Skills of the Future and Where to Find Them

A study of skills availability across geographies, industries, and time.
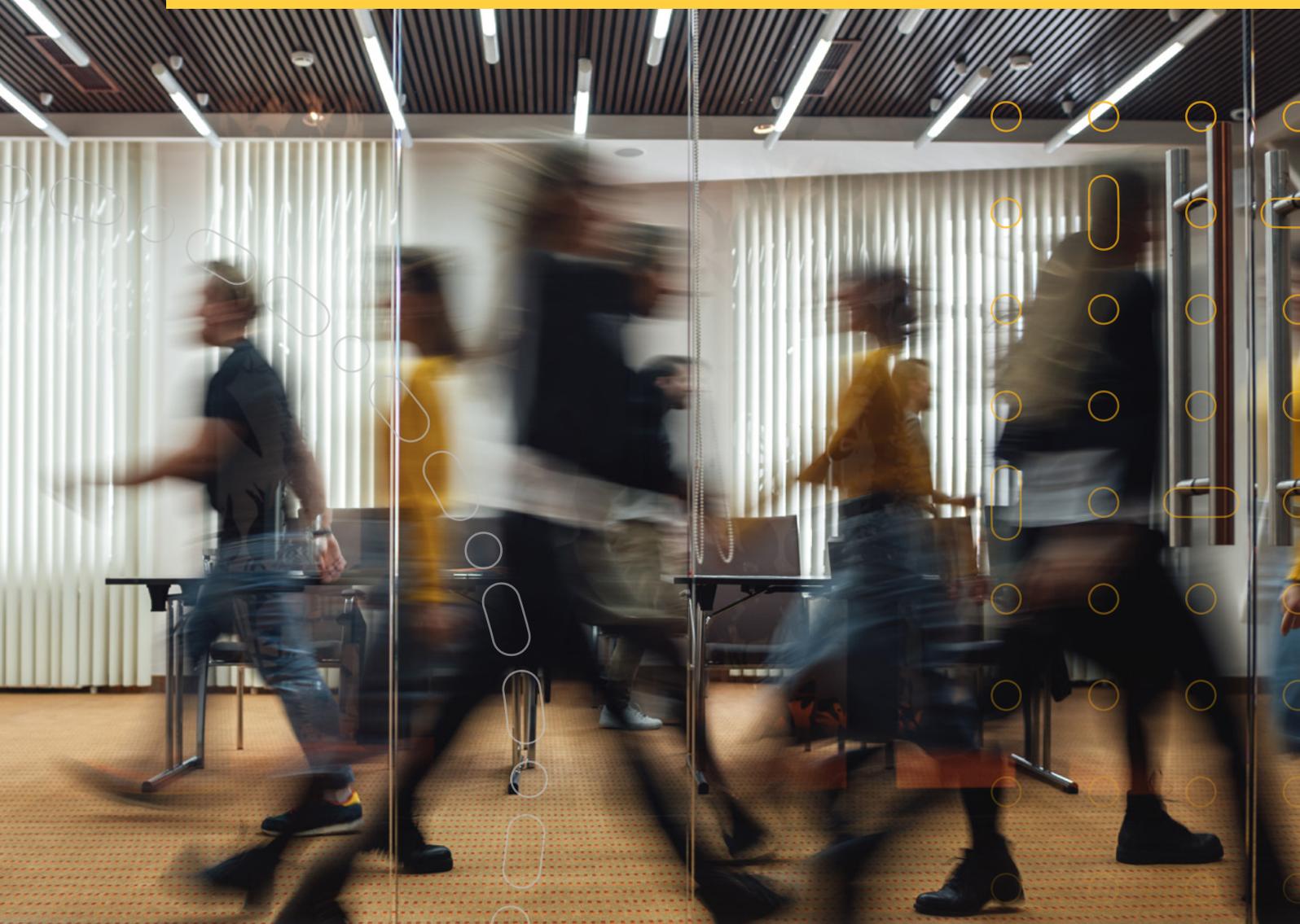
SHL.

The Only Constant is Change

The only constant is change. It is a saying we have all heard many times before and it is very relevant today as the world is seeing more change than ever. This is both an uncertain and exciting time for the world of work.

