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Upskilling

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Introduction

"Upskilling" is a term that's become increasingly popular in the industry in recent years. Upskilling is when employers provide employees the opportunity to learn new skills to better their current work performance, while also prepping them for the projected needs of the company.

In today's tight labor market and the wake of a skills shortage, companies have begun to shift their focus from hiring new talent to upskilling current employees. How companies design upskilling initiatives will vary, but the ultimate goal of closing the skills gap and retaining top talent remains the same.

This toolkit provides an introduction to upskilling and includes best practices for developing and implementing an upskilling initiative. The information included is intended for educational purposes only and should not be construed as legal advice.

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Getting Started

What is upskilling?

Upskilling refers to the practice of teaching current employees new skills to succeed in their current job. While some companies use the terms "upskilling" and "reskilling" interchangeably, reskilling isn't necessarily the same thing as upskilling. With reskilling, an employer trains a current employee on the skills they need to know for a new role. With upskilling, an employer invests in continuous learning efforts to teach employees new skills that are needed to succeed in their current role. This toolkit will only focus on upskilling.
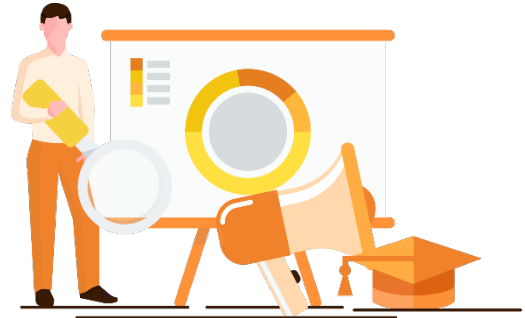
For it to be successful, upskilling must be considered an ongoing effort, especially in today's digital world. With a proper upskilling initiative, employees will learn new skills that will help them develop professionally and minimize any existing skills gaps.

Why is upskilling important?

Upskilling employees has become a huge initiative for employers, primarily due to the tight labor market and continuous technological advancements across industries. In a tight labor market, there are fewer employable individuals seeking work, which makes hiring new talent more challenging. According to PwC's 22nd Annual Global CEO Survey, 79% of employers said that a skilled talent shortage was one of their top three concerns. Moreover, a report from the International Commission on Financing Global Education Opportunity revealed that 30% of young adults won't graduate with the skills they need to be successful in the jobs they seek.

Companies are feeling the pressure of finding the right talent to hire. An XpertHR survey found that out of 800 HR professionals surveyed, 64% said that finding qualified applicants for open positions was very or extremely challenging. As the market continues to tighten and the skills gap grows, employers have turned to upskilling as a solution.

In the PwC survey, 46% of respondents said that upskilling was their preferred solution to solving the skilled talent shortage. With shifting the focus from hiring talent to upskilling their current employees, companies are making strides toward closing the skill gaps within their businesses, while also increasing retention. When the focus becomes strengthening the skills of your current employees, both the individual and the company may benefit.

What do upskilling initiatives look like?

As previously mentioned, upskilling initiatives will likely vary depending on the organization. However, here are the five most common ways employers implement upskilling initiatives:

Mentorship programs—For employers, utilizing the talent and knowledge that already exists in their organization is a cost-effective way to upskill employees. A mentorship program is beneficial for the employer, the mentor and the mentee. In this type of upskilling initiative, a mentor will teach a mentee the skills and qualities they need to succeed and familiarize them with other important company processes. Mentorship programs allow mentors to develop their leadership skills and re-energize their careers while helping train other employees on new skills to further develop their careers. Mentorship programs can be a low-cost way to upskill employees, increase retention, attract new talent and improve employee morale—all of which can help protect your bottom line for years to come.

Virtual learning—The advancements of technology have made it possible for employers to upskill employees without having to send them to an off-site learning course or gather everyone together for an in-person session. Virtual upskilling initiatives typically involve employees learning new skills through a digital course. Some employers license third-party skills-training software or modules for this type of upskilling initiative, while others develop in-house training materials. Virtual learning makes it easy for the employee to learn the necessary skills at their own pace and without any pressure from a mentor or course instructor. However, it may be difficult to track an employee's progress with this type of initiative, meaning you won't know if the upskilling has been successful until the employee needs to demonstrate those skills. Another consideration of virtual learning upskilling initiatives is the potentially high cost associated with licensing or purchasing training materials.

