The Skills Gap is Real…

As long ago as 2005, a skills gap among American workers has been documented in articles, briefs, and research papers. In 2008, the Society for Human Resource Management (SHRM) noted the following most critical skills needs (as cited by HR professionals) – in this order:

- Adaptability
- Critical Thinking/Problem-Solving
- Leadership
- Professionalism/Work Ethic
- Teamwork/Collaboration
- IT Application Skill
- Creativity

It's interesting to note that among the top seven skills cited, only one is a technical skill. The gap in these skills has been documented repeatedly since.

In 2011, Public Agenda reported that business executives they surveyed noted a distinct lack of “basic and interpersonal skills” among the young people they interview for jobs.

Then in 2014, two groups published important studies indicating that these skills gaps continue to be a problem and are pervasive.

The Lumina Foundation, working with The Economist, published a study titled “Closing the Skills Gap,” based on responses from 343 executives in the U.S. who were familiar with their company’s workforce-development strategies. One finding: “The overwhelming consensus among employers is that too many graduates lack critical-thinking skills and the ability to communicate effectively, solve problems creatively, work collaboratively, and adapt to changing priorities.” Like the earlier SHRM study, technical skills were mixed in with these other skills – but the overwhelming issue was lack of so-called “soft skills.”

Another 2014 study by Adecco and reported by CNBC indicated that 92% of the 500 top business executives they interviewed said there is a skills gap that exists in the American workplace and, of that, about half said the gap was in “soft skills” like critical thinking, creativity, communication, and collaboration.
...and it's Hurting U.S. Business.

The same Addecco survey reported real business concerns resulting from this skills gap. Because American workers aren't as skilled as they need to be, executives feel they are missing out on growth opportunities, product development is suffering, and profits are being hurt.

And the real challenge, the study continues, is knowing how to evaluate a candidate. While a job candidate may “look good on paper,” hiring managers have no way of knowing whether that candidate will effectively work with a team, make good decisions, exercise good judgment, or just be a good worker.

“Soft Skills” is Probably a Misnomer.

These skills are so critical to business today, we believe calling them “soft skills” is too dismissive. Because Bellevue University is a national leader in corporate learning programs, we undertook our own study of American business leaders to verify the previous data and dig a bit deeper.

While we weren't surprised to learn that our research confirmed the importance of these skills, we were somewhat surprised to see the consistency of the response about them – nearly total agreement about these skills being generally absent; and the depth of importance of these skills. Our respondents told us these skills are more important than technical skills because they reasoned they could train for technical skills – but these are harder to find and cultivate.

That's why we call them Power Skills™. These are the skills that are critical to moving American business forward.

There is Not a General Perception that Colleges Can Help.

As a university that is known for our ability to design corporate learning programs that address KPIs and show strong ROI, we had real concern about this perception.

In fact, most executives we spoke with – and those quoted in the above-referenced studies – said they believed these important skills just need to be cultivated by the company after people are hired. They did not believe a college degree told them much about whether a prospective employee could think critically, make good decisions, communicate effectively, or collaborate.

The business challenge is that they need people who can “hit the ground running”…especially given the number of experienced baby boomers exiting the workforce.

"Colleges and universities think they're adequately preparing students for the workforce. You couldn't have a more stark difference of opinion from industry."  — Dane Linn, Vice President at Business Roundtable, as reported in The Economist study “Closing the Skills Gap.”
Introducing the Solution: Skills to Performance

Over eight years ago, we introduced a radically different corporate learning approach that integrated Key Performance Indicators into curricula developed specifically for our corporate partners. A foundational part of this innovation was measuring the degree to which the learning program actually addressed Key Performance Indicators. The research – sophisticated analyses performed by the Human Capital Lab – indicated that, without exception, these learning programs had a direct impact on the important performance goals identified by the KPIs.

Anecdotal evidence reinforced these data, as participants told us how much more engaged and confident they were in their jobs. And graduates of these programs were being promoted at a greater than average rate.

Our new Skills to Performance model builds on that initial innovation.

We keep our fingers on the pulse of industry and began wondering if there was a way we could integrate these Power Skills more overtly into our corporate learning programs.

Bellevue University embarked a two-year study and design initiative to create a learning model that meets the critical needs of American business.

Our first step was to identify the most critical skills needed by business. This was done from our own research, the research done by many others – some cited earlier in this white paper – and reference to leading edge academic models that posit a taxonomy – or hierarchy – of learning.

All of this research led us to seven critical “Power Skills” and a commitment to integrate them into corporate learning programs.

The Seven Power Skills are:

- **PROBLEM-SOLVING**
  Problem-solving methodologies are processes through which a situation or issue may be analyzed and solutions implemented. Employers seek people who can effectively identify and ask significant questions that clarify and lead to better solutions. They require employees who can use multiple techniques to solve problems and can articulate the reason for choosing one course of action over another.

- **DECISION-MAKING**
  Productive and confident decision-making comes from the ability to analyze evidence or break complex topics into parts in order to gain a better understanding of them.

- **JUDGMENT**
  Exhibiting good judgment comes from learning how to systematically explore issues, objects, or works through the collection or analysis of evidence to make an informed decision.

- **COMMUNICATION**
  Employers need employees who can effectively work with others – and that starts with an ability to effectively communicate. Communication involves research, focus, and listening as well as speaking and writing clearly.
• **SELF-MANAGEMENT**

The discipline involved in self-management includes the attitudes and behaviors encompassing courtesy, honesty, and responsibility when dealing with individuals or organizations. Self-management results in professionalism, and people who behave professionally are respected and trusted. Others want to work with them.

• **COLLABORATION**

Employers prize people who are easy to work with and have strong conflict and negotiation skills. It involves good teamwork skills including the effort put into team tasks, the way of interacting with others, and the quantity and quality of contributions made to team discussions.

• **VALUES CLARIFICATION**

Values clarification relates to reasoning about right and wrong human conduct. It requires students to be able to assess their own ethical values and the social context of problems in a variety of settings, considering the ramifications of alternative actions.

Our **Skills to Performance learning model incorporates the introduction, practice, and mastery of seven Power Skills into the knowledge curriculum we develop for our corporate partners.**

The knowledge we impart to students of our corporate partners is unique in that it responds directly to the knowledge needs of our partners. We collaborate with them to develop a knowledge base that is important to their corporate vitality. This gives their students expertise.

Introducing that knowledge within a context of Skills to Performance – the seven Power Skills – means that the employees have the ability to use that knowledge toward productive performance in the fast-paced, high stakes world of business today.

**Skills to Performance: Leveraging Expert Knowledge into Productive Business Outcomes**

Bellevue University custom and contextualized learning programs start with the specific knowledge and skills our corporate partners need their employees to have.

Then, because merely “knowing” is not sufficient, we integrate the seven Power Skills into the learning lessons and practice using performance-related behavior around these critical power skills.

In response to the need for employees who have the ability to go beyond knowing the right answer to those who can leverage their knowledge into productive business outcomes, Bellevue University developed a learning system that not only tests for knowledge mastery – but also for the mastery of critical business skills.

**Skills to Performance is a transformational approach to facilitating learning that results in increased confidence and abilities for learners and capable, productive workers for the companies that partner with us.**

**References:**


“Closing the Skills Gap. Companies and Colleges Collaborating for Change;” A report from The Economist Intelligence Unit; Sponsored by Lumina™ Foundation; 2014.