



# 7 Steps for Upskilling Your Workforce

Actions you can take now to get  
ready for what's next

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**Upskilling: Investing in employees' continual learning, identifying and filling skill gaps, and keeping people employable.**



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# Introduction

## Upskilling is all about preparing for the future

Keeping people's skills in sync with the constantly changing world of work is the biggest talent challenge of our time. To meet this challenge, companies need to continually upskill their people. And that means investing in all types of learning, identifying and filling skill gaps, and keeping people employable.

Investing in upskilling strategies aligns the skills of your employees to your evolving business strategy, which is critical to staying competitive. Companies that invest in advanced upskilling strategies create a more vibrant culture, see higher employee engagement, and do a better job attracting and retaining talent.<sup>1</sup> More importantly, they can accelerate digital transformation, innovate faster, and quickly react to new market opportunities.

A future of rapid digitization and automation makes upskilling more and more important every day. Yet only 22% of HR and C-suite leaders surveyed across 17 markets said they provided training or skill-building to meet business

needs, even though 91% believed it was their company's responsibility. In that same study, nearly a third (30%) said they intended to offer skill-building opportunities but weren't sure how.<sup>2</sup>

It's not enough to just talk about upskilling people. It's essential to understand exactly how to put an advanced, people-focused upskilling strategy in place now. This guide will show you how to do that in seven steps. Once you complete these steps in chronological order, continue managing them in an ongoing cyclical manner. It's an agile, iterative process.

At Degreed, I'm working with Sales leaders to create an upskilling strategy for our Sales team. As we walk through the steps for creating an upskilling strategy for your company, I'll provide insights into how we're creating our own upskilling strategy at our company. Let's get started.

“

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# Step N°1

## Identify Future Skills

The goal of this first step is to answer a key question: What critical skills will your workers need in the next one to three years?

Working in collaboration with cross-functional leaders, you can answer this question for three distinct groups:

- The entire company
- Departments or business units
- Individual employees

First, consider your company's overall business strategy and objectives. Then identify three to five skills needed by your entire company to achieve its goals. For example, at a company that needs to embrace new advanced technologies, the most critical skills might be data science, cloud computing, and creativity.

Sometimes it makes more sense to start at the department or business unit level, especially if your company is large and has disparate lines of business. If this is the case, start with a functional area. For example, your head of Marketing might say, "Our department really needs to focus on brand strategy." So that becomes a critical skill.

For individual employees, the skills identified will vary widely by role and career aspirations. It's important that employees own their upskilling, and you can support that process with career conversations.

Generally, an employee's aspirations should support organizational objectives. Equally important is to keep in mind that employees who are excited about learning, whatever their motivations, help your company by building a stronger company culture, increasing innovation, and staying with your organization longer.<sup>3</sup>



## The Degreed Strategy

As I've worked with the Degreed Sales team to develop an upskilling strategy, we've discussed business priorities. Our Sales organization needs to effectively communicate the value of our products in a rapidly changing market. We identified three upskill opportunities to ensure the team is prepared for the future — critical thinking, learning agility, and empathy. These skills also support one of our overall company goals of delivering meaningful value and experiences to our product users.



## Step No 2

### Assess Skills

The next step is to establish a baseline of current capabilities. It's a common mistake to skip this step, but a baseline is incredibly important, as it allows you to measure progress in a meaningful way. It will also help you set upskilling goals. (For more on goals, see Step No. 3.)

Focus on the three to five future skills you've identified as critical. You can establish your baseline for this in a couple of ways.

The first way to establish a skills baseline is to do it manually. You might do this by surveying employees through independent assessments or 360-degree reviews. You can also pull data from your human capital management (HCM) software, applicant tracking system (ATS), learning experience platform (LXP), or similar applications. However, if they're not integrated, it can be difficult and take a lot of time to get a full


picture of skills across your organization. And you'll probably find yourself managing data with spreadsheets.

The second way to establish a skills baseline — one that's more comprehensive and less labor intensive — is to use purpose-built technology that fixes the problem of fragmented and ever-evolving data sets. You can use a platform that integrates with your HR technologies, continuously collects the latest skills data from your workforce, and helps you make sure that people's skills are up to date so you can create a dynamic talent strategy.



## The Degreed Strategy

Our Sales team needs to prepare for the future by building three key skills — critical thinking, learning agility, and empathy. To better understand how to begin upskilling our Sales team and to establish a baseline for measuring progress, we'll use technology to assess employees' existing critical thinking, learning agility, and empathy skills. Using Degreed Skill Review, they'll enter details about the work they've done and their experiences, and then they'll rate their skills. For each employee, Skill Review takes about 20 minutes. Using this data, we'll gain a full picture of existing gaps.




