WORKFORCE INTELLIGENCE GUIDE

A SKILLS-BASED DEPLOYMENT AND ADOPTION PLAN

phenom

Table of Contents

Introduction

Using skills as a measuring stick for talent acquisition, growth, and retention isn't new. For years, talent management leaders have been looking for ways to identify what skills are available in their organization and how those skills can be applied, not just within a given department, but across the company to fill critical gaps.

This process can be cumbersome. It requires meeting with managers, talking to them about the positions in their department, and uncovering what skills are required for those positions. Then, they must review their current employees, identify their skills, and effectively map it all out. From there, talent management teams repeat this process with every manager in the company. Most HR business partners (HRBPs) shudder at the thought.

Luckily, technology can help. Many organizations are looking to workforce intelligence tech as a solution to accelerate workforce planning, offer personalized growth opportunities, and gain visibility into each employee — including skills and competencies, career goals, professional preferences, performance and engagement.

Workforce intelligence provides critical context that drives talent mobility and career development throughout the enterprise through deeper insight into supply and demand, skills gaps, and succession plans. It does this by leveraging a dynamic skills architecture to shorten your implementation time and keep your insights fresh by constantly learning from decisions made across the organization.

However, how you apply this technology will vary based on how mature your talent management processes and data are. For example, do you have comprehensive employee profiles? How about role definitions? How are you associating the job descriptions that you use to hire with the roles you have defined internally? These are all important questions to consider, and this guide is designed to help you build a plan based on where your organization sits on the maturity curve.

After identifying the right technology, the real work starts. You need to create a compelling pitch for the leaders of your organization to buy into, and create a comprehensive plan to address the four-letter word that is "change management."

This guide will tackle those big issues and outline:

➜ The benefits that workforce intelligence can bring to your talent management strategy

➜ The recommended rollout plan to minimize the pain of change management

➜ How to position the plan with key stakeholders to get buy-in across the organization

Now, read on to discover what technology options are out there, how to get buy-in from all stakeholders, and how to responsibly apply new tools to your organization in a way that won't overwhelm you, your managers, or your larger employee population.

A Brief History of Talent Development

The beginning of the 20th century saw an **interesting contradiction** related to the impact of the industrial revolution on workplace training. As automation and technical achievements grew, so did the need for skilled workers. This was the beginning of talent development, and the first foray into understanding what skills were needed in the organization versus what was on hand.

As we entered the second half of the century, companies started to formalize **performance management** to measure worker productivity and identify areas of strength or deficiency. These systems were fairly rigid, and often perceived as a task vs. an opportunity to learn.

As we marched toward the age of the internet, we started to see the advent of enterprise HR software for payroll and applicant tracking. However, in 1998, **McKinsey** coined the term "the war for talent", starting the transformation of HR from a tactical record keeper to a strategic function. Talent management came front and center.

Talent managers started breaking from the traditions and tenets of the past, introducing more agile programs into their organizations to keep managers and employees informed and growing. However, talent shortages and economic events, like a global pandemic, have changed the definition of work and introduced new challenges surrounding employee engagement as organizations are more widely distributed than they've ever been before.

And then there's artificial intelligence (AI). AI has slowly made its way into the HR tech landscape — although it's been a bumpy ride. With concerns around how automation affects the hiring process, conversations around whether AI introduces potential bias in the evaluation of job candidates has sparked.

And just as we started to draft laws to regulate the usage of AI in early 2023, generative AI (*ChatGPT, for example*) became mainstream, changing the game yet again.

So, what can we learn from history so we aren't doomed to repeat it?

With technology making leaps and bounds in the early twentieth century, businesses require additional skilled workers to keep up with the times — and at times need to upskill and reskill existing talent. The need for skills has driven the creation of technology that can help identify skills and skills gaps within a workforce — a solution today's businesses are in desperate need of.

It's a beautiful circle, and brings us right to the most important question for HR leaders: how can I make the right workforce intelligence technology investment for my organization and deploy it effectively?

What Makes Workforce Intelligence Technology Essential?