Microlearning—This type of upskilling initiative involves training employees on one particular skill or topic with short videos or courses. In contrast to long-form training courses, these microlearning courses are typically designed to deliver the most pertinent information as concisely and engagingly as possible. Using microlearning as a way to upskill employees is an ideal solution if you have a limited budget, are pressed for time or want to address a potential problem before an issue occurs. However, microlearning isn't designed to take the place of long-form training. Employers that need to do minimal upskilling or want to incorporate engaging training sessions in addition to their long-form training courses can find success in including microlearning courses or videos in their upskilling initiative.

In-person training sessions or lectures—While this may seem like an old-school method for upskilling your employees, holding lunch-and-learn sessions that involve bringing in an outside expert to deliver a lecture or provide training is an effective

way to upskill employees. During a lunch-and-learn session, employees can hear from industry experts who will train them on necessary skills. Not only will this help them develop their professional networking skills, but it might also encourage them to engage with the upskilling process more than they would if it was an internal expert training them. Finding qualified professionals to bring into your organization can be difficult, and it often comes at a cost. However, if your organization can afford to hire an external expert, lunch-and-learn sessions can be a valuable way to upskill employees.

Tuition assistance—Sometimes employers don't have the resources to front all the costs associated with upskilling employees. Tuition reimbursement benefits are an excellent recruiting and retention tool for employers because they encourage employees to develop new skills or enrich the ones they currently possess. This does not have to be limited to furthering the education of your employees in a university setting—it can also include advanced training in the employees' respective fields. With tuition assistance, employers will need to consider which classes they'll cover and how much they'll contribute per employee. Developing consistency with tuition assistance benefits is an essential way to avoid any confusion down the line.

Why should I consider upskilling?

The tight labor market and the skills shortage aren't just affecting one industry—they're affecting every industry. Advancements in technology have both created and taken away job opportunities, as automation simplifies portions of jobs, but creates a need for maintenance of that technology. Moreover, as digital tasks continue to grow, it should be expected that employees will need to receive some type of training to keep up with those advancements.

Beyond closing a skills gap, employers from all industries should consider upskilling as a means to engage employees and improve their bottom line. The costs of turnover can be devastating to businesses, particularly in a market where it's difficult to find suitable replacements to fill open positions. To retain top talent, upskilling can be used as a way to offer professional development. When used in this way, employees are challenged to learn new skills that will bolster their development without requiring an extensive monetary investment out of their own pockets, and employers can close skills gaps, boost employee engagement and retention, and reduce turnover costs.

Benefits of Upskilling Initiatives

Upskilling can provide a variety of different benefits to employers and employees. Here are some of the most common benefits of upskilling.

Employer Advantages

Upskilling can be beneficial to the growth and longevity of your company, among many other lasting benefits, such as:

Improved retention—According to a recent survey of the U.S. labor market, HR managers have reported that lengthy job vacancies can cost a company thousands of dollars annually. Retaining employees allows you to avoid excessive onboarding and job vacancy costs. By providing employees with higher learning and development opportunities, employees are more likely to stay with the company knowing there is room for growth.

Reduced skills gap—While this may seem self-explanatory, it's important to reiterate that upskilling can help your organization solve the skills shortage it may be facing. By identifying the skills employees need to succeed in a role and designing an upskilling initiative to help them learn those skills, your organization is improving its workforce and closing the skills gap without having to search for new talent that may or may not have the necessary skills.

Increased employee engagement—According to a Gallup poll, 70% of U.S. workers aren't engaged with their work. Since high engagement can lead to success, while low engagement can harm productivity, this statistic should be alarming to employers. The level of employee engagement serves as a test for how likely workers are to put forth their best effort each day. Having low engagement means employees are not committed to their own success in the workplace, let alone the organization's success. By giving employees opportunities to improve their skills, it improves overall morale and engagement by boosting their job satisfaction and outlook.

Improved recruitment—Upskilling can result in more successful recruitment for your company for the same reasons why it can help boost your employee retention. When your current workforce is happy, they're more likely to talk about how great their job is and recommend working at your organization to prospective applicants. Moreover, having a successful upskilling initiative is something that you can promote on social networks, your website and in interviews.

