

CORPORATE LEARNING
SOLUTIONS

POWERED BY BELLEVUE UNIVERSITY

MAKING THE BUSINESS CASE FOR SOFT SKILLS

HOW LEARNING LEADERS CAN
INTRODUCE CRUCIAL CAPABILITIES
TO THEIR WORKFORCE FOR
MAXIMUM SUCCESS



SOFT SKILLS ARE FUZZY THINGS. Where hard skills have tangible requirements and noticeable business outcomes, soft skills are more difficult to evaluate and quantify. It's easy to recognize if an employee knows or needs to learn how to operate an arc welder or use Photoshop. Despite the difficulty, organizations are convinced that soft skills are critical for business success. But how do organizations measure the success of their managers' communication or decision-making skills? Especially given the commonly held belief that soft skills are non-measurable?¹

Many organizations evaluate their managers' ability to drive employee engagement and retention through the development of their soft skills. Often, organizations will develop training programs for new and existing managers to nurture these talents. In the future, soft skills will be just as important as hard skills when it's time for workforce learning and development. However, efforts to train for soft skills aren't always successful (or prioritized).

How do L&D leaders make the business case for training soft skills to their bosses, senior leaders or executive boards? To answer this question and others, the Human Capital Media Research and Advisory Group — the research arm of Workforce magazine — partnered with Bellevue University for the Making the Business Case for Soft Skills survey. We gained insight from nearly 600 respondents on the state of training, measurement and evaluation of soft skills at their organizations. Despite popular wisdom, soft skills are learnable — and measurable. By examining the actions of organizations that report success with soft skills training, we can identify what soft skills assessment and success looks like.²

**"WE NOW HAVE
VERY HARD
EVIDENCE THAT YOU
HAVE TO HAVE SOFT
SKILLS IN ORDER TO
SUCCEED."**

— JAMES HECKMAN, NOBEL
LAUREATE AND ECONOMIST,
UNIVERSITY OF CHICAGO

KEY FINDINGS

- Employee skills gaps are the widest around soft skills, and the gap is getting worse. L&D leaders are responding by prioritizing soft skills training in the coming year.
- Most current soft skills assessment relies on anecdotal evidence, which is subjective and often unreliable for accurate evaluation.
- Only 1 in 4 organizations reports satisfaction with its soft skills training. However, these soft skills leaders are more likely to have secured leadership buy-in and investment in training.

¹Doepke, P. (2018). Hard Skills vs. Soft Skills (and How to Use Them on Your Resume). Jobscan.

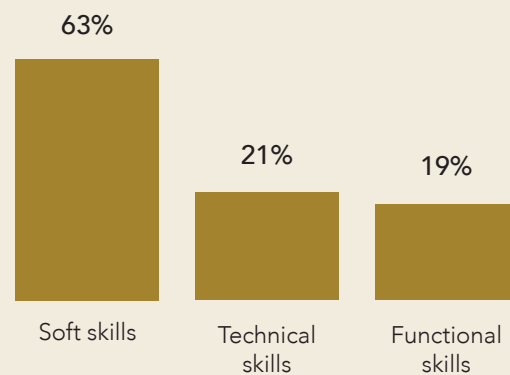
²Bruce, J. (2017). "Why soft skills matter and the top 3 you need." Forbes.

WHERE ARE THE CRITICAL GAPS BETWEEN EMPLOYEE SKILLS AND ORGANIZATIONAL NEEDS?

To ensure soft skills training is prioritized, L&D leaders will need a way to demonstrate the value of soft skills to senior leaders.³ L&D leaders are tasked with developing people, but at the same time they need to ensure that such development meets the needs of the business. Any talent initiative needs to show a timely return on investment, which can be difficult to do when trying to quantify intangible things like soft skills.