Sixty-three percent of employees are leaving because they think there are limited opportunities for career growth, and for most companies, the methods used to keep individuals engaged are mostly manual and primarily opinion-based. This is because most companies do not have access to real-time data or digital views into employee aspirations, capabilities, or interests.

Instead, they've only been solidifying the foundational elements of what's required to support employee growth and retention. While the rest of their company focuses on digitizing experiences for their users and customers, employees are left in the dark, inhibiting the potential to grow and retain talent.

Of course, your company may not be "most companies." You may be ahead of the curve with a sophisticated talent management system. Or maybe you read that last paragraph and agree that there is a lot of manual effort required to keep employees engaged — as well as many opinions to contend with to get to the right solution.

# Selecting the Right Workforce Intelligence Solution

When setting out to invest in technology to support a skills-based organization, the main stakeholders in this journey will be the talent manager, managers, and then the rest of your organization's employees. Not to mention the influencers and decision makers, which can often include Talent Acquisition leadership, CHRO or VP of HR, HRIS teams, and others with direct control or influence over budget decisions.

The way you choose to approach new technology will impact one or more of these stakeholders, and will require a change management strategy that maximizes adoption while overcoming objections. But that shouldn't stop you from trying to move your organization forward. The first step is identifying where your organization sits on the maturity curve, which we will cover next.

