

Soft Skills Training:

Why it's needed, how to do it and how to measure it.





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What's in a name?

Soft skills have a hard impact on business.

Why should companies have an interest in developing soft skills?

Soft skills are important, now what?

How should we approach soft skills training?

Is soft skills training really needed now more than ever?

How can businesses develop their people's soft skills?

Traditional eLearning or AR/VR?

How can we measure the impact of soft skills training?

Is measuring the impact of soft skills training possible?

How do we measure for bottom-line impact?

Introduction:



If you search for "soft skills" on Merriam-Webster's <u>free online</u> dictionary, you won't find an entry. Dictionary.com, meanwhile, <u>defines</u> soft skills as "desirable qualities for certain forms of employment that do not depend on acquired knowledge."

In an article for eLearning Industry, author Sonia Patel explains soft skills as "personal attributes which allow people to interact with others effectively." For LinkedIn's 2019 report on the most in-demand skills, author Gregory Lewis sums things up like this: "While hard skills

concern your ability to do a specific task, soft skills are more about the way you do them, e.g., the way you adapt, collaborate, or make decisions."

In light of the varying definitions — and in the absence of a universally accepted one — we shouldn't be surprised that, when pressed to describe soft skills, many people resort to listing examples of them; creativity, persuasion, collaboration, adaptability, and time management are employers' five most-demanded soft skills, according to the LinkedIn report.

But, why do we struggle to pin down their essence? Perhaps the challenge lies in the name itself. If we consider alternative names for soft skills, does their essence become more sharply defined?



What's in a name?

Darcy Eikenberg, the founder of executive coaching firm Red Cape Revolution, offers another name for soft skills in her <u>article</u> for Forbes. Toward the end, she uses "human skills" as a synonym for soft skills. She's likely not the first person — and certainly not the only — to do so. But we think she's on to something.

Soft skills are, at their essence, things that humans do that machines can't, or at least can't yet do proficiently and at mass scale.

They stem from our <u>emotional intelligence</u>, our character, our intangible elements that distinguish us as humans. By pushing the limits of artificial intelligence, we simply strive to replicate what already exists in ourselves: the ability to master

communication, leadership, critical thinking, listening, organization, teamwork, punctuality, problem solving, attention to detail, resilience, integrity, and more.

This framing of soft skills resonates with us because it prompts us to ask what we'd be without them.

If we fail to properly develop them, do we operate only at half-capacity? Without them, how are we, as workers, functionally different from machines that compute and complete tasks?

If that questioning alone doesn't inspire businesses and workers to preserve and <u>develop</u> <u>soft skills</u>, maybe some eye-opening statistics will.

Soft Skills have a hard impact on business.

Employees who have excellent soft skills are beneficial to business.

Michael Hansen, in a 2018 <u>article</u> for eLearning Industry, cites research from the Stanford Research Institute International and the Carnegie Mellon Foundation that claims:

75% of long-term job success depends upon soft skills mastery and only 25% on technical skills.

Beyond that, top performers often rely on their soft skills to separate themselves from less-productive employees. Hansen points to researchers at Harvard University, Boston College, and the University of Michigan's Ross School of Business who reported that people who are trained in soft skills are 12 percent more productive than those who are not. He notes that this advantage in production — though seemingly small — marks a 256 percent ROI in soft skills training.

So, why should companies have an interest in developing soft skills?

Put simply, it pays off.



The value of soft skills flows both ways.

People with adequately developed soft skills increase their value, too, not just the company's.

Employers are rightfully placing more focus on one's soft skills when considering if he or she has the minimum qualifications for a job.

In fact, 57% of leaders say soft skills are more important than hard skills.

That's according to Paul Petrone, who authored <u>"The Skills</u>

<u>Companies Need Most in 2018 – And The Courses to Get Them"</u> for LinkedIn.

To increase their odds of landing job interviews — let alone jobs — candidates should highlight their soft skills.

The additional value of soft skills lies in this truth: People who excel at them have more to offer than machines. That's only going to matter more as each day passes.