We are seeing revolutionary advances in AI technology that when paired with the right skills can give us figurative superpowers. At the same time, this change is coming while businesses are already struggling to find the skills they need. In a recent SHRM survey, 80% of HR professionals cited talent shortages as a major challenge for them in 2023.[1]

These challenges make finding the right skills in an increasing competitive market even more difficult with businesses scrambling to understand what skills will help them stay ahead of their competition. Most previous research has suggested that AI is unlikely to replicate our social and emotional intelligence or our creative and innovative skills nearly as easily as more transactional skills.[2] This suggests that soft skills or creative and innovative thinking are becoming even more important, and workers with these skills may be uniquely positioned to thrive in the age of AI. This renewed focus on soft skills and innovative thinking provides an interesting opportunity to revisit similar research by Josh Bersin on the importance of "PowerSkills" for the workers of the future.[3] Josh is an industry expert, HR thought leader, and founder of the global "Josh Bersin Academy".

[1]   2023, SHRM, State of the workplace 2023 report

[2]   2017, McKinsey Global Institute, Jobs lost, jobs gained: What the future of work will mean for jobs, skills, and wages

[3]   2019, Josh Bersin, Let's Stop Talking About Soft Skills: They're PowerSkills

What are PowerSkills Anyway?

Josh Bersin surveyed HR thought leaders from around the world to understand the skills that they felt were the X-factor for future success. He combined skills that were considered essential in the world ahead into the PowerSkills framework, observing that skills of the future are not technical, but behavioral. With the first golden age of AI fast approaching, workers with soft skills and the skills that enable them to leverage AI to their benefit will be in demand. These PowerSkills are increasingly important and being able to recruit workers with these unique skills is critical.[4] To help practitioners leverage this framework, we have added definitions and focused the framework on skills that readily lend themselves to the world of work (Table 1).

[4]   2022, Research.com, Job Automation Risks in 2023: How Robots Affect Employment

Table 1
Focused PowerSkills Framework

PowerSkills

Optimism: Stays positive when facing difficulties rather than dwelling on negative events.

Curiosity: Is open to and experiments with new ideas.

Tenacity: Concentrates on tasks over a long period of time without getting distracted.

Flexibility: Accepts and adapts to change.

Integrity: Keeps promises and refrains from disclosing confidential information.

Learning: Absorbs new information and masters new techniques easily.

Generosity: Shares information and offers guidance and assistance to others to help them succeed.

Drive: Sets demanding goals and works hard to achieve them.

Ethics: Upholds ethical standards regardless of external pressure or competing agendas to advance either personal or organizational objectives.

Followership: Willingly accepts direction from others.

Empathy: Takes steps to show compassion and support for others and is sensitive to others' emotional needs.

**Time Management:** Manages own time and delivers work on schedule.

Kindness: Shows courtesy and is polite to others

**Teamwork:** Focuses on team goals.

Communication: Understands spoken information; speaks clearly and understandably; presents with confidence; gauges audience reaction, interest, and understanding, and adjusts communication style or content accordingly.