## Step N°3

### Set Upskilling Goals

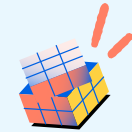
**70% of workers said they'd leave their companies to fully use their existing skills, and 65% said they'd leave to learn new skills. Barely half (56%) said they have opportunities for career development within their current organizations.**

— IBM, WorkTrends 2016 Global Survey



Next, you'll want to set some upskilling goals. The key here is adding targets to your upskilling plan. More specifically, it's about using your baseline of existing skills to help determine how your organization will go about learning the future skills it needs to fill gaps. Again, take into account the entire company, its business units, and individual employees.

Plans for individual employees will vary. How many skills can people personally focus on at any given time? It won't be 15 or 16, which is what you find in competency models and what makes them unwieldy and overwhelming. Instead, employees are going to have to decide on one or two skills based on their Skill Review results and identified gaps. Research suggests they'll want guidance.<sup>4</sup>



### The Degreed Strategy

At Degreed, upskilling our Sales team so it's well positioned to communicate the value of our products will look something like this:

#### Sales Department


Goal: Each member of the sales team chooses one skill to focus on based on their interests and where they have a gap to fill. This is personalized learning at its best. John might need to work on critical thinking but is already very empathic. Alexis may be strong in learning agility but wants to focus on critical thinking.

- **45%** of employees choose critical thinking
- **15%** choose learning agility
- **40%** choose empathy

#### Individual employees

Each employee in Sales will complete one additional personal learning goal by Q4.





## Step N°4

### Map Learning to Skills

You've set your upskilling goals. Now it's time for the really fun part: figuring out the best ways to achieve them.

At this point, employees need to engage in some type of learning to build their skills and expertise. The most advanced upskilling strategies include engaging learning experiences that help people build skills through practice, feedback, and reflection.<sup>11</sup> According to our latest research report<sup>5</sup>, we know that people learn best when multiple learning methods are blended together. Breaking down how employees learn at work helps make the case for a blended approach.



## How Employees Learn


**Online, self directed.** 65% of workers said they go to specific websites while 53% used a search engine. It makes sense that people learn online from tutorials, classes, articles, podcasts, videos, even emails. Example: A project manager watches a once-a-month webinar series about keeping teams aligned.

**Team-based learning (virtual or in-person).** Example: A marketing team wants to streamline its processes, so it participates in a team-based Agile Methodology Workshop where it restructures its processes and working model in a series of virtual and in-person learning sessions.

**Peer-to-peer.** 33% of employees said they ask their co-workers or go to social networks and online communities to learn from their peers. Example: A customer service rep finds an online forum that discusses ways to deal with a difficult customer.

**On-the-job.** Development opportunities such as stretch assignments can increase engagement by up to 30 percent.<sup>6</sup> Example: A retail supervisor asks an associate to help manage shipping, sharing more and more instructions and increasing his responsibility over time.

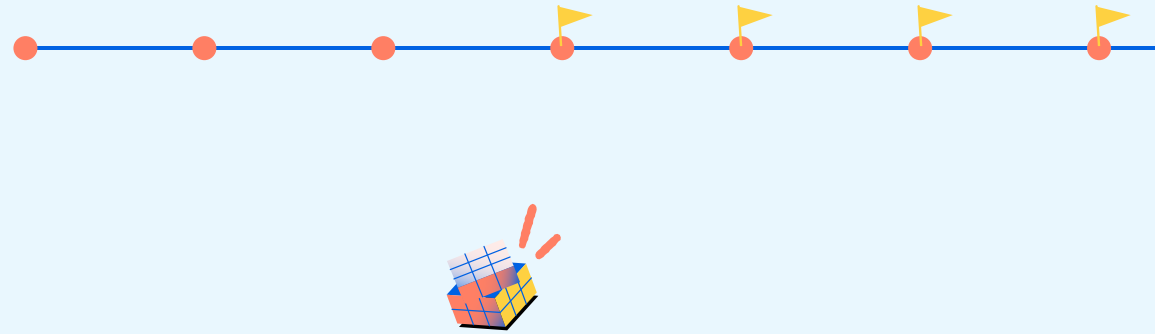
Old models of work and training typically rely on pulling employees away from work to learn. It's a transactional, command and control approach, and it's responsible for outdated, one-size-fits-all compliance and lecture-based classroom training.