As noted by <u>Forbes</u>, the McKinsey Global Institute <u>reported</u> in 2017 that up to 44 percent of current work activity hours will be automated by 2030. As automation grows, people need to care for and enhance the elements that are distinctly theirs.

In other words, by having better human skills, people help to keep themselves valuable perhapes even relevant to companies.

So, soft skills are important; now what?

The Bureau of National Affairs published a report in 2018 from Bloomberg Next in which 40 percent of the surveyed companies said they will re-skill — not replace — employees when prompted by technology developments. People who have good soft skills, especially those who are adaptable, will have a smoother time in such transitions. The problem, as revealed by that same report, is that 4 in 10 corporations say new hires lack the soft skills they need to perform at a high level.

The problem we face is not just a skills gap; it's a soft skills gap, specifically.

By gaining a clearer understanding of what soft skills are and why they matter, we uncover a new, more difficult challenge: how do we train people in soft skills so that they and their employers reach their full potential?

How should we approach soft skills training?



Without properly developed soft skills, how are people – as workers – functionally different from machines?

We posed that question earlier. We did so to define the essence of soft skills, which boils down to things humans can do that machines can't – like lead a team through adversity, think critically, and display emotional intelligence.

To frame soft skills in this light also illuminates how vital they are to

workers' value. If workers' only offering was to do as machines do — to complete tasks — then most wouldn't stand a chance as <u>automation technology</u> <u>advances</u>. Machines don't need sleep; they don't need income. On top of that, they're less likely than humans to error. Businesses can't help but to find those differences intriguing.

The good news? Those aren't the only differences. We are capable of more than completing tasks.

For every constraint we humans have, there are five soft skills that machines can't touch.

When people tap into those skills, the <u>rewards are significant</u> for themselves and their employers. People just need help extracting and developing their soft skills, now more than ever.

Before we consider some ways to do so, let's examine why soft skills training is so urgently required.



Is soft skills training really needed now more than ever?

At the risk of being deemed alarmists, we've more than suggested that a significant soft skills gap exists today. We cited a 2018 report from Bloomberg Next that revealed:

34% of senior-level businesspeople believe recruits were prepared with hard skills but lacked the soft skills to be effective.

We also referenced Paul
Petrone's report for LinkedIn,
"The Skills Companies Need
Most in 2018 — And The
Courses to Get Them," which
claims that 57 percent of
leaders say soft skills are more
important than hard skills.

So, demand for soft skills exists, and yet workers are falling short of employers' expectations. But how dire could things really be, given that the unemployment rate is at a 49-year low?

Context, as always, is crucial.

First, there's "The Work Ahead," an independent task force report authored by Edward Alden and Laura Taylor-Kale, sponsored by the Council on Foreign Relations (CFR). Last updated in April 2018, the report conveys the following as fact: "Technology has been the biggest cause of job disruption in recent decades, and the pace of change is likely to accelerate."

The authors go on to say that workers in manufacturing, food

service, and retail are the most threatened by automation, and the authors note that other service-centered workers — like travel agents, switchboard operators, secretaries, and file clerks — have already been dramatically altered by technology.

Second, there are the details behind the low unemployment rate.

Christopher Rugaber, a reporter for the Associated Press, wrote May 3 that of the 263,000 jobs added in April 2019, manufacturers contributed only 4,000 of them, compared to jobs in IT, accounting, and engineering, which topped the growth with 76,000 jobs.

Meanwhile, Rugaber reported that retailers cut 12,000 jobs in April, which marked the third consecutive month of job loss for the industry. He adds that 49,000 retail jobs have been cut in the past year.

In other words, the types of jobs the authors of "The Work Ahead" identified as most vulnerable are proving to be exactly that.

Third, and perhaps the clearest correlation to a skills gap, are these stats: The U.S. Bureau of Labor Statistics estimates there were <u>7.5 million job openings</u> as of the end of March. At the end

of April, the bureau estimated 5.8 million unemployed people, or those who are without jobs despite actively seeking work.

Why the discrepancy? It's impossible to know for sure. Alden and Taylor-Kale, the authors of "The Work Ahead," had this to say: "The record number of job openings and persistent complaints among employers about skills shortages are part of a growing body of evidence that employers need to change their strategy — instead of sitting back and hoping that schools will graduate employees with the skills they need, or that they

can poach them from other companies, they need to work proactively to develop the talent they need."

