

CAPITAL H

Beyond reskilling: Unleashing workforce potential

Beyond reskilling

Host: **David Mallon**, chief analyst, Research & Sensing, Deloitte Consulting LLP

Guests: **Barbry McGann**, executive director, Office of CHRO Solution Marketing, Workday
Michael Griffiths, principal, Learning Consulting Practice, Deloitte Consulting LLP
Ina Gantcheva, principal, Human Capital, Deloitte Consulting LLP

David Mallon: Welcome to the Capital H podcast, where we explore the topics and trends that focus on putting humans at the center of work. I'm your host, David Mallon, chief analyst of Deloitte's Research and Sensing offering. In this season we continue to highlight the findings of our 2021 Human Capital Trends study.

Reskilling. It's a topic we discussed in our 2020 Trends, but it's also become increasingly top of mind as our workforces continue to adapt to new challenges brought

on by COVID-19. In our report, we recommended that organizations employ an approach developing their workforces that considers both the changing nature of jobs and the equally dynamic potential of our workers to reinvent themselves. For today's episode, I'd like to welcome Barbry McGann. She's executive director in the Office of the CHRO at Workday. Barbry and I discuss some of the themes raised in our Beyond Reskilling chapter, and how Workday has enabled organizations to look at reskilling differently.

David: Welcome back to Capital H. Thanks for joining us today. With me is Barbry McGann with Workday. Welcome, Barbry.

Barbry McGann: Thank you, David. It's great to be here.

David: And we're glad to have you. Maybe if you could start by, for the benefit of our listeners, give us a bit of a recap about yourself, your role, and Workday as an organization.

Barbry: Absolutely. So, I am executive director, Office of the CHRO. I've been at Workday over six years where I was leading products and a general manager of our products and strategy. And then in the last year, I moved into this really great role in which I get to work with our customers to show them the art, the possible, with Workday Solution.

We are an enterprise cloud software solution for both HR and finance. And we serve the Fortune 500 globally. We have over 3,400 customers. And we have over 14 products, everything from planning analytics to a full portfolio of HCM applications, from recruiting to talent optimization, to core HR, payroll, absence, time tracking, and learning.

David: Great. I want to dive into today's topic, which is in our recent Human Capital Trends studies, we referred to as Beyond Reskilling. What we are getting at is that organizations, in order to meet their ongoing needs, should also be leaning into the abilities and capabilities of their people to constantly grow and reinvent, to forward-looking perspectives. And specifically, in the 2021 report, which just came out in December of 2020, we call on organizations to address the very dynamic nature of work today.

And of course, then COVID hit. And so, in the last few months we've seen organizations forced to quickly depend on that potential, that capacity for resilience, for creativity, for reinvention. We've seen companies redeploy workers into areas where they're needed most, where they have the capabilities, interest, and importantly, the passions to contribute. And this has opened some eyes with many leaders as to the importance of worker potential.

This is essentially what has inspired our 2021 Beyond Reskilling chapter and perspective. Start by telling us your perspective on this relationship between worker potential, personal aspiration, and how these two things contribute to an organization's overall resilience.

Barbry: Absolutely. And I think that it's so important to empower workers, empower the opportunities to grow their skills and potential. What we started out with at the very foundation of the Workday Solution is a skills ontology. So it's really important is to have a common language and currency for workers to understand the skills they have, as well as to express their skills interests.

And at the same time, you need that language and currency for organizations to be able to define the types of work and jobs that are available. And then it creates a market in which you can create equal opportunities for workers to understand, "What does the business need? What are the opportunities in which my skills can be used?" as well as, "Where can I grow my skills? And what are the most important skills for the company?" And do that in an equal opportunity environment.

So, on top of the Skills Cloud, we've also created a Talent Marketplace. And that really does create what we call for the individual worker an opportunity marketplace, in which the individual can see all of opportunities, jobs, projects, gigs that match their skill set, as well as what are the top skills that are needed? And so it creates a very open market, and that's why we call it the opportunity marketplace.

So very important to provide that choice and the ability for them to see the skills that are in demand. And then also we've aligned our learning to the skills. So we can recommend learning to recommend key skills that could grow more opportunities, more jobs, more gigs.

