

THE SKILLS FIRST GROWTH MODEL

As part of the development of the Skills First Future Hub—an attempt to organize and make more accessible, useful, and transformative the spectrum of tools and trainings available to employers to drive adoption of skills-first hiring and advancement practices—the SHRM Foundation partnered with Education Design Lab to develop a verified Skills-First Growth **Model**. The Growth Model was supported by funding from Walmart, and the overall Center for a Skills First Future and its web Hub were made possible with support from Charles Koch Foundation, Walmart, and Workday Foundation.

This Skills First Growth Model provides HR leaders a flexible, multi-faceted assessment of their employers' current state and near-term goals related to skills-first hiring and advancement practices. It is an essential and central component to the Skills First Future Hub and undergirds all aspects of the Skills First Future tools.

In this brief paper, we seek to articulate the key components and rationale of the Skills First Growth Model in the hopes that it sparks a stronger and deeper understanding of the varied and, at times, uneven ways in which an employer's navigation towards being a skills-first organization can occur.

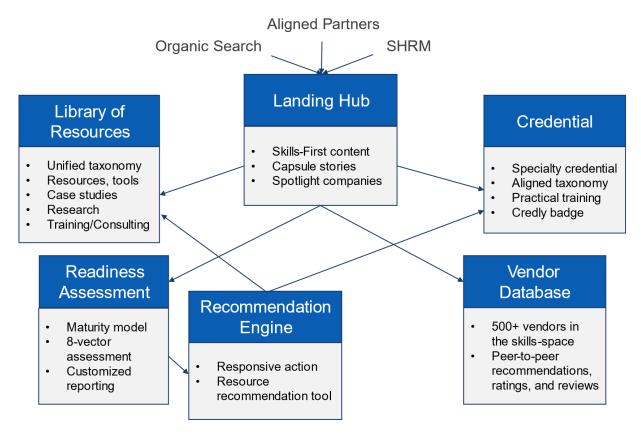
Introduction

About the Skills First Future Hub

The Skills First Future (SFF) Hub is a multi-component web Hub to help employers embrace, assess, and enhance the full spectrum of skills, competencies, and aptitudes that individuals bring to the workplace, regardless of where or how they were learned. The SFF Hub aims to address and mitigate the barriers that hinder the adoption of skills-first strategies by providing a comprehensive framework and resources to support organizations in their journey towards a skills-first approach.

The SFF Hub recognizes that employers face three principle challenges in adopting skills-first practices. These challenges include (1) the perceived lack of return on investment (ROI) and perceptions of high risk inherent in skills-first adoption, (2) the lack of trust and limited awareness of actionable practices among HR professionals, and (3) the difficulties of scaling and isolation both within employers and within industries for those implementing these

practices. By offering a structured and supportive environment, the SFF Hub seeks to help organizations overcome these barriers and realize the benefits of a skills-first approach.



The Skills First Future Hub is envisioned as a comprehensive resource center that supports employers in implementing skills-first strategies. It includes several key components:

- **Readiness Assessment and Recommendation Engine:** This intelligent platform quides employers through their skills development journey, providing customized tools and insights to enhance skills-based hiring practices.
- Skills-First Tech Clearinghouse Vendor Database: A vetted collection of 400+ HR technologies and solutions that enable HR professionals to find and implement the best tools for fostering a skills-based workforce.
- **Library of Skills-First Resources**: A comprehensive repository of over 500 resources, including research, case studies, and educational materials, aimed at supporting employers in implementing and benefiting from skills-first strategies.
- **Skills-First Specialty Credential:** A certification program that recognizes HR professionals, hiring managers, and executives for their expertise in implementing skillsbased hiring and retention practices, promoting professional growth and organizational change.

The Skills First Growth Model is a cornerstone of the SFF Hub, providing a structured framework to guide organizations through their journey to a fully integrated, skills-first approach. The

growth model is designed to be iterative and adaptable, recognizing that organizations are at different stages in their skills-first journey—and that within one organization, different paces of progress might exist simultaneously depending on which aspect of skills-first adoption is being focused on. Knowing such information can make the adoption process feel more doable more quickly, particularly for HR professionals with limited time and capacity.

