#### O.C.TANNER



# Appreciating the Talent You Already Have

How employee recognition can complement upskilling and reskilling programs



Whether it's due to a Great Resignation or recession, when companies are unable to find and acquire new talent, reskilling and upskilling current employees may be the best talent acquisition strategy.

Reskilling (helping employees build a different set of skills to perform a new or changed role) and upskilling (helping employees improve skills to do their existing jobs) are both useful ways to meet the skills gaps that come with the evolving workplace.

Disruptions like new technology, industry innovations, an evolving workplace environment, and new client demands call for an updated set of skills in order for companies to be successful. And, in the midst of talent shortages or hiring freezes, reskilling and upskilling employees can help retain top talent and build the skills required to meet these new challenges and demands. They also help to prevent the loss of invaluable company knowledge and lead to a more resilient workforce overall.

World Economic Forum says within the next 5 years, up to 50% of employees will need some type of reskilling to perform effectively. 87% of executives are already experiencing skills gaps in their workplace (or expect them within the next few years), and 73% of employers said reskilling was a main priority for them. 77% of respondents to Deloitte's Global Human Capital Trends survey are leaning towards training existing employees instead of accessing new talent.



The most successful reskilling and upskilling initiatives require a combined effort from employers and their employees. Companies that work with their people to help them learn and develop have employees who feel a higher sense of growth, opportunity, and mastery. 94% of employees would stay at a company if it helped them develop, yet only about half of employees feel their organization provides opportunities for career advancement, learning, or growth. And while mastery is a basic psychological need that all employees have (along with autonomy and connection), only 51% say their need for mastery is satisfied at work. When companies work with

employees to reskill and upskill, it demonstrates they value and care for their people.

"Our learning philosophy is to build a culture that enables each employee to unleash talent, experiment and contribute productively and collectively to organization success... Reskilling of employees in the area of creativity, customer centricity, and other relevant skills will become crucial."

- ANANT GOENKA, MANAGING DIRECTOR, CEAT

See how CEAT uses employee recognition in partnership with their career development efforts.

## Recognition plays an important role in employee development

As companies are reskilling and upskilling their people, they should leverage recognition to reinforce employee growth and development. Recognition goes hand-in-hand with career development in a company's overall talent management strategy as a way to show employees are valued at the organization.

Recognition acknowledges employee contributions. It highlights employee achievements and calls out their unique and individual skills, talents, and experiences. It connects employees to the company's purpose, their teams, and their leaders. Recognition communicates employees are seen, valued, and making a difference at their organizations.

When companies pair employee recognition efforts with their development programs, it communicates to employees that the company values them and their work—and wants to invest in their growth, development, and success.

goals along with your company's purpose. Embed recognition tools into your learning and development tools to easily recognize in a timely manner as employees complete training milestones and add to their skillsets.

Employee recognition increases the likelihood an employee's psychological need for mastery is satisfied by 201%.

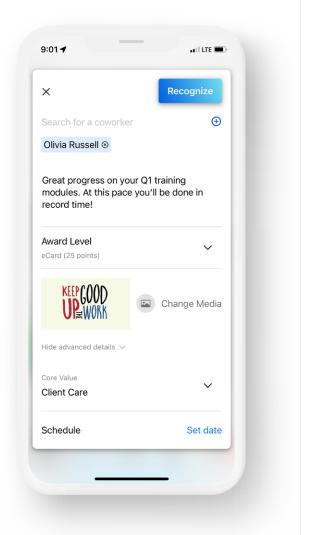
- 2022 Global Culture Report, O.C. Tanner Institute

### 3 ways to use recognition to complement reskilling and career development

#### 1. ENCOURAGE LEARNING NEW SKILLS ALONG THE WAY.

Employees should be encouraged for their efforts to learn new skills while they are learning them, not just upon completion. When organizations support learning efforts along the way and work with employees to grow together, employees no longer feel they are doing it all on their own. They feel the company is invested in their development and wants them to succeed. Recognizing their progress along the way by encouraging their learning efforts motivates them to keep going.

