

Skills are the New Currency in the Workplace

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Skills are the New Currency in the Workplace Two thirds of all jobs in the United States require additional education beyond high school, according to the Harvard Business School. Yet, fewer than half of all employers believe that students who receive education are prepared for the workplace, compared with 87% of educators who believe students are prepared. In spite of this discrepancy, nearly threefourths of all employers don't collaborate with any form of higher education.

In a nutshell, everyone needs to know more to be successful in the workplace, and more times than not, the people who know what skills are needed aren't talking and those who are doing the teaching aren't asking. So, this is the current state of the job and career discussion today.

It's increasingly important for job-seekers to realize that more education doesn't necessarily have to mean a four year college degree. In fact, a Brookings Institute study says that 50 percent of all STEM (science, technology, engineering and math) don't require a four year degree, and nearly 30 percent of associate degree recipients in the U.S. make more than those with a bachelor's degree.

So, more education is good, but a college degree don't automatically lead to a job – you actually have to understand the skills that employers are seeking and take courses that provide you those skills. This can be difficult since there often isn't a formal connection between employers and educators and most students don't realize that until they have completed their education. So, a focus on increasing college completion rates just means more people have spent money on getting a college degree, not that they necessarily have a set of employable skills.

There is an increasing awareness that there needs to be a more "demand-driven" approach to educational attainment, or put more simply there needs to be a focus on developing skills that are needed by employers in the work place. While this is a straightforward concept, it's not how our education or employer organizations are currently designed to operate and that's not necessarily anyone's fault it's just how things have evolved.

A critical first step in this new approach is for employers (businesses, non-profits, and government) to begin to identify the "skills" that they need (like...) and move away from proxies like "a bachelor's degree and 5 years of experience" and clearly identify what skills that person should be able to perform like, "the ability to use computer-aided design to implement a manufacturing process." By providing this clarity, it allows a skill-seeker or education provider to take the second step which is to either identify a specific educational opportunity to acquire that skill, or ensure that their curriculum provides that skill to its students.

Effectively, this allows us to move beyond trying to match words between resumes and job descriptions, and move to the development of skills portfolios – those that employers need and those that job-seekers have – to determine the best fit, and to help design education curriculum. This is important because it creates a more efficient system that allows jobseekers, employers and education providers to trade in this new currency of skills – the skills you need, the skills you have or the skills you provide.

There are those who will say that effective employees need to have more than just technical skills and they're right. However, if job-seekers can acquire the initial skills they need to be qualified for open positions, then the same tools they used for that process can be used to increase the breadth of their knowledge and experience for their next job or personal growth...but they're doing it with a much clearer knowledge of what skills they're pursuing and why.

Finally, there needs to be an infrastructure in place to support this skills marketplace. Technology must be used to capture the skills requirements needed in the workforce as they evolve. There must also be an on-line platform to allow employers and job-seekers to match skills for open position, and for job-seekers to identify education opportunities that can provide them with the skills they need in the marketplace.

With skills serving as the new currency, we can finally begin to overcome the skills gap in our workforce by giving employers and job-seekers the tools they need to be more successful and make our education providers more relevant and effective.