



Foreword

The International Organisation of Employers (IOE) and Deloitte are delighted to have the opportunity to present to you our **report on Future Skills Assessment**.

Both IOE and Deloitte strongly believe that the [Future of Work](#) is changing and major modifications will be needed in the skills required by the labour market. To cope with the increasing pace and change of modern life, especially in the context of the future of work, the global workforce needs to be up to date with the right skills through formal and informal lifelong learning. Lifelong learning is defined as all learning activities undertaken throughout life, with the aim of improving knowledge, skills and competences within a personal, civic, social and/or employment-related perspective.

The [World Bank](#) and [OECD reports](#) state that the rise of Artificial Intelligence is not only making human and social skills increasingly important, they are precisely the type of skills which cannot be codified or automated. This inevitably means that human and social skills are more valuable than before, and it therefore makes sense to invest time and effort to learn new skills throughout life.

To be on the front line of this global debate, especially in times of COVID-19 where expanding human and social skills become even more relevant, IOE has asked Deloitte to jointly develop a report on Future Skills Assessment (specifically on human and social skills). Based on the findings of this report, we have developed practical recommendations for the assessment of future skills - with vast experience from 41 organisations around the world, large and small, that have been interviewed on the following three areas:

- What are the **future workforce skills** (specifically on human and social skills)?
- How can we **assess future workforce skills**?
- How can organisations **establish their skills base needed to succeed in the future**?

We see this report as a unique opportunity to add value to your business through our findings and practical recommendations on how to anticipate the skills needed in the near future, and we understand these could be of use to you.

We are fully committed to continuing to build on our research around future skills assessment and we look forward to presenting our report and addressing any questions you might have.

Yours faithfully,







Roberto Suarez-Santos
Secretary-General International Organisation of Employers

Myriam Denk
Partner Deloitte



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Objectives of the report

The objective of the report is to present to you key findings and guidance on how to assess skills levels today and which skills to prepare for in the future from multiple organisations around the world.

It is also to provide policy guidance to employer organisations to help them in their advocacy work on skills governance and skills development.

Methodology (1/3)

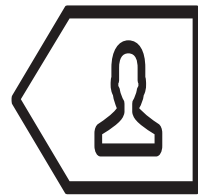
Deloitte and IOE carried out interviews using available digital tools (Zoom, Skype, phone and email).

Participants come from companies (private and public), employer organisations and international organisations – from all regions and are of different maturity levels and sizes.

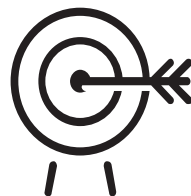
A Peer Review Group – representatives from companies, employer organisations and international organisations reviewed the draft report and their comments have been integrated into the report presented to you now.

Methodology (2/3)

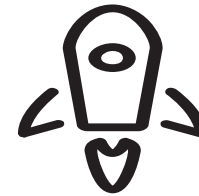
41 organisations around the world, large and small, have been interviewed on the following three areas:



**What are the future
workforce skills
(specifically on human
and social skills)?**



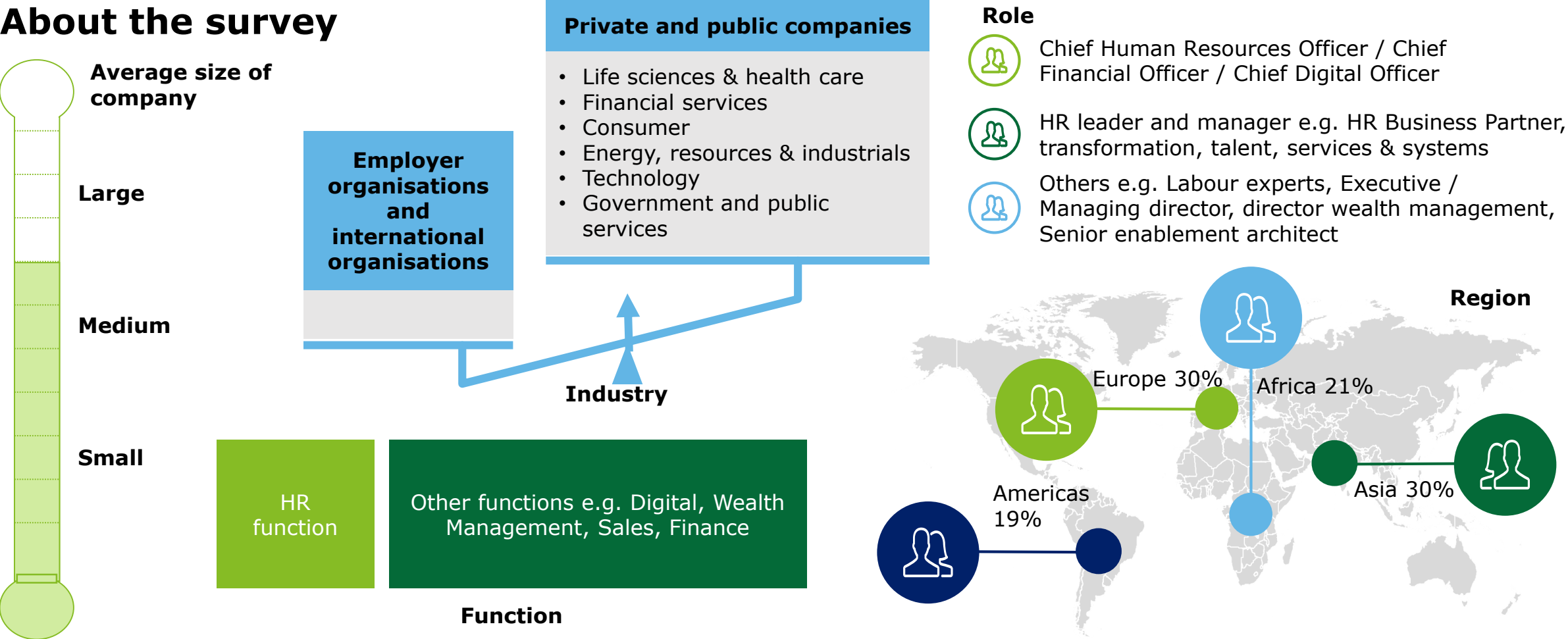
**How can we assess future
workforce skills?**



**How can organisations
establish their skills
base needed to
succeed in the future?**

Methodology (3/3)

About the survey



Interview results (1/9)

