

A Future-ready Workforce Requires Reskilling and Upskilling Talent. Here are Five Actions to Get Started.

What can firms do now to build critical skills within their workforce while developing a long-term plan to close their future skills gap? We explain five ways to get started.

Given the limits of key talent in technology and data-focused jobs, in addition to growing recognition of employers' responsibility to invest in their people, there is a clear shift from the war for talent to the race for reskilling and upskilling. But reskilling and upskilling your workforce to meet future needs can be overwhelming. Far too often, companies are not precise about what they need, nor do they have the data to fully understand the meaning and reason behind evolving demands. While these challenges must be addressed, gaining a full understanding and building a well-developed strategy could potentially take months, or longer.

How can firms take immediate action, ensuring they don't lose valuable time, while building their understanding? Taking steps now will lay the foundation for more systemic change.

Action 1: Enhance the general adaptability of your workforce.

You can accomplish this by ensuring an adaptability baseline for people entering the organization. When recruiting, be sure to use the tools at your disposal to assess mindset and ability to adapt and grow with the firm. This will increase the potential for re- and upskilling your workforce in the future. Additionally, provide solutions for your current employees by developing and promoting them for instilling a growth mindset. It's also important to foster self-awareness of one's adaptability and create a sense of urgency within your workforce, while at the same time gaining individual-level insights for the big picture strategy.

Employee mindset is increasingly seen as a prerequisite to success, while hard, technical skills are considered secondary selection criteria. Aon helps organizations through a highly scalable assessment solution to measure the adaptability of different parts of the organization, increasing awareness around their own agility and providing development tips on an individual level.

Action 2: Improve prevalence and talent pools of future critical skills.

Include robust assessments on future critical skills, such as IT development and data. Combine this with targeted learning offerings to build your own talent pipeline so you don't always have to compete for talent externally in the market. We worked with a client that was struggling to compete for scarce roles in IT, helping to design a process where training programs were established and assessments on potential and specific skill knowledge were used to identify untapped external talent with the right fit for the training programs. This enabled the client to build an alternative talent pipeline and fill future critical roles.

Action 3: Redesign focus roles.

Identify and redesign key roles that are critical for the future of the business and provide direction and insights on imminent requirements. This includes conducting an impact analysis of digitalization on the workforce and design success profiles, helping to define the abilities and domain skills that are critical to the role in the future. Conducting assessments and providing development opportunities can be used to evaluate the readiness and growth needs of your current staff in those roles.

We took the above approach with a client in the pharmaceutical industry by first determining five pivotal roles for the business with the biggest transformation needs. Within three months, future success profiles were defined for these roles, an evaluation of current incumbents conducted, and a targeted development process was established for people to comply with anticipated demands.

Action 4: Identify your future skills pay gap.

Identify roles with future critical skills and ensure you are rewarding these competitively based on internal and external benchmarks. If there is a pay gap, this indicates that you may be undervaluing (or overvaluing) a certain skill compared to the market, making your firm vulnerable to turnover based on the higher premium that competitors are placing on the skill. In most cases, firms with gaps are overemphasizing current output without placing commensurate value on the future skills of existing talent that are crucial to the organization's growth and business strategy. To learn more about how to align future skills with competitive pay, please see our article: [How Should Firms Structure Their Rewards Programs to Pay for Future Skills?](#)

Action 5: Conduct a benchmarking exercise.

Evaluate the prevalence of future skills currently in your organization and what the skills gap looks like, particularly compared to competitors. How do your peers translate required skills into new job roles and tap into new talent pools (especially with the spread of remote working)? A benchmarking analysis can yield these insights. We recently partnered with a global bank to map and score each job role in our job taxonomy against the Aon Future Skills Framework. By comparing the workforce data to the bank's competitors, information and advice could be provided on skills prevalence for various peers, including role mix, skill-based location strategy and speed of transformation. To learn more about our in-depth approach, you can read the full case study [here](#).

Looking Ahead

There is no doubt that a holistic, long-term strategy is required to foster a highly adaptable workforce, equipped with the skillset to thrive in the future. However, we also need to apply some level of flexibility, adaptability and speed while doing so, to gain a competitive advantage from the start. Seizing opportunities today, while also taking the time to gather necessary data and insights for developing a skills-based plan for the future, will help organizations be successful in closing their future skills gap.

To learn more, download our new guidebook, [*Closing the Future Skills Gap to Drive Business Success*](#). If you have questions about this topic and want to speak with one of our experts, please write to humancapital@aon.com.

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