Recent studies showed that soft skills are in far greater demand than hard skills at many organizations. Employees who receive soft skills training also exhibit greater levels of productivity than those who aren't trained.⁴ Survey respondents

FIGURE 1: SUBSTANTIAL/CRITICAL GAPS BETWEEN EMPLOYEE SKILLS AND ORGANIZATIONAL NEEDS

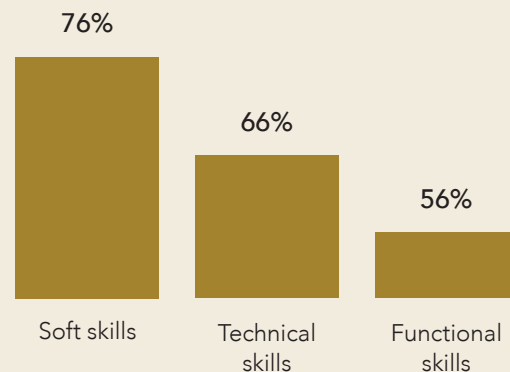


“AT OUR ORGANIZATION, IT’S ALMOST TABOO TO EVEN TALK ABOUT SOFT SKILLS, LET ALONE MEASURE THEM.” — SURVEY RESPONDENT, OPEN COMMENTS

agree; three times as many organizations say they have a substantial or critical gap in soft skills compared to their gaps in either technical or functional skills (Figure 1).

If organizations have identified crucial soft skills gaps, are they taking steps to reduce those gaps? The data suggest that the majority of organizations see the need, but few have taken proactive steps to address the issue. More than three-quarters (76.3 percent) of organizations identify soft skills as a critical/medium priority for their organizations for the next year, compared to 66.3 percent for technical skills and 55.9 percent for functional skills (Figure 2).

FIGURE 2: MEDIUM/CRITICAL PRIORITIES GIVEN TO BUILDING ORGANIZATIONAL SKILLS IN THE NEXT TWO YEARS

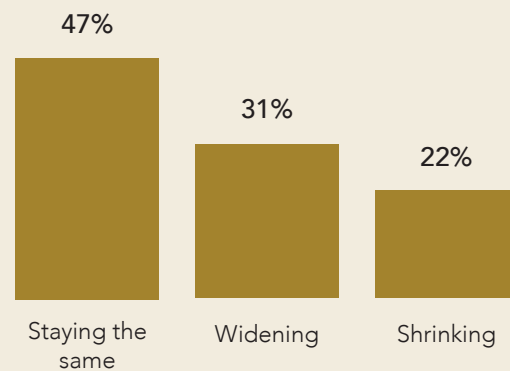


⁴Lothian, A. (2017). “Making a case for soft skills.” Training Journal.

⁵University of Michigan (2017). Soft skills training boosts productivity.

However, while organizations readily identify the gaps in soft skills between what employers demand versus what employees have, evidence suggests that the gap is getting worse. Only 22 percent of organizations say the gap is shrinking, while 47.3 percent say it's staying the same and 30.8 percent say it's widening (Figure 3). If organizations are trying to address soft skills, they aren't gaining any traction. Why do these gaps exist at all if organizations are so adamant about the need for these skills?

FIGURE 3: STATE OF ORGANIZATIONAL SKILLS GAPS IN THE PAST TWO YEARS



CURRENT SOFT SKILLS TRAINING AND METRICS MEASUREMENT

Although organizations see a growing gap in soft skills abilities, they also remain committed to soft skills training and their effectiveness in delivering business results. Among survey respondents, in-person training is one of the best ways to build soft skills. Face-to-face training can include on-the-job coaching, conversations between employees and managers or peer learning. In-person learning is believed to be one of the most effective ways

to develop employee soft skills (Figure 4, page 5). Whether teaching judgment skills, decision-making, communication or self-management, most organizations agree it takes between six months to a year to improve employee soft skills.

How else can organizations improve their soft skills training programs? Identifying metrics is a good place to start. The data suggest that most organizations lack reliable metrics to evaluate soft skills mastery. Most measure soft skills through self-evaluation, whether an item on a satisfaction rating or a section in an engagement survey. Other popular methods are all anecdotal, from manager ratings to customer complaints or other subjective evidence (Figure 5, page 5).

