

Staying relevant and gaining competitive advantage have always been top of mind for businesses—but what does it take to accomplish these goals in today's digital landscape? As digital transformation changes how people work, business leaders should make significant training and upskilling investments to stay competitive and develop talent.

CEOs agree upskilling is a top priority. In a <u>PwC</u> <u>2020 talent trends report</u>, 74% of global chief executives said they were concerned about the availability of key skills. But they don't always know how to fill the gaps effectively and may be hesitant to invest in upskilling programs without any guarantee of success.

To gain an advantage from training their workforce in new technologies and tools, leaders should act now.

It's increasingly clear that technology will likely force certain jobs to change or disappear in the next five to ten years. Inaction isn't an option, and businesses that don't invest in digital upskilling risk falling behind, failing to innovate, 74%

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missing out on productivity improvements and losing talented workers.

Empowering employees—at all levels—with new digital tools and skills is key. These efforts can help your workforce do better work and be more productive. These seemingly simple gains can move the needle on a company's larger goals. Everyone can benefit when learning programs align with the business's goals.

Developing a digitally capable workforce requires more than an investment in technology. You have to understand what skills are most needed in, and beneficial to, your company and industry. Creating a culture of continuous learning means teaching, testing and certifying those critical skills at scale.





Disruption accelerates change

Before the pandemic, rapid technology-driven change was already underway, and employees had become increasingly aware that they need new skills to help them do their jobs more strategically and efficiently.

The pandemic only hastened the digital evolution of millions of companies.

Government-mandated shutdowns and school closures forced many employees into extended work-from-home situations and made them more dependent on digital tools and skills.

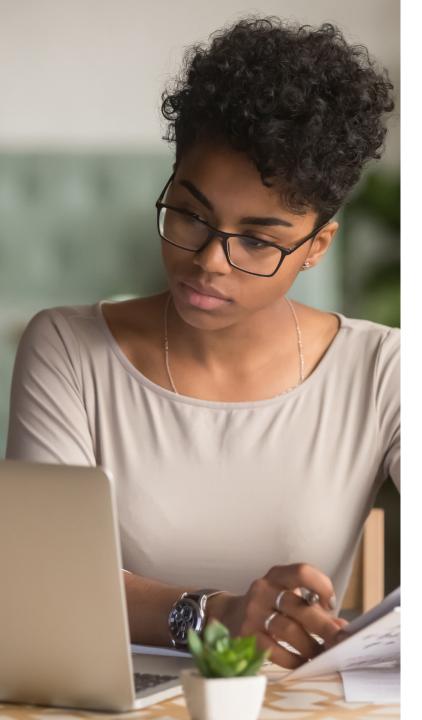
Meanwhile, competing demands from work colleagues, customers, and family sparked a stronger desire in many to learn to use digital tools to make better decisions and dispatch routine tasks more efficiently. The technologies behind these tools include robotic process

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of CEOs said they believe the move to embrace automation initiatives will endure well beyond the pandemic.

automation (RPA), artificial intelligence (AI) and machine learning, and data automation and visualization.

In <u>PwC's 2020 CEO Panel Survey</u>, more than three-fourths of CEOs said they believe the move to embrace automation initiatives will endure well beyond the pandemic.



An adaptable workforce

The challenge of creating a tech-savvy workforce isn't the technology itself. It's knowing where and how to invest in the right digital tools and training platforms to help you get there. It's also fostering a culture of continuous learning that encourages people to keep building new skills for the rest of their careers.

Rolling out a platform that lets employees share ideas with colleagues and collaborate on projects can help companies increase their return on their investment from digital upskilling programs. This approach is also easier to scale.

Alongside digital skills, organizations should teach "soft" skills and related concepts through workshops or scenario-based learning modules, including:

- · Design thinking
- Service design
- Change management
- Agile project management
- Leadership development and team management
- Empathy, ethics and inclusion

Organizations should teach "soft" skills and related concepts—in addition to digital skills—through workshops or scenario-based learning modules.



Rely less on shared services by growing talent and innovation from within

Many companies rely on shared services to meet the workforce's needs, which can lead to silos and shortages of skills and make it harder to deliver value to the enterprise. It can also impact productivity. For example, employees often have to wait to get help from IT to generate a piece of code or build a bot that automates certain processes.

Relying on shared services may also deprive an organization of opportunities for functional experts to apply knowledge gained from years of experience to solve problems or improve processes.

Encouraging a <u>citizen-led approach</u> to innovation empowers employees to take charge of their learning journey and creatively apply new skills to their work. Giving employees ample

opportunity to learn how to use applicable tech tools to automate or eliminate manual, time-consuming tasks helps drive adoption and contributes to a company-wide culture of innovation. It also helps people learn to apply technologies and concepts to future challenges in repeatable ways. Seeing colleagues tackle their jobs with new energy and focus often motivates other employees to start their own digital learning journeys.

A holistic approach to upskilling also means learning new technologies and better ways of working that can help create a new digital mindset, propelling the company toward a culture of continuous innovation.



