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# Soft Skills – Overlooked Essentials for the Future of Work

By Tina Morni, IOE Adviser

# Why are skills so important?

- Constantly changing working environment
- Life skills is an essential part of being able to meet the challenges of everyday life
- To cope with the increasing pace and change of modern life (FOW)
- Global workforce needs to be up to date with the right skills through formal and informal LLL



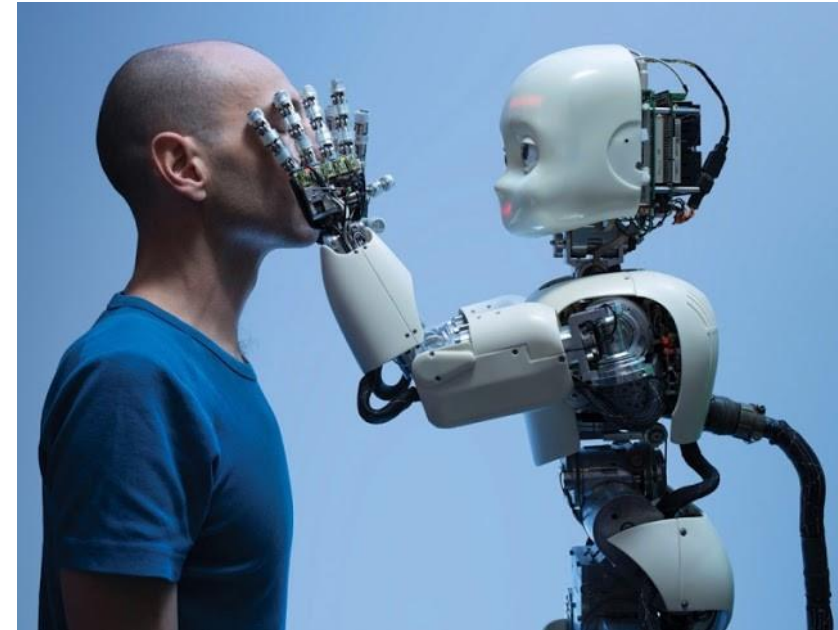
# Hard skills vs Soft skills

- Early references to soft skills go back to the 1970s (US Army)
- Hard skills to read a map
- Soft skills to make a decision after reading the map
- Both skills are needed to effectively execute a task or job

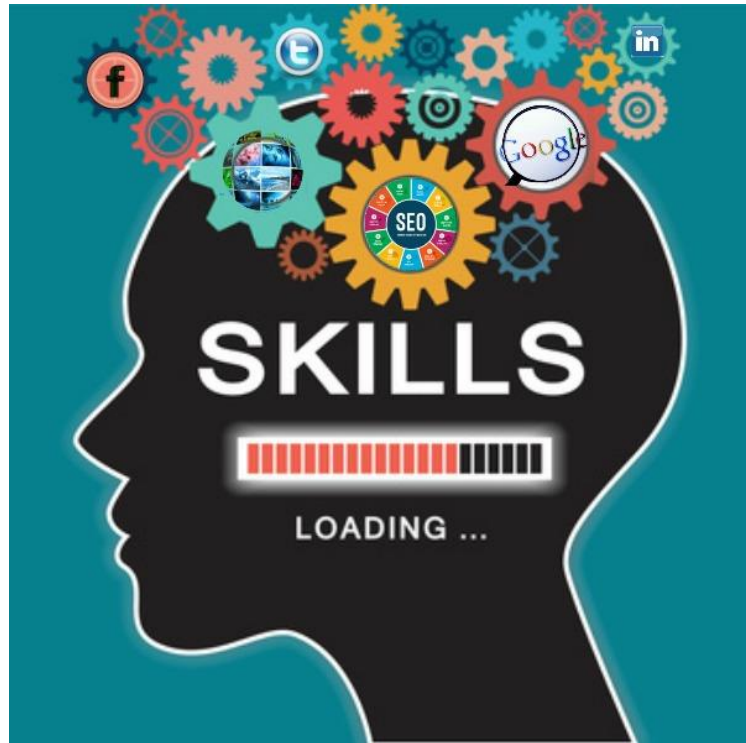


# Soft skills are more valuable than before

- WB, OECD reports – soft skills are precisely the type of skills which cannot be codified or automated by robotics and AI
- Complex problem solving, critical thinking, creativity, people management, emotional intelligence, decision-making and negotiation will be the most difficult skills to automate
- Invest time and effort to learn new soft skills throughout life