Increased customer satisfaction—Upskilling employees can result in a more efficient and knowledgeable workforce. In turn, this can help employees be better equipped to service customers, leading to more satisfactory customer interactions.

For example, if an employee is upskilled and trained on digital specifications of a product release, they'll be able to thoroughly explain these new updates to clients and help them navigate what these new changes mean for them. If an employee didn't receive this training, they might have had to transfer the customer to another co-worker or had to follow-up with an answer. With upskilling, the employee was able to help the customer themselves, leading to a satisfactory encounter. Because the customer is happy, they're more likely to spread the word about their positive interaction and become brand advocates for your organization.

Employee Advantages

Upskilling isn't just beneficial for employers—employees can greatly benefit from it too. Here are some of the top benefits employees can experience through upskilling initiatives:

Growth opportunities—By implementing upskilling opportunities, you are equipping employees with resources to achieve personal development goals, while also providing workers with new growth opportunities. Upskilling initiatives can also help an employee identify a new career path he or she may want to explore. When employees focus on their personal development and career path within a company, they're more likely to be loyal to the company and be happier overall. Happy employees typically equate to more engaged and productive employees.

Greater employability—With the constant development of new technology, more jobs are being automated or taken over by artificial intelligence (AI). Market experts have predicted that by 2023, advancements in AI and automation will force 14% of the current workforce to switch careers. The more adaptable and collaborative employees are to the new age of technology, the more likely they are to be successful at your organization.

Increased job security—In a digital world, automation can threaten some employees' job security. However, by investing in upskilling initiatives, employers can communicate to employees that their job is important and that they're committed to providing training to preserve job security. Upskilling initiatives can also open the doors to building resumes and building qualifications for promotions should a position become open.

Considerations of Upskilling Initiatives

In addition to the benefits that upskilling initiatives can offer employers and employees, there are also a few things employers need to consider before implementing an upskilling initiative at their organization:

- **Cost of the initiative(s)**—One of the main downsides to rolling out an upskilling initiative is the cost. Whether you're producing upskilling materials in-house, licensing third-party upskilling courses or software, or bringing in outside experts to conduct upskilling training, your business will have to spend money. However, it's up to your organization to decide if the cost of upskilling employees is worth risking losing top talent—turnover costs can be just as high, if not higher, than the cost of providing training initiatives.

- **Quality of the training**—Your upskilling initiative will only be as good as your training is. And, not every upskilling initiative is the same. Whether you create it in-house, license materials or bring in an outside expert, your organization will need to conduct constant evaluations on how effective the initiative is. Are employees learning the skills that they need to? Are employees spending too much or too little time on the upskilling activities? Is this initiative providing a return on your investment? These are all questions to ask at all stages of an upskilling initiative. Employers should keep extensive records of the upskilling initiative and audit the results annually.

- **Effects on productivity**—While upskilling employees can further their personal development and increase their productivity long-term, their short-term productivity may be negatively affected while they're being upskilled. Most companies have employees go through upskilling training during their work hours, which means that they undergo training instead of completing their tasks or fulfilling their job responsibilities. Employers need to consider how upskilling will affect employee productivity and overall business operations before rolling out an upskilling initiative.

- **Effectiveness of the initiative**—Measuring the success of your upskilling initiative may not be straightforward. Knowing whether or not your upskilling efforts resonated with employees typically comes in the form of evaluating an employee's performance. What makes this difficult is that every employee will learn differently, so some employees may learn the new skills and implement them immediately, while it may take time before others are able to catch on.

Roadmap for an Upskilling Initiative

Upskilling initiatives vary among organizations. Some organizations use a variety of strategies to upskill employees, while others use just one. However, despite these differences in design, there is a standard roadmap that organizations can follow to design their upskilling initiative.

Analyze the Needs of Your Company

Before you can create an upskilling initiative, your organization needs to figure out what its needs are and what the goal for the upskilling initiative is. Every company is different, meaning the skills employees need to be trained on will vary. In addition, there may be a time factor to consider, meaning the upskilling initiative will need to be designed based on what employees could reasonably learn in a few weeks or months. Finally, organizations will need to consider the cost of implementing upskilling initiatives in their organization.

