

Skills as the new business currency

"We're not necessarily looking at a negative future in terms of jobs, but what we are looking at is a major shift in terms of the set of skills within each job and the types of jobs that will exist in the future – whether that is in the care economy or the education sector or the IT sector, there are a number of growing roles." – Saadia Zahidi, Managing Director, World Economic Forum

The world of work has undergone unprecedented changes, however, the challenge that remains is the availability of the right skills. Retrospecting the pre-pandemic world of work, the human capital function was busy finding answers to the shorter shelf life of skills and future-proofing the workforce with the desired skills shaped by accelerated digitisation and automation. Post-pandemic, the pace of skills shift has been unrelenting! According to data, 40% of skills are set to be lost every four years. Further, many jobs will get outmoded, altered, or replaced with 10-15% set to disappear in the next decade. However, the biggest shift that pandemic brought: Skilling has become one of the top agendas of CEOs across the world. Today, more and more CEOs are finding it difficult to compete in business due to skills scarcity. Nearly three-fourths of CEOs identified a labor or skills shortage as the most likely external issue to disrupt their business in the next 12 months, according to a 2021 Deloitte and Fortune survey. "Learning leaders have found a sweet spot in the boardroom. As they closely work with cross-functional leads and shepherd the CEO to prepare the workforce for a new normal, they validate their role as strategic business transformation partners," said Raghav Gupta, Managing Director, India and APAC, Coursera.

Skills have become the new business currency and to thrive, businesses would need to relook how they prioritize their skilling agenda. The market forces are changing how, where, and when people work, but organizations continue to base human-capital development on a mid-20th-century model: standardized education and one job for life. This cannot work in today's world, which demands continuous-growth competition. This means we need to prioritize reskilling -- ensuring people around the world have the skills to meet the demands of their changing jobs today and prepare for the jobs of tomorrow, some of which might not even exist yet. Prioritizing skills development can also lead to tangible business outcomes. "The learnings from the pandemic made it abundantly clear that an agile workforce is the most potent hedge against unforeseen disruption, added Raghav". [Coursera's 2021 Industry Skills Report](#) found that employee skills are related to resilience and a company's ability to adapt in the face of challenges — benefits that correlate to stock performance.

For winning the war for talent

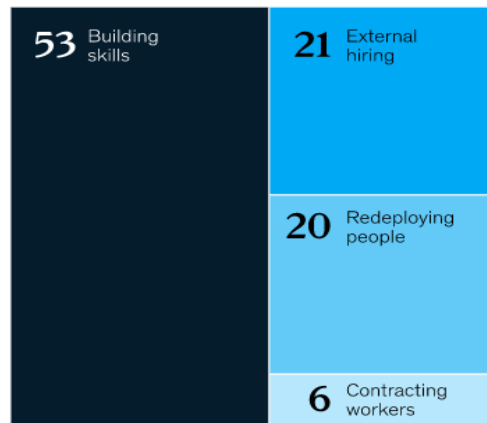
The new world of work has brought along with it major changes and one of the shifts that have pressurized human capital is the shift from employer-driven to a candidate-driven market. Rather than becoming part of the much-bemoaned war for talent, companies can move ahead of competitors by developing the capabilities of their existing workforce to fill skill gaps in their product-development functions.

As per a recent report by McKinsey, over half of the organizations are looking to build skills to close the capability gaps, indicating that hiring external talent is not the only solution to future-

proof the business. While the great resignation has been a revolution in the world of talent, organizations have acknowledged that internal mobility and empowering their key talent with the right skills will help them win the ongoing war for talent.

Executives are looking internally to address talent gaps.

Top action to close the capability gaps in the next year, % of respondents (n = 868)



Source: McKinsey survey results 2020: Executives see superior capabilities as the key to future growth

McKinsey
& Company

“Our Coursera for Business customers from across the globe, have the same overarching goal – equipping employees with the critical digital and human skills needed to succeed, at scale. We aim to help businesses in their skills transformation journey by enabling them to plan for the skills of tomorrow, curate a customized learning pathway to develop the cutting edge skills and measure skills development to understand ROI,” shares Raghav.

For long-term employability

One of the biggest paradoxes for the L&D teams today is the race to reskill but without a clear route to the finish line. Organizations need to relook at their skilling agenda- get the intelligence on which skills they have, the skills they need in the future, and the cost of different skills clusters as they trend up and down as market demand and supply change. This will not only help organizations to prepare their business for the future but also aid them in strategic workforce planning.

“We recently launched LevelSets, an assessment tool designed to help learners determine their current skill proficiency, and create a clear, development path featuring high-quality content that aligns to their skill goals. This is not only helping learners save time and develop skills faster, but also motivating them to learn new skills and showcase existing skills knowledge to unlock new career opportunities”, added Raghav.

This also highlights the important role of technology partners in empowering organizations by providing the right insights into the skilling trends within and outside their organization. For example, industry skill insights and benchmarking can help companies assess the skills that their counterparts are focusing on and where they stand on those skill sets.

For long-term sustainability

In his book, Dr John Boudreau, Senior Research Scientist and Professor Emeritus of Management and Organization at Marshall School of Business suggest that organizations must deconstruct jobs into tasks or projects, and deconstruct workers into their full array of skills & capabilities, and deconstruct formal degrees and experience into their elemental qualifications. According to him, thinking of work exclusively as “jobs” is a formidable barrier to organizations’ ability to meet challenges such as accelerating automation, increasing organizational agility, enhancing diversity and inclusion, and tapping new work arrangements. The future of work demands that organizations address the reality - their work and workforces must be incessantly reinvented to address the constant risk that their work is becoming obsolete.

Transforming from a job-centric framework to one that reshapes itself around “future work” will keep organizations competitive and sustainable.

[On-demand and anywhere learning](#), easy access to learning resources, and giving employees ownership to own their growth will prove to lead to a culture of continuous skill development and reinvention in uncertain times.