David: So you've addressed what Workday can do from a technology point of view. In our 2021 report, we cover a few case examples of how organizations are using technologies, not just under the banner of things like workforce planning, and learning and development. But as you described, to actually understand roles and skills and capabilities changing over time.

I know we've had past conversations with Workday. I know that you help customers in understanding and categorizing and inventorying their skills. That's the Skills Cloud. Can you maybe speak to examples of how Workday customers are using these capabilities to do both of those things? To both take a picture of current state, but also to understand how their needs are shifting over time, and to essentially have a better crystal ball for a very disruptive future.

Barbry: Absolutely. So, at the heart is that Skills Ontology and its dynamic, it's continuing to change. As new skills emerge, they get added to the Skills Ontology. And as skills disappear, they're removed from the Ontology. So, it's always a dynamic state, and we keep that current for our customers.

Then on top of that, we also provided a capability called the Skills Miner. And what the Skills Miner does is, it has the ability to extract and infer skills based in activities that workers are doing. Whether it's an endorsement on a gig, or involvement in a project, or getting feedback, or maybe information that they loaded into their profile. It could be their LinkedIn, all that information. So we get really rich skill signatures and skills profiles for every worker, and that's continuous.

So it's all dynamic. Then on top of that is what you were talking about, it's the Skills Insight. So you can see, "What are the current skills that my employees have by location, by job profile, across my organization?" Any dimension that you care to look at for a team. And then you can also see, "How does that compare to the job requisitions and the openings and the job profiles that I need?"

And then you can get a real time, not only a skills inventory and a skills supply of your organization, but also your skills demand. And then you're able to even see the gap between your skills supply and skills demand. And what's also important is we added a capability to even look at the

strength of your skills supply. So not only knowing the skills that you have, and we track for every skill in the skill signature and profile, what we call the source of evidence, "Where did this particular skill come from? Was it a certification? Did it come from a learning course? Did it come from a gig? Did it come from an opportunity?"

And we're able to look at the occurrences that we see that skill, the frequency, the duration, and the recency. And with that, we're able to assign a skill level, a skill strength. And so now you get to see not only an inventory, but the strength of your supply.

And that's really important when you take it into planning. It really gives you that insight to say, "I've got a pretty strong skills supply already in these key job profiles and key work areas. So maybe all I need to do is additional talent development, learning, maybe some internal mobility experiences and projects to grow those skills versus going out to buy those skills."

And so that's been really eye-opening. And as we look at diversity and inclusion and looking at, how do we ensure higher promotion rates, more leadership opportunities for underrepresented minorities? We could also look at that information to understand, what are the skills they have? And what are the skills we need to develop to make sure that they get opportunities for promotion and leadership?

David: I can absolutely understand that being essential and powerful from the organization's perspective. At the top, I also talked about this need to empower the individual. Let's come to the notion of empowerment specifically in a second. But before I get there, in our December report for the first time ever, the percentage of our respondent population this year were executives from outside of HR.

I think in the context of this conversation, this is a top of mind issue for organizations,

for the C-suite in particular. And actually, even for boards, in terms of understanding the long-term health of an organization.

That said, one of the things that the executives in our survey this year highlighted for us is that there's a huge alignment between an organization's ability to survive disruption and the degree to which its workforce is ready to adapt, to reskill, to take on new roles. The executives in our study highlighted this as probably the most important factor in their ability to respond to disruptions, like the one we've been living through.

And yet only 17% of organizations say that they feel like their workers are ready to adapt, to take on new roles. Given these kinds of technologies, given what you've seen your own customers doing, how can organizations close that capability gap? How can they help their workforce to be better at just the act of adaptation and reskilling itself?

Barbry: Absolutely. And we started really focusing on empowerment of the worker, the employee. That's our central design point. So, one of the key things is allowing them control over their skill signature and skill profile. So, we automatically will infer and suggest skills, but we leave it up to the individual employee to take the skills that are suggested and move it into their profile.

And that's important too, because it will pick up all the skills that you have in your background. So perhaps, I was really good at spreadsheets when I got my MBA 20 years ago. Those skill sets probably aren't ones I want to list in my skills profile because that skills profile is going to be used to match me to opportunities, gigs, projects, job profiles, learning. So, I have control over what I put in there.