About the survey

Build a **digital workforce and leaders.**

Create a **strong culture of proactive life-long learning.**

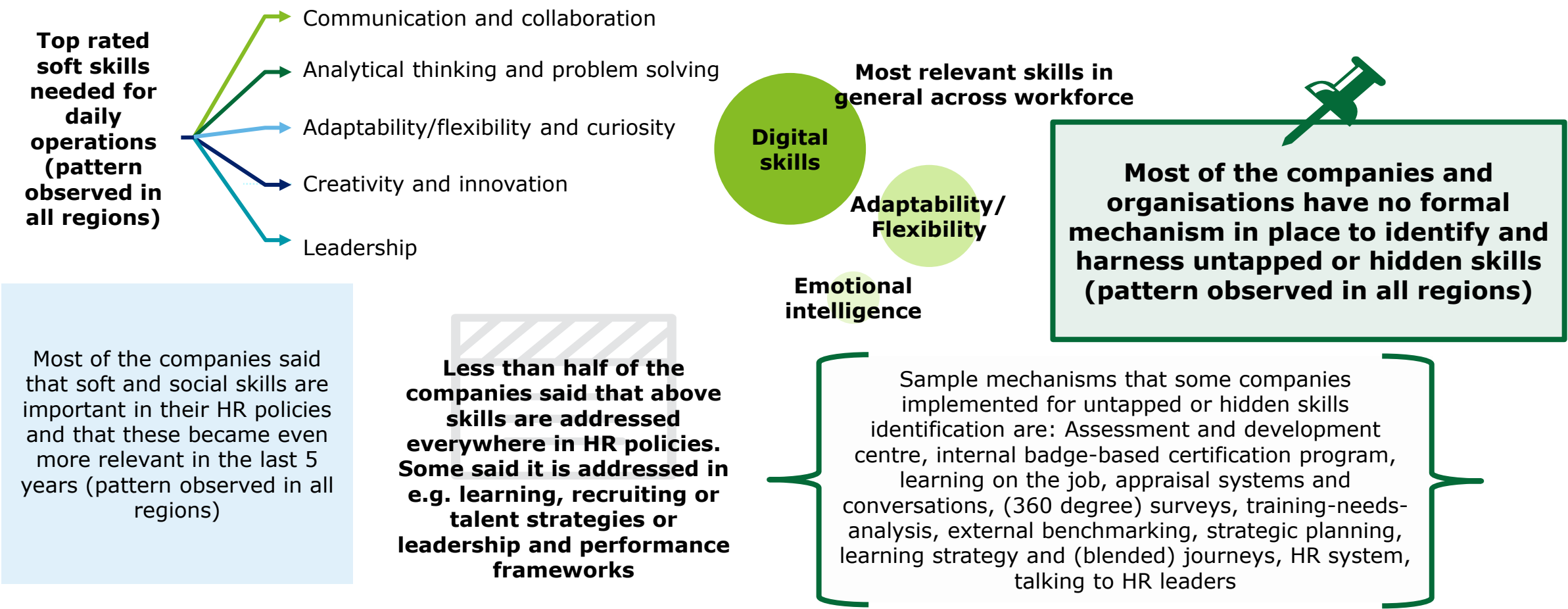


Align with your **business strategy.**

Embrace **digital technologies.**

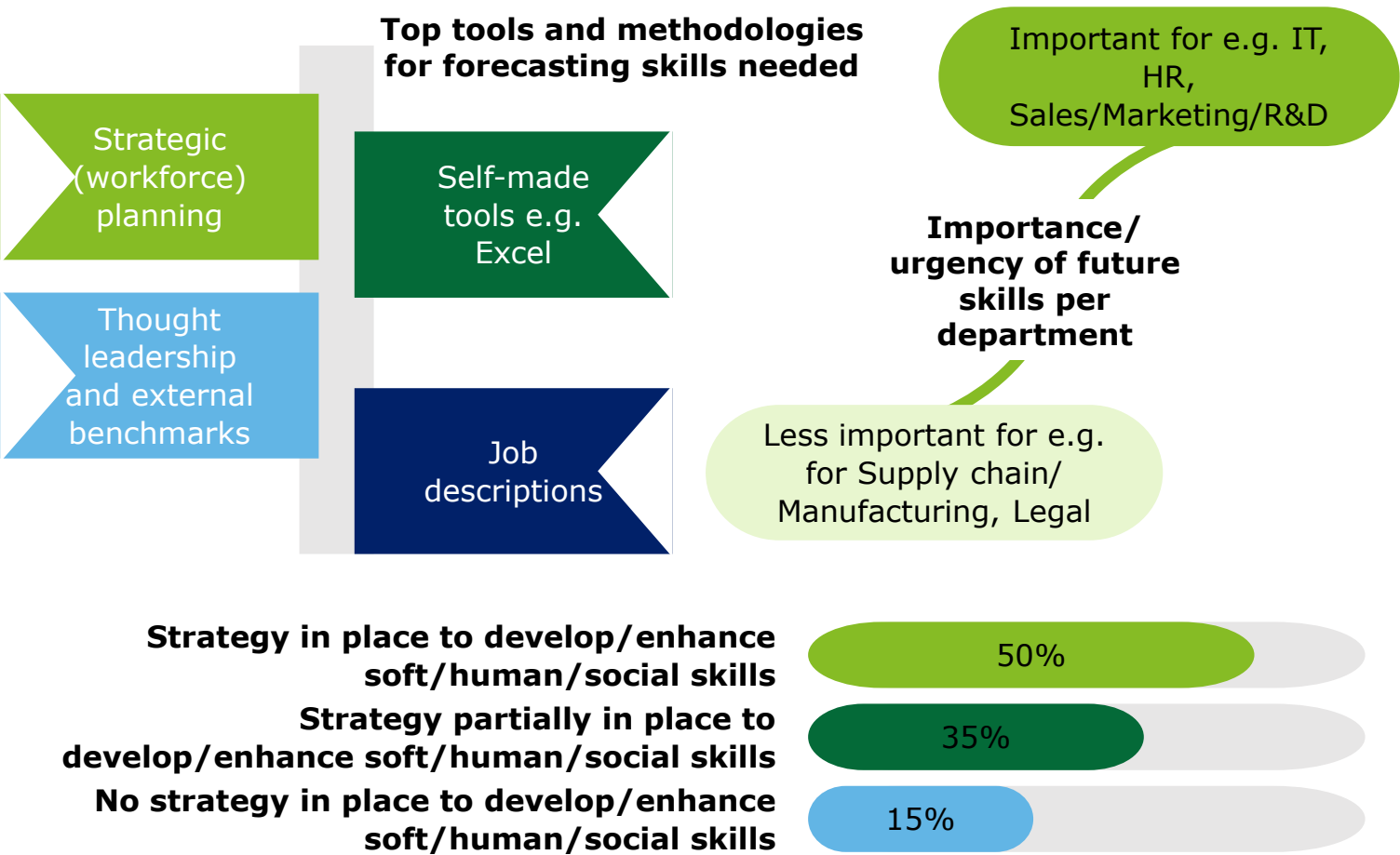
Interview results (2/9)


Current skills



Interview results (3/9)

Future skills





Tactics to ensure that employees have the right attitudes and mentality to embrace technology and new ideas in a changing work environment (pattern observed in all regions)

- Form a group of innovators e.g. “champions” network
- Learn from each other (peer to peer learning)
- Lead by example e.g. set the right expectations from the beginning
- Showcase what “good looks like” e.g. knowledge sharing sessions, symposium
- Implement incentives e.g. awards and mobile credits
- Build a culture of life-long learning
- Create awareness of what is possible in terms of learning pathways
- Provide information and explain the “Why”

Interview results (4/9)

Future skills



Role/Responsibilities of the employee addressing learning needs

"Own responsibility"

"I make my own brand"

"Co-creation between employer and employee"

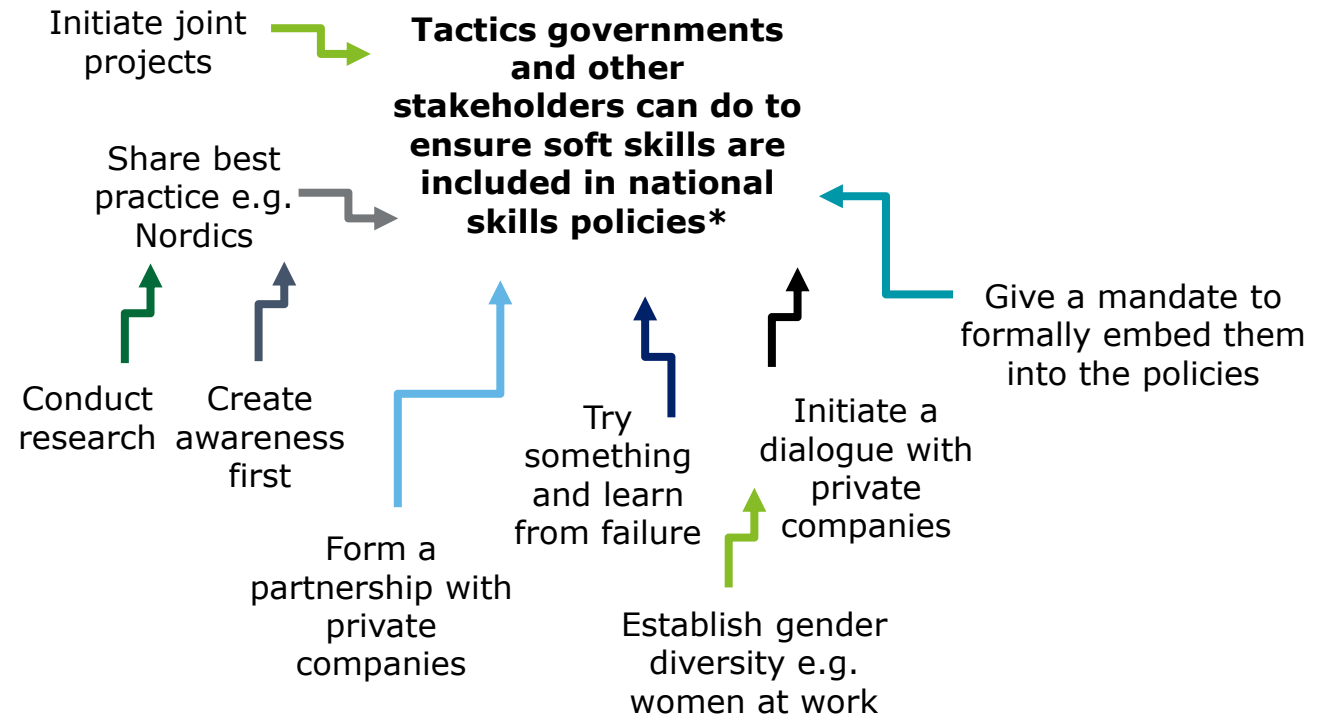
"Empowered by a culture of learning"

"Empowered by openly sharing learning needs"

"Empowered by demonstrating what good looks like"

"Empowered by informing them about what is possible"

"Empowered by ability of self-reflection"