The downside to these popular measurement methods is that they're either reactive and imprecise (anecdotal evidence, customer complaints), unrelated to soft skills (surveys, assessments) or unreliable (self-assessments). Is anecdotal evidence the best

MOST ORGANIZATIONS BELIEVE SOFT SKILLS TRAINING NEEDS BETWEEN SIX MONTHS TO A YEAR TO SHOW DEMONSTRABLE IMPROVEMENT.

way to gain insight into employees' soft skills? Anecdotal evidence is frequently circumstantial and not a good overall indicator of true soft skills ability. Likewise, self-assessment isn't a reliable way to assess employees' mastery of soft skills.

Yet, organizations might not know of any other way to measure soft skills. In those instances, anecdotal evidence is better than nothing; however, organizations need to find a better way. For example, instead of asking customers or employees about soft skills, organizations can use tests that allow for true assessment of abilities — just as they would test for hard skills. Such testing will provide a more accurate representation of soft skills.

"SOFT SKILLS NEED AN INTEGRATED APPROACH. NOTHING WORKS IN ISOLATION, AND EACH NEEDS CAREFUL DESIGN. THE RIGHT SORT OF ON-THE-JOB LEARNING AND PEER REFLECTIONS ON A SHARED EXPERIENCE IS NECESSARY." — SURVEY RESPONDENT, OPEN COMMENTS

FIGURE 4: HOW EFFECTIVE ARE THE FOLLOWING METHODS FOR BUILDING SOFT SKILLS?

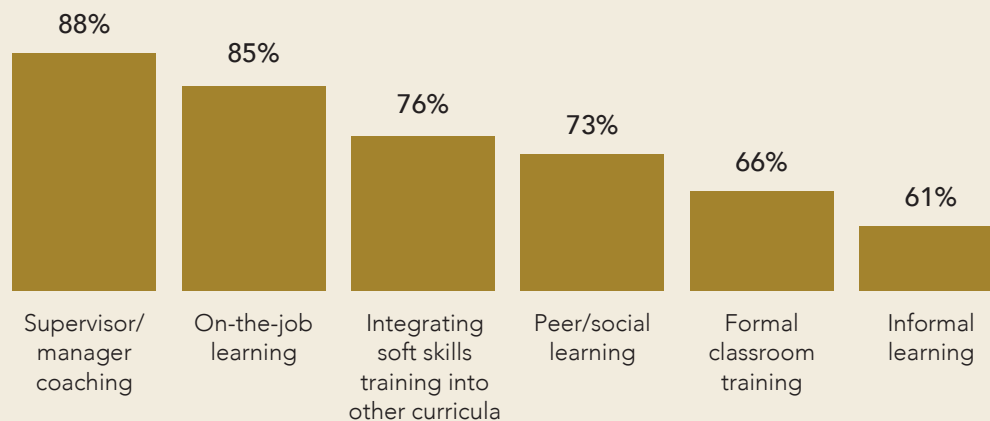
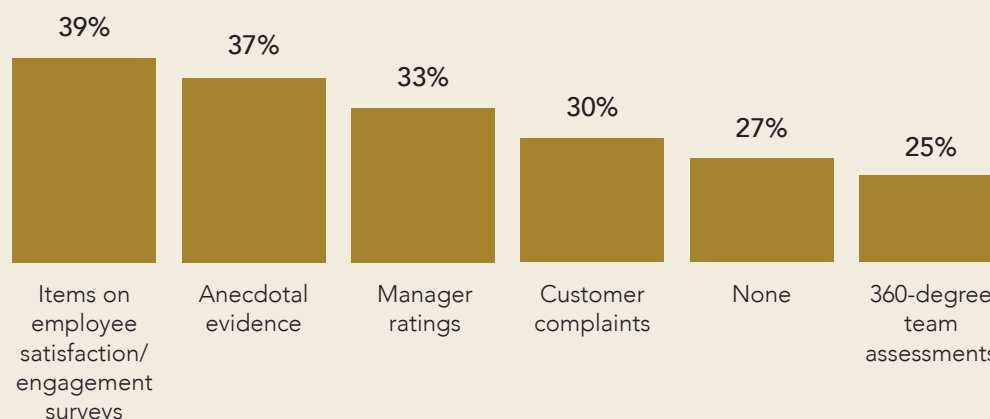