By engaging with the growth model, employers can understand where they stand in adopting skills-first practices and receive targeted recommendations to accelerate their journey. The model helps organizations align their strategies with best practices in skills-based hiring and advancement, ensuring that all components of the SFF Hub are effectively integrated and utilized.

Vision for Success

The Skills First Future Hub is designed to create a future where skills-first hiring and advancement practices are the norm, leading to more engaged and effective workplaces. By leveraging the Skills First Growth Model, employers can understand where their organization stands in adopting skills-first practices and identify strengths and areas for improvement across key vectors. This model, as deployed via the Readiness Assessment and Recommendation Engine, provides a specified visual read-out and description of the current and desired future state for the employer for each of eight vectors, along with targeted recommendations to accelerate their skills-first journey.

Employers can utilize the comprehensive library of resources, coded against the growth model, to support continuous learning and skills development, ensuring employees are equipped to meet current and future needs. They can also take the 15-hour Skills First Credential, the backbone of which is the growth model, to formalize and certify their expertise in skills-first practices.

By embedding skills-first practices into the organizational culture, the Hub promotes continuous improvement and innovation in skills development. It also ensures active participation and commitment from organizational leaders in driving and supporting skills-first practices, making data-informed decisions that align with strategic goals. Moreover, the Hub helps employers adapt skills-first strategies to align with industry standards, regulations, and market trends, ensuring relevance and compliance.

By adopting the growth model and leveraging the resources of the Hub, employers can transform their hiring and advancement practices, leading to a more skilled, adaptable, and engaged workforce. This transformation not only benefits individual organizations but also contributes to a broader shift towards a skills-first economy, where all talent and workplaces prosper and thrive.

Arriving at Eight Vectors

The initial design of what would become the Skills First Growth Model was linear. It presumed a series of steps through which an employer would move, progressing from the current "traditional" model that utilizes proxies such as degrees, job titles, or "cultural fit" to a more dynamic and comprehensive "skills-first" model that embraced an individual's full suite of skills, competencies, and aptitudes.

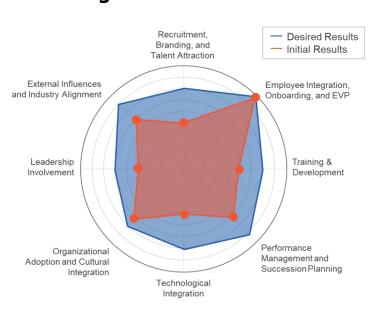
SHRM Foundation and Education Design Lab field tested this model over a series of events in 2023 and quickly determined that it was not a nuanced enough depiction of the actual evolutionary process organizations went through to be accurate. In field tests, most HR leaders would lump themselves somewhere in the middle of the continuum—but when asked, they would often have completely different rationales for doing so. Rather than a singular, linear progression, the true process of skills-first hiring and advancement by employers was almost always fragmented, with different aspects of adoption moving at different paces.

To craft a meaningful growth model that allowed for that reality, and celebrated the incremental, measurable, manageable successes even when they were partial rather than the whole, the Skills First Growth Model was retooled to embrace multiple vectors. When this new model was tested, it resonated more fully with employers, but also quickly revealed itself to still require additional nuance.

While it was obviously truer that, rather than a singular progression, there were multiple progressions to make up a singular movement, within each progression there was variation as well: there were various components that made up the vector about recruitment and attraction strategies, and similarly various components that made up the vector about performance management and upskilling.

At its height, the Growth Model included upwards of 45 of these indicators. This was then, for ease, honed back to the 19 indicators present in the final version.

The Eight Vectors and Their Associated Indicators



The growth model outlines eight key Vectors, each representing a critical area of focus for developing organizational capabilities. For each Vector, there are two to three Indicators, each detailing out a specific, measurable element that provides detailed guidance on how growth occurs within the Vector.