HR / Talent Management

Employees
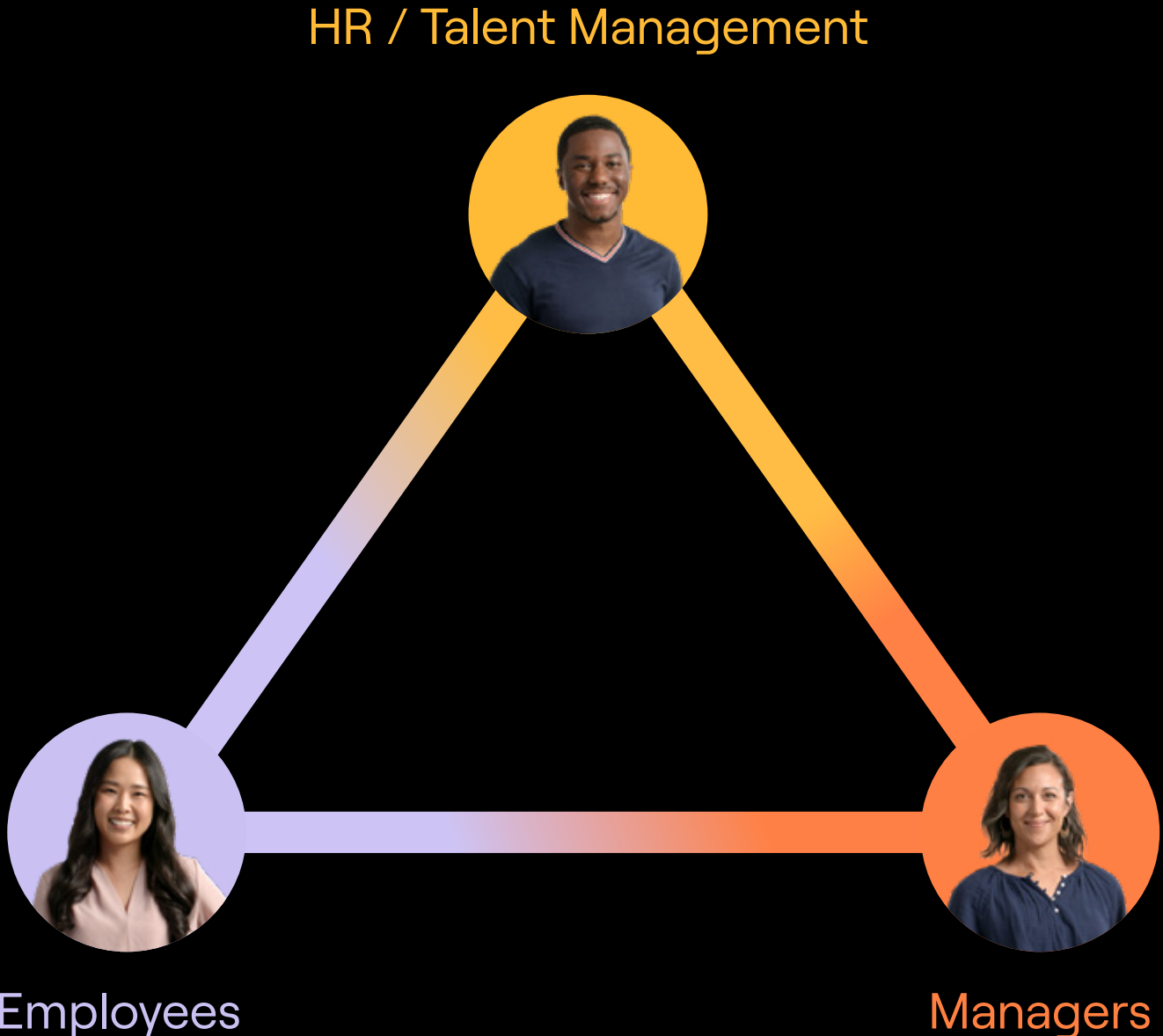
Managers

Assessing Workforce Intelligence Maturity

Where is your organization?

EVOLVE   MATURE   INNOVATE
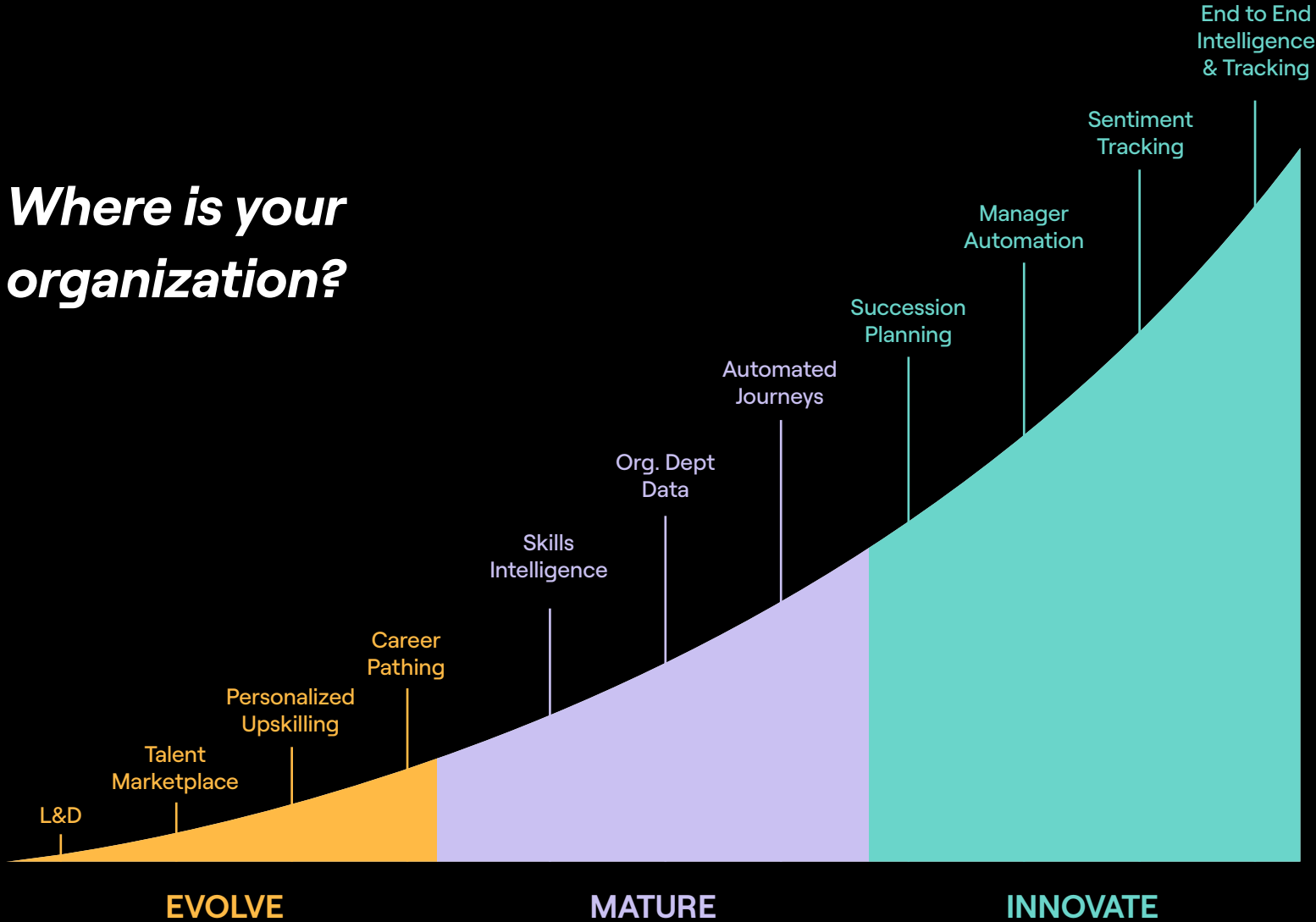
The maturity curve outlines the journey beyond core HR systems to the nirvana state of a truly innovative talent management ecosystem. We've separated this journey into three stages:

Evolve
The first step of the journey starts with a talent marketplace and fostering employee engagement.

Mature
The next step takes employee data, learning interactions, and chosen career paths to put together an overview of skills in the organization, identifying where there are critical gaps and high-potential employees.

Innovate
The top of the curve is where you put the power of data into your managers' hands to make them more effective.

So where does your company sit on this curve? Here are eight areas to consider when assessing your maturity. By the end, if it feels like you have more "yes" responses than "no's", you may be further along in your maturity than you thought. However, if you're in the early stages, we'll outline ways to get on the right path to successfully strategize for, adopt, and maximize the advantages of a skills-forward approach with workforce intelligence.

1

Technology Stack

Your teams have a lot to do in a day. How many systems do you have to use to get that work done? Has your HRIS team helped ensure these systems talk to each other, or do you have to attempt to rationalize disparate data from multiple point solutions? Are you able to easily leverage information from the talent acquisition team and vice versa?

Beyond the technical structure, are the systems easy to navigate? Do people complain about having to use them or find information in them? How much do you need to spend on training just to perform regular tasks?

Integration of data and systems not only drives better decision making, but also creates a better user experience for HR teams, people managers, and employees alike.

2

Talent Marketplace

The **talent marketplace** is how you help your employees engage with career growth opportunities. Do you have a one-stop-shop that is dedicated to employees, or are they using the exact same site that external candidates use to find jobs? Do they receive personalized recommendations or do they have to self-discover opportunities? Are they given a clear understanding of what skills are required for a given job and where they might have gaps?

You know the trending statistic: one of the primary reasons employees leave a company is due to **lack of visibility to career opportunities**. The talent marketplace is the digital embodiment of your dedication to employee development, so how do you ensure your people feel enabled to be their best?

3

Upskilling

Visibility into opportunities is the first piece of the puzzle. Then, you need to help your employees not only understand what it takes to get to the next level, but also help them **upskill to fill their gaps**. How do you expose learning opportunities to your employees? Are they personalized and tied to specific skills or desired roles? What options do employees have to upskill? A Learning Management System (LMS) or Learning Experience Platform (LXP)? Mentorships? Gigs or Project work? Rotations?

Different people learn in different ways, so it's important to expose your employees to comprehensive upskilling opportunities to maximize engagement.

4

Skills Ontology

Skills are the spark that lights the workforce intelligence fire. How are you organizing skills and roles in your organization? How do you know what skills your employees have? How are you keeping skill information updated (is this a manual, or automated process)? What is the connection between roles and job descriptions in your company? How do you measure the relationships between different skills?

The dynamic skills architecture is a critical component, especially in a rapidly changing technology landscape. Having an infrastructure in place that understands the strength of relationships between skills, jobs, roles, projects, learning content, and employees is paramount.

5

Career Pathing

Even if an ideal next job isn't available, your employees still need to understand what could be next for them. How are you presenting **career pathing options** to employees in your organization? What was the process you used to put together relevant progressions? Are you able to present options for employees to move laterally as well as "ladderally"?