Five key upskilling areas

Business leaders should invest in upskilling their workforce in five areas:

1. Artificial Intelligence (AI)

Al can automate or speed up tasks that require human cognition, such as fraud detection, creating maintenance schedules for equipment or valuation of other physical assets. It can help with human decision-making, project oversight, customer retention, and to go-to-market strategies for new products and services. For example, marketers could use Al to help identify leads earlier in the sales process. Then, they could use algorithms to forecast what customers will do next by collecting the right data and testing it in predictive models.

2. Data analytics and visualization

People can process visual objects more easily than trying to analyze reams of spreadsheet data. Easy-to-use, impactful data visualization tools identify new patterns and convey complex concepts to help people make decisions more quickly—with confidence.

For example, an inventory management team could use data visualization tools as part of their cost-benefit analysis. They can more easily compare variables such as just-intime purchasing, warehousing and staging costs, expedited shipping expenses, customer satisfaction and departmental growth goals to improve how they handle products with the highest margins.

3. Robotic Process Automation (RPA)

RPA software is easy to deploy and can perform time-consuming, rules-based tasks. It works with existing systems and processes, so it's easy to use—no need for resource-heavy specialty skills, like custom software development.

For example, finance, operations, maintenance and sales departments could use RPA software for data cleansing and normalization tasks.

4. Agile project management

This value-driven approach helps organizations create and introduce new products and services in a highly flexible and interactive way. It can increase time to market and improve the quality of work while also encouraging collaboration among stakeholder groups across departments.

Understanding agile approaches can empower employees to manage smaller projects within departments more effectively. It can also give them a deeper understanding of how to improve processes and performance on larger projects. For example, if a telecommunications company is doing a major equipment upgrade in a metropolitan area, field service workers could use agile project management to streamline route planning. Employees could pinpoint efficiencies, then analyze results, make adjustments and find more ways to save time.

5. Design thinking

Design thinking is an approach to product design that prioritizes users, taking an iterative approach that encourages improvement through testing and incorporating user feedback. It is not, however, limited to product design and can be applied to problem-solving, collaboration, and decision-making.

For example, a group of revenue management employees can apply the design thinking when they analyze the price elasticity of a new product. They could model the effect of offering coupons or discount programs that may entice new customers to buy. These concepts would also help find the ideal price or breaking point.





Middle management's role

Direct supervisors should incentivize and motivate their teams by showing they value a culture of learning and supporting a citizen-led approach. Managers can do this primarily by letting employees take ownership of their own educational journey, and encouraging them to take courses that interest them.

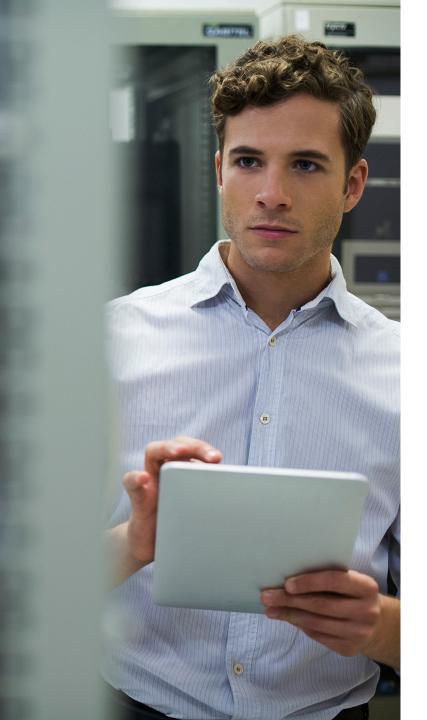
It's critical to carve out time for employees to gain new skills. Someone who's already working late into the night and on weekends just to stay on top of their current job responsibilities isn't likely to have the energy or bandwidth to add upskilling courses to their workload. Reassign projects or rebalance work among your team if this is the case.

Look for opportunities to apply the new skills and tools your team acquires in training to help improve processes and solve challenges they encounter in their day-to-day work. Make time Look for opportunities to apply their new skills to help improve processes and solve the challenges they encounter in their day-to-day work.

to reflect as a team on what's successful and whether or how they can apply those ideas to other projects. Give employees the freedom to test their new skills in a sandbox environment, and acknowledge their achievements when they earn certifications or reach milestones on their learning journey.

Managers should also lead by example and participate in learning programs themselves. They can act as change agents and talk with their teams about what courses they've taken, what they learned, how they're applying new skills or tools and discussing how upskilling has improved their work lives.

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Upskilling in recruitment and retention

A holistic learning platform and a commitment to investing in upskilling are valuable recruiting tools with prospective employees, including workers gained through acquisitions, joint ventures, partnerships and vendor relationships. Robust upskilling programs can also help your organization retain your top-performing existing employees by opening new career paths for them within the company.

Focus on outcomes

One way to measure corporate learning success is to look at the outcomes and progress toward business goals. Here are a few questions to consider:

- Are employees saving time on repetitive, mundane tasks using automation or machine learning?
- Are teams delivering projects more quickly and within budget?

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- Does data visualization help leaders make decisions that bring in more revenue or reduce costs?
- Are there new career paths for employees?
- Has attrition declined?

You can create an enduring innovation mindset and culture of learning as part of your upskilling strategy, which should include employees at all levels across the enterprise. If you haven't started, it's not too late. But the longer you wait, the more time your competitors have to get a head start.

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 at scale. ProEdge enables your people to perform at their highest level—giving them the power to help transform your entire organization.

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