A World of Data

Candidates by Region

- 100 - 499
- 500 - 999
- 1000 - 4999
- 5000 - 15000
- 15000+
- No Data
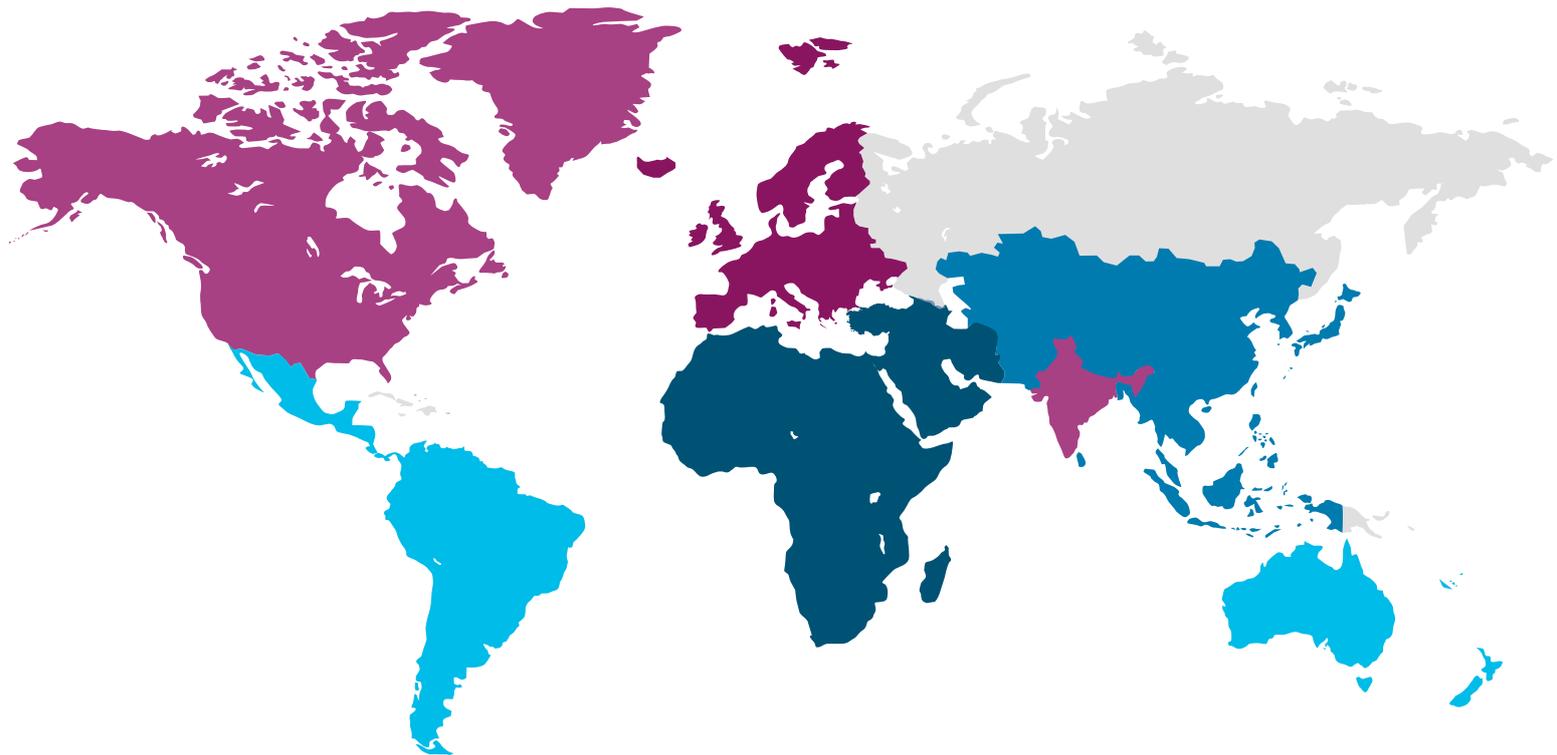
We set out to explore PowerSkills by region, industry, and over time to understand emerging trends and to help recruiters find workers who will thrive in the new age of work. After describing the PowerSkills in detail (Table 1), we mapped the PowerSkills to SHL's Universal Competency Assessment (UCA) which measures 96 work-relevant skills. Leveraging the UCA assessment provided a global sample of 67,592 individuals from across the world. All regions provided ample data to investigate trends at the regional level. Most of the sample came from Europe (49%), North America (20%), and India (20%), with a smaller proportion coming from the Middle East (6%), Africa (3%), Asia (1%), Oceania (1%) and South and Central America (1%).

PowerSkills by Region

To investigate the standout strengths of each region, we calculated the percentage of candidates who scored in the high range (top third of candidates) for each skill and ranked them within the region. This allowed us to identify the top three PowerSkills in each region and provide an overview of the region's unique strengths. Every region showed a unique profile of strengths, but optimism, integrity, and generosity featured as key PowerSkills for several regions. Empathy, followership, curiosity, and drive appear to be in shorter supply, not featuring in the top three list for any region. Although these skills appear to be in short supply at the regional level, they did show up as key strengths within industries. For example, drive appears to be particularly abundant in the Banking and Financial industry, and empathy in the Healthcare industry.

Region	PowerSkills
Africa	**Generosity** **Optimism** **Learning**
Asia	**Integrity** **Generosity** **Ethics**
Central and South America	**Integrity** **Optimism** **Ethics**
Europe	**Flexibility** **Communication** **Kindness**
India	**Teamwork** **Generosity** **Optimism**
Middle East	**Time Management** **Optimism** **Ethics**
North America	**Ethics** **Tenacity** **Time Management**
Oceania	**Integrity** **Generosity** **Communication**

Takeaway: Every region is uniquely positioned with candidates showing large variation in the top three skill profiles. If recruiters are struggling to find candidates with the skills they need, tapping into other regions with high levels of those skills could be helpful—the pandemic has shown that remote working works and people can still work effectively in this setting.