To analyze the needs of your company, begin by asking these questions:

- Why do we want to implement an upskilling initiative?

- What do we hope to gain from this initiative?

- Where are the current skill gaps that exist within my business?

- How can I close those skill gaps?

- What skill sets have I been seeking when hiring outside individuals that I should also be promoting within my own company?

- What skills would be addressed with this initiative? Soft skills? Technical skills?

- How many employees would this initiative affect?

- Do all employees need to be upskilled or just a select few?

- Are there time constraints for the upskilling initiative?

- How much money can we invest in our upskilling initiative?

- How will we measure the program's success?

Make sure to get all the stakeholders in your company together to discuss these details. As with any company initiative, the success of your upskilling initiative will be a group-led effort. This means that everyone needs to be on the same page with the program's goals and design.

Create a Skills Plan

All too often, upskilling initiatives fail because a skills plan wasn't created. A skills plan involves identifying the top skills employees need to be trained on to be successful at their

job. Then, those skills are ranked by importance so that it's clear which skills should be focused on for the upskilling initiatives. After skills plans are created, employers can go through and plan training courses for each skill they want to address.

This focused approach to upskilling ensures that employees won't be overwhelmed with having to learn multiple skills in one training session. Additionally, it provides employers with the opportunity to evaluate training that's specific to one skill, making it easier to assess the best training for a specific skill.

Moreover, creating a skills plan makes it possible for employers to train employees on skills that are necessary for success in their role. This is particularly useful if an employer wants to upskill their entire workforce. Because employees' roles require different skills, it won't be useful to train employees on skills they don't need. Creating a skills plan for each position will ensure that the upskilling initiative is effective for each role within your company.

Finally, when creating a skills plan, be sure to forecast your organization's future needs. By studying the market, employers can predict future skills that may become crucial for their company over time. Once the future needs of the market have been identified, companies can start upskilling employees to fit those requirements.

Tailor Your Approach for Individual Employees

Upskilling isn't a general learning initiative—it involves identifying the strengths of individual employees and giving them the tools to enhance their skill sets. Some employees will thrive in this type of learning format, while others may struggle a bit. Some may be able to pick up on the learning plan you've created, while others may require an individualized approach.

Consider creating a formalized upskilling plan for each employee. This will not only increase transparency for the program, but it will also ensure that you are on the same page. The employee will understand what's expected of them, the demands of the program and the goal of this training. Providing ample communication and opportunities to discuss the upskilling initiative will create trust between the employer and employee, and will also increase an employee's engagement with the program.

Offer Accessible Training Opportunities

If you want employees to learn additional skills for their jobs, they're more likely to do this training when they're at work. Additionally, if you build out time in an employee's schedule for upskilling activities, it makes it easier to track their progress on those activities.

When designing your training activities, consider offering upskilling activities in different formats. Because every employee learns differently, the more variety you implement into your training program, the greater the likelihood that it will be effective for all employees. Consider offering videos, quizzes, in-person lectures and hands-on training experiences whenever possible.

To improve the accessibility of an upskilling program, try to utilize technology whenever possible. There are various programs and apps that can help identify areas for improvement in individual workers, as well as teach employees new skills to improve in those areas. Technology can be the greatest ally when upskilling your workforce.

Implement and Evaluate the Program

After implementing a new upskilling initiative, your organization will need to evaluate its success carefully. Conducting regular check-ins with employees to gather their thoughts on the training provided, what they're learning and if anything could be done better will help you make changes to the program to improve its overall success.

In addition, evaluating the success of your program will help you determine the return on investment and whether the program should be expanded or shrunk at your organization. This is especially important for newly implemented programs. In the beginning, consider checking in weekly or semimonthly to gather as much feedback as possible. When your program is new, it's easier to implement changes. Once your program is established, you should still conduct evaluations regularly to ensure that the training provided is still applicable to employees' roles.

On a large-scale basis, you should evaluate your program to ensure that all the skills being addressed are still of concern. You should also conduct market research to identify potential new skills that employees should learn. This will be particularly useful if your employees work with technology, as digital skills change frequently.

