Skilling at scale starts with skills literacy

Fortune 500 CEOs say the single biggest threat to their business today is a shortage of talent and skills. Skills have always been a currency in the work world, but today’s scarcity of critical skills—coupled with broader recognition of the scarcity—increases the value of this currency.

Every leader needs a skilled workforce. Companies are investing in learning and development at record levels. Leading companies are rearchitecting talent practices including recruiting, performance, learning and compensation to be driven by skills-first models. Early adopters are seeing meaningful returns as understanding and use of skills data are bringing greater precision to workforce planning, powering internal mobility and increasing the capability of the workforce at speed.

These investments are needed, and in many cases, are overdue. Investments in infrastructure, such as learning management systems, talent marketplaces and skills inference engines, are critical. Changes to policies and processes for recruiting, learning and career mobility are key. Businesses must do this work to support today’s talent needs and prepare for the future.

But systems, policies and processes will not be enough. It is also important to build the bridge for people to cross from today’s job-based world to tomorrow’s skill-driven world. In today’s job-based world, past experiences define future opportunities. In tomorrow’s skills-driven world, current skills and future potential define future opportunities. This is a massive change in both mindset and practice.

The bridge starts with skills literacy

Skills literacy starts with understanding what a skill is and how skills relate to each other. It includes the ability to understand, recognize and effectively use multiple skills in each context. Skills literacy helps people be intentional about using current skills as a foundation for deepening existing skills and learning new skills. Skills literacy is achieved when people understand skills—what they are and why they matter—and how they can be transferred to new career opportunities.

Our research indicates that those with skills literacy have 60% stronger intentions to learn new skills compared to those who lack this understanding.

It is a common assumption that people come into the work world with this literacy well established. The reality is that some do, but most do not. Building skills literacy across the workforce requires teaching it: Teaching it with the same intentionality of teaching basic literacy in schools or digital literacy in the corporate world. Skilling must be treated as a skill in and of itself. Today, only 23% of workers say they are in an optimized learning culture that teaches and promotes skilling literacy. There is a significant opportunity here.

1 https://fortune.com/2022/05/27/leaders-fortune-500-companies-view-talent-shortage-as-threat-to-business/?queryly=related_article
Leaders have an important role to play

Leaders can help build skills literacy when they:

**Teach the language of skills**
Start with the basics. Teach people what skills are and how they are applicable at work. Help people understand the depth and breadth of their knowledge base, along with the value of the skills they possess. Illustrate potential career paths for each person based on their current skills and aspirations. Consider building skills literacy into a foundational core curriculum.

**Create the case to care**
People need to understand why the skills they are learning matter. It's human nature to wonder “what's in it for me?” Leaders must demonstrate that their skill development benefits the individual, not just the organization.

**Pull back the curtain**
One way to build the case to care is to pull back the curtain and show people how skills are truly being used in the organization. Concepts including transferrable or proximate skills can be used as fuel for new opportunities. Leaders must resist the urge to think “that’s all back-end stuff.” The more transparency the better.

**Prioritize learning time**
We live in a culture of productivity and learning is often not framed as productive time. It is important to prioritize learning during core business hours. We can’t ask people to push learning time until after work is “done;” we must create the space for people to learn within every workday. Leaders can set an example by blocking time to learn during core business hours.

**Channel the energy of peer learning**
Top-level support and role modeling are critical, but mandates from the top don’t always inspire people to truly learn. Try tapping into the power of peers. Peers can serve as ambassadors that inspire other peers to gain new skills and grow in their careers.

**Connect skills with performance**
The values, beliefs and behaviors of an organization must be aligned with continuous learning and growth. Leaders must do more than just tell people skills are important—we must show them. Success stories are powerful motivators; let’s find our learners and make them famous in our organizations.

**Contacts:**

**Allison Horn**
Global Talent Lead, Talent and Organization
allison.m.horn@accenture.com

**Simon Holland**
Europe Talent Strategy and Development Offering Lead
simon.holland@accenture.com

**Stephen Wroblewski**
Lead - Talent Strategy
Talent and Organization
stephen.m.wroblewski@accenture.com