PowerSkills by Industry

Building on the investigation of regional strengths, we wanted to dig deeper into the unique PowerSkills profiles for each industry and use this to help recruiters identify where they could be looking if they are struggling to find a particular skillset in their candidate pool. Looking across the profile of different industries also enabled us to highlight potential talent pipelines for recruiters, and career pathways for workers.

These career pathways and talent pipelines are particularly important for roles that are more susceptible to automation. These pathways help increase talent mobility by highlighting ways to transition from susceptible roles while leveraging existing skillsets.

Retail

Empathy   **Kindness**   **Generosity**

The Retail industry has classically been characterized as a fast paced yet human-focused sector that attracts outgoing and reliable candidates often acting as the key talent pipeline for consulting and professional service industries. This customer-focused culture is reflected in the candidates for Retail roles who are warm, courteous, willing to share knowledge, and offer guidance. Compared to other industries, candidates for the Retail industry are **40% more likely to score highly on empathy and kindness, and 35% more likely to score highly in generosity**.

Although we have already seen a drive to automate the transactional elements of the retail experience, retail candidates possess considerable social and emotional intelligence, suggesting they have high employability in industries that value these skills. Candidates from the Retail industry show similar strengths to the Healthcare industry, suggesting that Retail workers could be uniquely suited to transitioning into the Healthcare industry with the appropriate training.

Empathy

40% more likely to have **empathy**

42%

30%

Kindness

42%

30%

Generosity

40%

30%

◼ Retail   ◻ Other
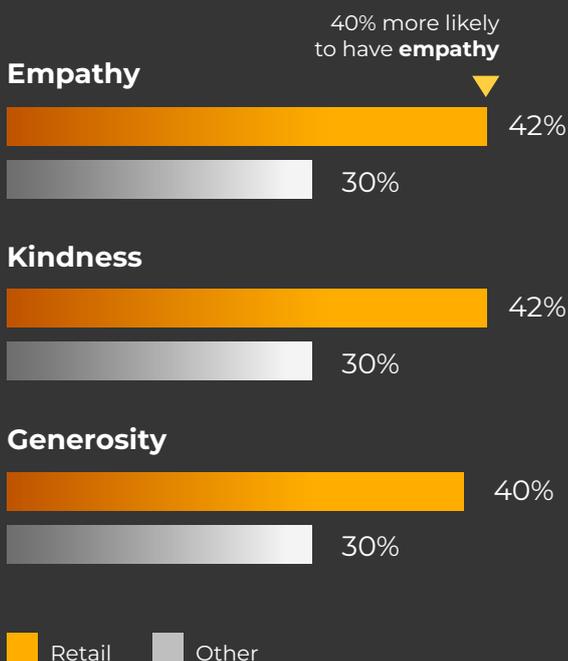
Takeaway: Potential career pathway to the Healthcare industry for caring, giving, and courteous talent.

Healthcare

Kindness   **Empathy**   **Flexibility**

Striking a human-focused tone, the Healthcare industry attracts candidates who are warm, considerate, and accommodating to changes. Candidates for roles in the Healthcare industry are **25% more likely to have high levels of kindness, and 20% more likely to have high levels of empathy and flexibility** compared to other industries. With our aging populations and the common health conditions associated with aging there will be an increased demand for healthcare workers across all regions.[5]

Candidates for the Healthcare industry show similar strengths to those from the Retail industry, which suggests that many retail workers could be natural healthcare professionals given the appropriate training.