Putting It Together

Keeping this roadmap in mind will help you work through creating an upskilling initiative that's unique to your organization. Remember, every company is different, so what is discussed here may not be useful for your organization. Use this roadmap as a guideline for creating an effective program at your company.

Upskilling
Best Practices

Upskilling can provide you and your employees with great benefits. Here are four ways to make the most of your upskilling initiative:
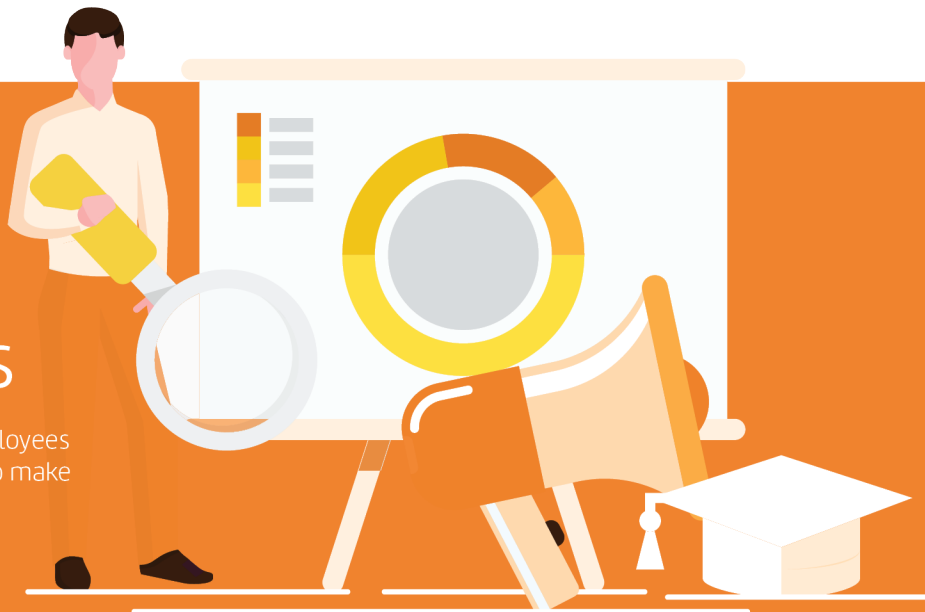
Don't overwhelm employees

Provide employees with bite-sized training whenever possible. Not only will this help break up a lengthy training plan, but it can also serve as a way to inject a bit of fun into an otherwise standard training session.

Assign mentors

Even if you don't upskill employees through mentorship programs, assigning a mentor to an employee can help foster a sense of community within your organization. Moreover, if you have employees that have been successfully upskilled, connecting them to employees who are just starting your upskilling program will give those new employees someone to turn to with questions.

Reward learning

Let's face it, training isn't always fun. By rewarding or recognizing employees who complete your upskilling program, you're incentivizing the activity, which can help other employees look forward to completing the program.

Use real-life scenarios

Upskilling will be the most effective when employees can take the skills they've learned and directly apply them to their current roles. That's why using real-life scenarios or case studies is extremely beneficial—employees will learn new skills *and* how to implement them.

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Conclusion

Employers today are facing a skills shortage and a tight labor market, and one of the most prominent solutions is upskilling. Upskilling employees can bring great benefits to both employees and employers when an upskilling initiative is implemented effectively. In addition to closing skills gaps and improving employee retention, upskilling can increase recruitment efforts and customer satisfaction.

The strategies outlined in this toolkit are intended to help employers understand the importance of upskilling initiatives and provide guidance for creating one for their organization. For more information about upskilling initiatives, please contact Tilson HR today.

Appendix

The resources provided in this appendix are separated by whether they're intended for employer or employee use. The information included in this section may require some customization, and it should only be used as a framework for your strategy.

Employer Resources

- Upskilling Worksheet

- Sample Skills Plan Template

- Sample Email Communications

Employee Resources

- Upskilling Survey

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Upskilling Worksheet

Use this worksheet to identify your company's needs and goals for an upskilling initiative.

Analyze the Needs of Your Company	
Why do we want to implement an upskilling initiative?	
What do we hope to gain from this initiative?	
Where are the current skill gaps that exist within my business?	
How can I close those skill gaps?	
What skill sets have I been seeking when hiring outside individuals that I should be promoting within my own company?	
What skills would be addressed with this initiative? Soft skills? Technical skills?	
How many employees would this initiative affect?	
Do all employees need to be upskilled or just a select few?	
Are there time constraints for the upskilling initiative?	

