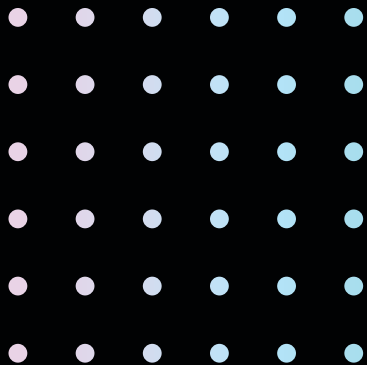


Deliver development along three dimensions



to enable vertical,

horizontal, and diagonal movement for employees.





BY FRANK NGUYEN



My mom retired a few years ago from a manufacturing company where she worked for 28 years. Because she did not have the opportunity to attend high school, she was grateful just to have reliable employment and a consistent income for her family. She worked hard, invested time into learning new equipment quickly, and celebrated every time the company rewarded her with a new role on a different process or line. Her continual advancement over the years kept her engaged and loyal to the company.

However, at her retirement party, she privately lamented that she wished that she had had opportunities for more education. As much as she appreciated her employer's loyalty to her, she believed that it didn't invest in her nor maximize her potential.

Fast forward to the Great Resignation, which underscored the importance of development and advancement in retaining talent. As inflation persists, interest rates rise, and economic growth and hiring slow, talent development practitioners must reframe the TD function's role and how we approach advancement. The key to engaging and retaining workers is no longer one-dimensional around promotion and vertical movement. We can't simply deliver training on how employees do their job today, then upskill them toward promotion or move them into management roles. TD must now deliver along three dimensions.

We must continue to invest in vertical promotion. But in addition, we must also reskill for horizontal and diagonal

movement and offer pipelines that extend into different career paths. Employees don't want to work for companies that only offer career ladders. Rather, they seek employers that provide a lattice of opportunities to help them grow in their current role or to a completely different one.

We can reframe and prioritize TD investments going forward in at least four ways: upskilling, reskilling, outskilling, and pipelines.

Upskilling

Our traditional role has been to upskill workers—to develop skills that will help employees continue to grow or advance within their current job family. For instance, Sofia is a computer science graduate who recently joined TechFirm as a junior software development engineer, sometimes referred to as an SDE-1. Sofia learned C++ and Java at her university, but she must rapidly build proficiency in Python because it is the prevalent programming language her new employer uses. Fortunately, the TD function has already established a partnership with a third-party content provider that offers an upskilling boot camp.

Sofia upskills and earns a Python certification in only 10 weeks. Over the coming years, she grows her problem-solving and coding skills through intentional investment in workshops, conferences, mentoring, and experiential learning via stretch assignments. TechFirm quickly promotes her to an SDE-2 and then an SDE-3. Because Sofia is a high-potential employee, her senior leader nominates her for a technical leadership program for future software architects.



Reskilling

To provide employee advancement from one role to another, TD functions must look for methods to reskill workers. Rather than employers hiring someone new from outside the organization, they are essentially placing a bet that tenured employees can develop new skills in an adjacent role or even one that may be completely different than their current one. An internal study that a supply chain firm conducted reveals that tenured employees who were reskilled into new roles left the company at a lower rate after four years as compared to those hired directly after university graduation or from competitors.

Take, for example, Marcus, who was hired into TechFirm's logistics operation after graduating from high school. He often volunteers for more progressively difficult roles with the company and is eager to take on more but fears he hit a ceiling because other internal roles require a college degree. TechFirm is expanding its pharmacy fulfillment center and needs to hire more pharmacy technicians, so the TD department establishes a reskilling partnership with a local community college. Marcus applies for the program and becomes a certified pharmacy technician within 12 weeks while still earning his previous salary. He immediately advances two levels in TechFirm's grade structure and looks forward to a long career with the company.

An often-overlooked form of reskilling is the move into people leadership. Employers often take top performers and offer them a promotion into management to recognize, reward, engage, and retain them. However, the assumption that a top technical performer will become a top people leader is not always true. Quite often, the top performers' people-leadership skills are not in parity with existing technical skills.

