

Addressing the soft skills crisis

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According to reports, Britain's workforce is facing a deficit in soft skills which is threatening productivity and which could have major financial implications for the UK economy.

A report[1] published by Development Economics Ltd. on behalf of McDonald's, UK, suggested that by 2020 over half a million UK workers will be significantly held back by lack of soft skills – an issue that is forecast to affect all industry sectors.

This highlighted that soft skills contribute £88bn to the UK economy currently – a contribution that is predicted to increase to £109bn in the next five years.

However, the report claimed that the deficit in “soft skills” will cost the UK economy £8.4bn per year in 2020 in lost production if not addressed now.

Rather unsurprisingly, 97 per cent of UK employers surveyed stated that soft skills are important to their current business success; however, over half of the employers surveyed say skills like communication and teamwork are more important than traditional academic results.

Unfortunately, three-quarters believe that there is already a gap in soft skills in the UK workforce, an area that Cognisco is already helping several global companies to

address with our unique people insight and analytics capabilities.

What are the top ten soft skills?

The National Careers Advice Service[2] promotes ten core soft skills that people should aim to develop during their careers. These are communicating, making decisions, showing commitment, flexibility, time management, leadership skills, creativity and problem-solving skills, being a team player, accepting responsibility and having the ability to work under pressure.

It highlights that these skills are important transferable skills that people can use in a variety of job roles and personal qualities and attitudes that help them work with others and make a positive contribution to a business.

Employability and leadership challenges

Evidence suggests that the lack of soft skills is already hindering the employability chances of some young people.

The latest British Chamber of Commerce Workforce Survey[3] found that 88 per cent of employers believe that young people are not prepared for the world of work, and 57 per cent of employers blame the lack of soft skills such as

communication, resilience and team working as the biggest problem.

This issue was widely discussed by Nick Hurd, the former Minister for Civil Society[1] in 2013. In an interview with *The Telegraph*, he said, “What we see in survey after survey is employers saying qualifications are important, but that just as important to us are so-called soft skills, character skills, the ability to get on with different people, to articulate yourself clearly, confidence, grit, self-control. They are saying we are not seeing enough of this in kids coming out of school”.

Interestingly, the McDonald’s research highlighted an issue that could be holding back young people – the fact they are not “selling their soft skills” during the recruitment process. Apparently, one in five young people would not feel confident describing their soft skills to an employer and more than half (54 per cent) have never included soft skills on their CV.

The soft skills deficit is not only an issue for young people – having good soft skills is essential for career advancement at all levels.

According to *Recruiter Magazine*[4], soft skills are “hot right now, and modern professionals looking to advance their careers need to make sure they have the soft skills that employers are looking for”, and it seems to be a global problem.

Many companies in the USA are addressing their deficit in soft skills by specifically recruiting candidates with what it calls “baseline skills”. A recent study by job market research company, Burning Glass, said that out of 25 million online job advertisements from more than 40,000 sources, writing, communication skills and organisational skills are the most sought-after baseline skills or soft skills across all job types.

One of the main benefits of developing soft skills in a workforce is that it enables companies to achieve performance optimisation. This is when employees fulfil their potential and perform to the best of their ability and their performance has a positive impact on organisational success.

It is Cognisco’s firm belief that to optimise performance, companies need a strong learning culture supported by effective management and engaged employees who feel valued. Our wide experience also tells us that managers need a framework in place for continuous development and a clear pathway to aspirational roles for their people. If this mix is right, then companies are likely to be productive and successful, something we have evidenced time and again with our clients.

The issue of measurement

Some of the challenges that companies face are the ability to identify the extent of their soft skills deficit, to address the problem and also to measure progress in terms of the training and development they deploy.

Cognisco sees many organisations struggling to measure the effectiveness of the training focused on hard technical skills, and evidence suggests that this is further compounded when you bring intangible soft skills such as communication and problem solving into the picture.

However, whilst measurement is challenging, it is far from impossible.

To this end, we have developed a new assessment of “soft skills” as part of our Management*KNOW series which aims to give organisations insight and analytics both into current gaps in soft skills in their company and how they can address and develop those areas.

This unique assessment helps companies identify the gaps in soft skills, introduces specific targeted interventions to address them and produces data about their people that enable companies to measure their performance before and after training interventions.

Managers gain complete insight into the competency, capability and confidence of their people at all levels and in different job roles. This people-centred data allow organisations to make informed and strategic people-based decisions about their development needs and how best to use their skills, talent and resources.

Such intelligence means that a company can deliver tailored learning, training and support for every individual designed to accelerate their performance.

This assessment within the Management*KNOW series covers key areas focused on soft skills and personal effectiveness including:

- communication and interpersonal skills;
- teamwork;
- time and self-management;
- decision-making and initiative taking; and
- taking responsibility.

Working with leading global organisations

We are working with many global companies to provide them with real-time data about their people’s capability and their confidence delivering against required competencies – something which is helping to transform their businesses.

As part of this transformation process, we are helping organisations in a number of sectors assess and develop the range of soft skills in their organisation,

including management and leadership competencies, customer service skills and sales and marketing skills.

In one major retail bank, we are working with the customer services team to develop their listening and empathy skills and with sales and marketing teams to improve their negotiation and relationship-building skills, both of which are having a huge impact on the performance of the teams.

In the health-care and social care sectors, we are helping a leading home-care operator improve the way in which carers approach team working and their ability to communicate, particularly the way in which they escalate problems. Not only has this improved the performance of the team but it also has had a positive impact on the day-to-day lives of the patients in their charge.

With soft skills becoming increasingly linked to organisational success,

companies cannot afford to ignore their importance.

HR teams seeking to develop their employees' soft skills will find our unique approach invaluable for identifying and plugging gaps in skills, enabling them to drive a positive change in what is traditionally a tricky area to assess.