The eight vectors, with their associated indicators, are:

1. Recruitment, Branding & Attraction

The Recruitment, Branding & Attraction vector evaluates how effectively an

organization employs skills-first practices to attract and select the widest spectrum of talent. This vector emphasizes the importance of aligning the organization's skills requirements with the hiring process, ensuring that job descriptions prioritize skills and that hiring criteria are developed collaboratively. It also highlights the significance of creating and nurturing partnerships with community organizations, educational institutions, and government agencies

to access a broader talent pool. By doing so, organizations can enhance community goodwill, widen recruitment channels, and support a hiring process that addresses the full spectrum of the workforce.

- Skills-Integrated Recruitment Strategy: This involves aligning the organization's skills requirements with the hiring process. By prioritizing skills in job descriptions and collaboratively developing hiring criteria, organizations can more accurately assess candidates' potential and readiness for the role. This approach strengthens internal hiring consistency and supports a clear, unbiased evaluation of candidates, leading to better matches and reducing onboarding time.
- **Cultivating Talent Provider Partnerships:** Creating and nurturing partnerships with community organizations, educational institutions, and government agencies allows organizations to tap into a broader talent pool. By collaborating with local and state entities, organizations gain access to resources like training grants and workforce development programs, which facilitate skills alignment and ensure the workforce remains adaptable and prepared for current and future demands. This approach enhances community goodwill, widens recruitment channels, and supports a hiring process that addresses the full spectrum of the workforce.

2. Employee Integration, Onboarding, and EVP

The Employee Integration, Onboarding, and Employee Value Proposition (EVP) vector evaluates how effectively an organization integrates new employees and aligns them with a skills-first culture, focusing on the onboarding process and the Employee Value Proposition (EVP) to promote skills development from day one. It emphasizes the importance of embedding commitment to skills development within the organization's core identity, ensuring that employees understand skills growth as a fundamental value that is recognized and rewarded. The onboarding process is structured around incremental skill milestones and feedback, providing new hires with a clear, manageable path for early development and alignment with organizational goals.

- Weaving a Skills-driven Value Proposition: Embedding a commitment to skills development within the organization's core identity ensures that employees understand skills growth as a fundamental value that is recognized and rewarded. Throughout the employment lifecycle, a skills-driven EVP reinforces psychological commitment and aligns employee goals with organizational objectives, fostering an engaged, developmentfocused workforce.
- Onboarding with Incremental Skill Development and Feedback: Structuring onboarding around incremental skill milestones and feedback provides new hires with a clear, manageable path for early development. This approach ensures that skill acquisition is reinforced and adjusted as needed, supporting both individual progress and alignment with organizational goals from the start.

3. Performance Management and Succession Planning

The Performance Management and Succession Planning vector focuses on how effectively an organization integrates skills-based metrics into performance evaluations and succession planning, ensuring data-driven decisions that align with both current and future organizational needs. It involves setting individualized development goals, consistently tracking skills over time, and using data to inform career mobility and succession planning. Competency-linked rewards and recognition programs ensure that employee achievements and skill advancements are meaningfully acknowledged, fostering a culture of continuous growth and development.

- Data-driven Employee Career Mobility: A structured, transparent approach ensures employees have equitable access to career progression based on clearly defined skills and competencies. By fostering a robust internal marketplace, the organization enables proactive career development and adaptability, aligning mobility opportunities with strategic workforce needs.
- **Growth-Focused Performance and Feedback Systems**: By setting individualized development goals and consistently tracking skills over time, the organization ensures that employee growth is both intentional and measurable. This approach encourages a culture of continuous learning and responsiveness to change, allowing the organization to dynamically meet evolving business needs while supporting employee engagement and retention through clear, actionable feedback and targeted development opportunities.
- Competency-linked Rewards and Recognition Programs: Competency-linked rewards and recognition programs ensure that employee achievements and skill advancements are meaningfully acknowledged in alignment with organizational goals. By connecting rewards to demonstrated competencies, the organization motivates employees to build critical skills that directly contribute to business success. These programs foster a culture of continuous growth by incentivizing development and by offering flexible, accessible recognition channels that resonate across employee preferences.