"Nearly one-quarter (23%) of the leaders who are in the top quartile on productivity are below the top quartile on ... six leadership-oriented skills," write Jack Zenger and Joseph Folkman in "Why the Most Productive People Don't Always Make the Best Managers." They add: "One out of four times a person is promoted to a leadership position because of their outstanding productivity, they will end up being a less effective leader than expected."

Fortunately, like technical leadership, employees can learn and develop people-leadership skills. We would not expect Sofia or Marcus to be successful in their new roles without learning the hard functional skills of Python or pharmacy practices, respectively. Similarly, we should not expect new people to be successful at managing other human beings, whether in software development or pharmacy, without reskilling into the soft behavior skills required of people leadership.

Outskilling

In addition to reskilling for the purposes of new internal roles, in specific situations TD functions may also consider providing training for workers destined for roles outside the company. Employers sometimes use such an outskilling approach to help displaced workers find new jobs and careers. In certain circumstances, an employer may choose to outskill workers to develop talent needs within the local community.

For example, TechFirm recently opened a new facility in a small town located between two larger metropolitan areas. The local community leaders are excited to have a new employer in the area, particularly one focused on health and wellness. But they lament the

lack of healthcare professionals in the immediate area. As part of its investment in the community, TechFirm partners with colleges in adjacent cities and offers employees the opportunity to reskill as emergency medical technicians and nurses and then helps place them with local healthcare employers.

Pipelines

While reskilling and outskilling add a second dimension beyond upskilling, a third dimension of ongoing development support over time may be necessary. Providing a talent pipeline engages workers beyond the initial step of upskilling or reskilling. Pipelines often include preset rotations across an organization to provide workers with broader experience and knowledge of the company. It may also include predetermined steps, level promotions, and target completion into critical roles within months or years.

Historically, many TD functions have implemented senior leadership pipeline programs where companies recruit graduates from specific universities or business schools, and the individuals enter the pipeline at a certain level, receive targeted experiences to accelerate their development, and then graduate into an executive role.

For businesses to be prepared for future challenges, pipelines must expand beyond such targeted audiences and into high-demand roles within the company. For example, TechFirm hired Denise into its logistics operation alongside Marcus. While Marcus decided to pursue a pharmacy technician path, Denise applied for a software re-engineering pipeline that the TD team offers. Upon acceptance, she completed a nine-month reskilling program that included the same 10-week Python boot camp that Sofia completed. At the end of the program, Denise moved into an SDE-1 role.

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In addition to the development experiences available to Sofia, Denise receives additional upskilling, has predetermined rotations across the applications team, and is working toward graduation as an SDE-3 within five years. Denise hasn't yet decided whether she wants to become a software architect or manager after that, but she's excited and grateful that the company took a chance on her and is willing to invest in her future.

Implementation

While upskilling, reskilling, outskilling, and pipelines each vary in the outcome for the worker, the process to implement each is similar for the TD function.

Identify your company's workforce needs. If your organization has a workforce planning or analytics function, start by studying forecasted supply and demand for job roles over the next one, three, or five years. The forecast should take into account projected promotions, internal movements, and external attrition rates.

Alternatively, work with business leaders to identify key roles that need a specific focus or are best suited for internal development over external hiring. You could use workforce planning data as a reference in such discussions or review future business plans or strategies to inform choices and peek around corners. It's essential to reskill or upskill for the talent that your company will need in a few years, not the roles needed today.

Identify sources for potential talent. Once you've determined the roles that the company will need, you can begin looking for talent that will serve as the source for your skilling efforts. For upskilling, that is often more straightforward because you can look to junior roles within the same job family, often in the same business unit or an adjacent department.

For reskilling, talent could come from internal sources, particularly from job

roles that may have limited upward mobility. Talent could also come from external sources such as community colleges or universities, midcareer professionals looking for a change, or even locales where the company wants to invest in building the community.

Analyze the gap between target role and source talent. Map the required skills that current employees have in the target role and then compare those to the skills of individuals who will receive skilling. That gap may vary significantly depending on your source of talent and may alter your decision on whom to include in your skilling efforts. For example, TechFirm wants to increase the diversity of its tech workforce and has developed partnerships with historically Black and Hispanic colleges to invest in both its computer science and IT programs. To reach parity with the firm's existing SDE-1 workers, those students may take additional classes on Python before graduation.

