How to Implement an Upskilling Plan at Your Organization



A 6-step upskilling implementation game plan.

Taking your current employees to a higher level of skill is much more cost-effective than hiring new employees from the outside, especially in a tight labour market where skilled people are in such short supply. The concept of training in-house employees to develop the digital, technical and other skills the company needs is known as “upskilling” and it has been shown to be highly effective in boosting business performance, productivity and profitability. Investing in the skills of your own employees can also lead to dramatic improvements in recruitment, retention and morale. However, you have to do it right. Here’s a 6-step game plan to implement a successful upskilling program based on best practices that have led to actual success at other companies.

What Is Upskilling

> Although definitions vary, upskilling is basically an HR strategy in which companies use education and training to help employees improve or develop new skills and capabilities for the purposes of improving their work performance, thereby enabling the company to acquire the skills it needs. Although the terms are often used interchangeably, there’s a difference between upskilling and reskilling. The latter means training someone to learn completely new skills so they can do a completely different job.
> Examples:
> **Upskilling:** A software company trains its developers in the use of a new programming language so that they can develop new products for the company;
> **Reskilling:** A software company provides a customer service representative coding and programming training so he become a product developer.

Step 1. Identify the Skills You Have Now

You can’t get from here to there unless you understand what the “here” is. So, the starting point for upskilling is to map out the skills and competencies you currently do have within your company. Best Practice: Complete a skills inventory for each employee identifying their current competencies. This may include hard skills such as computers, finance and other technical areas or functions and/or soft skills like

dealing with others or working in teams.

Step 2. Identify the Skills You Need

Next, focus on the “there” you want to get, namely, the skills your company needs or will need in the future, based on its long-term business strategy and goals, changes affecting your industry and what your competitors are doing. For example, what kinds of digital technology will companies have to use to achieve success in your business in the next 5 to 10 years?

Step 3. Establish Upskilling Goals

Compare the skills you currently have to those you’re going to need in the future to identify your current skills gaps. Filling the gaps by developing those skills will be the objective of your upscaling program. Of course, it may not be so simple, especially if the gaps are the size of the Grand Canyon and you feel like you’ll never get there from here. But try not to get overwhelmed and break it down into manageable objectives based on your highest business priorities and most important functions and operations. Seek to winnow out initiatives to fill gaps that are too wide to close without a massive and disproportionate investment in resources.

Step 4. Establish Performance Metrics

The next thing you’ll need are metrics that specifically and objectively define your objectives and enable you to measure the progress you’re making toward achieving them. To measure the success of upskilling, you’ll need metrics that evaluate all of the key areas of your business, including not just revenues, costs and profitability but also:

- Productivity, such as reductions in hours it takes employees to complete particular functions or spend on certain nonessential tasks;
- Employee retention, such as, a specific rate or reduction in turnover;
- Recruitment, such as the time and costs of acquiring new hires;
- Customer experience, which you can measure by satisfaction rates, complaints received, calls taken, etc.; and
- Employee buy in and satisfaction with the upskilling program, such as participation rates or survey response data.

Step 5. Select the Right Learning Formats

One of the most crucial decisions you’ll have to make is with regard to education and training methods to use. The starting point is deciding between in-house or outside training. Hiring an outsider to deliver training may make more sense than trying to build a program from scratch. But it can also be costly and hard to manage. Other options to consider include:

- **Certification** programs enabling employees to earn professional credentials, which may be an especially attractive approach for upskilling designed to develop technology skills;
- **Peer-to-peer learning** that relies on employees to train their co-workers, rather than bringing in an outside instructor;
- **Mentoring** in which more experienced or senior persons takes the trainee under their wing;
- **Job rotation** allowing employees to rotate between different jobs at the company so they can gain new skills and experience; and

- **Self-learning online** in which employees gain the learning and knowledge they need from eLearning, informal courses, podcasts, videos and other online materials.

Step 6. Continually Monitor Upskilling Progress

Whatever the format of your upskilling program, once it launches, you must continually monitor how well it’s working and what adjustments you may have to make. This is where your metrics will come into play. If you use an outside training provider, you should be able to rely on its platform to monitor progress; if you do training in-house, you may need to use a Learning Management System (LMS) that enables you to track the progress each individual is making toward their learning objectives.