Skills are central to workforce intelligence, but career pathing is what ties everything together for your employees. Although the burden of building standard progressions is heavy, the ability to provide other options that might not be in a straight line is nigh impossible without chewing through large data sets and uncovering trends.

6

Succession Planning

Talent shortages mean a higher risk of top performers getting poached, so risk mitigation is a necessity. How are you designating critical roles? Do you have visibility into high potential employees? Are your managers actively designating successors? How are they making the decisions: based on the people they have in front of them or looking throughout the organization? How are you validating manager decisions?

Your highest performers most likely have the most options to do what they would like with their career. Ideally you should have painted a compelling career picture for them, but you'll also want to establish a contingency plan to fall back on that's comprehensive and risk averse.

7

Performance Management

Employee development has actually been likened to code development, and in both cases, the best companies have switched from rigid "phase gates" to a more fluid approach. How have you structured your manager-to-employee interactions? Are you facilitating an environment of continuous, **fast feedback**? What tools are you giving your managers and employees to help them collect their thoughts to facilitate meaningful conversations?

This is a topic that always generates conversation around the best approach, and usually also generates heartburn for managers and employees when they think about an upcoming discussion. Taking a more integrated approach to performance management can make it feel less like a task and more like another part of normal workflow.

8

HR Maturity

Here is where we get down to brass tacks. It's time to hold a mirror up to your team and take an honest inventory. Is there an understanding of deficiencies? Are people willing to explore different technical solutions, or are they more "old school"? Is the company biased toward investment in talent acquisition vs. talent management, growth, and retention? Are you able to accurately articulate the cost benefits of a digital talent management strategy? Can you overcome the challenge of talent hoarding?

This is where the rubber hits the road. You need to be able to:

- Demonstrate to your talent management team the power of a technical strategy

- Pitch the benefits to your talent acquisition team

- Show the leaders at your company how the business will suffer if they don't move forward

Later in the guide, you will find a link to request a comprehensive Workforce Intelligence Readiness Assessment, which will help you pinpoint your current maturity state. You'll also get prescriptive guidance to help you take a skills-forward approach while optimizing your current employee experience.

Taking Action Based on Your Maturity State

Now that we've asked the hard questions and figured out where you sit on the maturity curve, what are your next steps? First, let's create a rollout plan for your organization based on where you fall on the maturity curve, and then we'll dive into how to sell that beautiful plan to the folks that decide your budget.

Evolving

If you didn't have a lot of great answers for all the questions in the last section, guess what? You're not alone. A lot of companies know they need to do something, but it's a huge ocean to boil, and even starting to tackle the problem feels overwhelming.

Despite the fact that your employees are your biggest stakeholder group, AKA your biggest change management challenge, they are still your best place to start. Why? Because you can deliver – and they will recognize – immediate value by rolling out a compelling talent marketplace.

Yes, you still need a thoughtful communication plan to convince the largest part of your organization, and you need a compelling argument to get them to engage. But delivering highly personalized recommendations and allowing your employees to improve the quality of those recommendations by providing more data is something that's familiar to them as modern consumers.

To assist with your evaluation, check out the **Talent Marketplace Buyer's Guide** and move up the maturity curve with confidence.

Maturing

Once your talent marketplace is live and your employees have a home base they're comfortable using to find jobs, make referrals, and identify learning opportunities to upskill, the next step is to introduce them to what's possible with their career by introducing career pathing capabilities that can accurately represent the most logical progressions for employees to follow by using data and AI.

Support employee development

Career pathing is the springboard that takes your organization from evolving to maturing. It's the first in-depth application of skills intelligence, and where it becomes imperative to make the right technology decisions. It provides the bridge from your talent marketplace into the practical application of workforce intelligence for your talent management team and HR business partners to start building employee relationships based on where they see employees want to go. The power of the system depends on how comprehensively you have mapped roles, progressions, and skills across your company.

Establish a dynamic skills architecture

Navigating the **plethora of skills jargon** can be difficult, but the crux of your decision needs to be this: find technology that will not only alleviate months and years of manual effort by automatically generating roles, skills, and progressions, but also continue to learn and stay updated automatically so you can spend your time strategizing instead of administering.