And what's really also important to the employee is they don't have to enter in their skills. The machine learning is automatically inferring and collecting and suggesting skills. So, it makes it very easy to maintain your

skills profile. And then we took that skills information and we used that to really give back to the employee. We let the employee know, "Here is recommended learning for you based on your skills."

We allow the individual employee to express their skills interest and their career interests. That way we can really personalize and create career paths and learning recommendations, mentor assignments, experiences, gigs, opportunities that help them grow skills and capabilities that are in high demand for the organization, as well as that will really help them with their career path.

And so, what's important about that is it really motivates and inspires the employees to want to grow their skills and capabilities. And they can see the growth in their skills and capabilities in their own profile. And that's been really important for employees to see how many skills that they're actually gathering.

And then that all feeds into their opportunity marketplace in which opportunities are presented to them. And it's also used to recommend mentors and connections. So, given certain skills you have, or certain skills interest or career interests, we can use that information to match to certain connections within the organization to help them those skills and capabilities.

David: Can you maybe comment on how have you made the case to your customers of the value of supporting that kind of agency, that sort of empowerment?

Barbry: What happened with the pandemic and COVID-19 was exactly this key use case for talent marketplace. Because they had new demand, a new operating model, new work that needed to be done. And they also had to understand, "What are the skill surpluses and skill shortages that I have for those critical roles and customer-facing frontline that I need to staff?"

And what's the health of those skills and capabilities of the people that have those

skills and capabilities? Because I need to be able to maintain business continuity. So, they used the Talent Marketplace to create all of those task force teams during the pandemic. And then they promote those projects through the system dynamically. It matches then based on these projects, these taskforces, these skills that we need to service our customers in the front line. These are the top matches. These are the people that are available that can be redirected, can be redeployed.

And then what happened is those opportunities would show up in their opportunity marketplace. And it allowed the individual employees to pick which task forces, which teams—some of them were location based, some of them weren't location based, some of them had a lot of hours, some of them had few hours—so based on the employee's interest level, their passions, their availability, their health, they were able to pick the projects that they wanted to participate in. That was a really big use case that we saw in the pandemic. We also use it at Workday to really grow skills and capabilities, and to cross-pollinate and really endorse internal mobility. That's another really popular use case that we're seeing our customers do, is they really want to encourage and support internal mobility.

David: Thanks for that. I'll start to wind down our conversation by calling out, in the 2021 report, we highlighted if organizations are going to unlock human potential, the potential of their workforces as a source of value, we think it really involves three broad shifts. And I want to introduce each of them to you in turn. As I do, you're going to realize that you've already talked about several of them, and that's great.

The three shifts are these: First, shifting the supply and demand equation. Part of that is creating these marketplaces so we better understand both what we have and what's possible. Part of it, though, is also thinking differently about the design of roles

themselves. So, the roles are more based on this potential. And the roles themselves are built in with time that is devoted to lifelong learning and reinvention.

Barbry: Yeah. I definitely think that shift is really important in creating that equal opportunity. Not only is it important to empower the employee. They don't want to be assigned, they want to have the agency to pick the opportunities, the jobs that they work on. I mean, it's not about career ladders anymore. It's more career lattices.

So if you want to retain your top talent, it's making sure that you empower that, enable it. But it's also about creating equal opportunity. So, when we match people to projects, or maybe even to succession plans, you can use the same mechanism, the Talent Marketplace. It's not who you know, but it's what you know. So really creating an equal opportunity for everyone to have a chance at these opportunities to grow their skills and capabilities. And to grow the skills and capabilities that are in demand, not only internally in the organization, but also externally out in the market.

And so, that's really important that we are hearing from our employees. And I also have been talking to our talent leaders across our Fortune 500 customers, is they really want to help their people grow these career experiences and skills and capabilities but aligned with also where the business needs the skills and capabilities.

So, it's an exchange. It really is an equilibrium in the market. So, I think that that dynamic is definitely where I'm seeing the Talent Marketplace be a key advantage and where there's a lot of value coming out of it.

David: You've teed up nicely the second of these shifts I want to get your reactions to. And that is shifting workforce planning from just focusing on past performance and what's already on resumes and CVs, to potential, to think about the possibilities that the individuals can bring.