## Step №4 (cont.)

### Map Learning to Skills

When employees have an opportunity to learn and grow their careers within a company, they're more likely to stay. The most successful companies realize that learning should be blended and more personalized, and that they should invest in employees regardless of how long those workers plan to stay with the organization — whether that's one year, five years, or ten. In exchange, they get employees who are excited to learn new skills, grow their careers inside the company, and give 110%.



### The Degreed Strategy

With our Sales team focused on building skills for critical thinking, learning agility, and empathy, our plan is to create an amazing learning experience that ensures they get the knowledge they need and enables them to practice their new skills, receive feedback, and demonstrate their new capabilities. It's an experience that will draw heavily on multiple learning methods, including:

**Online, self-directed.** We'll create curated content Pathways for each of the three skills we identified. These Pathways will contain online courses, articles, videos, books, podcasts, and more.

**Webinars.** We'll incorporate webinars for knowledge sharing and participation (Q&A).

**Team-based learning (virtual or in-person).** Employees will participate in a series of team-based workshops to solve a real sales problem, practice the skills they've learned, and get feedback from peers.

**Peer-to-peer coaching.** We'll have employees discuss what they're learning with each other to get more personalized feedback.

**Capstone project.** Employees will have an opportunity to demonstrate their skills.

**On-the-job learning.** We'll give people the opportunity to participate in real work projects or stretch assignments to put into practice the skills they've just learned. (For more on matching skills to opportunities, see Step No. 6.)



# Step №5

## Measure Upskilling Progress

Your people are learning. They're building new skills. But are they retaining those skills and putting them into practice? To answer that question, create a dashboard to continually track progress against a series of key skill metrics. These metrics can include a skills inventory, skills ratings, and skills progression with the ultimate goal of seeing how people are filling their skills gaps.