How much money can we invest in our upskilling initiative?	
How will we measure the program's success?	

Creating a Skills Plan	
What skills do we need to focus on? (Create a list for each relevant position.)	
Out of the list above, what are the three most important skills to focus on?	
How will we upskill employees on each skill?	
What skills should we be aware of for the future?	

Individualizing Your Approach (Complete for Each Employee)	
What are this employee's strengths?	
What are this employee's weaknesses?	
What skills should this employee be upskilled in?	
How does this employee respond to training?	

What does the upskilling plan for this employee look like?	
Do we have a training plan created for this employee?	
How often will we check in with this employee?	
Has this plan been discussed and approved by both the employee and the manager?	
How will we measure this employee's progress and success?	

Offering Accessible Training	
Can our upskilling initiatives be carried out at work?	
What types of activities can we implement?	
Are there any opportunities to offer variety in the types of training we offer?	

Evaluating the Program	
How often will we evaluate our upskilling initiative?	
What does a successful plan look like?	

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Sample Skills Plan Template

Date: Click or tap here to enter text.

Employee Name: Click or tap here to enter text.

Department: Click or tap here to enter text.

Manager: Click or tap here to enter text.

Skills to Learn	Action Plan	Evidence of Completion	Target Completion Date	Completed?
(Sample text) Artificial Intelligence	1. Take an online digital course. 2. Attend two lunch-and-learn sessions. Take a quiz at the end of the training to receive certification.	1. Online course completed. 2. Noted attendance in two sessions. 3. Quiz completion.	8 weeks	☐
[Insert skill]	[Insert training plan information]	[Insert evidence of completion]	[Insert ideal completion date]	☐
[Insert skill]	[Insert training plan information]	[Insert evidence of completion]	[Insert ideal completion date]	☐
[Insert skill]	[Insert training plan information]	[Insert evidence of completion]	[Insert ideal completion date]	☐

I, [insert employee name], understand what is expected of me and agree to complete this skills plan to the best of my ability.

_____   _____

Employee Signature   Date

_____   _____

Manager Signature   Date

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Sample Email Communications

Announcing Upskilling Program

Dear employee,

is dedicated to the personal development and success of all of our employees. As such, we've launched a training initiative that will help you learn the skills you need for continued success in your role. Details about the program will be forthcoming, but please contact your manager with any questions.

Best regards,

Mentoring Pairing

Dear [insert employee name],

I hope you are doing well. We are emailing you to announce that we've paired you with a mentor to help you further develop your skills. Your mentor, [insert employee name], will be reaching out soon to set up your first meeting, where you will learn more about the mentorship and your mentor.

Best regards,

Request for Feedback

Dear [insert employee name],

Thank you for participating in our upskilling initiative. We want this program to be fulfilling for your career, and in order to ensure that it's the best that it can be, we need your help.

You were recently sent a survey requesting your feedback. Please complete this survey honestly, as it will be used to help enhance your workplace experience. All replies are anonymous and will not be used for anything beyond internal analysis. If you have any questions, please consult with HR. Thank you in advance for your participation.

Best regards,

Upskilling Employee Survey

To make sure our program is effectively serving our employees, we would appreciate your feedback on the following questions.

1. Please rate the following aspects of 's upskilling program:

	5 (Strongly Agree)	4	3	2	1 (Strongly Disagree)
The information presented was helpful.	☐	☐	☐	☐	☐
The program was what I expected.	☐	☐	☐	☐	☐
The handouts and materials were useful.	☐	☐	☐	☐	☐
The program length was sufficient.	☐	☐	☐	☐	☐
I believe it will be easy to apply the skills I learned to my job.	☐	☐	☐	☐	☐

2. How could we improve this program?

3. What additional skills would you like to learn to be successful in your role?

4. Would you participate in 's upskilling initiative again?

☐ Yes ☐ No – If no, why not? _____

Your feedback is important to us. Thank you for taking the time to complete this survey!

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Let Tilson get to work for you *today* .

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