Executive Summary

Unlock Skills Insights with Recognition Data

Why data-rich recognition is the key to bridging the skills gap and creating a competitive advantage

Agility has shifted from a buzzword to a top business priority. Organizations are facing a perfect storm of supply chain whiplash, AI reshaping industries overnight, and economic tides that turn without warning. Add the pressure to optimize costs and keep up with shifting consumer demands, and it becomes clear:

Resilience isn't about predicting the next shockwave but building organizations that bend instead of break.

Central to this agility is an important shift many organizations are making from the outdated job-centric approach to work, to a more dynamic skills-based strategy. As skills change faster than job titles, organizations need to be nimble, constantly checking in on the skills they have and what they'll need moving forward. This shift isn't just important, it's essential for survival, yet it hinges on access to the right data: data that's timely, relevant and useful.

Here's the catch: skills are fluid—moving, shifting, evaporating, pooling—but most data used to track them today is static. This creates massive blind spots most organizations don't even realize they have until projects stall or customers leave. What smart organizations are beginning to realize is there's an untapped resource that's critical to filling this skills data gap—employee recognition.

Employee recognition is the act of publicly acknowledging individuals for what they do, and how they do it. At its core, it's another word for positive reinforcement—feedback focused on an employee's strengths and what they're doing right, making it clear what good looks like. It's a boon to employee engagement, retention, productivity, collaboration, and motivation—and a window into employee skills.

Recognition data—the information that comes from properly capturing the recognition moments above—can hold a treasure trove of behavioral insights that give a more accurate and continuous view of employee skills than traditional methods like self-reported skills, one-time assessments, and inferences that can be incomplete or misleading. Recognition draws on authentic human interactions, and when these interactions are captured frequently, in detail from people around the organization, it leads to real-time, organic insights

into skills. Data-rich employee recognition programs are designed to capture these moments.

Recognition data stands apart because it is behaviorally rich and always on, providing unique insights into individuals and their skills in action that traditional methods simply cannot capture.

However, it's important to note that not all recognition programs are created equal.

Data-rich recognition programs are specifically designed to capture the right quality and quantity of data necessary to power skills-based organizations. And they're key to a solid people strategy. These programs focus on recognizing employee behaviors and achievements that happen in the flow of work and capturing those through highly personalized and contextual messages from across the organization, thereby generating skills-rich data that can inform strategic decisions. These programs rely on a culture where recognition isn't saved for only the big moments, but instead one where moments of recognition happen often, across the entire organization. This depth and breadth of data is what unlocks skills insights.

By contrast, many existing recognition initiatives fail to capture the depth of information needed to unlock this hidden potential. A simple "thank you" or "great job" message lacks the specificity needed to reveal any skills. A high five in the hallway is quickly forgotten and provides no insight into an employee's capabilities. But when you leverage technology to not only capture these moments, but prompt more meaningful messages, like acknowledging a team member for their exceptional problem-solving skills on that project, real skill insights can be unlocked.

In this paper, we'll explore why adopting a skills-based approach is vital for organizations navigating a future defined by constant change. We'll examine how recognition data serves as an underutilized and more accurate resource for skill insights than traditional methods. And we'll outline the characteristics of the skills-rich recognition programs that are key to unlocking this valuable data, enabling organizations to harness the full potential of their workforce, and stay nimble.

Figure 1: Data-rich recognition messages lead to skills insights

Non-specific award message

Highly personalized, data-rich recognition message

Thanks for all your hard work today, Jill.

Jill, thank you for your strategic insights during the Q2 planning session. By bringing a team-first attitude, you identified potential roadblocks facing product development and set the tone for a candid, productive afternoon. This resulted in a great meeting that led to some important breakthrough decisions. We're lucky that you are as invested in the success of others as you are. You are key to our financial planning work; here's to crushing it in Q2!

Recognition data: Talent and skills   Impact and performance   Work and projects

People and relationships   Company values and culture

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