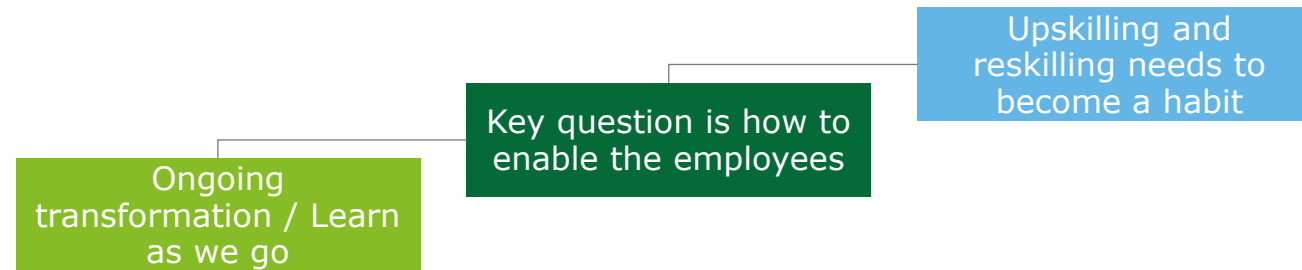


* Check out the "policy recommendation" slide to find out more about this topic

Interview results (5/9)

Future skills

Additional thoughts about your workforce and their future skills

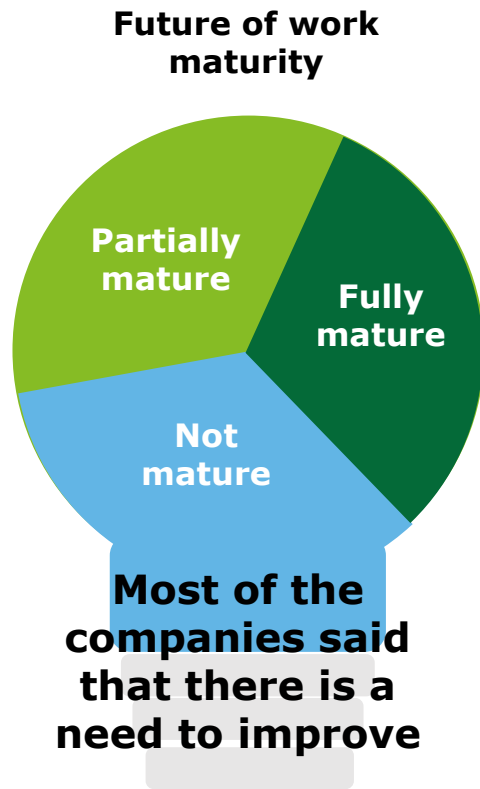


Soft skills not really addressed in the current educational systems in your country (pattern observed in all regions)



Interview results (6/9)

Future of work



1
Trend to insource* again

2
Focus on what employees can do best

3
Take decisions about investment in skills

Most of the companies see automation, off-balance sheet** workforce etc. as opportunities but most of them are not using it yet or not to the full potential (pattern in all regions)

* Insource = Practice of using a company's own personnel to accomplish a task that was previously outsourced

** Off-balance sheet = Alternative workforce that do not appear on a company's balance sheet e.g. contractor etc.

Interview results (7/9)

Future of work



Other comments around skills and Future of Work

- Future of work will be technology driven
- A cultural change / right mindset is required
- Develop digital careers
- Well-being is a hot topic
- Dedicate time when learning future skills e.g. block calendar and stick to it

Lessons learned from the pandemic crisis on skills development, re-skilling and in promoting a learning culture (pattern observed in all regions)

- Implement a "Do it" culture – test new ways of working and adjust as required and "on the go"
- "Who adapts technology faster, will do well"
- Digitalization becomes necessary and digital literacy education is essential
- People have to learn when they need to
- Create a culture of trust
- Emphasize on ability to "Self-solve"
- Keep the learning momentum post COVID-19 to build upon it to become stronger, faster and better
- Re-skilling of employees in certain functions e.g. IT on virtual collaboration and tools to be used

Interview results (8/9)

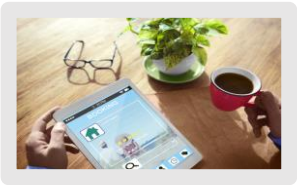
Other interesting findings



"**Passion for the job** is important for the long term, skills can always be developed"



"We nurture a **growth mindset, agile ways of working and collaboration** to ensure everyone is willing to adapt"



Digital literacy education is essential



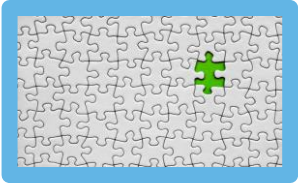
Managers should be encouraged to be coaches



Peer to peer learning is an important part of upskilling



Aligning the **culture, leadership and new trends** is the key factor for success



Meta-analysis based research can help map out the hidden skills which emerge from everyday tasks



Allow the employee to **experiment and provide sufficient time to harness skills**



Upskilling and reskilling is above all knowing the **'language of the future: digital, human, social'**

Interview results (9/9)

Other interesting findings



Managers will **move employees to locations where their skills can be harnessed**. In a small garment factory for instance, someone with good hand coordination skills can work in the assembly line. Someone who is good with numbers (and interestingly) good handwriting can work in the accounting department



The **automation of routine activities** that require physical effort as well as, increasingly, activities that require cognitive abilities, allows companies to improve their effectiveness and efficiency by adopting it, reducing the number of errors, improving the quality of the products, and shortening the duration of production cycles, which ends up improving the competitive position and profitability, in the process, also increasing the productivity and income of workers who work with the machines



Staff members are empowered by:

- Encouraging them to take on more demanding and complex assignments in relation to litigation, industrial relations, training and human resource management
- Sending them for overseas training
- Nominating them to represent the organisation at various national fora on labour law reforms, skills development, youth employment, gender issues at work etc.



Involving all national stakeholders in the crafting of skills policies should contribute to ensure that soft skills are taken into account – so, in addition to policy makers and educational stakeholders (for both initial education and adult learning), private sector companies, employment agencies and federations and trade unions should be involved directly and regularly in the process. Additionally systematic use and regular monitoring of labour market intelligence and data, leveraging AI technologies and expertise, should support such process, providing insights into current and future labour market needs



Governments and training providers need to **keep abreast of developments and understand the impact of technology on learning delivery**. They need to invest continuously in new models and content of provision. They also need to collaborate, closely, with employers to support them in achieving their business and skills objectives to ensure provision is responsive to their needs and forward-looking in a competitive learning market



For recruitment, **psychometric tests and interviews are used to see if the candidate meets the competences** needed by a company. On the other hand, performance evaluations detect opportunities where employee skills can be further developed

Practical recommendations (1/12)

Lessons from the front line



Build a digital workforce and leaders

Organisations will have to organize, operate and behave differently for the digital age. Both the workforce and leaders will have to get ready to work and lead in the digital age.

"The future of work is NOW!"



Create a strong culture of proactive life-long learning

A culture of life-long learning is built on trust and openness. Employees are encouraged, supported and rewarded for continuous pro-active learning at any time – empowered by leadership, teamwork and mentoring.

"Learn from failure and learn from each other!"

"Learning capacity is key, not the degree you bring along!"



Embrace digital technologies

The impact of technologies on organisations of every size and industry is high. Technologies are transforming the way we work, especially in times of COVID-19. Organisations will have to learn, work, collaborate, communicate and innovate in new ways empowered by digital technologies.

"We cannot live without technology!"

Driven and aligned with your business strategy

Practical recommendations (2/12)

Introduction

**Analyse future
workforce skills**



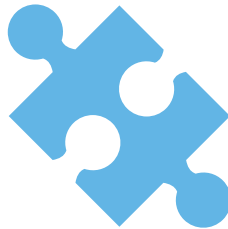
**Analyse current
workforce skills**



**Analyse workforce
skills gap**



**Create action plan to close
the workforce skills gap**



Action plan

- ...
- ...
- ...