4. Training and Development

The Training and Development vector examines how an organization designs and implements training programs to foster a skills-first culture, focusing on continuous learning and aligning skills development with organizational goals. It includes adaptive skills planning that aligns with business goals, skills-focused training design that bridges theoretical learning with practical application, and flexible learning options that cater to individual needs. This approach ensures that employees develop competencies that align with real-world job requirements, supporting organizational effectiveness and workforce readiness.

- Adaptive Skills Planning and Impact Metrics: Skills planning aligns with business goals, accounts for current and future needs, and measures real-world outcomes like job effectiveness and employee growth. This approach connects skills to meaningful work contributions and organizational success, ensuring development aligns with real needs.
- **Skills-focused Training Design**: Training programs directly enhance the specific skills necessary for organizational roles, bridging theoretical learning with practical skill

- application. This approach enables employees to develop competencies that align with real-world job requirements, thereby supporting organizational effectiveness and workforce readiness.
- Flexible Learning Options: Offering flexible learning options allows employees to engage in skill development at a pace and style suited to their individual needs. This approach fosters a culture of continuous learning by providing customized, scalable, and varied learning pathways that adapt to organizational and individual growth.

5. Technological Integration

The Technological Integration vector assesses how effectively an organization leverages technology to support, enhance, and optimize skills-first practices across the employment lifecycle. It involves the use of skill tracking tools for decision making, skill mobility tools for employee empowerment, and the integration of skills data into all HR processes. By implementing straightforward tools, the organization can create a structured view of skill assets and needs, informing workforce planning and development with or without complex software.

- Skill Tracking Tools for Decision Making: Tools that monitor workforce capabilities, identify gaps, and enable people to make strategic decisions based on data. By implementing straightforward tools, the organization can create a structured view of skill assets and needs, informing workforce planning and development with or without complex software.
- **Skill Mobility Tools for Employee Empowerment:** Tools that provide employees with clear pathways for career growth and skills development, fostering an adaptable workforce ready for evolving organizational needs. Accessible tools, including clearly defined career pathways and training pathways, empower employees to take ownership of their development and provide a foundation for an individual's economic mobility.

6. Organizational Adoption and Cultural Integration

The Organizational Adoption and Cultural Integration vector evaluates how effectively an organization embeds a skills-first approach into its culture, moving from isolated efforts to full organizational adoption and continuous cultural integration of skills-based practices. It involves driving systematic transformation through structured change management principles, codifying skills-first principles through HR policies and programs, and creating an environment that values and reinforces meaningful skills development through shared practices and behaviors.

- **Organizational Transformation and Management**: Driving systematic transformation to skills-based practices through structured change management principles ensures sustainable adoption across all organizational levels. This empowers organizations to effectively plan, implement, and sustain skills-based practices while managing resistance and fostering engagement.
- **Skills-First HR Policies & Programs**: Codifying skills-first principles through HR policies, programs, and processes makes these practices a foundational part of organizational operations. This enables the systematic integration of skills-based

- approaches across the talent lifecycle, from career pathways to performance management.
- **Cultural Integration**: Creating an organizational environment that values and reinforces meaningful skills development through shared practices and behaviors enables sustainable adoption of skills-based approaches by embedding them into everyday work and organizational culture.

7. Leadership Involvement

The Leadership Involvement vector measures the degree of engagement, commitment, and active participation of organizational leaders in driving and supporting the transition to and implementation of skills-first hiring and advancement practices. It includes data-informed decision-making, where leaders use comprehensive skills data to inform strategic decisions, and leaders acting as change agents who articulate a clear skills-centered purpose, demonstrate consistent engagement in skills initiatives, and advocate for policies and resources that support skill-building.