A dynamic skills architecture should have a robust ontology that not only allows you to tie skills to roles, but also to learning content, gigs, potential mentors, and all the other job-related activities you will expose to your workforce. This connected system facilitates decision making for you and your employees by creating consistency and clarity on why recommendations are being made.

And let us reiterate: the skills architecture technology you're using needs to continue to learn. Not only from your employee activities, but also from talent acquisition activities. New hires, screened applicants, and interviewees who are rejected are all valuable in creating a better understanding of the right skill profile for a role.

Job descriptions for critical roles will also contain valuable data that might not be encompassed in a role definition. All of this should feed into your skills architecture to maximize the insights your talent management team needs to make decisions. Furthermore, it understates the importance of having your talent acquisition technology tightly integrated with workforce intelligence — so that this data is accessible to create advantages across hiring, growth, and retention use cases.

Increase awareness of skills

Comprehensive visibility into all of the skills within your organization and where there are critical gaps is great. However, the inability to conduct analysis and take immediate action runs the risk of wasting valuable time that could have been spent by your high-potential employees tackling an

upskilling assignment. A relationship is two-sided, and effective employee relationship management requires that you not only learn about them based on how they interact with the system, but also for you to push out relevant suggestions using the data and context at your disposal — and ensuring that what you share is in alignment with your strategy for their growth.

Proactively plan to backfill roles

This ties directly into succession planning at an organizational level. As you look at your critical roles, and where you need to mitigate risk with successors, you need a system that will not only serves up the best recommendations from across the organization, but allows you to create and track initiatives that will engage those high-potential employees with a dynamic upskilling plan — ensuring they're ready to step into those critical roles.

Much like career pathing was the springboard to maturity, succession planning is the springboard to innovation. The next step in your talent management journey is to bring managers into the fold and leverage the power of the technology you've chosen to help make their lives easier.

Innovating

Now it's time to get your managers on board. So many customers we've spoken to have said their managers are very protective of their top talent. "Poaching" is a constant concern, and sadly, this is what causes a lot of talent management initiatives to get held up or brought to a screeching halt.

No technology can entirely solve an organization's culture problems, but it can help win managers over by making people management easier. With a dynamic skills architecture at its core, people management software helps managers see a lot of information about their team in a concise view that quickly summarizes strengths, areas of opportunity, potential interests, and activity.

Support your managers by layering on technology that lets them interface with their employees on a continuous basis by collecting sentiment, allowing asynchronous interactions that automatically flow into the employee profile, and automating the scheduling and agenda setting for 1-1s so managers can spend less administrative time and more value-added time daily. In this way, when managers have high performers, they can have more regular, engaging conversations with those employees and keep their satisfaction levels high.

By building trust in the system, you can then broach the conversation of succession planning and how talent management will be using workforce intelligence to have career conversations with employees and managers. Managers should understand that visibility to high performers across the organization is not a means of facilitating "poaching," but a way to give them access to the best possible talent to fill a manager's role.

End-to-end intelligence

With workforce intelligence, you have an end-to-end system that is using the same baseline data to drive recommendations to all stakeholders: employees, managers, and your talent management team. It removes subjectivity and gets everyone on the same page when they evaluate skills that are available or missing across individuals, teams, and the company.

A connected system also offers the same level of skills intelligence to your talent acquisition practices so you can have a seamless story from candidate to employee. It's extremely powerful and allows you to spend less time figuring out how to execute and more time actually executing.

How to Get Buy-In

Talent development initiatives can be hard to sell. How can you justify the expense with leaders? Here are key steps to get started.

STEP 1

Establish Benchmarks

The best companies are focused on standing up solutions that enable automated experiences and data-driven visibility into employee aspirations, goals, and skills — as well as career architectures that enable succession planning, workforce planning, and learning and development. These companies are more successful. A study by IBM's Institute for Business Value found that organizations with a strong focus on skills development and talent mobility have 37% higher productivity and 59% higher gross profit margin compared to their peers.