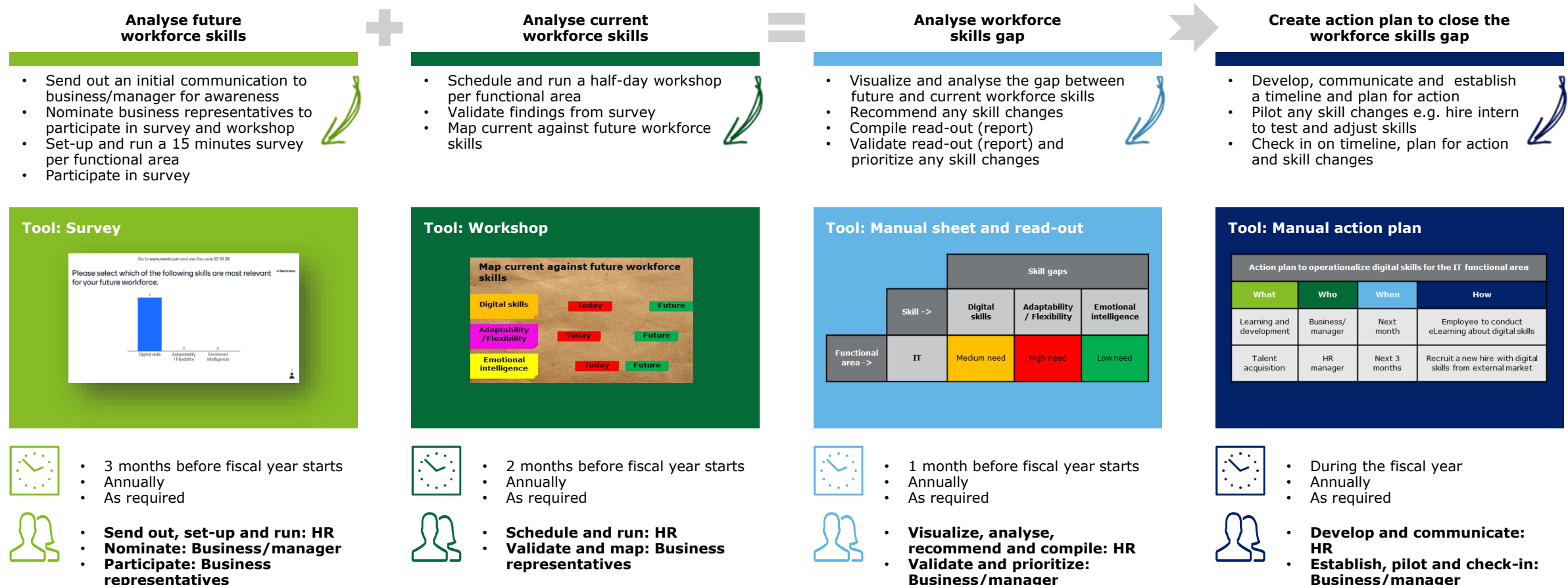
Driven and aligned with your business strategy

Practical recommendations (3/12)

Light touch approach for small companies with lower degree of maturity in the labour market

Business / HR view

Our guidance to assess future workforce skills



Objective -> Push: HR initiates process and delivers tools and reports to business/managers

Practical recommendations (4/12)

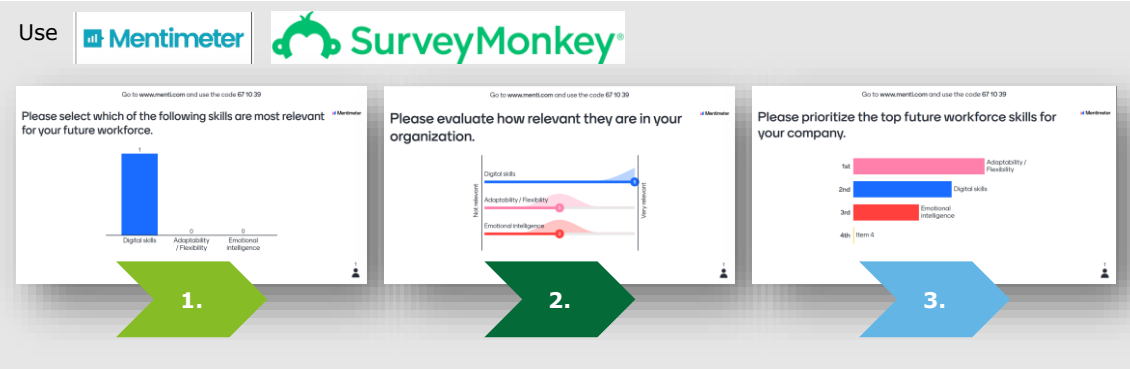
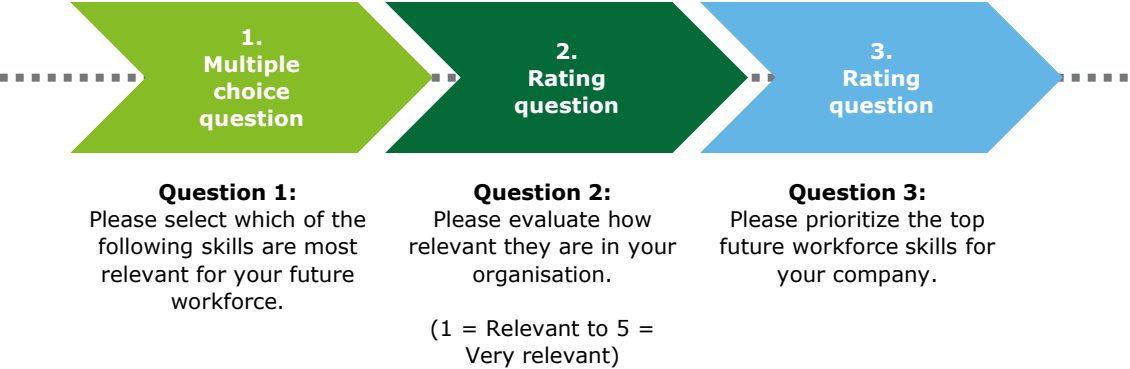
Light touch approach for small companies with lower degree of maturity in the labour market

Business / HR view

Our guidance to assess future workforce skills

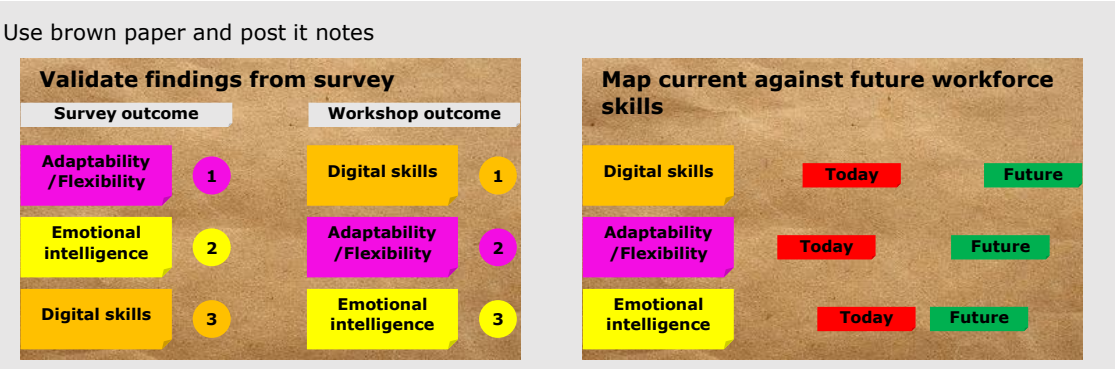
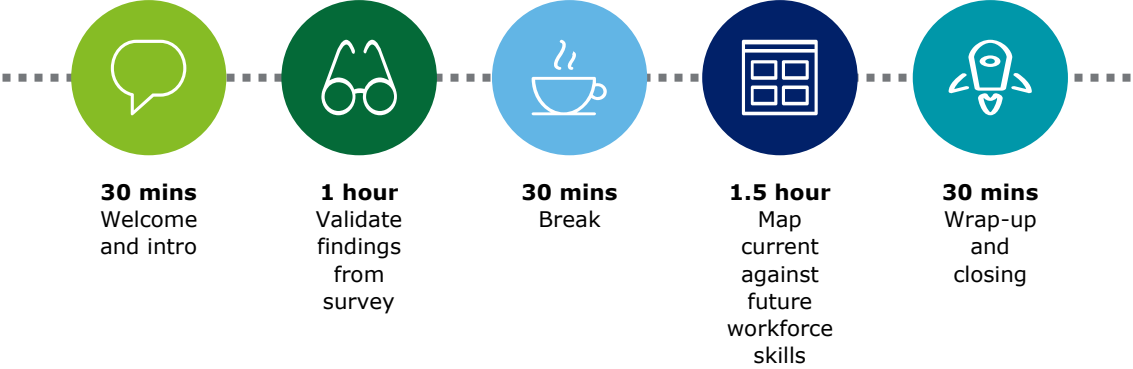
How it could look like

Sample survey structure



How it could look like

Sample workshop structure



Practical recommendations (5/12)