So, an example or two that you've seen in your customer base of shifting workforce planning towards this notion of potential. And again, maybe a word of wisdom for the audience.

Barbry: I've seen a financial services company looking at performance by office locations and comparing office A to office B. And what they found is office A did a higher performance in all of their office locations compared to office B, which was in the bottom of the performance. And they found two factors using this data, the Talent Insights.

They found that there was a huge skills gap difference in the skills that the people had in the same job profile in office A versus the skills they had in office B. Now part of the difference also was the tenure of the employees. So, you have to put tenure a little bit in there. I think the skills strength was higher in office A than in office B because of the tenure of the employees.

But the other thing that they looked at in their planning was the diversity of the employees. So, it was two interesting intersections. One is the skills and capabilities and the potential. And how does that translate to performance, as well as the diversity of the teams? And how did that translate to performance?

And then they use that information to say, "Okay, if this is a really good indicator, these factors are really important for high performance of office A, we can use that formula to figure out where do we need to develop the talent or acquire that talent to get office B to be the same level or higher performance as office A."

So that's a real example that I've seen a financial services company looking at, "Here's our true bottom-line performance. And then how does that translate with the skills and capabilities of the individuals in those offices and the diversity mix in those offices." And then use that information to really create their talent development plans or their talent acquisition plans.

David: You mentioned a couple of words, which I think tee up nicely the last shift—those were teams and inclusion. This last shift is shifting away from this whole conversation just being about programs and long-term investment decisions towards how are we using this data and these capabilities to actually drive real-time action.

So last question is examples of where you've seen this shift to now. So how are we using these capabilities for now? And to drive, for example, the behaviors in teams every day?

Barbry: Absolutely. So, another high-tech customer company. What they've done is, of course, they've got shortages and machine learning. And analysts, that's a high area of demand, also react. So UX technologies. So knowing they had a huge shortage there and a shortage across different global locations, they used that information to understand, what was the strength of people's resources?

Did they have the ability to learn and develop those skills? Or did they have to acquire those skills using third-party market data? We've got a venture invest at Workday in a company called Sky-Hype. So using third-party data to say, "Well, it looks like here in these locations, we have enough skills supply and skills strength. We can develop that, and we can map that to our learning plans because now all of the learning in Workday is also tied to skills. So based on the skills gap I have to close, I can actually prescribe and create learning playlists and plans to close that gap." Or "I don't have that skill supply and strength so now I need to acquire that. Where do I have that availability of that skills in the market?

What locations? Is Atlanta a good area that I can get those skills? And then should I be starting to open up an office there or acquire talent there?" And this is also something that we're seeing across the board, regardless of industry. What's really interesting about diversity and inclusion and what our customers are trying to do is, they have a huge problem in getting hiring outcomes to improve in the area of sourcing.

So, finding diverse talent has been difficult for organizations. Part of it was before the pandemic, it was location based. You always open up job requisitions where your offices were. One great advantage of the pandemic, it doesn't matter geographically where you're located. This really has allowed organizations to rethink how they're sourcing.

And what I've seen a lot of these customers do is they use the third-party market data to find the diverse skills and talents that they need. And they create job requisitions in those locations, because it doesn't matter if it's in the location where their offices are. So, it's really interesting how that has really changed talent acquisition plans to be more about creating jobs where the diverse skills and talent is versus having the diverse talent and skills have to move or relocate to where the office is.

David: It's an amazing story. And it's a great silver lining for the moment that we're in. And on that, I will end our conversation today. Barbry McGann, thank you very much for joining us.

Barbry: My pleasure.

David: And now let's welcome today's roundtable participants. We have Michael Griffiths. He's the US Learning Solutions practice leader and he's a partner within Deloitte's US Workforce Transformation offering. Joining Michael is Ina Gantcheva, a principal in the US Workforce Transformation Practice and leader of Deloitte's Workforce Mobility offering. They'll be exploring the intersection where worker potential and organizational resilience meet, as well as technology's role in planning for the future of work.

