



WHITEPAPER

Upskill Your Workforce to Ensure Organizational Longevity

How investing in employees through training can make your company more competitive in a rapidly changing workplace.

Imagine commuting to your job in an autonomous vehicle (hopefully avoiding the usual traffic) and checking in with the virtual assistant at the front desk. Instead of taking your previous post on the assembly line, you head to your computer terminal to program the robotic arm that installs the part you once did manually. Thanks to an in-house training program, you have the skills to fine-tune the operation and make critical adjustments, as well as produce analytic reports on production in order to improve efficiency.

This scenario shouldn't be hard to imagine, as it's playing out every day across America (except for the autonomous vehicle, of course, but that's not far away). Technology is rapidly reshaping the workforce. Today, robots can assemble machinery, deliver goods, and handle dirty, dangerous jobs on industrial sites. Systems enabled by machine learning can provide customer service, manage logistics, automate marketing tasks, detect fraud, and much more. And, if it feels like the pace of technological advancements is quickening, it's because it is. According to the [law of accelerating returns](#), the pace of technological progress speeds up exponentially over time because there is a constant force driving it forward.

What does this mean for the workforce? With automation becoming increasingly integrated into the workplace, the need to reskill or upskill existing workers is paramount to the economic success of nearly every industry. In fact, [according to research](#) by IBM, nearly 120 million American workers will need to be retrained in the next three years in order to continue to earn a

living. With many employers already saying that talent shortage is one of the greatest threats to their organizations, this trend is a major concern.

- » How should employers handle the task of reskilling?
- » Does it make more sense to train talent than to hire new talent?
- » What skills will be in high demand?
- » How will new skills be recognized?

Answering these questions can give your company a competitive advantage.

The Rise of the Robot

Research from McKinsey indicates that millions of jobs with a high share of automatable tasks could be phased out in the next ten years. The reason for this is simple: machines are better suited for rote and manual tasks. They can work 24/7, without breaks or sick days, and with great precision, increasing both productivity and efficiency.



However, before we start envisioning a sci-fi movie where robots take over the world, let's look at the good news. While some jobs will disappear, others will be created in many cases, more than making up for the losses. Though these new jobs may be in different occupations or located in different places, the greatest impact (and opportunity) will be the transformation of existing jobs. Workers will be challenged to adapt, and employers will be tasked with providing the necessary training to make this evolution possible.

While office support roles, foodservice, and manufacturing jobs could decline, jobs in healthcare for an aging population and STEM, especially those involving new technologies, are expected to grow rapidly in the coming decade.

Preparing for Jobs That Don't Exist

While technological advances have made some jobs obsolete, it has also created new occupations. For example, most of us can remember a day when jobs such as web developer, app developer, and SEO consultant were unheard of. Now, you probably know many people in these positions, as well as someone who makes a living as an Instagram influencer. As we look ahead to 2030, [academic research](#) suggests that between eight and nine percent of jobs will be occupations that don't exist today. How can employers prepare workers (and their own organization) for jobs that are evolving and for those that are yet to be defined?

Getting People From Here to There

In order to adapt to a changing workplace, employees will need new skills. The questions for employers are how best to provide the necessary training and how much to invest in training incumbent talent. The analysis begins by assessing how jobs within your organization are evolving and what skills are becoming increasingly important. For example, the McKinsey report showed that the need for actuaries (professionals who quantify and price risk) is not decreasing. Though AI is changing the job by performing tasks faster and providing a more sophisticated analysis, actuaries with

advanced quantitative and computational skills, as well as statistical modeling and product design, are in high demand. A similar situation is occurring for market research analysts. Job postings for these positions are now requesting expertise in strategic management, data science, and machine learning. Same titles, but new skill sets.

To meet the challenge of talent shortage and the necessity of new skills, employers should consider the benefits of making the most of their greatest asset: current employees. Rather than struggling to find a “unicorn” with the perfect skill set from scratch, studies show that it's far more cost-effective to reskill or upskill a current employee who is lacking one or two of the necessary talents.

According to [Business Insider](#), the estimated real cost of recruiting a new employee is upwards of 50 percent of a person's salary. And, making a mistake in the recruitment process that leads to resignation or firing can cost an employer between half and two-thirds of the employee's annual salary. Hiring involves advertising costs, recruitment fees, interview time, human resources, and training expenses.

On the other hand, [data](#) shows that when companies choose to upskill and train their existing workforce, they reap the following benefits:

- » **Employee retention**—training is the second most effective way of retaining employees, behind pay and benefits.
- » **Continuous learning**—today's employees expect personalized experience (the same as they do from online shopping and Netflix), which involves continuous, on-demand learning.
- » **Higher productivity**—employees who receive training are more engaged and motivated, and therefore more likely to make significant contributions to the organization.
- » **More equality**—access to training is one of the best ways to increase equality within the workplace.

- » **Improved culture**—training demonstrates your company’s dedication and commitment to your best employees and helps attract top talent.

Emotional Intelligence Matters, Too

While “high tech” skills get all the attention, they are only part of the equation. A [survey](#) of human resources professionals asked which skills they believe will become more important for entry-level jobs in the next three to five years. The top responses were adaptability (62%), initiative (49%), critical thinking (49%), and creativity and innovation (46%).

Ernst & Young recently released a [study](#) that found that about 40 percent of existing university degrees will soon be obsolete. Technology is forcing professions to evolve at a pace that traditional universities can’t keep up with. It’s predicted that future university education will involve degrees made up of “micro-credentials” that are directly relevant to the work students want to do. Workplaces will need to step in and adopt a “lifelong learning” approach to employee development.

Experts point out that these “soft skills” are often more difficult, if not impossible, to teach. Therefore, if current employees possess these skills and have proven their ability to communicate effectively, work well in teams, initiate projects, demonstrate emotional intelligence, and other behavioral proficiencies, then training them in the next level of technological advancement makes sense.



48% Increased employee engagement



34% Increased productivity



26% Increased employee retention

A report by O.C. Tanner Institute found that when employees are recognized, engagement increased by 48%, productivity by 34%, and employee retention by 26%.

The Proof is in the Credentials

Employers who take the time to reskill or upskill employees should make their efforts count by providing credentials as proof of learning. It’s one thing to offer courses and on-site training, but without something tangible to show for the completion of these programs, it’s hard to verify acquired knowledge, skills, and abilities. Today’s digital credentials can save your organization money on marketing, human resources, and recruiting costs. Digital credentials also serve as another important employee benefit: Skills are already vetted and verified through these credentials and offer

individuals the opportunity to own proof of their learning. The organization will get a graphical representation of a person’s abilities and competencies with a verifiable description of the knowledge and activities it took to earn it.

Meanwhile, by investing in your employees through training and offering digital credentials as proof of that learning, your organization becomes more competitive by keeping up with the demand for new skills. Just as importantly, the implementation of digital credentials allows you to build a database of skills to help you make more informed hiring and promotional decisions. In other words, it ensures that the right person is doing the right job, which directly impacts the bottom line.

The Time is Now

The major shifts occurring in the workplace are well underway and show no signs of slowing down, which means that organizations that have not begun planning for and managing these transitions are already falling behind. Instead of fearing these technological changes, companies should see them as an opportunity to invest in their talent, improve employee skills, and create more rewarding jobs through reskilling and upskilling.