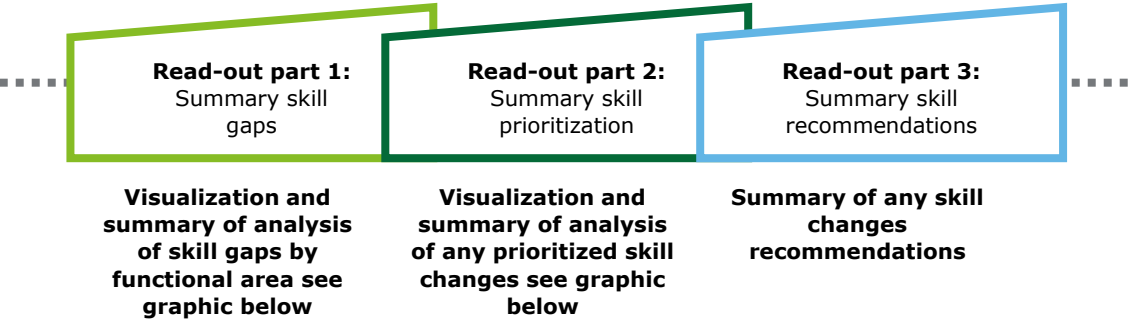
Light touch approach for small companies with lower degree of maturity in the labour market

Business / HR view

Our guidance to assess future workforce skills

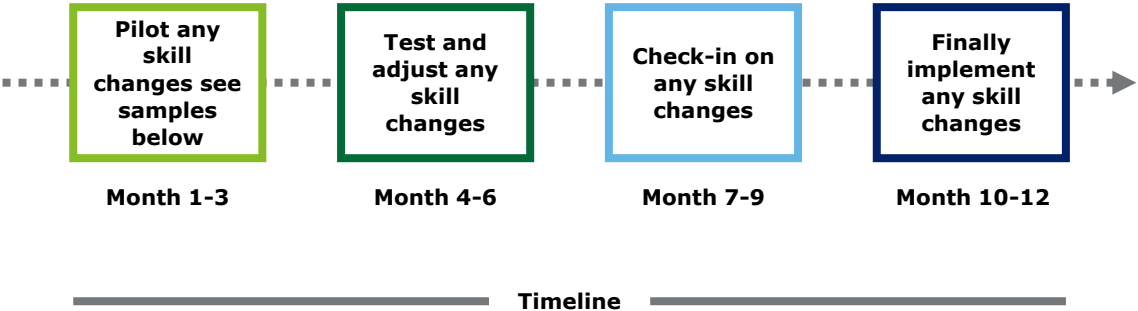
How it could look like

Sample manual sheet and read-out structure



How it could look like

Sample manual action plan structure



Use Excel PowerPoint

		Skill gaps analysis			
Skill ->		Digital skills	Adaptability / Flexibility	Emotional intelligence	
Functional area ->	IT	Medium need	High need	Low need	

		Prioritization matrix	
		Digital skills	Adaptability / Flexibility
High priority			
Low priority			

Use PowerPoint

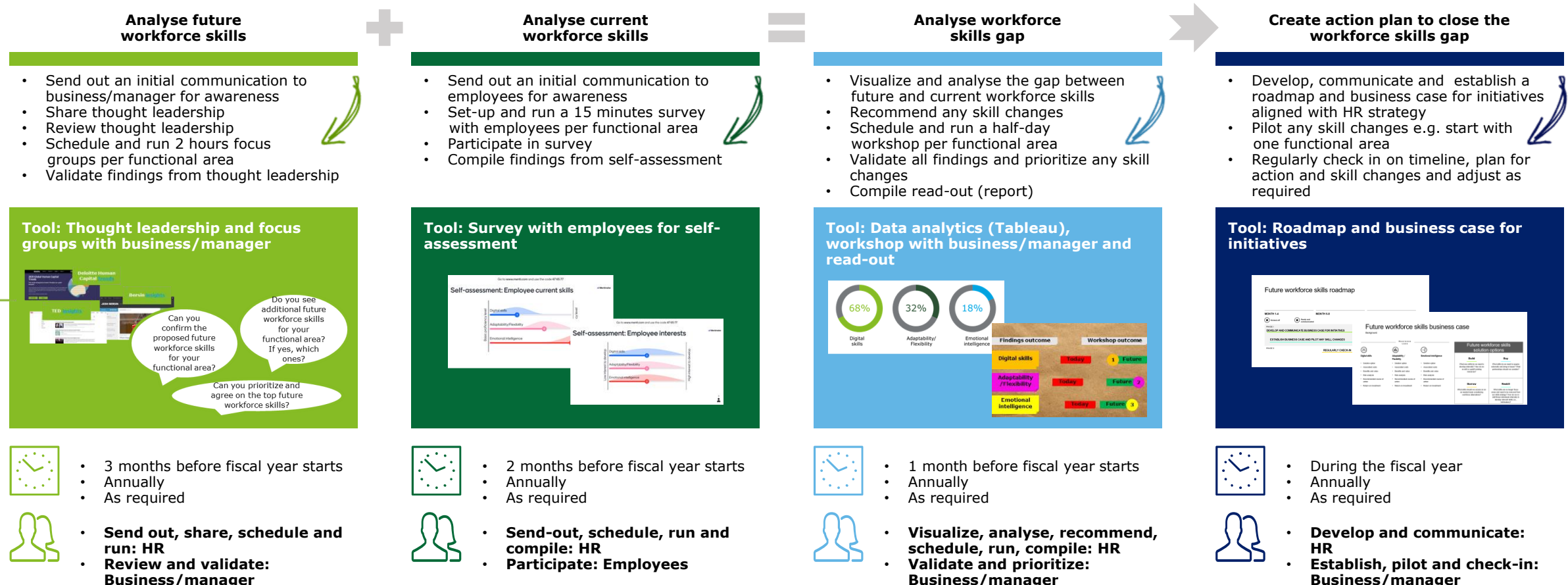
Action plan to operationalize digital skills for the IT functional area			
What	Who	When	How
Learning and development	Business/ manager	Next month	Employee to conduct training about digital skills e.g. eLearning
Talent acquisition	HR manager	Next 3 months	Recruit a new hire with digital skills from external market e.g. intern

Practical recommendations (6/12)

Medium touch approach for medium-sized companies with medium degree of maturity in the labour market

Business / HR view

Our guidance to assess future workforce skills



Objective -> Pull: Business/manager proactively initiates process and leverages tools from HR to jointly create reports

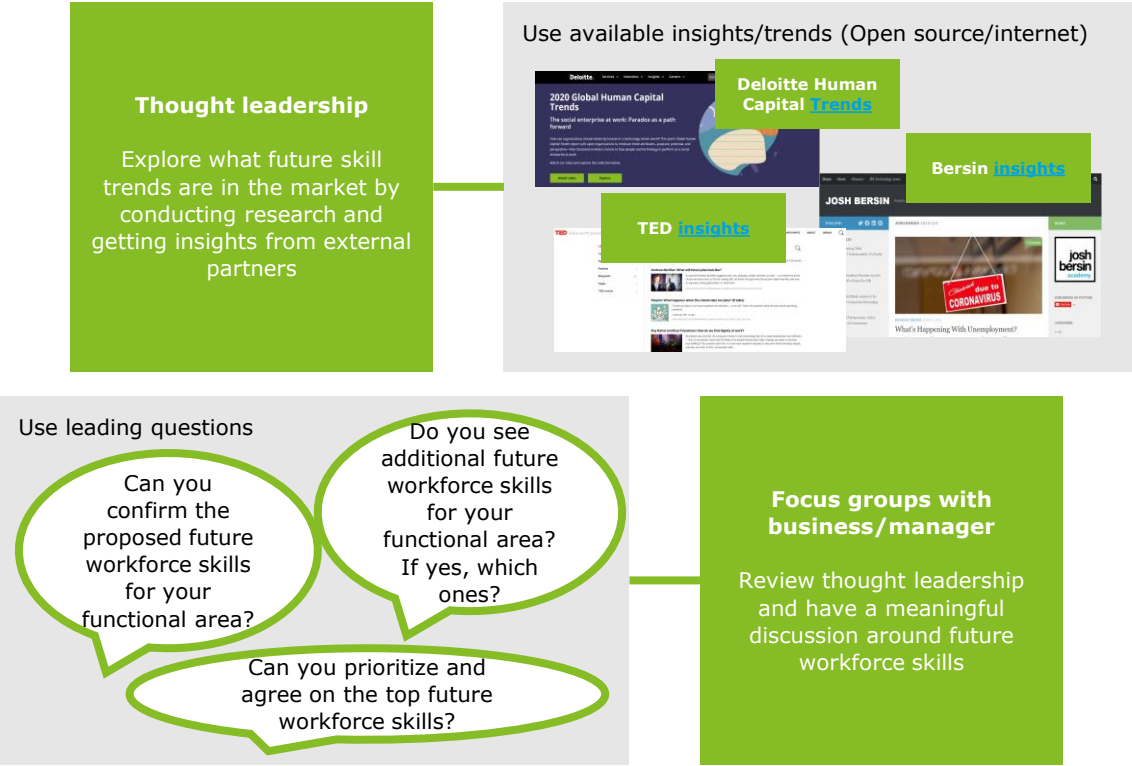
Practical recommendations (7/12)