STEP 2

Maximize Employee Lifetime Value

The next step is to draw analogies between the business of the company and the business of HR. Customer acquisition cost is a central metric for most businesses, and it's always higher than selling more to existing customers. The path to profitable growth is to maximize your customer lifetime value (LTV). Similarly, the goal of HR is to maximize **employee lifetime value**.

Much like finding new customers, finding new talent is expensive. The cost of turnover is high, and the reason for turnover is one you've heard a million times: employees don't feel like there's opportunity for them at their current company, so they go to look for opportunity somewhere else. The turnover cost for highly skilled employees is **1.5 to 2 times** that employee's salary. That's a huge number, and one you can easily calculate in aggregate for your organization to quantify the need to invest in a comprehensive technology solution for talent management.

There are a lot of questions to be asked, a lot of plans to be formulated based on the answers. A lot of budgeting to be calculated based on the plans, and a lot of selling to be done based on the budget request. Much like retirement planning, you can spend a lot of time putting together complex strategies and searching for the highest yield, but while you're doing that, make sure you start investing today or you'll be missing out on smaller returns because you were so focused on the end state.

Key Takeaways & Next Steps

The time is now to adopt technology that can help identify skills and skills gaps within your workforce. To get started, make sure you:
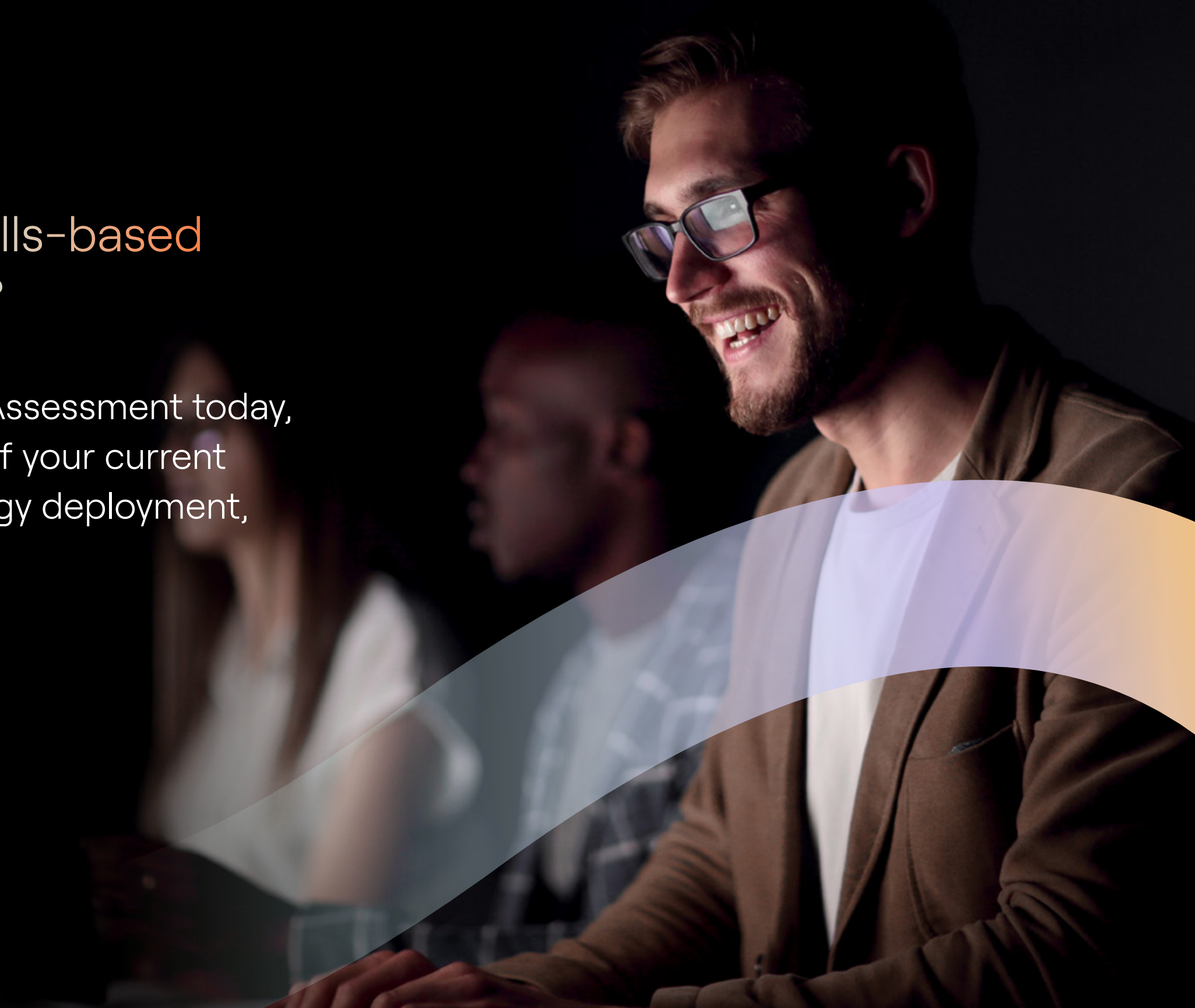
Appraise your tech stack to ensure your data and systems are integrated and talking to each other.