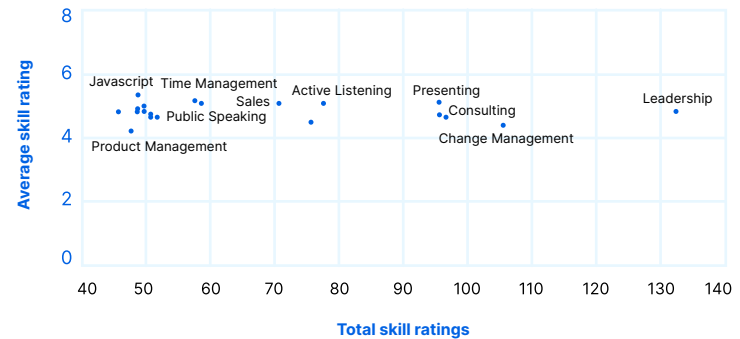


### Skill Inventory

Top 20 of 569 skills

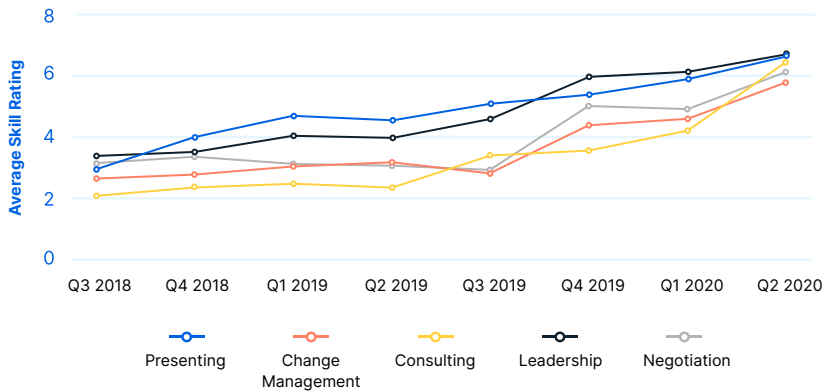
**342** Experts in 280 skills

**91%** Rated in at least 1 skill



### Skill Growth

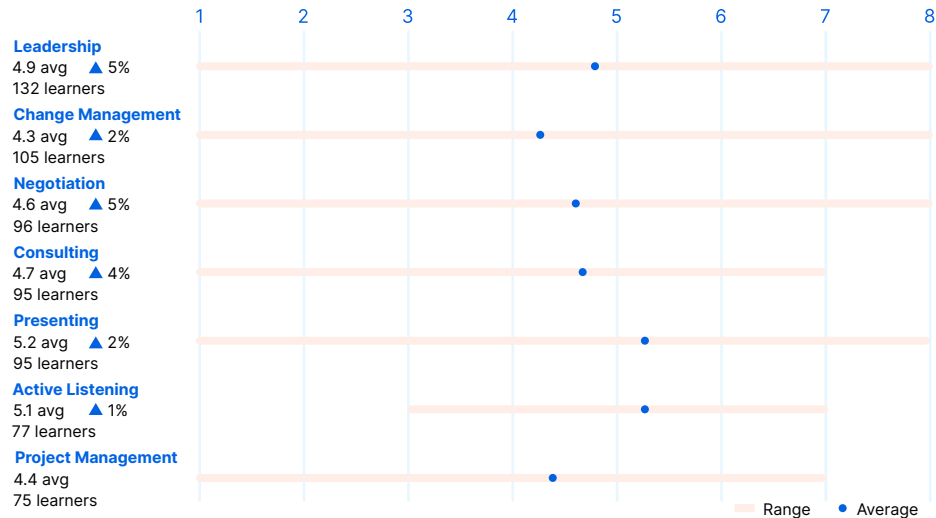
Top 5 of 568 skills



# Step №5 (cont.)

## Measure Upskilling Progress

### Skill Rating Summary



In addition to a skills inventory, skills ratings, and skills progression, you can track other metrics like:

- Trending skills (for example, those that employees are rating high or low)
- Skills by department or business unit (Marketing, Finance, Engineering, IT)
- Skills by group (Internal Communications within Marketing)
- Skills by role (sales development representative vs. account executive)
- Skill certifications, badges, credentials earned (from multiple sources)

Data can come from numerous places. Content providers like edX, Coursera, and Pluralsight provide a few ways for you to get insights about the skills people are learning. Degreed helps you integrate these data points so you can understand how people are actually progressing with the skills they've learned from a wide range of methods and sources.



## The Degreed Strategy

As we upskill our Sales team, we'll get insights that help measure progress through badges, credentials, and a Degreed Skill Review that re-assesses employees and provides a full picture of their growth. The review asks employees about the work they've done and has them rate their skills. For example, say Bryan does a Skill Review on the skill "Empathy" and starts at Level 4. After completing the upskilling program, he does another review and this time progresses to Level 5 — not based only on what he knows, like a test, but rather on what he can do to demonstrate the skill. Using this type of data from all participants, we'll be able to see their skill progression compared to our baseline and how well we've filled skill gaps.



# Step №6

## Match Skills to Opportunities

Your people have gained new skills or improved those they already had. Now it's time to match their skills to the right opportunities — so they can continue to learn, and so leaders and managers can see what talent already exists at the company. This is about creating a dynamic career marketplace that increases internal mobility by connecting employees with new projects, stretch assignments, or even jobs.

Companies are increasingly investing in programs that help employees learn new skills and get new jobs without leaving for another organization. In 2016, 39% of companies invested in internal mobility programs and by 2020 that number grew to 47%.<sup>7</sup> And high-performance organizations are twice as likely to prioritize talent mobility.<sup>8</sup>

Let's say an employee who's learning data science skills sees an internal project posted that lists data science as a critical skill that's needed. The employee can inquire or apply and then use their new skills to grow even further. At the same time, the manager or team lead gets a motivated, internal candidate. It's important to note that creating these stretch assignments and opportunities requires coordination and cooperation among leaders across your organization. They need to not only post jobs and projects but also give employees time to work on them.

**In 2016, 39% of companies invested in internal mobility programs and by 2020 that number grew to 47%.**



### The Degreed Strategy

As our Sales employees upskill to more effectively communicate the value of our products, it's important that they're able to put their new knowledge to work. Those who demonstrate new proficiencies will find themselves eligible for new opportunities in their current fields or even completely different parts of the company. To connect these employees with new opportunities, we'll create a career marketplace populated by our recruiters with all the open positions in our company defined by the skills required. Likewise, managers and team leads will post projects and stretch assignments defined by the skills required. With each new role or assignment posted, Sales employees with matching skills will be notified in Degreed.

# Step №7

## Communicate Metrics of Success

The last step shows how your upskilling strategy is impacting your business priorities and reinforces the value that upskilling delivers. Most often, this is information aimed at the highest leadership levels, addressing topics prioritized by the CEO or other executives.

In a 2020 report, CEOs who have advanced upskilling plans said those strategies help build a stronger company culture, increase employee engagement, boost innovation, accelerate digital transformation, and improve their ability to attract and retain talent.<sup>9</sup>

Furthermore, research shows that employees stay an average of 41% longer at companies that do a good job hiring from within.<sup>10</sup>

To communicate your success, choose metrics that are particularly relevant to your business priorities and important to senior leaders. These might include: employee engagement, time to productivity, employee retention, sharing and collaboration, the percentage of people working on new assignments, and revenue growth.