Medium touch approach for medium-sized companies with medium degree of maturity in the labour market

Business / HR view

Our guidance to assess future workforce skills

How it could look like
Sample thought leadership ideas and focus group structure



How it could look like
Sample survey with employees for self-assessment structure



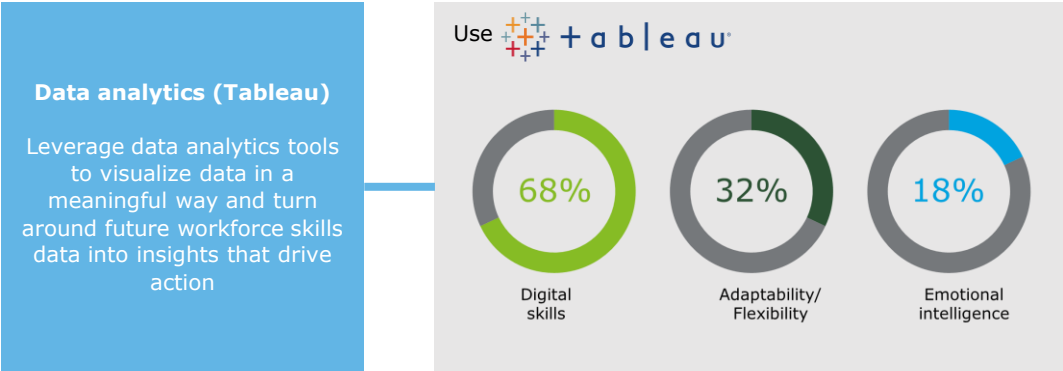
Practical recommendations (8/12)

Medium touch approach for medium-sized companies with medium degree of maturity in the labour market

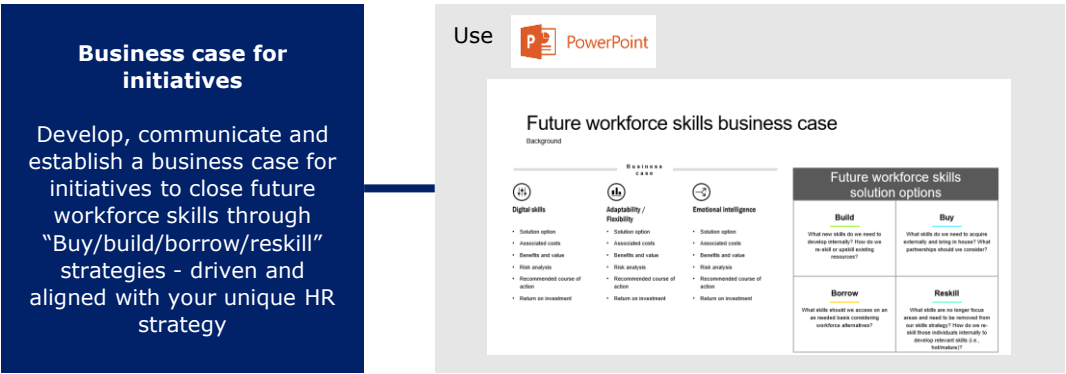
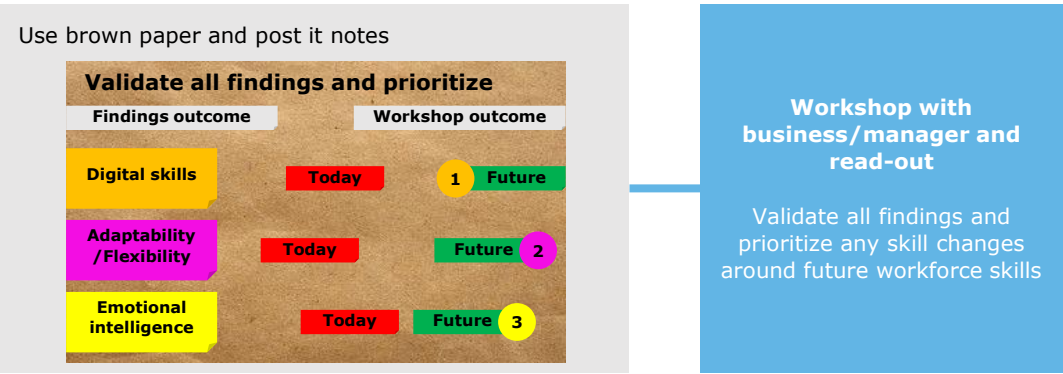
Business / HR view

Our guidance to assess future workforce skills

How it could look like
Sample data analytics (Tableau), workshop with business/manager and read-out structure



How it could look like
Sample roadmap and business case for initiatives structure

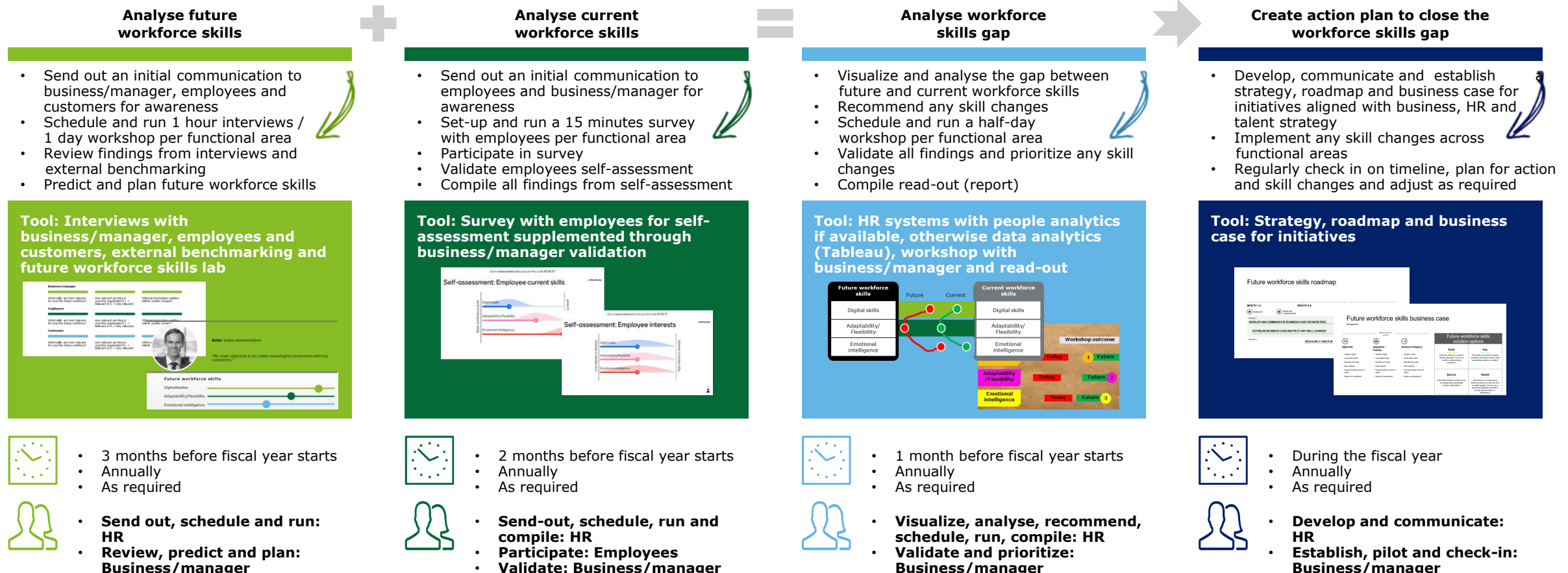


Practical recommendations (9/12)

High-touch touch approach for large companies with high degree of maturity in the labour market