FIGURE 5: METRICS USED TO TRACK SOFT SKILLS



MAKING THE BUSINESS CASE: WHAT SATISFIED ORGANIZATIONS DO DIFFERENTLY

Not all organizations are in the same situation regarding soft skills. Some have successfully applied soft skills learning solutions to their teams. Is there anything they do differently than others?

It turns out, there is. On the survey, we asked the question: “How satisfied are you with the current learning solutions your organization uses for soft skills?” More than a quarter (26.1 percent) of respondents said they were either satisfied or very satisfied with their current solutions. Collectively, we’ll refer to these organizations as soft skills leaders. We compared responses from the soft skills leaders to answers from the 73.9 percent of respondents who felt either somewhat or not at all satisfied about their current learning solutions (soft skills starters) (Figure 6). Do the leaders do anything differently from the starters? According to the data, leaders have several different approaches from the starters, which lead to better measurement outcomes and a better business case for teaching, investing in and applying soft skills.

First, leaders integrate soft skills training into a host of initiatives, including both formal and informal learning. Leaders are much more likely to use soft skills training in leadership development, coaching, onboarding and many other training areas (Figure 7). Starters may have made some progress integrating soft skills training into

FIGURE 6: ORGANIZATIONAL SATISFACTION WITH CURRENT SOFT SKILLS LEARNING SOLUTIONS

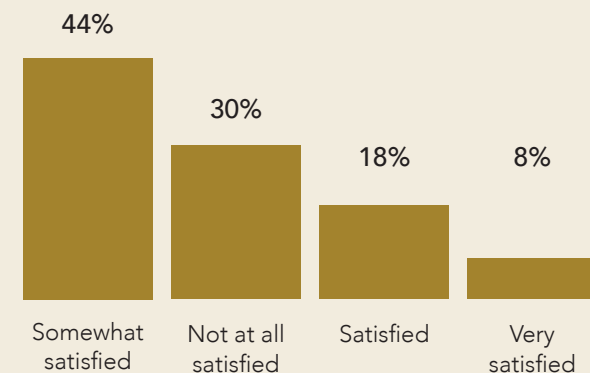
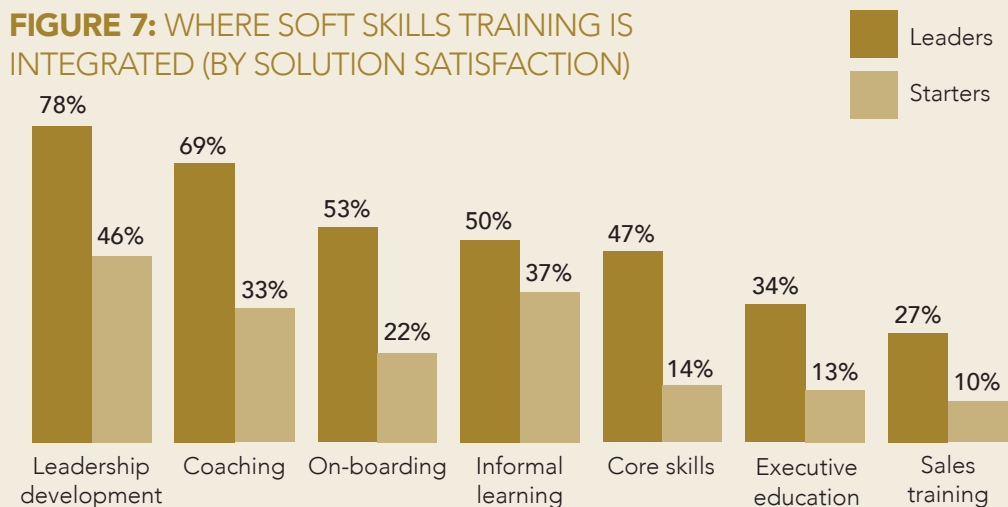
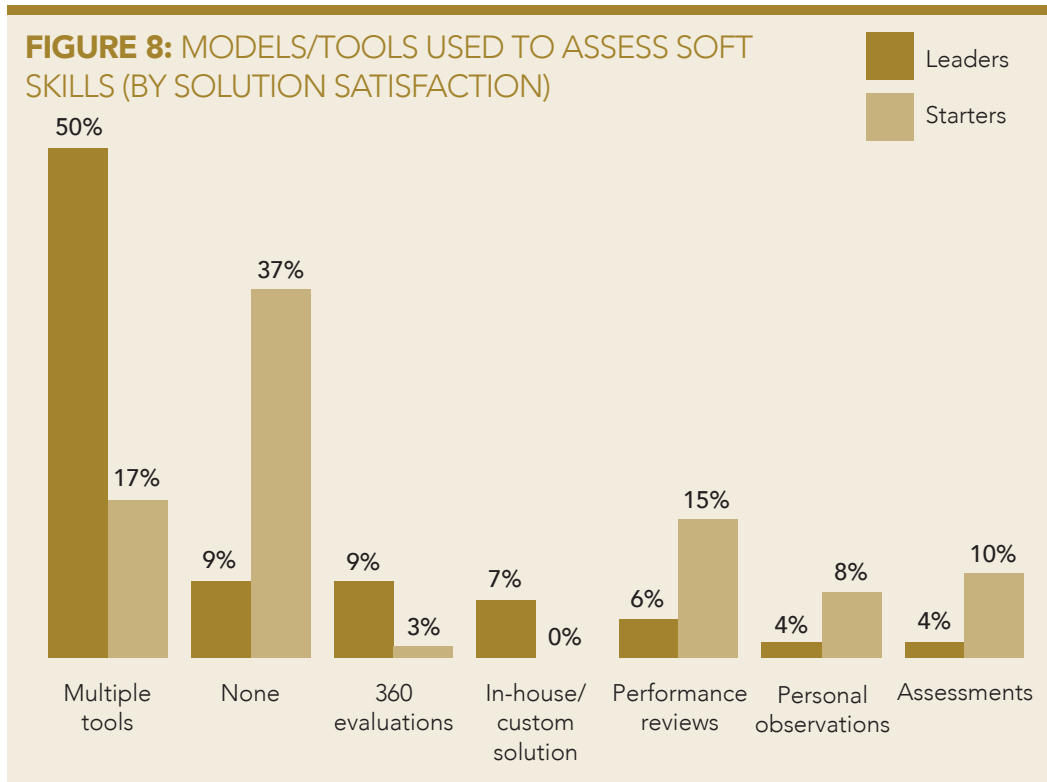


FIGURE 7: WHERE SOFT SKILLS TRAINING IS INTEGRATED (BY SOLUTION SATISFACTION)





these same areas, but fewer of them have done so; less than half of all starters (46.3 percent) have integrated soft skills training into leadership development, compared to more than three-quarters of leaders (77.7 percent).

It isn't enough to integrate soft skills training into other learning solutions. If organizations want to be successful with their soft skills training, they'll also need to identify metrics and measure the effectiveness of their efforts. While the data show there are no universally used models or tools for soft skills evaluation, it's important for organizations to commit to gathering data as a start. Among leaders, more than 90 percent gather some data related to soft skills, compared only 63.3 percent of starters (Figure 8). More than half of all starters use multiple tools to gather data about their employees' soft skills. These tools can be a mix of formal and informal evaluations, assessments and tests. Not all tools are created equal, and organizations looking to improve their soft skills programs will need to quantify what data they'd like to collect and implement the best system or systems that will give them that data.