### The Degreed Strategy

When it comes time to communicate the successes we've had upskilling our Sales team, I'll work with Sales leaders to hone in on the metrics most important to them and our CEO. These metrics are likely to include: the percentage of Sales employees upskilled, skills learned by functional area, changes in productivity, the number of employees who've taken on new assignments, and any uptick in prospect-to-client conversions. We'll use analytics tools in Degreed to gather data for these metrics.

#### Dashboard example

### Metrics for Success

**16%**

Increase in employee engagement.

**13%**

Increase in innovation and acceleration of digital transformation.

**11%**

Improvement in ability to attract and retain talent.



# In Conclusion

We can't predict the future or every impending challenge. And while it's too big a stretch to identify or begin building skills we'll need in the next decade, we can prepare for the next one to three years — by meeting the next major business challenge or industry disruption head-on with a thoughtful upskilling strategy.

Upskilling doesn't have to be overly complicated. If you're looking for a good place to start, talk to the head of a business unit and identify three to five key skills employees can work on. Gather preliminary results and initial feedback, and take it step by step:

**1. Identify a few future skills** by talking to team leads or directors.

**2. Assess critical skills** of that team through surveys or technology that focuses on measuring skills.

**3. Set upskilling goals** that are attainable — no more than three skills per individual.

**4. Map learning to skills** with existing content, social learning, collaboration, mentoring, in a variety of blended learning approaches.

**5. Measure progress** of the team's upskilling initiatives. Compare the data from your baseline in Step No. 2 with how employees are progressing with filling skill gaps.

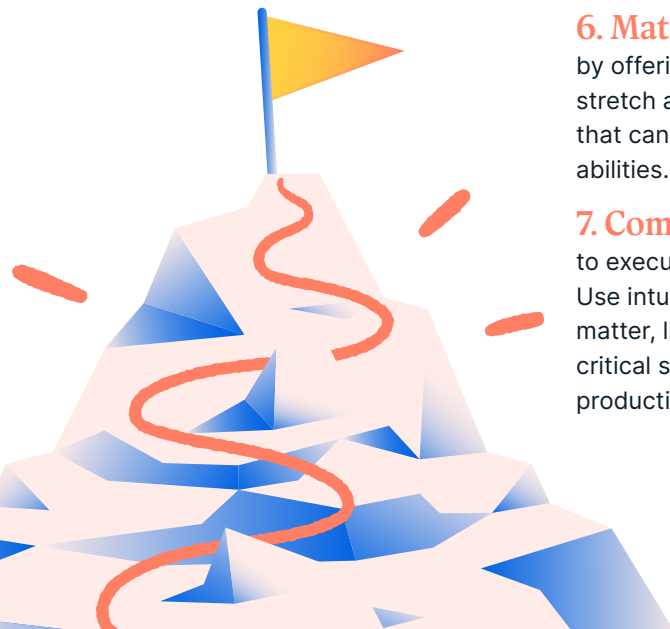
**6. Match skills to opportunities** by offering employees visibility into projects, stretch assignments, or open internal roles that can help them further develop their new abilities.

**7. Communicate metrics of success** to executives and others in the company. Use intuitive visuals and focus on results that matter, like the number of people with new critical skills or increases in innovation and productivity.

Upskilling presents a huge opportunity. As a people leader, you're in an acutely unique position to drive positive business results.

To follow along with our internal Degreed Strategy and follow along with the upskilling results, [subscribe to our blog](#).

Ready to start your upskilling strategy? Contact Degreed to discuss more details about connecting learning with building skills or matching skills with internal opportunities.





## About the Author

Kelly Palmer is a thought leader on the future of work, learning, and career development. She is the chief learning officer at Degreed, co-author of the book *The Expertise Economy*, and the former chief learning officer of LinkedIn. Prior to LinkedIn, Kelly was vice president of learning at Yahoo! and held executive positions in learning, M&A, and product development at Sun Microsystems. Kelly speaks regularly around the world and has been featured in *Harvard Business Review*, *Barron's*, *Financial Times*, *Fast Company*, *Forbes*, *Entrepreneur, Inc.*, *MIT Management Review*, *Scientific American*, and *Chief Learning Officer (CLO)*. Kelly has a bachelor's degree in English/communications and a master's degree in adult learning and education technology. She lives in San Francisco.

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