Find an executive sponsor from the business who will commit to hiring reskilled and upskilled employees. Nothing would be more frustrating than committing to months or years of a skilling program, graduating, and then not finding a meaningful role. That would likely be more dissatisfying for an employee than being trapped in a dead-end job.

Before making any serious investment in building or deploying a skilling program of any kind, find an internal leader who would hire employees upon completion of reskilling or upskilling. For outskilling, it's important to find external partners who will hire graduates from your organization upon completion. Beyond executive sponsors ensuring that there's a flow out of the pipeline, also lean on them for change management, communication, and marketing efforts.

Identify existing skilling programs. With a clear understanding of the skills gap between the talent you intend to upskill, reskill, and outskill and the roles they're destined for, look for existing skilling programs you could use to launch your development efforts. In most cases, partnering with an internal team, vendor, or academic institution will enable you to move faster. In cases where you plan to (or must) develop an internal solution for proprietary, financial, location, or other reasons, searching for existing skilling programs will provide a useful benchmark to inform the design, cost, or time that will be required.

Design learning. If you're able to find an existing skilling program, there's a high likelihood that you may need to modify the offering or supplement it, whether for cultural purposes or additional technical skills. If you choose to build an internal skilling program, you have the luxury of designing a more seamless learning experience rather than bolting on additional learning, internships, or requirements to meet your company's needs.

Market, recruit, and assess employees for reskilling, upskilling, and pipelines. The marketing efforts may vary depending on how many workers you seek to graduate through your skilling efforts. If the intended output and source talent pool is small, then it may be best to recruit individuals directly or through their managers. If there is a significant source talent pool (thousands), then a more robust marketing and communication campaign may be necessary and more equitable.

In either situation, consider using aptitude assessments to help the employee and company understand whether the individual can complete the skilling program and be successful in their new role longer

term. The worst possible scenario is for the organization to reskill, upskill, or outskill a perfectly great employee into their last job with the company.

Retrain and reskill, upskill, and provide pipelines. Beyond the formal training component of any skilling effort, provide staff with support such as mentoring, coaching, and experiential learning via stretch assignments or internships. Provide workers with a realistic preview of their future role early and often. Ideally, that will engage and motivate them throughout the skilling program’s duration. However, if an employee has any misgivings, it is better for them and the company that they opt out sooner than upon graduation.

Upskill, move, and promote pipeline employees. Your organization may need talent at more senior levels. If the need for such talent is years away rather than months, investing in early-career talent and bringing them through a talent pipeline that includes multiple opportunities for reskilling, upskilling, vertical promotions, and horizontal moves may be a smart strategic play. Such a long-term investment generally will produce employees who leave less often and are more acculturated than a senior leader hired externally at a later date.

Reframe and prioritize

I sometimes wonder what kind of career my mom would have chosen had her employer offered her the chance to upskill, reskill, or outskill. Perhaps she would have been a pharmacy technician, engineer, or manager at the company or elsewhere. Fortunately, we each have the opportunity today to change the lives, both professional and personal, of the individuals we’ve been entrusted to develop, grow, and advance.

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DIFFERENTIATING UPSKILLING, RESKILLING, AND OUTSKILLING

Simply offering a workshop on a new software or soft skill isn’t enough to be considered upskilling or reskilling. Pipeline development efforts should have a clear input into the funnel and a target role at the exit.

	What Is It?	When Should You Use It?
Upskilling	Development solutions (training, education, internships, mentoring, movement) are focused on helping an employee advance within their current job family within the company.	Workforce plans indicate that there are supply shortages for high-volume or highly critical roles in the next 12–36 months, and tenured employees within the same job family can develop the functional skills required to advance.
Reskilling	Development solutions are focused on helping an employee move into a completely different job family within the company.	Workforce plans indicate that the broader organization will have supply shortages for high-volume or highly critical roles. There may not be enough staff within the same job family, but there is a supply of talent elsewhere within the organization.
Outskilling	Development solutions can be focused within the current set of job responsibilities or a completely different one, but intended role placement is outside of the current organization.	Community engagement efforts reveal a shortage of specific skilled talent in a certain geography. Alternatively, the organization may be experiencing downsizing and needs to help incumbent talent move into new career paths outside the organization.



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