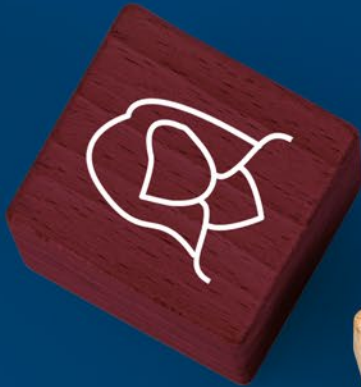


eBOOK

The Benefits of a **Skills-Based Corporate Learning Strategy**

Powering your people's skills
to drive innovation, engagement, and
healthy work cultures



Executive Summary

- Skills-building is crucial for organizational health and employee success. By investing in your people and holistically supporting their ongoing learning and professional development, organizations can remain agile and innovative for the workplaces of the future.
- Many successful companies are making this investment by implementing a “skills-based learning strategy” that focuses on assessing and developing individual skills across an organization. A successful strategy permeates all stages of the employee lifecycle and is tied directly to business goals and culture initiatives.



What Is a Skills-Based Learning Strategy?

A skills-based learning strategy is a training and development strategy that focuses on assessing and developing individual skills across an organization. By strategically focusing on skills and skill acquisition, organizations can tie learning to the competencies they need to ensure business success, meet employees' demand for ongoing career development opportunities, and better prepare the next generation of leaders.

This idea is a natural outgrowth of the recent trend in skills-based hiring, where hiring practices are intentionally focused on advertising for needed skills and assessing candidates on those precise skills over other “proxy” measures, such as education, years of experience, etc. While the practice has changed the way many successful companies manage their hiring, **it is also clear that a skills focus has impacts that extend beyond the hiring process, potentially influencing onboarding, training, and promotion.** The result of applying this kind of thinking across the entire employee lifecycle is what gives rise to a skills-based learning strategy.



What's the alternative?

Role-based vs. skills-based learning strategies

To understand what a skills-based learning strategy is, it helps to contrast it with a more traditional learning strategy, such as a role-based learning strategy.

Role-based learning strategies gear training and development toward helping employees better fulfill their current roles. For example, a project manager learns the finer details about project management, a salesperson learns better sales techniques, and so on. Employees are assessed according to how well they are fulfilling their roles, and training content is then deployed to address their weaknesses and shore up their strengths.

Skills-based strategies take a much more fine-grained approach, identifying the skills needed to support company-specific goals, ensure effective succession planning, and prepare for future needs. Employees are then given opportunities to “upskill” as needed to help meet those organizational demands. While some of these skills might fall squarely within an employee’s current role, they also could fit into a possible future role, or serve a cross-role, cross-team purpose.

What makes a skills-based learning strategy different?

A few key elements tend to make a skills-based learning strategy different from other more traditional training and development strategies found in organizations today:

It is future-focused. Companies with a skills-based learning strategy are always looking to develop the skills they need in the workforce they have. This not only helps employees in their current roles, but it also prepares them for new ones, which is key to employee engagement and retention efforts.

It encourages cross-training. When training is tied to a role, it tends to “silo” the skills employees learn. This is the opposite of what is needed in the modern workforce, where multiple employees are trained in critical workflows to maintain redundancy and flexibility.

It views training as going “beyond the role.” Many of the skills an employee will need in a modern workplace have little to do with their actual role; rather, they reflect general skills critical for being a productive, collaborating, and resilient member of the team.

Examples of skills that go beyond the “role:”



Technology skills. As technology changes at a lightning rate, employees will need to keep pace in order to do their best work. These days, such technology skills might include working with AI, understanding data analytics and basic cybersecurity, and more.



Teamwork skills. These include skills around collaboration and communication, including things like active listening, conflict resolution, and establishing trust.



Critical thinking. Critical thinking and problem-solving apply to many roles but are also critical for things like change management, innovation, and information analysis.



Safety-first thinking. Safety is a non-negotiable bedrock. Having a true “safety-first mindset” is a skill like any other.



Risk mitigation. Organizations need to ensure they are building the skills needed not only to stay in compliance with national, state, and local laws, but also to maintain a safe and open work environment. These skills can range from anti-harassment and anti-bullying training to DEI skills.



Mental and physical wellness. Employees who learn to deal with stress and take better care of themselves are less likely to miss work, and they tend to be more productive while there. They are also less of a drain on company health resources.

Eight Benefits of a Skills-Based Learning Strategy:

At first glance, the idea of a skills-based learning strategy might not seem earth-shattering. How will a change in learning strategy truly affect the workforce in a way that helps the bottom line? Is this really a change that can have an impact, or just another example of traditional HR practices with a shiny new label? Most employees, after all, are expected to come to the table with some set of skills and learn others as they advance within the organization.

Having helped organizations change their way of thinking in this regard, we have seen many of the benefits such a strategy can bring. Let's dive into these eight benefits further.

