keep up with it. With more HR teams looking to skills and competency-based approaches, the typical linear career path is going to give way to broader career lattices, increased diversity and new business models.

Understanding what skills you have within your organization and prioritizing them within sourcing and hiring processes, training and development programs, and internal talent marketplaces will build a workforce more closely aligned to your company's values and strategic priorities.

Ensuring that these skills change and adapt at the same speed of your organization and the market demands will be paramount to staying competitive.

If you have always had a skills-based approach that you want to sharpen with new technology or are looking to build a new skills-based strategy, it is clear that skills models will mold the talent landscape for the foreseeable future. Now is the time to get on board.

Looking to Spearhead Talent Practices With a **Skill-Based Approach?**

Request a Demo Today