Alden and Taylor-Kale challenge employers to take things into their own hands, which leads us to the matter of how.

Again, we're left with the impression that employers desire people with strong soft skills, and they're having trouble finding them.



How can businesses develop their people's soft skills?

At the end of the day, a skill is something one does, and the best way to improve at it is to practice; employers need to afford their workers the time and space to do so.

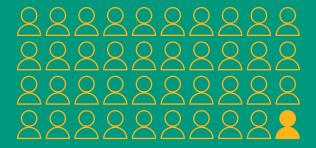
Such practice could take many forms.

Alden and Taylor-Kale recommend that the private sector, as well as government, "strengthen the link between education and work." Specifically, the authors call for an expansion of apprenticeships and work-experience programs. The idea is to provide more opportunities for workers or soon-to-be workers to learn by doing, a method that we believe in. And yet "The Work Ahead" report notes that only 20 percent of adults say their education had a work-experience program, and for every 40 college students in the U.S., there is only one working apprentice.

In addition to such programs, businesses can turn to learning and development for soft skills training, in which case the learn-by-doing philosophy should still be prominent.

As Clark Quinn, director of performance strategy consulting firm Quinnovation,

1 out of every 40



college students in the U.S. are working as an apprentice.

(per "The Work Ahead" report)

wrote for Learning Solutions, research suggests that practice-based learning is better than traditional classroom models for long-term retention and skill development. At the heart of practice-based learning are relevant-to-the-job scenarios that require learners to interpret information, make decisions, and reflect on the consequences — all of which are integral steps to developing soft skills.

And practice doesn't stop outside of designated training; workers are always learning, especially on the job. Employers should aid them in that regard by supplying performance support.

Traditional eLearning or AR/VR?



Perhaps businesses were hoping for a stand-out solution for developing soft skills, believing that one type — traditional eLearning, instructor-led training, augmented reality, or virtual reality, for example — is best-suited for this arena. The truth is that employers' overall approach to the training is what matters the most. The different solutions merely offer varying degrees of

immersiveness, which is certainly an aspect to consider. However, regardless of how the soft skills training is delivered, it must provide learners the chance to navigate true-to-the-job scenarios, face the consequences, and reflect on the experience.

Such training can emerge only from companies that encourage their

workers to take risks, to be wrong, to fail.

As Darcy Eikenberg, the founder of executive coaching firm Red Cape Revolution wrote in "Why Soft Skills Are Harder Than They Look," "... it's not the skills that are lacking. What we lack are workplace cultures that allow those skills to shine."

How can we measure the impact of soft skills training?

In this whitepaper, we distilled the essence of soft skills to things that humans do that machines can't (or can't do as powerfully). We discussed why soft skills training is urgently needed (despite the historically low unemployment rate) and we discussed how to deliver

soft skills training (primarily learning by doing). Now, we tackle how to measure the impact of soft skills training.

We sought answers to these questions: Is measuring the impact of soft skills training possible? Is it difficult? Does

it call for a distinct approach compared to when measuring hard skills?

The short answers, respectively, are yes, kind of, and not really. Let's dive in.



Is measuring the impact of soft skills training possible?

Many in the learning and development community have hit a wall when trying to gauge the effectiveness of their soft skills training. How, after all, can we objectively measure something that's so subjective, something like leadership, creativity, or empathy? Such intangible qualities are different in everyone, and the form they take varies by the situation; in contrast to hard skills, soft skills aren't something we can check off as complete or incomplete. Remember Gregory Lewis' definition: soft skills pertain to how we do tasks, not whether we do them. So, if we can't precisely measure the skill, can we ever measure the training?

In an effort to answer that question, we turned to some folks who definitively said, "Yes."

Remember the <u>256 percent ROI</u> <u>metric</u> we referenced earlier? The researchers behind that stat — Achyuta Adhvaryu from the University of Michigan, Namrata Kala from Harvard University, and Anant Nyshadham from Boston College — claimed that workers who were trained in soft skills were 12 percent more productive than their counterparts, leading to a massive return on the soft skills training. What, we wondered, was their methodology for measuring that?

