# How digital upskilling can help you create a culture of innovation
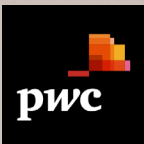
Executives are alarmed by an increasing skills gap that harms their ability to grow and compete. According to our **23rd Annual Global CEO Survey**, 74% of CEOs say the lack of key skills among staff is one of their top concerns, but only 8% have made significant progress in creating upskilling programs that address this gap.

## 8%

Only 8% of CEOs say they have made significant progress in addressing skill gaps, despite 74% of them citing the lack of key skills among staff as a top concern.

Implementing an upskilling program can be daunting. You have to find the right training system, and it can be hard to get concepts to stick. But if you have a supportive environment, you're more likely to get what you need to succeed. Companies should build a culture of innovation and continuous learning that can advance their business strategy and help achieve their corporate growth goals.

# Break free from old models

Culture building is no easy task. And existing modes of training might get in the way of your efforts. Many learning management systems (LMS) and corporate training programs are still centered around teaching specific software or tools to small, designated groups. These legacy programs can prevent you from carrying out growth initiatives and developing talent. They can also make it difficult to create customized learning that cultivates an innovation mindset and helps employees engage more deeply across the organization.

Once employees complete their required—and static—courses, usage and engagement tends to plummet. That disconnect can happen regardless of whether or not people can apply those new skills. People also drift when their opportunities are limited. If they're not offered learning that gets their existing abilities closer to what they need, they disengage because they've arrived at a dead end.

93% of CEOs who introduce upskilling programs see increased productivity, improved talent acquisition and retention and a more resilient workforce.

To achieve repeatable and sustainable change at scale, you should nurture talent from within by giving workers the right function-based training.

This can form the bedrock for better performance, productivity and efficiency throughout the enterprise. When done right, these kinds of efforts can pay off: **93% of CEOs** who introduce upskilling programs see increased productivity, improved talent acquisition and retention and a more resilient workforce.

Inspiring innovation and deepening engagement requires a new mindset. Rethink your approach to learning and development if you want to help increase productivity and gain a competitive edge.

# Boost adoption with a people-first approach

One of the greatest challenges to upskilling efforts, <u>according to a recent CEO survey</u>, is motivating and incentivizing employees to apply their learning.

Avoid top-down mandates for corporate learning and development. A bottom-up approach can encourage more people across your organization to take ownership of their learning and helps increase participation in upskilling programs. Feeling in control of skill development can foster a do-it-yourself attitude and generate enthusiasm.

Personalize the learning journey where possible. Showing your people a customized roadmap that outlines specific skills to improve—while staying competitive throughout their career—can get them excited. Building an inclusive upskilling program where people feel they belong and are free to participate also goes a long way.

Avoid top-down mandates for upskilling. A bottom-up approach can encourage people to take ownership of their learning and helps increase participation.

Explain how ramping up an individual's learning contributes to the business at large. Human resources and professional development leaders should be able to demonstrate how training individuals—with new skills they can immediately apply to their jobs—ultimately helps the company achieve its growth objectives. This <u>alignment of personal and organizational goals</u> reinforces the new cultural mindset of mutually beneficial innovation and creativity you're creating. And it helps your workforce remain nimble in the face of change and willing to keep learning.

# Develop talent from within

Employees are aware their skills aren't keeping up with evolving market demands. They're also willing to do something about it: <u>77% said they want to upskill in order to be more employable</u>, according to our survey of 22,000 workers.

<u>A platform that offers dynamic and adaptive content</u> from respected industry collaborators can challenge your top talent to become lifelong learners and keep them coming back for more. When coursework is presented to employees based on their function or role, it better suits their daily tasks. For example, agile project management should be taught differently to someone in supply chain and procurement than someone who works in sales.

Employees should also have autonomy to seek additional learning pathways for related subjects or tools they're interested in. For instance, finance function staff might take courses in data management, preparation and visualization training. For frontline or industrial workers, augmented reality or artificial intelligence skills may be more applicable.

Allowing people to spend time learning skills that pique their interest—even those best applied outside their current role or function—can be a powerful demonstration of a company's commitment to building an innovative upskilling culture. In addition to access to customized, dynamic content, giving learners <u>opportunities to earn credentials</u> relevant to their roles and functions can also go a long way to advancing individual careers while confirming skills acquisition and competency across your organization.