Kindness

25% more likely to have **kindness**

Healthcare	38%
Other	30%

Empathy

Healthcare	36%
Other	30%

Flexibility

Healthcare	36%
Other	30%
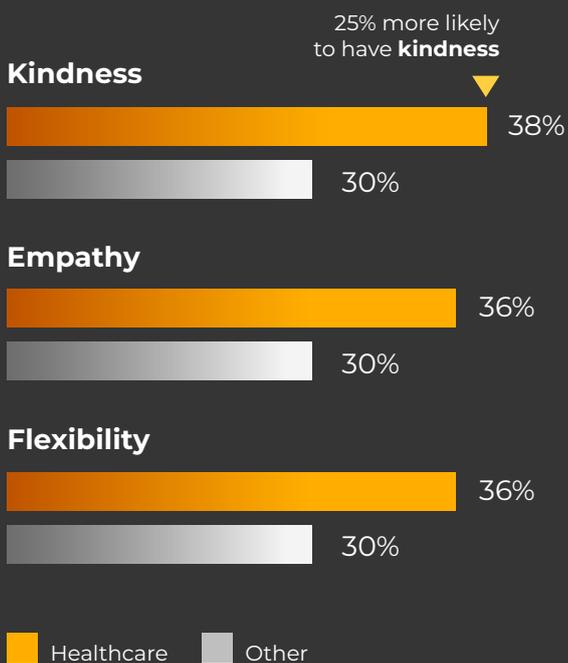
█ Healthcare   █ Other

Takeaway: Healthcare is likely to be a growth industry and the Retail industry could be a potential pool of empathetic and courteous talent.

Banking & Financial Services

Time Management	Drive	Tenacity

The Banking and Financial Services industry is characterized as a high performance, high impact culture where you work hard to get ahead and persevere when things get tough. This ethos is reflected in the candidates who apply for roles in the industry. Candidates are **33% more likely to have strong time management**, **22% more likely to have strong drive**, **and 20% more likely to have high tenacity** compared to other industries.

For recruiters who might be struggling to find candidates who live and breathe high performance, consider looking at candidates from the Manufacturing industry to fill that gap. Candidates from the Manufacturing industry show similar strengths to the Banking and Financial Services industry, and with the appropriate training, the Manufacturing industry could be a potential talent pool for recruiters looking for driven and tenacious professional talent.

Time Management

33% more likely to have **time management**

37%

28%

Drive

34%

28%

Tenacity

34%

28%
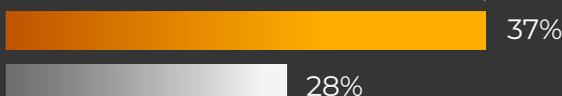
Banking & Financial Services	Other

Takeaway: The Manufacturing industry could be a potential pool of motivated and work-focused talent.

Manufacturing

Tenacity **Drive** **Ethics**

A highly outcome- and quality-driven culture, the Manufacturing industry is characterized by a focus on efficiency, quality, and productivity. This industry emphasizes the importance of processes and procedures to ensure consistency and standardization in manufacturing operations while meeting targets and staying safe. This culture attracts candidates who uphold these industrious and work focused values by being focused on long term tasks, motivated by achieving targets, and focused on upholding standards. Candidates in the Manufacturing industry are **25% more likely to have tenacity, and 22% more likely to have ethics, and drive** respectively.

The Manufacturing industry has had a long history of automation driven by a combination of safety, efficiency, quality, and cost considerations. Candidates for the Manufacturing industry have similar key strengths to candidates for the Banking and Financial Service industry, and given the right training, could be a natural fit for a similarly driven, fast-paced and outcome-focused culture.
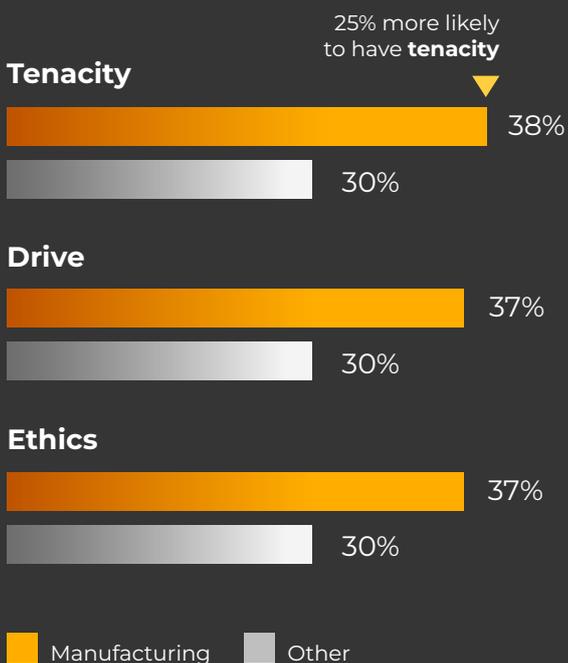
Takeaway: Potential talent pipeline to Banking and Financial Services industry for driven and work-focused candidates.