# Most wanted skills



- According to LinkedIn, there are at least 50,000 professional skills in the world.
- Top 5 soft skills companies are looking for the most in 2019 are:

Creativity

Persuasion

Collaboration

Adaptability

Time management

# Evolution of soft skills needed in the workplace

**1972**

In the workplace "soft skills" were centered around being a good dutiful employee;

- Deliver excellent Customer Service
- Adapt to your workplace
- Please your manager
- Learn and know the skills of your job

(Fry & Whitmore, 1972)

## Top 10 skills

### in 2020

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1. Complex Problem Solving
2. Critical Thinking
3. Creativity
4. People Management
5. Coordinating with Others
6. Emotional Intelligence
7. Judgment and Decision Making
8. Service Orientation
9. Negotiation
10. Cognitive Flexibility

# Skills in Africa

According to the World Economic Forum, the 7 skills young Africans need are:

1. **Communication skills** – ability to communicate clearly and persuasively in spoken and written words.
2. **People management** – how well can you relate to those in your same company or organization?
3. Knowledge of **STEM subjects**
4. **Strategy skills**
5. **Analysis and problem-solving skills**
6. **‘Glocal’** - understand worldwide trends and also have contextual knowledge in a regional territory or local market.
7. **Finance** - understanding money and how finance works

# Findings of ILO ACTEMP/IOE report

***Changing business and opportunities for Employer and Business Organisations (survey on 500 companies, inputs from EOs in all regions):***

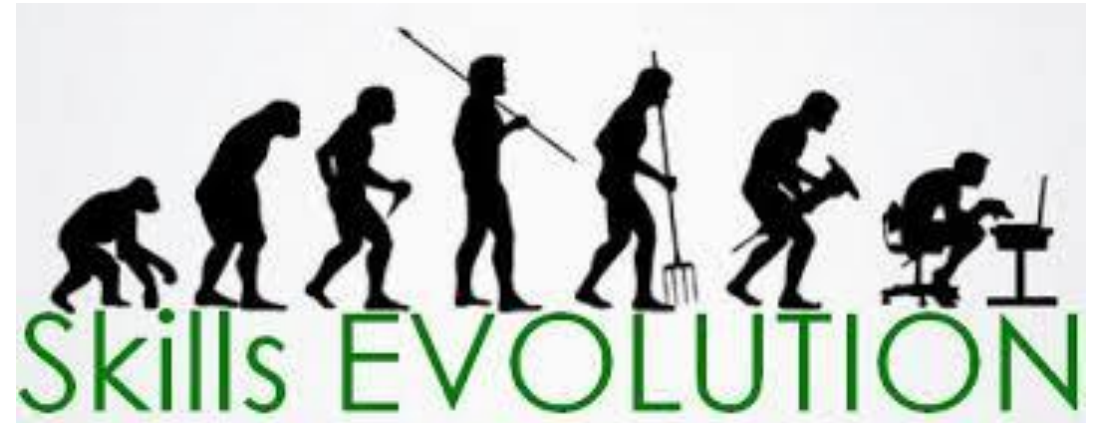
- The challenge of locating, hiring, and retaining skilled workers is felt across borders, sectors and pay grades
- A lack of relevant skills for the world of work is already creating problems even at entry-level positions (40% of employers noted lack of skills as the main reason)
- Concern - becoming harder to recruit people with the skills needed - Bolivia (60%), Haiti (53%), China (47%), South Africa (51%) and Malaysia (63%)
- 60% stated that new graduates were not adequately prepared for current work
- 78% indicate that updating the school and education curriculum to match the economy's needs would provide them with the skilled employees they need



# Various aspects of soft skills

## Types of skills and its evolution

- Various international terminologies used to categorise skills
- The evolution of skills
- Acknowledging the power of a highly skilled labour force to business and the economy



# Skills Governance



- Role of governments, role of civil society, role of employers and other stakeholders
- Coordination across government institutions, labour market information systems, employment services and performance reviews of training/educational institutions
- An opportunity to tackle the skills mismatch, widening skills gap and youth unemployment (global/regional trends)
- Social dialogue models

# Skills Governance (Cont)

- Build strong generation of entrepreneurs
- Review of TVET and apprenticeships systems
- Understanding the problems of establishing a common skills recognition framework
- Encouraging the government to invest in STEM and digital skills
- Strategies of hiring short term staff with the right skills
- Setting the right attitudes in embracing technology and innovation