Welcome back to Capital H. We've just heard from Barbry McGann with Workday, discussing how they look at skills and scaling internally with their own employees and how they're helping their customers take on similar challenges. Switch now to our roundtable. Joining me are two of my colleagues from our workforce

transformation practice. Michael Griffiths, he's a principal in the US learning solutions market offering leader in our US Human Capital Building practice. Hi, Michael.

Michael Griffiths: Hi, David.

David: And Ina Gantcheva. She's principal and leader of Deloitte's Workforce Mobility offering. Thanks for joining us, Ina.

Ina Gantcheva: Excited to be here. Thank you.

David: Great, so back in May of 2020, we released our 2020 Human Capital Trends report. We had a chapter, entitled "Beyond reskilling." It highlighted the need to invest in both skills and enduring human capabilities of our workforce as a means of investing in both resilience and innovation for individuals and for the organization. And as we navigated the pandemic, we've seen this need for resilience and innovation only become more pointed and more pressing.

And so as we dove deeper into this topic in our 2021 report, which came out at the turn of the year, we further highlighted the need to focus on and invest in the ongoing potential of people to adapt, to grow, and to learn. To see the workforce as a source of value in and of itself, potential value that can be cultivated to serve for multiple improbable futures that we can't see, not just filling the gaps in supply for yesterday's needs that are already well known to us. And cultivating this potential starts by giving that workforce choice and agency and growing in new directions that serve their own aspirations, not just those of the organization.

So there's a lot to unpack there. Let's simply start with this relationship of skills and capabilities to resilience, both for the individual and the organization. Please start by just sharing a sense of the kinds of challenges that clients are bringing to us, especially over the past year, with regards to skills, capabilities, and their role in helping the organization to not just survive in a pandemic context, but to thrive.

Michael: Yeah, thanks, David. It's a fascinating time. And like many things, the pandemic has really accelerated a lot of conversations, and this is one of them. The understanding and appreciation that enduring human capabilities drive people's ability to reskill faster, to drive resilience, to create sustained performance was a topic that needed to be adopted by business leaders, obviously HR leaders too, but most importantly, business leaders that are making key investments and workforce strategies.

And it's a decision that really has exploded, in terms of both needs and also potential solutions. So the first real impact, since we've written a few pieces, one around enduring human capabilities, but also around beyond reskilling in the trends, and obviously other market voices out there, is that there's a huge adoption of the idea of this is a concept that organizations need to drive.

Now, a lot may say it's not necessarily new. We had the terminology "soft skills," and there's also obviously leadership traits and leadership models being existing. But I think the difference here and now is that the idea of everyone's innate enduring human capabilities and the organizations needing to fuel them, to surface them, to invest in them at leaders of all levels and all workforces for that resilience, for that productivity, for that meeting where the individual is, and giving them the ability to thrive is now as a foundational effort and that every organization needs to do it.

David: So Michael and Ina, both of you have talked about a shift even in how clients are talking about skills. Certainly a trend that we're seeing is organizations talking about it in the context of just being skills-based as an organization. What does that really even mean, to be skills-based? What's different? What's the impact? Michael?

Michael: Yeah, and it's absolutely a trend, and Ina is absolutely right that this is broad-based conversation about how do we understand

the future? And I think that's forcing organizations to be transformational about this. And I think that's the more important part about this becoming skills-based. It is a transformational journey across all the talent processes. But the starting point is to move from a role-based talent organization to a skills-based talent organization.

And what that really means, if you think about all your talent life cycle, is that a lot of them are based around role-based dynamics. Performance in role, succession to role, comp related to role, and obviously learning and delivery based upon those roles. And obviously the success in that in a lot of ways there's intuitive aspects to it, but there isn't so much agility.

A couple of things is that we don't really perform in role all the time, remote with different teams, executing multiple different skills on those teams that might not actually roll up into that role. And therefore it's not necessarily driving to the individual level. And also the other aspect is that we might not all be in defined roles. We may be in teams and structures that aren't necessarily following that construct.

So to be skills-based, first of all, is, at the simplest level, is to find what are the talent currencies within your organization. And within skills, are we going to say that we have enduring human capabilities and specialized skills? Some organizations are saying human skills and specialized skills, some are saying core and a couple of others, professional. Ultimately, the very first step is to understand what that nomenclature is. It is a process you have to go through and then it's defining what those core human capabilities and core skills are, and then how to define and articulate, and then really document in an agile way, the specialized skills that are obviously quite broad and deep within the organization.