Support for soft skills begins at the top. Without leadership buy-in and budgetary dedication, soft skills training won't produce the desired outcomes. Leader organizations understand this, and many of them feel they've already secured support from their C-suite and senior executives. More than three-quarters of leader organizations (77.8 percent) say their senior executives support investment to improve soft skills. Compare this with starter organizations, who say almost the opposite. More than three-quarters of starter organizations (78.2 percent) believe they lack leadership support for soft skills (Figure 9). If L&D leaders are looking to gain any traction for soft skills, they'll need to start with executives.

CONCLUSION

Soft skills are both an important part of an employee's toolkit and essential for organizations to meet their business goals. Many organizations recognize the need for their managers and leaders to have soft skills training, but often this training isn't prioritized, implemented or assessed. For organizations to succeed in soft skills training, they'll need to prioritize this type of training and follow through with more than just anecdotal measurement of the impact of their efforts. Organizations that are satisfied with the outcomes of their soft skills training recognize this, and their measurement efforts have enabled many of them to make the business case for soft skills to senior leadership.

POWER SKILLS™ = WORKFORCE AGILITY

Today's workforce needs to be smart and agile to handle the changes coming.

More than 10 years ago, the Corporate Learning experts at Bellevue University recognized that, with the massive changes in workforce requirements, agility would be important.

After significant research — secondary, primary, qualitative and quantitative — we recognized that the key to workforce agility is mastery of soft skills. We also realized that calling them “soft skills” is too dismissive. We renamed them “Power Skills” to reflect their importance to workforce productivity and company competitiveness.

The seven critical Power Skills are:

1. Problem solving
2. Decision making
3. Judgment
4. Communication
5. Self management
6. Collaboration
7. Value clarification

Taken together, mastery of these seven skills creates a smart and agile workforce — able to adapt and thrive regardless of what change brings to your employees, their jobs or the company and its competition.

After understanding this model of agility, we integrated the introduction, practice and mastery of these skills into our curricula because we know the next generation of professionals needs to be proficient at these skills.



Power Skills PRO™

THE POWER SKILLS PRO™

Start with an assessment of current competency of these critical skills.

Most managers in business today agree that these are critical skills. The issue is that competency is hard to gauge. Anecdotal research is hit and miss. Self-reporting is clearly not right — you wouldn't ask someone to rate herself/himself on functional skills mastery.

The Power Skills Pro is an assessment of current competency levels of these critical skills. Rather than asking employees to rate themselves on abilities, it assesses skill levels based on their responses to cases, experiences and examples. It's a more accurate assessment than anecdotal or self-reported data. The Power Skills Pro instrument has been shown to reflect an accurate assessment of mastery of the seven power skills.

Power Skills Pro assessments are followed up with a narrative and quantitative briefing about your company's or your department's conversance with Power Skills and a Road Map for next steps to assure your group is as ready to take on change as they can be.

Power Skills Boot Camps

As the people who codified the Power Skills and mapped them to learning curricula, we also offer boot camps for each of the seven Power Skills. If you're ready to begin training on these important skills, learn more about these boot camps here.

IS YOUR TEAM READY TO ADAPT TO CHANGE?

Find out now with the Power Skills Pro™ assessment.



Contact Bellevue University's Human Capital Lab to learn how you can assess current Power Skills competencies among your team.

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For inquiries, contact Sarah Kimmel, vice president: skimmel@humancapitalmedia.com.

APPENDIX

Survey dates

September-November 2017

Respondents

400

Organizational level of respondents

43.5 percent of respondents are at or above director level

Organization size

< 100:	20.3 percent
100-499:	15.5 percent
500-999:	8.1 percent
1,000-4,999:	20.6 percent
5,000-9,999:	9.1 percent
10,000-24,999:	13.2 percent
> 25,000:	13.2 percent

Geographic distribution

One country, one location:	30.6 percent
One country, multiple locations:	36.4 percent
One country, some global distribution:	13.1 percent
Highly distributed:	19.9 percent