Business / HR view

Our guidance to assess future workforce skills



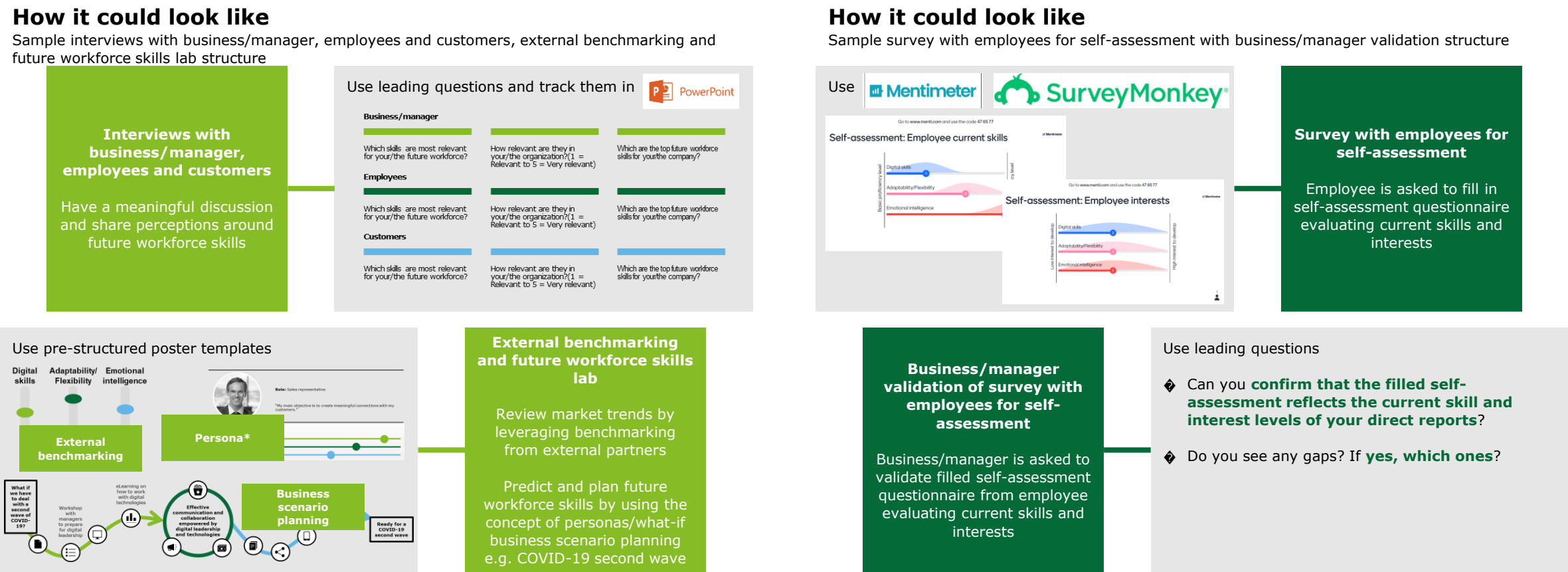
Objective -> Pull: Business/manager proactively manage process and tools to create reports on their own and consult/inform HR only

Practical recommendations (10/12)

High-touch touch approach for large companies with high degree of maturity in the labour market

Business / HR view

Our guidance to assess future workforce skills



* **Persona** is a fictional role and character which you create in order to represent different role types that work in your company e.g. Sales Representative. Creating personas will help you to understand what roles future needs, experiences, behaviours and goals are to analyse future workforce skills 27

Practical recommendations (11/12)

High-touch touch approach for large companies with high degree of maturity in the labour market


Business / HR view

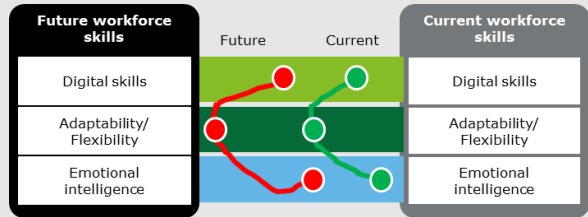
Our guidance to assess future workforce skills

How it could look like
Sample people/data analytics (Tableau), workshop with business/manager and read-out structure

HR systems with people analytics if available, otherwise data analytics (Tableau)

Leverage data analytics tools to visualize data in a meaningful way and turn around future workforce skills data into insights that drive action

Use HR systems if available or 



Use brown paper and post it notes



Workshop with business/manager and read-out

Validate all findings and prioritize any skill changes around future workforce skills

How it could look like
Sample strategy, roadmap and business case for initiatives structure

Use 



Aligned with business, HR and talent strategy

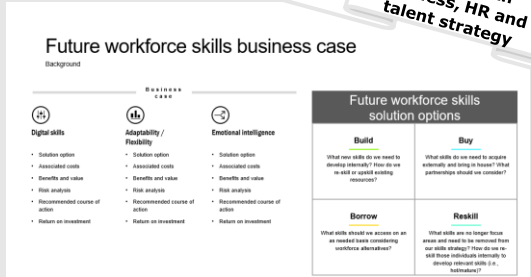
Strategy and roadmap aligned with business, HR and talent strategy

Develop, communicate and establish a roadmap to put a strategic plan in place that defines the goal to close future workforce skill gaps and include major steps or milestones needed to reach it

Business case for initiatives aligned with business, HR and talent strategy

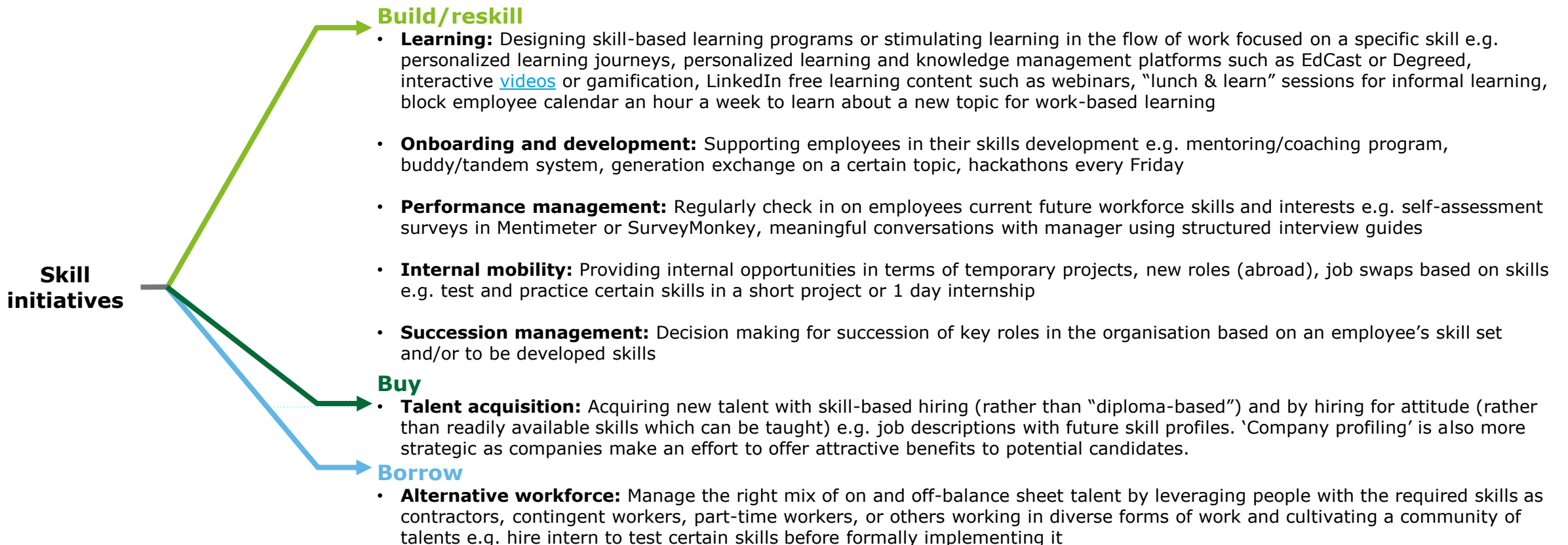
Develop, communicate and establish a business case for initiatives to close future workforce skills through "Buy/build/borrow/reskill" strategies - driven and aligned with your unique HR strategy

Use 



Aligned with business, HR and talent strategy

Our guidance to establish future workforce skills



Findings of interviews are consistent and builds on Deloitte's thought leadership recommendations from the 2020 Global Human Capital Trends

2020 Global Human Capital Trends: Investing in resilience for uncertain futures

What is needed is a worker development approach that considers both the dynamic nature of jobs and the equally dynamic potential of people to reinvent themselves.

Today, success increasingly depends on innovation, entrepreneurship, and other forms of creativity that rely not just on skills, but also on less quantifiable capabilities such as critical thinking, emotional intelligence, and collaboration.