And then it flows. This is where the transformation happens. It flows into data. Where's the data skills come, where does

it house, and how does it flow through the talent processes? And how does becoming a skills-based organization, how does that red thread of data flow through all those talent processes I just discussed before?

And you asked about impact. So ultimately what we're seeing in market, organizations are thinking about at least three levers for driving value. If they believe that by better understanding the skills around the organization, we can redeploy the talent in a much more agile way, ultimately you can lower your variable costs. You can minimize spend on contractors and vendors because you're utilizing your workforce a lot better.

Another element is you're essentially utilizing that workforce and have more free capacity to be able to drive new projects, new capabilities, et cetera, and it ties to your first question. The last part is you're building more resilience and adaptability, your organization, the expertise will be able to quickly assemble teams and deliver on projects in a much more agile way based upon understanding where those skillsets sit.

So there are, and you can quantify these things, right? These are quantifiable impacts for organizations that's will drive an ROI aspect to our investment. So, Ina, that's how I see it. Are you seeing the same thing?

Ina: I'm actually smiling, Michael, because you hit on a lot of things that we hear a lot about them. And I just want to call out something that frequently, I get asked this question. "You're talking about skills-based organization. It's becoming an important topic. But we also see the data that shows skillsets changing so fast. So are we building an organization on something that is changing?"

And I think the answer is so connected to exactly everything that you mentioned about growth and potential and the opportunity to be resilient. The answer is yes, because skills are changing. If you base your processes around tracking the skills

and how they evolve, the organizations stay constantly agile and is able to very quickly pivot because you're changing the core element and there is visibility transparency, and it flows through the data. And I think about the importance of, now we talk about the role-based organization versus the skills-based organization. How difficult it is sometimes to reposition the work because it changes roles and it's not clear how the change is happening, what happens if it's only the parts of the organization, the impact is strictly or not, there's a lot of bumping across organizational silos. When we look at the process through a skills perspective, it is much easier to ignore the silos because actually it's about the fluidity of capabilities that people have in the organization. Things that we talk about, one of the themes we had about superteams and how you create, or the team-based organization. We hear other clients talk about project-based organization. All these concepts fundamentally they're connected to skills and the skills-based processes. So I'm inspired and I'm excited about everything you shared right now, because it resonates a lot with what we see as the potential in the marketplace.

David: What both of you said makes me think about one of the other key concepts that we talked about in our December report, which is just the shifting definitions for some of these key words. And so I know one word that's been top of mind for a lot of our clients over the last year has been productivity. How do we understand what productivity is in this world where our traditional notions of measuring activities, when maybe our workers aren't even right in front of us, how do we know what they're doing? How do we know what they're producing, et cetera.

One of the other keywords, though, that has also been in question is potential itself. What is potential? How do we update our definition of it? How do we understand, not just simply what tasks employees are

completing or capable of completing, but to understand the wider value and meaning outcomes that they can create, maybe find that intersection of those enduring human capabilities that you talked about, Ina, and the work itself.

With this change in mind, how does this deeper understanding of skills, the human ones and the specialized ones, help us understand this shift towards creativity, productivity, a redefined sense or a re-imagined sense of what potential is in how we understand individuals, but how we manage our workforce more broadly?

Ina: This is such a lovely topic. And I'll say, let's start with the word skill potential, because I would say that the traditional definition of skill is something that you have, something that you've built as an individual. But it also has the element about what you are able and capable of doing. It's actually future-oriented. It's a lot of space. And I think that concept about combining what I've done so far and how can I leverage it, how can it be used holistically in my work from an individual perspective, from a workforce perspective, that creates huge option for productivity. Because we know that the current process has not allowed companies to get full visibility of what people have done and tap into that expertise and those skills.

But I want to take it a little bit further to say, can we think about what's the potential, what people aspire to do, what people are capable of doing, or maybe able to create with a little bit of additional information?