# Future of work

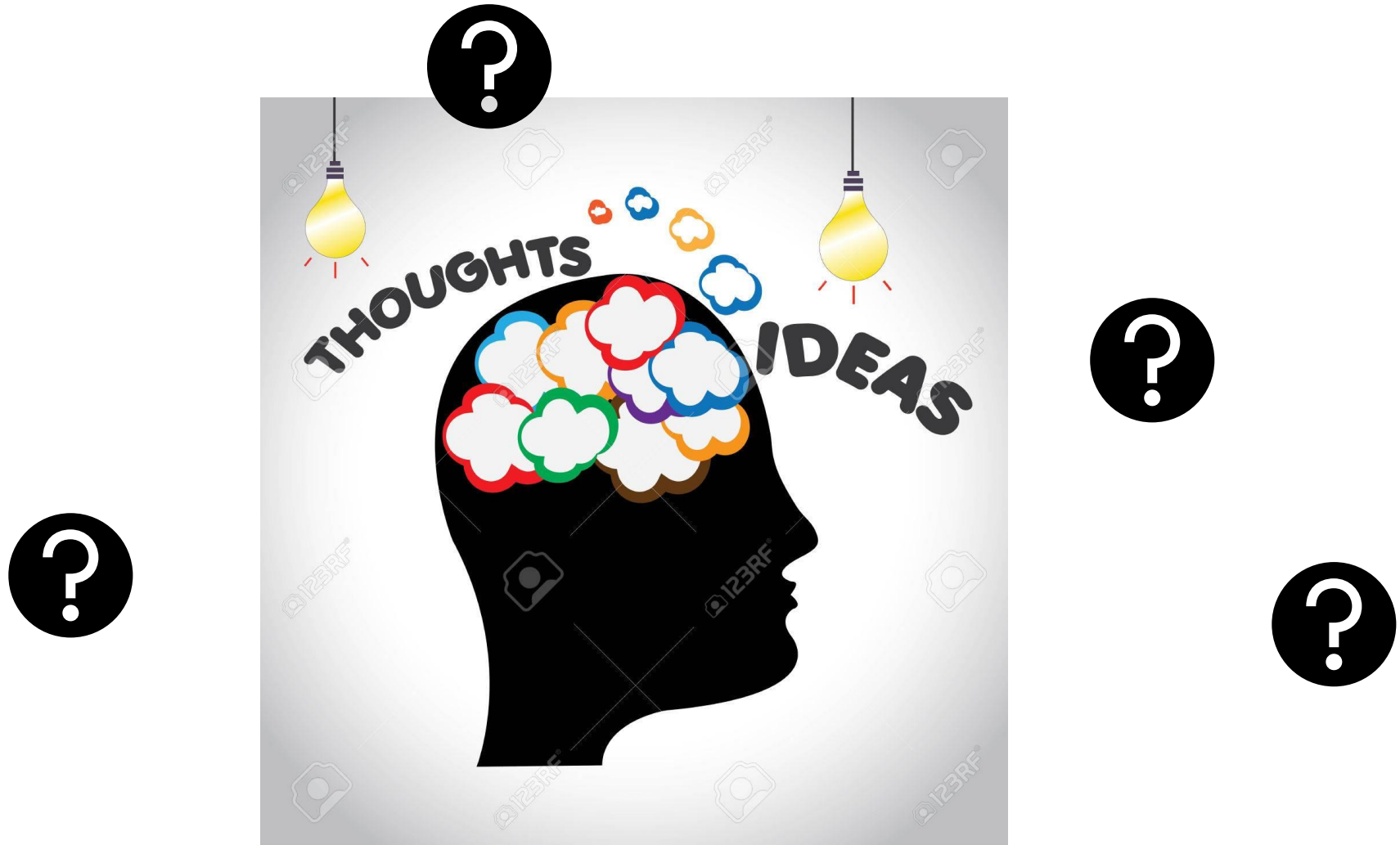


- 4 megatrends + 5<sup>th</sup> trend (Shortage of skills)
- Understanding impact of AI and technology on skills
- International debate (ILO, WB, etc)
- LLL, upskilling, reskilling

# Strategic practical tips for HR managers & EOs



- Practical techniques to evaluate existing skilling systems (internal and external evaluation exercise)
- Identify available tools to measure skills
- Where to find useful information/data/statistics
- How to come up with an effective strategy on skills governance
- What companies and EOs can do to influence policy makers (advocacy activities, bilateral dialogue)





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# Thank you!

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