Tenacity

25% more likely to have **tenacity**

38%

30%

Drive

37%

30%

Ethics

37%

30%

■ Manufacturing ■ Other

Energy

Curiosity **Flexibility** **Learning**

The culture of the Energy industry is characterized by a focus on innovation, sustainability, and safety. This industry values technological advancement and constantly seeks new ways to harness energy sources while reducing environmental impact. This relentless drive for innovation and finding creative solutions to society's increasingly complex energy needs attracts candidates with matching curious, technology-focused mindsets. Candidates for the Energy industry are **67% more likely to have high curiosity, 56% more likely to have high flexibility, and 48% more likely to have the learning PowerSkill**.

Candidates for the Energy industry share the same top-three profile as candidates in the Telecommunications industry, suggesting that recruiters for the Energy industry could potentially leverage candidates from the Telecommunications industry to fill skills gaps.

Curiosity

67% more likely to have **curiosity**

50%

30%

Flexibility

47%

30%

Learning

45%

30%

■ Energy ■ Other
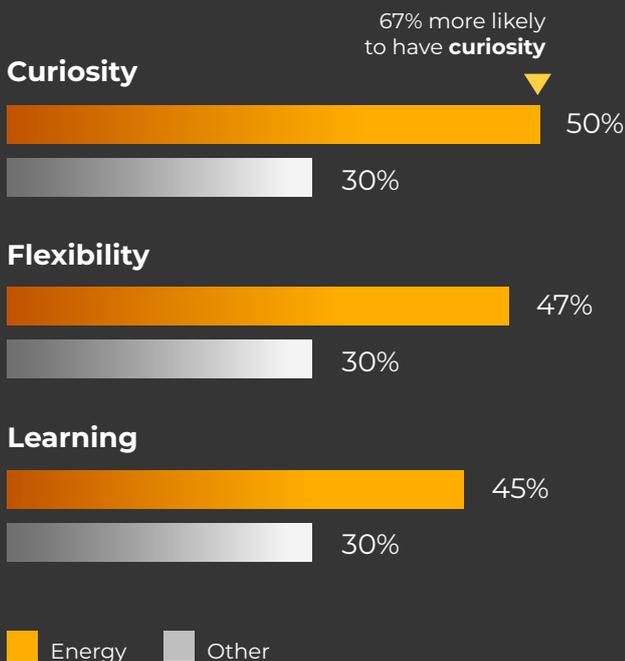
Takeaway: Potential shared talent pool with Telecommunications industry for innovative, adaptable, and learning-focused talent.

Telecommunications

Curiosity   **Learning**   **Flexibility**

Striking an innovative and customer-focused tone, the Telecommunications industry places a high value on technological advancements and constantly seeks new ways to improve communication systems and networks. This innovative and improvement-focused culture attracts curious, technology-focused candidates. Candidates for the Telecommunications industry are **34% more likely to have high curiosity, 25% more likely to have the learning** PowerSkill, **and 22% more likely to have high flexibility**.

With its clear parallels with the top three profile of the Energy industry outlined above, candidates for the Telecommunications industry might be well suited to transitioning into roles in the growing Energy industry.

Empathy
34% more likely to have **empathy**

39%

30%

Kindness

37%

30%

Generosity

36%

30%

■ Telecommunications   ■ Other
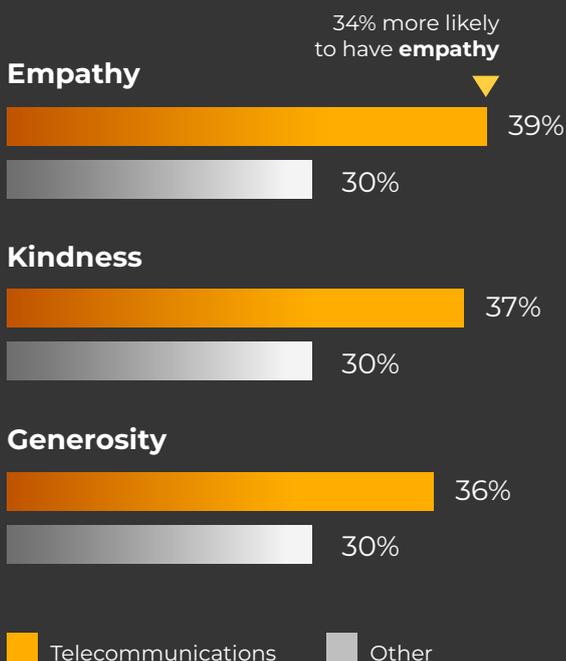
Takeaway: Potential talent pool for the Energy industry for innovative, adaptable, and learning-focused talent.