I mentioned adjacent skills and transferable skills. And Michael spoke very eloquently about the enduring human capabilities. And when we put them together, it creates a whole other dimension, almost opens from a 2D to a 3D thinking about how can we leverage the enduring human capabilities that create this flexibility and the ability to be in different areas? How can we look at what

we already know or have with the adjacent skills that allow us faster learning curve and faster adoption and growth? And how to drive this further into the emerging areas, connecting to the future capabilities and this constant evolution and growth that is expected both from the businesses, but also from the workforce?

And we also know, David, we published this in our Human Capital Trends report, how excited people get when they know they can grow and explore and how much this drives belonging. So it becomes a big connectivity between how people feel connected to their organization, connected to the work that they're doing when they feel like they can grow. And I think it's become some really nice reinforcing cycles. So definitely skills potential, belonging have a very, very clear connection.

Michael: I love that. I love the connection to belonging. I totally agree. We've also, David, talked in the marketplace around sort of a workforce architecture view, which talks around envisioning this strategy, re-architecting work, adapting the workforce, and then leveraging technology to drive that workforce forward, but at the center of this, of that model, is unleashing the workforce. And this is really around what is the structure, what's the talent models, what is the experience you want to drive for that workforce too?

And the word unleashed, to me, is a wonderful word to use in this construct. It's connecting to belonging. It's thinking about potential. But it's ultimately, I believe, the core to this is to connect that individual and take off the barriers that a lot of organizational constructs have around maybe role-based definitions about talent structures. They're not really there around different aspects that you just drive towards your passion. And that's how I see it. I think that's the idea of potential. Let's unleash our workforce and let them really drive to their passion. And with that, you do get belonging. You become more sticky. They

become more sticky to the organization because you're giving them the potential to drive their future.

David: That word unleashed says to me that it's a freedom. You're letting them go do. You're letting them achieve their agent, their aspirations, you're giving them agency and choice, as you said, to explore their passion. This was another key idea that we talked about in the December report. Why is it so important that we not just understand what the workforce is capable of today, but that we actually understand their aspirations and we give them that choice to seek out the value and outcomes that are meaningful to them, not just those that are meaningful to the organization?

Ina: I mean, because when we think about, David, we talked about belonging, the opportunity to grow. And the next question becomes, how do I do that? Because the concept I think is clear and people get excited about it, but we also hear conversations about how we do it.

And this is where I would like to say, well, this is where AI comes in. Because the opportunity to do this in a fast way, in a very meaningful way, in a very curated way, consumer-grade experience with the organization. We need to have a lot of data that can be very quickly organized. And this is something that HRES systems and the technology is supporting how we think about work, workers' capabilities, workers' aspirations, organizational direction. That actually is able now to be organized by AI. So different platforms create the opportunity to talk about what they refer to as talent marketplace or talent marketplaces or opportunity marketplace.

And truly even the word opportunity talks about the fact that it is about connectivity between what is available, what is possible, and how this can be put together. And we have a lot of our clients currently talking about and exploring how this supply and demand between skills and people's desire

to grow and desire to do interesting work is connecting to the organization's need, whether to fill in open positions, open roles, and continue to grow, or do work in a different way. Michael talked about re-architecting work and how to think about workflow through a different way. And that's where the talent marketplace creates the supply-demand dynamic. So very closely related. And it's a really good enabler of that.

David: Well, just as we ended our earlier interview with Barbry on essentially sort of next steps, I want to close this out by asking a similar question of both of you. We talk in the December report around three broad shifts that organizations can make when it comes to skills and capabilities and so forth.

One is sort of shifting the equation to focus on the supply and the workforce itself and increasing capabilities in the workforce itself. Second is this addressing the potential of the workforce. So really rethinking workforce planning from being kind of a top-down exercise, where we look at supply chains and gaps, and more of a bottom-up exercise, where our people really become a platform of capability. And the third is that we're trying to do all of this in more and more real-time ways.

These are conversations that might feed the health and vitality of a team week over week, not something that an organization's making in terms of a business-planning process that might happen annually. With those kinds of three shifts in mind, maybe if both of you could share little words of wisdom, certainly, maybe something you've learned from a client in the last little while, a place to start, or maybe a pitfall to avoid? I'll start with you, Michael.