- 1 Helps eliminate bias in hiring outcomes
- 2 Makes organizations more agile and innovative
- 3 Vastly improves employee retention
- 4 Helps develop the next generation of leaders
- 5 Fosters a better workplace culture
- 6 Mitigates key areas of risk
- 7 Creates more resilient teams
- 8 Allows companies to be more intentional in designing core values and competencies

1 Helps eliminate bias in hiring outcomes

Sourcing candidates based on verifiable credentials not only focuses on skills, but it also gives hiring committees something objective to measure. This helps to eliminate decisions based on “gut feels,” which tend to exacerbate existing biases. It also lessens an organization’s reliance on “proxy” measures, like years of experience or advanced degrees, which might highly favor certain groups over others. In fact, [The State of Skills-Based Hiring 2023 report by TestGorilla](#) found that a whopping **84% of companies that employed skills-based hiring saw an intentional increase in the diversity of their teams.**

LinkedIn’s chief economist, Karin Kimbrough, [noted this trend](#) when analyzing hiring practices on the platform: “As jobs evolve and demand new skills, hiring managers will need to increasingly focus less on traditional proxies like degrees, and more on finding talent whose current skills match the role. We’ve started to see this take off on LinkedIn – **as 40% of hirers now use skills data when hiring on LinkedIn, up 20% compared to a year prior.**”

2 Makes organizations more agile and innovative

[Innovation skills](#) give us the capacity to generate ideas that create value and improve processes. These include skills such as problem-solving, design thinking, and critical thinking, as well as skills-like traits such as curiosity. Organizations can be intentional about training their workforces in these skills.

Just as importantly, having a skills-based learning focus means assessing company needs in terms of skills, and not roles. This tends to make it easier to assemble the right teams to take advantage of innovative ideas in changing market conditions – or to identify if a new hire is needed.



3 Vastly improves employee retention

Employees want opportunities to learn and advance their careers. The lack of ability to do so in a meaningful way is a major source of dissatisfaction and attrition among younger workers especially; Amazon, together with Workplace Intelligence, found that **74% of younger Millennial and Gen Z employees reported [making plans to leave their job for a new one](#) because of “a lack of skill-building opportunities.”** LinkedIn’s [2023 Workplace Learning Report](#) also found that **missing out on “the chance to learn and develop new skills” was a top three reason why employees wanted to leave their organization.**

A skills-based learning strategy makes acquiring new skills an important part of the employee lifecycle, thus keeping on board those employees who would otherwise look for new opportunities. This can be powerful when combined with skills-based hiring (see point #1), as employees hired via skills-based hiring tend to have a 9% lengthier tenure with their employers, on average, than employees hired via more traditional means, [according to preliminary research by BCG.](#)

4 Helps develop the next generation of leaders

In any organization, there are likely to be several high-potential (HiPo) employees who aspire to a greater role in the organization. These HiPos can benefit greatly from a skills-based learning strategy that intentionally develops leadership skills in those with the ability and ambition.

Developing your people and “hiring from within” tends to fill leadership and management roles more quickly and is much less expensive than doing an external search.



5 Fosters a better workplace culture

Not only does a skills-based learning strategy help promote diversity, retain good employees, and train the next generation of leaders, **it also shines a spotlight on the skills needed to make a healthy and collaborative workplace that values everyone.**

These skills are not often taught: in the Workplace Collaboration Survey [reported by the MIT Sloan Management review](#), participants were asked how much professional development they had received regarding collaboration skills and activities. In total, 31% of the respondents said “none,” 6% said “a few minutes,” and an additional 14% said “about an hour.” **In short, most workplaces are not teaching the skills needed for employees to collaborate successfully; those that start will be at a considerable advantage.**

A skills-based learning strategy shines a spotlight on the skills needed to make a **healthy and collaborative workplace that values everyone.**



6 Mitigates key areas of risk

Eliminating bias in hiring already mitigates some risk; training that covers compliance and safety topics further reduces the organization’s exposure to these risks. Many kinds of risk can be anticipated and prepared for; doing so not only raises awareness but also improves responses and demonstrates management support.

7 Creates more resilient teams

A skills-based learning strategy opens up the possibility of cross-training individuals, which creates redundancies in skill sets. Whereas redundancy in role-based organizations is seen as a potential negative, redundancy in this sense is a good thing: it means workflows and procedures can continue even if a key player can't perform their duty (for example, due to an illness, vacation, or simply being overwhelmed with work). This sort of flexibility creates more resilient teams and departments, and a more agile workplace overall.

8 Allows companies to be more intentional in designing core values and competencies

Incorporating skills-based training directly into core value and competency initiatives can bridge the gap between theoretical concepts discussed in the C-suite and their tangible impact in the workplace. By aligning training programs with core values and competencies, organizations can ensure that employees not only understand these principles but also embody them in their daily work. This transforms abstract ideas into actionable behaviors, fostering a culture where values are not just words on a page but lived experiences guiding every interaction and decision. **As a result, employees are empowered to embody the organization's values, driving meaningful change and positively impacting both the workplace environment and its people.**



How Your Organization Can Start Making the Transition to a Skills-Based Learning Strategy

If businesses are to transition to a more skills-based learning strategy, they will naturally look to their HR and L&D professionals to lead the transformation. While this might look different for different organizations, there are some general best practices for getting the transformation underway:

1 Bring together the different functions that can potentially benefit.

This will likely include HR, L&D, organizational development, operations, and even senior leadership. The purpose of bringing everyone together is to establish a common vocabulary around skills and to get a sense of where each function can contribute, and where they will benefit.