- Data-Informed Decision-Making and Feedback: Organizational decisions about workforce planning, talent development, and resource allocation are driven by comprehensive skills data. Effective use of skills data enables leaders to make targeted decisions that address skills gaps, align workforce capabilities with strategic goals, and foster a data-informed culture.
- Leaders as Change Agents: Vision, Commitment, Advocacy: Leaders are visionaries who articulate a clear skills-centered purpose, demonstrate consistent engagement in skills initiatives, and advocate for policies and resources that support skill-building. By acting as change agents, leaders not only reinforce skills-first values but also inspire and empower employees to adopt a growth-oriented mindset.

8. External Influences and Alignment

The External Influences and Alignment vector examines how well an organization adapts its skills-first strategies to align with external factors, such as industry standards, regulations, and market trends, ensuring relevance and compliance. It involves continuously aligning workforce skills with industry standards, regulatory changes, emerging technologies, and evolving market needs. Building a network of partnerships dedicated to skill development allows organizations to expand their training resources, align with industry standards, and efficiently meet workforce needs.

- Market-Driven Skills Alignment: Continuously aligning workforce skills with industry standards, regulatory changes, emerging technologies, and evolving market needs supports a proactive approach to skills development that is adaptable to any organizational size or resource level.
- **Network of Partnerships to Facilitate Skill Development**: Building a network of partnerships dedicated to skill development allows organizations to expand their training resources, align with industry standards, and efficiently meet workforce needs. By collaborating with regulatory bodies, local talent sources, and community organizations,

employers can create a sustainable support system for skill-building initiatives.

From Assessment to Action

One of the principle ways the Skills First Growth Model is being put to use is in the Skills First Future Hub's Readiness Assessment and Recommendation Engine. Using a limited set of field-tested questions for each of the 19 indicators, the Readiness Assessment generates a customized rose chart and series of recommended actions and linked resources drawn from the Skills First Library. This allows the HR leader to learn where they are in their skills journey, to identify what their responses say about their likely best vectors for success, and to embrace immediate and tangible actions.

An example of what the resultant recommendations might look like:



By allowing employers to easily and with confidence understand where their organization is on the skills-first trajectory, and then pairing that understanding with immediate access to a universe of tools, trainings, resources, case studies, and models, the Skills First Future Hub will ideally create the conditions for more employers to move from agreement to action on skills.

EIGHT PROGRESS KEY AREAS WITH 19 UNIQUE INDICATORS

7 SKILLS-FIRST ADOPTION PROGRESS LEVELS

Recruitment, Branding & Attraction

- Skills-Integrated Recruitment Strategy
- Cultivating Talent Provider **Partnerships**

Employee Integration, Onboarding and EVP

- · Weaving a Skills-driven Value **Proposition**
- · Onboarding with Incremental Skill Development and Feedback

Training and Development

- · Adaptive Skills Planning and **Impact Metrics**
- Skills-focused Training Design
- Flexible Learning Options

Data-Informed Decision-Making and Feedback

Leadership Involvement

· Leaders as Change Agents: Vision, Commitment, Advocacy

Organizational Adoption and Cultural Integration

External Influences

and Alignment

Network of Partnerships to

Facilitate Skill Development

· Market-Driven Skills

Alignment

- Organizational Transformation and Management
- Skills-First HR Policies & Programs
- Cultural Integration

Technological Integration

- Skill Tracking Tools for **Decision Making**
- Skill Mobility Tools for Employee Empowerment

Performance Management and Succession Planning

- Data-driven Employee Career Mobility
- Growth-Focused Performance and Feedback Systems
- · Competency-linked Rewards and Recognition Programs

Leading the charge

Making

progress

ADVANCED

Skills Centric Organization

Skills Driven Culture in Hiring, **Advancement** and/or Growth

INTERMEDIATE

Data-Driven Skills Focused Organization

Skills Integrated Organization

BEGINNER

Building a Skills Structure

Skills Strategy Awareness

Degree Centered Organization

Co-Developed with Getting started **Education** Design Lab

Current State Desired State