Michael: Sure. I think my biggest advice is that no matter where you come into this conversation, whether it's through the idea of an opportunity marketplace, whether it's through re-architecting work, through learning development and trying to drive from a skills-based, through pay for skills, for compensation, there's multiple talent angles you can come to this. There is a foundational

element of understanding what the future-based architecture for your skills is going to be.

So my biggest advice is: start by defining what you mean, terminology matters, what are your terms for core human skills and enduring human capabilities or specialized skills, and try and get an enterprise alignment on that. How does that align up with things like behaviors, proficiencies, ability, do you use competencies? Is there an idea of proficiency levels that you need to address?

So that's something that seems reasonably light lift, but if you're going to do this enterprise level, especially across your talent teams, it's great to get some ideas around that and then we can start creating the right type of conversation. So that's step one.

I think step two for me would be then really to understand essentially why you're doing this. So what is the business case for change? What are the pain points you have in your organization that you're trying to drive. We talked through a bunch today of what are things that you can hang your hat on, but you're going to need to decide from an organization perspective, what are you trying to solve for and what are the business value is going to be. It doesn't necessarily have to come down to numbers, but it certainly should be around opportunities and focus areas.

And then I think the third element is to start defining and documenting. So, I mean, there's sort of three areas to document. One is, what are your core human skills, your enduring human capabilities? And what list you want to come up with that are going to drive the organization forward? How are you going to assess those specialized skills? Are you going to create consistent framework for those? And what framework is that going to be? And the third is where is all your data going to sit? Are you going to have one central, or you should have one central capability for that data sitting and what technology you're going to use for that? And what is your overall infrastructure for

putting it in a certain place of work? What is the ecosystem players around it? So that's the journey I would start with.

Ina: Michael, you started in third place and I'm smiling again, because you started with connecting the stratagem. That's the first place I was going to jump in. So I'm just going to add just a small dimension to what you mentioned as well. We hear a lot of companies right now on the transformational journey and whether they're in financial institutions or whether they're consumer products, they're moving into becoming a different type of company. They're evolving to becoming a technology company, a platform company.

And that transition, it's very important to translate also into how it will look like for the skills of the workforce, because it creates this handshake between how we grow and our future work aspirations and the capabilities and the potential for people's skills and the growth that they can have. So clearly articulating it, talking about it, connecting the dots there, it's really good and creates this pool across the organization, engages the business leaders in the conversation about skills and employees in the conversation about growth.

And, David, you mentioned something about the pitfall of what to avoid, and it's a lot about deployment. So after you create [inaudible], Michael very nicely articulated the key elements. It's about avoid making

it linear or making it like one and done, but rather, maybe on the point of how to do it, it's about adopting the mindset of agility, of agile creation, of testing and learning and prototyping and piloting and making sure there is a lot of lessons learned and use of the data, because there's a lot of data that is being generated through this skills marketplace explorations, and also engaging others in the journey. Because if we go with a linear one and done, let's deploy it, be ready, that's actually a huge missed opportunity of the richness that the skills-based organization, opportunity talent marketplace, potential-driven workforce and organization can accomplish.

David: Thank you, Ina. On that note, I want to thank Ina and Michael for joining us today. Until next time.




Our Deloitte 2021 Human Capital Trends study has shown us that—when given the chance to align their interests and passions with organizational needs—workers can fulfill their potential in surprising ways, positioning their organizations to thrive in the long term. It's a real shift from focusing on “survive,” to “thrive.”

Thanks again to Barbry McGann for joining us today, sharing her insights, and thanks again to my Deloitte colleagues for helping dig deeper into why we should shift beyond reskilling and the impact on the future of work.

In addition to tuning in to our podcast series, you can also read our 2021 Human Capital Trends study yourselves at deloitte.com/HCTrends. Thanks again for joining us and listening. Until next time.



Learn more

-  Visit the [Capital H podcast library](#)
-  Explore our [Capital H blog](#) for additional insights
-  Join the conversation on Twitter [@DeloitteHC](#)

This podcast is produced by Deloitte. The views and opinions expressed by podcast speakers and guests are solely their own and do not reflect the opinions of Deloitte. This podcast provides general information only and is not intended to constitute advice or services of any kind. For additional information about Deloitte, go to deloitte.com/about.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the “Deloitte” name in the United States, and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.