For example, People and Culture leaders will want to work with HR to put skills-based hiring into practice and develop appropriate wording in job postings for doing so, while L&D might review current training options with leadership to see where gaps exist.



2 Start identifying your organization's skills needs.

What skills are necessary for the important work that needs to get done? Again, think of skills that are within roles and skills that go beyond roles. For example, there are suites of skills that are necessary for, say, a construction contractor, a project manager, or a financial team role. But what skills are not typically listed for those roles, yet are expected of employees just to be successful at the company? (For inspiration, see “Examples of skills that go beyond the ‘role’” above.)

Remember, your assessment of needed skills will likely reflect current needs

- at first. Try looking ahead to skills that might be needed in the future as well. For example, will future workers need to know how to work with AI? Will they be expected to juggle the priorities of multiple teams? Will they need to be updated on new rules and laws set to take effect?

3 Think about how to assess the skills of your current and future workforce and identify any gaps.

One of the great benefits of a skills-based learning strategy is that skills are the kind of thing that can be tested and measured with a certain degree of objectivity. Work on devising or requiring knowledge assessments for your organization's most critical skills, and then assess where your current workforce stands with regard to those skills. You might find certain holes or gaps in your employees' skill sets...or you might be pleasantly surprised to find hidden skills your organization is not yet using to their full advantage.

Measurement allows you to take a snapshot of where your organization stands currently and start putting together a strategy for the future. Without such measurement, your organization is simply taking leaps in the dark.



4 Start building your development program.

This can never happen too early! A good way to simplify things while still being intentional about your program is to bring on a learning strategy partner who is familiar with skills-building approaches, such as HSI Blue Ocean Brain. We not only can provide the content and learning management system you will need to put together a solid development program, but we also can advise on strategy. **Plus, having a “single solution” HR partner [has some proven benefits](#), especially for medium-to-large companies making a transition like this one.**

5 Adjust job posting and hiring practices.

While this is the first stage of the employee lifecycle, it is one of the last things you will want to change, simply because you will want to have your assessment tools and your content in place when your search begins. This change will require adjusting job-posting language and requirements, and perhaps even channels. Follow-up procedures will change as well, and rely much more heavily on assessment than on interviews. If all of the above is already in place, however, the lift here will be easier.

Having a **“single solution” HR partner** has some proven benefits, especially for medium-to-large companies making a transition like this one.



Getting Help to Build Your Skills-Based Learning Strategy

Many companies are already adopting skills-based hiring practices. But it is another thing entirely to think about adopting a skills-based approach across multiple functions throughout the entire employee lifecycle. This requires not only taking a hard look at current L&D programs but also looking at assessment, current and future culture initiatives, and more.

That's why you shouldn't have to attempt this alone. **HSI Blue Ocean Brain offers a wide range of proven skills-building learning curricula that cover topics in HR compliance, leadership development, coaching, conflict management, handling change, DEI, critical thinking, and much more.** We provide tailored learning tracks aligned to your organizational needs and skills gaps to take the burden of building content curricula off of L&D teams. We also provide many tools to make development easier, stickier, and more engaging, like an award-winning learning experience platform, comprehension quizzes, eye-catching videos, gamification, and knowledge-sharing tools.

Empower your HR and L&D teams to modernize their training strategies with HSI Blue Ocean Brain's innovative and ready-made learning curricula. Our comprehensive solutions are designed to alleviate the burden of content curation, allowing your teams to focus on what truly matters: driving organizational growth and culture change. With decades of experience working with thousands of companies across diverse industries, our in-house experts are uniquely positioned to tailor a skills-based learning strategy that aligns seamlessly with your organization's objectives. To start, [click here](#) to schedule a consultation with one of our learning experts.

About HSI



HSI is your single-source partner for EHS, Compliance, and Professional Development solutions. HSI provides integrated e-learning content, training solutions, and cloud-based software designed to enable your business to improve safety, operations, and employee development. Across all industries, HSI helps safety managers, and technical employees, human resources, first responders, and operational leaders train and develop their workforce, keep workers safe, and meet regulatory and operational compliance requirements. HSI's focus is on training, software, and services for safety and compliance, workforce development, industrial skills, and emergency care. HSI is a unique partner that offers a suite of cloud-based software solutions including learning management, safety management, chemical SDS management, and more, integrated with content and training so businesses can not only monitor and manage multiple workflows in one system, but train employees via one partner.

For more information, visit [hsi.com](https://www.hsi.com)