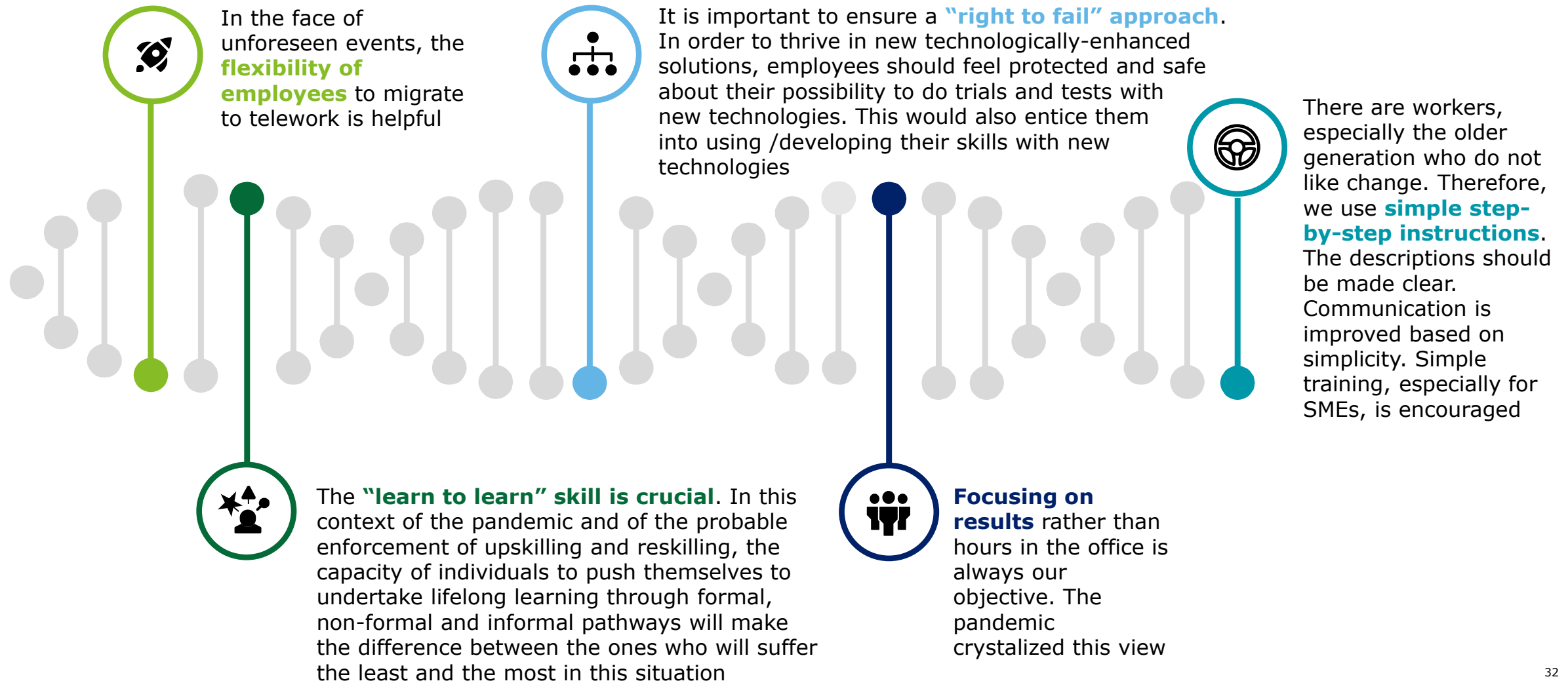
Organisations may be ill served by the currently prevalent narrow approach to reskilling, which consists largely of attempting to precisely tally current skill needs, prescribing discrete training programs to suit, and then doing it all over again once the organisation's needs change. A system that instead invests not just in workers' near-term skill needs but also in workers' long-term resilience, developing their capabilities as part of work and embracing a dynamic relationship with the organisation's broader ecosystem, can help build long-term organisational resilience as well.

Policy recommendations for Employer Organisations

Employer organisations have a crucial role to play in future skills anticipation and development. Based on interview findings, employer organisations may wish to strongly advocate their governments to:

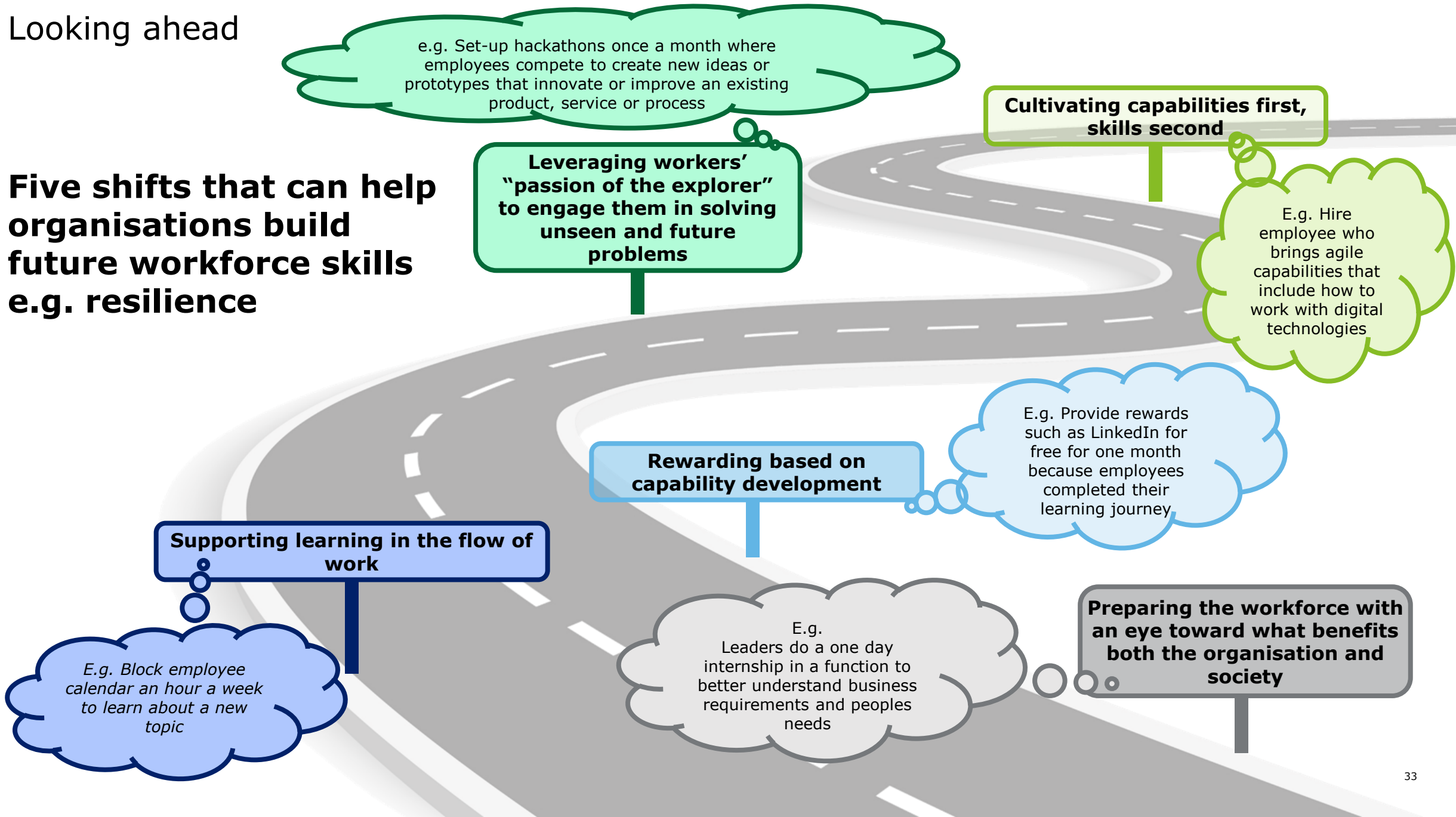
- Find ways to embed human and social skills in the different learning pathways
- Strengthen the capacities of career counsellors – ensuring they are aware of the industry needs and provide students with possible career options and skilling opportunities, including TVET, further education, apprenticeships and others
- Support tripartite consultations and promote cooperation on skilling projects
- Provide an enabling environment for businesses to upskill and reskill their workforce, such as through incentives, grants and access to finance. Removal of barriers such as enabling mobile money is one way to offer training providers access to learners. It is also important to simplify procedures and to make it attractive for businesses to contribute ideas
- Promote sound labour market systems
- Build a culture of lifelong learning from a young age
- Lifelong learning is a joint responsibility of individuals (as it increases one's employability), governments (through public education systems) and employers (such as work-based training)
- Expand cooperation between the education system and the private sector, which are represented by employer organisations at the national level. This can be through social dialogue, cross-sectoral agreements, MOUs, Skills Passport, Committee Training Council, informal discussions, etc. Teachers need to learn what is needed by Industry and bring this knowledge back to classes. This needs to start from primary and tertiary schools
- Address human and social skills in the national agenda. Place training as a priority of State policy and guarantee a stable regulatory framework that has broad consensus, thus ensuring its long-term continuity beyond political changes
- Government at the central and state levels should make human and social skills as part of education curriculum
- Review of TVET and apprenticeships systems. Modernise them in line with private sector needs
- Understand the problems of establishing a common skills recognition framework and to find ways to go beyond this as skills are evolving
- Invest in Science, Technology, Engineering and Mathematics (STEM) and digital skills

Lessons learned from the pandemic crisis ("COVID-19")



Looking ahead

Five shifts that can help organisations build future workforce skills e.g. resilience



Acknowledgements



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