In essence, the authors set out to see if a soft skills training program delivered to women working in India's garment industry would boost their job performance. The training covered skills such as communication, time management, financial literacy, problem solving, decision making, and legal literacy. Participants were randomly selected to partake in the training; those who were not chosen made up the control group.

The University of Michigan press release offers this summary of

the results: "Nine months after the program ended, productivity gains, along with an increase in person-days due to retention changes, helped generate a whopping 256 percent net return on investment."

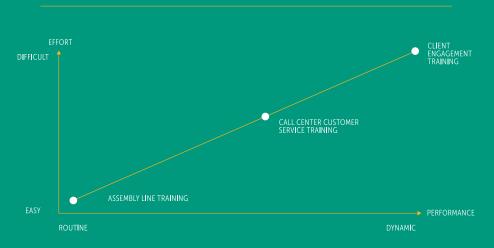
The key words in that recap are "productivity gains" and "retention changes." Those are the things the researchers measured, not development in communication, time management, etc. Because those upticks in productivity and retention came from more of the soft skill trainees than their counterparts, the researchers draw the correlation between the training and the gains.

The takeaway is one that we see across similar evaluations:

To measure the impact of soft skills training – and any training, really – monitor the bottom line metrics.

So, where does that lead us?

EFFORT SCALE FOR COLLECTING FACTS ABOUT PERFORMANCE IMPACT



That revelation leads us to consider the fundamentals of evaluating training, like clearly defining measurable objectives and appropriately setting our own expectations. To do the latter, Kevin M. Yates, a self-described L&D data detective, recommends that we forecast the level of difficulty in measuring a particular program and survey learners immediately after the training to get a sense of its long term effectiveness.

To assist in anticipating the difficulty, Yates offers an "effort scale." He argues that the effort required for "collecting facts about a training's impact" increases as the dynamic nature of the job increases.

The examples he gives for jobs suggest to us that the more dynamic a job, the more

soft skills it requires; client engagement demands more soft skills than call center customer service, which in turn entails more soft skills than assembly line work. So, if we accept that measuring training for dynamic jobs is difficult, and dynamic jobs necessitate more soft skills, then we can surmise that assessing soft skills training will naturally be difficult.

The key is to not make evaluation harder than it already is.

The key, when dealing with soft skills training, is to measure the impact on the bottom line, not each learner's capacity for the skill itself, an aim that's far too abstract.

How do we measure for bottom line impact?

Again, this challenge boils down to training assessment fundamentals, which is why we say there isn't a unique approach to measuring soft skills training compared to doing so for hard skills training. The most important thing in either effort is that we know exactly what we're looking for.

To clearly identify measurable objectives, Yates <u>suggests</u> we ask these three questions:

- What's happening in the organization?
- What performance requirements are needed to achieve our goal?
- 3 What is the organization's goal?

The first question essentially invokes a <u>needs</u> <u>analysis</u>, which learning professionals should have already done to confirm that training is the proper solution for the performance gap. Make

sure there aren't other, easily fixable barriers to performance before investing in training.

Yates' second question is about the bottom line metric, or metrics, the organization wants to improve. That may be employee retention, employee productivity, or something else. The answer to this question is what we ought to measure against the total cost of any soft skills training.

And finally, Yates asks us to consider what performance metrics are necessary for the organization to achieve its bottom line goal. For example, to increase the yearly productivity by 12 percent, perhaps each garment worker needed to increase her weekly finished garment count by two. Defining performance metrics enables us to set our sights on a more immediately available metric, one that will indicate whether the training is on track to meet the organization's bottom line goal.

What did this whitepaper teach us?

While there is always more to learn, our hope is that readers share our overall takeaways from writing this whitepaper: a firm understanding of the essence of soft skills, as well as a belief in their importance to

businesses and workers alike; an inspiration to create scenario-based learning content to train people in soft skills; and a sigh of relief, knowing that we can measure the impact of soft skills training.

Need some soft skills training for your organization?

Reach out today to see how Roundtable can help you deliver.



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