Emerging PowerSkills

Tenacity **Kindness** **Time Management**

Rounding out our investigation of the PowerSkills landscape, we turn our attention to the trends in availability of PowerSkills over time. To investigate trends, we compared the percentage of candidates scoring in the high range in 2021 (N = 7,692) to the first three months of 2023 (N = 13,137) for each PowerSkill and ranked them from largest to smallest increase.

The majority of PowerSkills showed an increase in the number of candidates scoring in the high range with **tenacity**, **kindness**, and **time management**, showing the biggest increases. These PowerSkills saw increases of between 32% and 48% more candidates scoring in the high range in 2023 compared to 2021.

Tenacity

48% more candidates

22%

33%

Kindness

38% more candidates

22%

30%

Time Management

32% more candidates

24%

30%
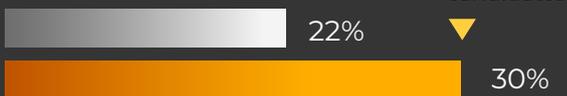
■ 2021   ■ 2023

Key Takeaways

Take a Future Focus

The only constant is change, and change has never been more constant than right now. Understanding the skills your business needs right now, and in the future, will empower a strategic talent strategy. Focusing on skills that are critical for your business heading into the golden age of AI will help your business leverage the massive opportunities offered by the new technology.

Use Flexible Talent Assessment

While your key skill requirements may incorporate many PowerSkills, taking a tailored approach and looking outside of this framework will ensure you have all the skills you need. Once you have a complete understanding of what skills you need, leveraging a comprehensive and flexible assessment like the Universal Competency Assessment will make sure you can hire the best talent faster.

Leverage New Talent Pools

We have seen that many industries share key strength profiles across their candidates. Recruiters who are struggling to fill skills gaps in their team will benefit from leveraging talent pools outside their industry. This approach can be extended further by leveraging remote workers and looking outside your immediate region.

Workers Have Powered Up with Skills

Although we have seen considerable increases in the number of workers with PowerSkills over the last two years, it can be hard to find these candidates while managing the torrent of applicants we often see for many roles. Utilizing a volume-focused assessment strategy will help find this talent faster than ever before.

Use Your Talent Assessment Data for Talent Management

We have seen an increase in the number of candidates with key PowerSkills and you may have an abundance of these skills in your team without even realizing it. Using your existing talent assessment data to drive your talent management will help you identify untapped skills in your existing workforce.The Universal Competency Assessment measures 96 work-relevant traits to provide the most comprehensive profile of workplace skills available. The UCA provides a holistic view of your team's unique strengths and helps you identify gaps that may be stopping your team from thriving in the golden age of AI.

PowerSkills are likely to help your business thrive in the golden age of AI , but a one-size-fits-all approach is likely to leave you with critical skills gaps. Working with SHL, you can leverage extensive expertise in assessment design and our Universal Competency Assessment to ensure you find the skills you need, faster. The Universal Competency Assessment measures 96 work relevant skills to provide the most comprehensive profile for talent assessment and management. We assess over 35 million candidates each year and are constantly scanning the horizon to make sure our solutions provide our customers with the best talent faster. Building on this, the Universal Competency Assessment provides the most comprehensive profile for developing your team and helping them upskill when in the role. All this, and the UCA takes less than 20 minutes to complete so your candidates are happier than ever before too.

Why SHL

At SHL, we have an unwavering dedication to helping our customers hire the best talent faster, for any role. We have been helping customers understand their business and workforce for over four decades with loyal customers across the globe. Every organization and role offer unique challenges, and it is important that you design a recruitment strategy to ensure you find the skills you need to stay competitive and keep growing.

Contact your SHL team to talk about designing a volume recruitment strategy that provides the skills you need now and in the future, enhancing your talent management strategy at the same time.