Also encourage experienced staff to mentor and coach more junior employees. A supportive manager, who treats upskilling as the business and performance imperative it is, can have an enormous impact. This kind of support can affect how quickly employees acquire new skills, how often they put those skills into practice and the team's ongoing return on investment.

# Automate talent recruitment processes

The right solution can help automate parts of the hiring process, including around recruitment, retention and onboarding. Artificial intelligence and machine learning tools, for instance, can sift through applications and resumes, sort out unqualified applicants and select a smaller pool of candidates with the skills and experience you need.

Other time-consuming HR processes and tasks that could be automated include:

- Analyzing the ratio of job candidates who ultimately accept offers

- Analyzing the reasons cited by people who decline job offers

- Identifying trends in promotions and compensation

- Studying attrition rate changes by department or group

- Spotting a "brain drain" before it becomes a crisis

- Conducting culture indicator activities, like employee satisfaction surveys and 360 reviews

As HR and corporate learning executives demonstrate the value of digital skills in their own line of work, they can more effectively advocate for investments in upskilling.

# Celebrate collaboration

When leadership carves out dedicated time for skill-building activities, it can contribute to a culture of continuous learning. Celebrating employees who take advantage of learning opportunities with rewards and incentives can jumpstart company-wide participation, too.

Culture-building can also extend to operations. Employees work more strategically when leaders redevelop their operating models to create more opportunities for staff to use new skills.

For example, if the finance team is analyzing an acquisition target, a manager could proactively suggest employees build their own data automation bot to cleanse and organize information. They could then use data visualization tools to inform their assessments and help make better recommendations.

The finance team could share their bot with other colleagues in the organization. Someone in the procurement group might then be inspired to modify that bot and use it to analyze the terms of contract proposals from vendors.

Upskilling that empowers employees to support their colleagues across the business—without having to wait for help from IT or a shared services group—can help save time and money and also advance the culture of innovation and problem solving.

More importantly, upskilling helps build a stronger overall corporate culture—enhancing employee engagement and improving job satisfaction. Among companies with advanced learning programs, **60% said upskilling directly impacts culture and engagement** compared with just 23% of companies who are in the early stages of upskilling.

# Continuous upskilling can pay off

As more people acquire skills—like data automation, artificial intelligence and agile project management—they'll be unencumbered by repetitive tasks that eat into their time. Your best and brightest talent can then spend more energy on higher-impact strategic work such as analysis, decision making and creative endeavors.

The benefit is clear: **43% of CEOs in companies with advanced upskilling programs say they have higher workforce productivity**, compared with just 17% among companies in the beginning stages of upskilling.

During PwC's upskilling journey, we created the Infinite Learner initiative to encourage a more innovative and dynamic mindset as we work to close our own digital skills gaps, simplify processes and save costs across the business.

In the **first year of our upskilling program**, we experienced improved operating margins, top-line growth and an enhanced employee experience. In fiscal 2019 alone, **we saved almost 160,000 hours** by automating work in our Business Services functions. Robotic process automation (RPA) helped us reduce the time it takes to complete a contract by as much as 80%. To date, we've automated over eight million hours of work.

## 43%
of CEOs in companies with advanced upskilling programs say they have higher workforce productivity.

# Gain a competitive advantage

Companies that lack a culture of continuous learning and innovation will likely face competitive threats. As more digital natives enter the workforce and employees who are deeper into their careers seek to learn more skills, companies large and small will have to prioritize ongoing upskilling programs if they want to remain competitive.

> Companies that lack a culture of continuous learning and innovation will likely face competitive threats.

Using a **dynamic and adaptive upskilling platform that lets employees obtain skills on their own can help companies** develop talent from within and create a highly innovative culture. Gamified features, citizen-built automations that can be shared with other users, project-based learning and opportunities to earn credentials all help deepen engagement and deliver ROI, too. A commitment to cultivating lifelong learners is an investment worth making—they're the lifeblood of any successful enterprise.

# Invest in tomorrow

Stay ahead of the curve with PwC ProEdge, the revolutionary way to upskill your people and prepare your organization for tomorrow. This unique platform allows you to pinpoint critical skill gaps and effectively help close them with automatically generated personalized learning pathways. Leading curated content, coursework and hands-on learning empower your workforce to make an immediate impact through citizen-led innovation. Access to digital tools enables solution-building that scales across teams. This is how ProEdge helps your people to perform at their highest level—giving them the power to help transform your entire organization.

Learn more at **ProEdge.PwC.com**

**ProEdge**
A PwC Product