Both formal and informal recognition through your company's recognition program, like Culture Cloud, can be an effective way to encourage employees. Give recognition when employees complete micro steps in their training rather than waiting until they complete the entire program. Tie the recognition to specific training to reinforce those educational



Recognition is also important for those who are helping employees learn and develop—such as mentors in mentorship programs or peers who are helping with reskilling or cross training. When companies provide formal mentorship opportunities, employees are 56% more likely to say they learn new and valuable things in their role. Recognize mentors and peers for their work in developing employees and give mentees the tools and empowerment to recognize and thank the mentors and peers who helped them.

Modern leaders also act as mentors and advocate for employee development outside of a formal mentorship program. They connect employees to meaningful growth opportunities, purpose, and others in the organization. When companies provide opportunities at work to build relationships and connect, employees are 106% more likely to feel a sense of opportunity at work. Ensure those leaders who are practicing modern leadership and helping employees grow and develop also get recognized for their efforts.

#### 2. RECOGNIZE WHEN EMPLOYEES LEARN A NEW SKILL OR PARTICIPATE IN A SPECIAL PROJECT.

In addition to formal training and development. special projects are an effective way for employees to learn, develop, and utilize their new skills. Being chosen to participate in a special project communicates that employees are valued and skilled enough to contribute meaningfully. It not only provides opportunities to learn (and practice) new knowledge and skills, but it also gives them visibility to other leaders and peers in the company they may not normally work with, helping to boost networking and strengthen

the overall sense of opportunity at work.

Special projects do double duty to develop employees and also connect them with the broader organization and provide a greater sense of purpose and belonging. Employees can see how their work impacts other areas of the company. Special projects can also be an underutilized tool in reskilling workers. Only 49% of employees have worked on a special project at their organization, and only 30% feel empowered to. Yet when employees participate in a special project they:

- are 50% more likely to believe they learn new and valuable things in their current role
- have a 26% increased sense of opportunity
- are 31% more likely to stay at the organization
- · are 38% more likely to be willing to put in a great deal of effort at work

Recognition is crucial when an employee completes a special project, a formal training, or learns a new skill. Recognizing when an employee completes a reskilling or upskilling milestone demonstrates that the company and leaders find their development to be important. Without noticing or acknowledging that an



employee has completed a special project or training, companies miss an opportunity to demonstrate the value of the employee and their new skills. Unfortunately, only 48% of employees received any recognition for the contributions they make to special projects. Recognition tools like <u>Culture Cloud</u> can help leaders easily and immediately give recognition to employees after they complete a specific certification or training, when they finish a special project, or when they've expanded their skills.

3. SEND SPECIAL RECOGNITION TO WELCOME EMPLOYEES INTO THEIR NEW OR EXPANDED ROLES.

Onboarding isn't just for new hires. When employees upskill or reskill and move into new roles or departments, it's equally important to recognize the work they've contributed in their previous roles, celebrate their new skills growth, and welcome them to their new teams.

Just as we celebrate various types of milestones in our personal lives, companies should celebrate life events at work. This includes promotions and service anniversaries but can also include expanding their skills, earning certifications and degrees, and changing roles, departments, or locations.

### "Success is better when it's shared."

- HOWARD SHULTZ, CHAIRMAN AND CEO, STARBUCKS

Send employees special recognition when they've expanded their skills, completed a substantial training, or moved into a new role or department. Recognition that builds connection to the organization, purpose, and team is best. Some companies give a symbolic award and formal recognition, while others take employees out to lunch or host a team

celebration. Swag boxes filled with fun and meaningful symbolic company gifts are a great way to celebrate employees and also strengthen connection to the company and one another. When done well, they reflect your company culture, convey appreciation, build belonging, surprise and delight employees after their hard work of building skills, and are a memorable way to celebrate employees as they grow.



Lifelong learning can give employees purpose and meaning in their lives, both at work and outside of work. Reskilling and upskilling are important ways to provide growth and development for your people. As they advance, appreciating and recognizing determined employees for their growth helps cement and reinforce the importance of the employee, their skills, and their contributions to the company.

Celebrate learning milestones, career advancements, daily achievements. See how Culture Cloud can help.