Assess the success of your feedback systems and adopt AI-powered technology where these systems are lacking.

Set up a structured succession planning system to mitigate risk and support internal mobility.

Consider a talent marketplace to connect employees with development opportunities, highlight career paths, and more — all in a central location.

Analyze your skills ontology for gaps and areas of improvement.

Gain a comprehensive view of your HR maturity to understand inefficiencies and set your team up for future success.

By assessing these key factors, you will be well on your way to a plan that will help you engage, develop, and retain talent longer.

Ready to get started on your skills-based deployment and adoption plan?

Take our Workforce Intelligence Maturity Assessment today, and we'll design a personalized overview of your current state of talent management and technology deployment, complete with a detailed plan to follow.

Take the Workforce Intelligence Maturity Assessment

With Phenom Workforce Intelligence, you and your teams get real time talent intelligence for proactive retention and growth — plus, accelerate workforce planning, provide personalized growth opportunities, and gain visibility into each employee. Workforce Intelligence provides critical context that drives talent mobility and career development throughout any organization by leveraging Phenom's proprietary skills ontology to deliver meaningful results for employees, managers, and talent managers through:

See Phenom Workforce Intelligence in Action

[Get a demo]

Career pathing using a robust dynamic role architecture

Upskilling opportunities through online learning, gigs, and mentoring

Organizational skills intelligence to identify gaps and plan for future needs

Employee relationship management (ERM)

Succession planning by identifying and supporting high-potential employees

Team visibility via People Manager

See the Phenom Intelligent Talent Experience platform in action

Book a demo

Candidate Experience

Best-fit candidates find and choose you faster. Attract job seekers and broaden talent pools with personalized job recommendations and an intelligent career site.

Employee Experience

Employees develop their skills and evolve their careers. Upskill, evolve, and retain your workforce with intelligence and personalized opportunities.

Recruiter Experience

Recruiters become wildly productive. Discover and engage top talent with AI, put tedious tasks on autopilot, and maximize your team's ability to streamline workflows.

Manager Experience

Managers build stronger-performing teams with real-time analytics, insights, and collaboration tools.

HR Experience

HR leaders align employee development with company goals through an intelligent workforce planning solution that allows them to identify skill and competency gaps, manage career frameworks, and identify DE&I opportunities.

HRIS Experience

HRIS teams seamlessly integrate with your HR tech stack — including ATS, HCM, and LMS tools — to create a holistic infrastructure.

Helping a billion people
find the right job.

Phenom has a purpose of helping a billion people find the right job. Through AI-powered talent experiences, employers are using Phenom to hire employees faster, develop them to their full potential, and retain them longer. The Phenom Intelligent Talent Experience platform seamlessly connects candidates, employees, recruiters, hiring managers, HR, and HRIS — empowering over 600 diverse and global enterprises with innovative products including Phenom Career Site, Chatbot, CMS, CRM, AI Scheduling, One-Way Interviews, Interview Intelligence, Campaigns, University Recruiting, Talent Marketplace, Workforce Intelligence, Employee Relationship Management, Career Pathing, Gigs, Mentoring, Succession Planning and Referrals.

phenom