Solving the Global Skills Crisis
Management Consulting Podcast Series
Hello, I'm Bill Moller, your host for the Accenture Management Consulting Podcast Series.

Today I'm speaking with two executives from Accenture Talent & Organization. Norbert Büning is executive director and global lead for the Learning & Collaboration practice, and Breck Marshall is executive director and North American lead for the Learning & Collaboration practice. They are two of the coauthors of a new article published in Accenture's Outlook Journal entitled, “Solving the Global Skills Crisis.”

Gentlemen, let me just ask you directly, “What skills crisis?” It seems with unemployment so high in many parts of the world, that millions of workers are available almost immediately—so how can organizations anywhere be facing a skills shortage?

Bill, thanks for asking us to be here. You are right that this is an issue that might seem to be counterintuitive, but think of it as the difference between available people and available skills. Although unemployment, sadly, remains high in many parts of the world, the skills and knowledge that available workers currently have do not necessarily match what employers need. Or in some instances, the skills and capabilities may not be available in the locations needed by employers. Companies are also dealing with changes in products and technologies that often require new skills.

Well, then there are workers available—but their skills might not be the ones that a company is really looking for?

Absolutely right. We estimate that about a third of employers worldwide are having critical difficulties filling important positions due to a shortage of skilled talent, and almost three-fourths of employers are affected by skills deficits to one degree or another. Many of the organizations we speak to are not fully appreciative of the coming challenges here, which is one reason we wrote the article.

Breck, let me ask you: So we can better understand these challenges, why don’t you give us a couple examples of those industries where the skills requirements have been changing over the past few years?

Sure. Thanks, Bill, glad to be here. So, take the automotive industry, for example. Lots of historic unemployment there—so there are many workers, even experienced employees, available to companies. But just look at what a car is like these days: it’s really a computer network on wheels. Even assembly-line workers need technology, communication and problem-solving capabilities that maybe weren’t required completely in the past. In the automotive industry and other sectors, there have traditionally been jobs termed “unskilled labor,” but those kinds of positions are rapidly disappearing these days.

Another example is retail. Think about a manager for a major retail chain. Because of the changing nature of that business, such a person now might need to have not only product knowledge and people management skills, but also capabilities in areas like analytics, customer modeling, procurement, real estate, and it just goes on and on. So, these are obviously very complex skill sets and you don’t get resumes like that just showing up at your door on Monday morning.

Well, we’ve outlined the problem. What can companies do about this skills problem? If you can’t just advertise a job opening and then presume you can sift through thousands of resumes and pick the best person, what can executives do?

This is, of course, a very complex challenge, but there are a range of steps companies can take in response, covering everything from how you define the jobs you’re looking to fill, to how you recruit, to how you help develop skills in potential labor pools. I’ll mention one strategy.

So the first thing to consider is whether you’re thinking about the jobs or roles you need to fill in terms of the skills a worker actually needs to be successful. Maybe your IT department needs a programmer or analyst and traditionally you’ve advertised for a very specific kind of enterprise software, by name and even version number. You know what I mean: “I need a programmer in XYZ Software, Version 8.7.” Today, if you do that, the chances are good you’re going to define the job so narrowly that you will miss very competent and experienced people. What you should be looking for are people with a broader set of relevant skills and proven track record of thinking like a programmer.

There’s a well-known example of this from Google. One of the screening principles they use in hiring is whether candidates have distinguished themselves in some way: Have you ever set a world record in anything? Have you ever started a club? So companies need to look for top performers in areas that indicate those people might be successful for them.

So companies need to think differently about the capabilities that actually lead to top performance in a particular job. So, Breck, what are some tips you might offer about new ways to think about recruiting and hiring?

Breck – Norbert is exactly right. My vernacular is, as I always say, the talent clay that you can mold with versus looking for something very specific. One is to think about your pool of available talent in terms of building relationships before you even need the people for a particular job. Think of being there first, so to speak. That’s what the new social networking platforms like Facebook or LinkedIn help you do. You’re trying to forge relationships with potential hires. A social media application is a great way to give you a rich sense of what’s available, what it’s like to work at your company. You can really show the culture of your company—how you give people meaningful challenges, what types of roles they play, what it’s like to work there...maybe even the fun things that you do and that go on around the place.
You can be authentic and transparent, and you can engage your own current employees to be part of the brand and be brand ambassadors for your company, and build connections with the type of people who might eventually work for you. The company Autodesk did just that recently. They built a Facebook community of more than 150,000 people in just 12 months, and that essentially created an active and interested talent pool to draw from when the company is looking to fill new positions.

Norbert - You can also look towards alternative talent pools. One energy company we work with has found that retired military personnel are an excellent source of people with the skills and work ethic the company is looking for. JetBlue Airways found that stay-at-home parents could be terrific part-time customer service employees. You need to think outside your borders, too. If your headquarters is western Europe, for example, you might look for certain kinds of technology skills in eastern Europe—or vice versa.

Breck - And Norbert’s right, we should also mention a tactic at a higher level in society: actively working with schools and universities to help define curriculums so that a company actually improves the overall pool of trained workers. For example, HCL Technologies, an Indian–based global technology services company, has entered into collaborative partnerships with 25 top engineering colleges in India. Managers at the company offer input to the colleges, which then tweak and revise the courses as needed so that workers can be trained more practically for available jobs.

What about inside an organization, Breck? Maybe there are people already employed who have skills that managers might not even know about.

Breck - That’s a very important point, Bill. That’s right, many organizations are often pleasantly surprised to learn that people within their own organization have the skills needed to succeed in new jobs. We’re working with clients these days to use new analytics and workforce planning tools to determine what skills exist out there in their workforce, and how those can be matched to new opportunities. This is a new approach for many of our clients. Often they need to communicate better with their own people about job openings and to encourage the feeling that job mobility is a good thing. Organizations might even need to put some incentives in place to encourage people to move from one part of the company to another or from one location to another.

Norbert - The other important angle to mention here has to do with new methods in enterprise learning that can develop new skills in employees much more quickly. The learning field is evolving to a point where the focus is much more on rapid learning development—smaller and very focused “bites” of training that can be consumed in short periods of time, maybe even on a consumer device like a smartphone or tablet computer.

And then organizations should think about developing consistent skills across global locations within important functions like finance, or HR or supply chain. That’s one reason we’re excited about our Accenture Academy. These are very rich, interactive learning environments that can rapidly develop the skills employees need to serve customers, execute a new business strategy and meet new marketplace opportunities.

And I’m sure our listeners, as well, have found themselves learning something new today and thinking a little differently about a workforce skills issue that is likely to be around for several years.

Breck Marshall and Norbert Büning, thank you both. For information about the topics we just discussed, or to learn how Accenture can help you achieve high performance, you can visit us on the web at accenture.com/managementconsulting, you can also email us at consultingpodcasts@accenture.com.
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