Skills-Based Talent Development Maturity Model



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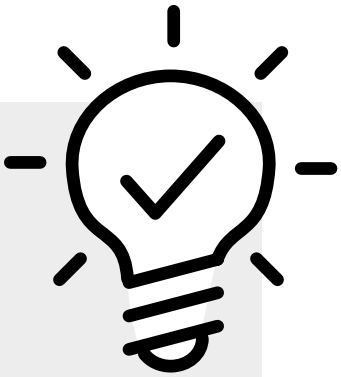
Skills-based talent development is particularly important in today's fast-paced business environment, where technological advancements, changing industry trends, and evolving job requirements demand a more agile and adaptable workforce. By focusing on skills as a central element of talent management, organizations can better position themselves to respond to changing market conditions and maintain a competitive edge.

CTDO Next has developed the Skills-Based Talent Development Maturity Model to provide a structured approach to assessing, planning, and improving an organization's skills-based talent development efforts. It aligns training departments with the business's strategic goals, fosters continuous improvement, and enhances accountability, ultimately driving long-term success.

The Skills-Based Talent Development Maturity Model includes five phases that an organization may go through: Awareness, Foundation, Expansion, Optimization, and Leading. The time spent in each phase will likely vary by organization. And though some parts of any organization may move more quickly than others, the model is intended to provide a diagnostic for the entire company.

For each phase, we'll offer the following:

- **Description:** A summary of the phase
- **Indicator:** A broad statement that organizations can use to determine whether they are in the phase
- **Key Actions:** The most important things that get accomplished in this phase of the skills-based journey
- **Technology:** An overview of the technology support needed to support skills-based talent development in this phase
- **Critical Focus:** The most important element for talent development to focus on in its skills-based strategy while in this phase



PHASE 1: AWARENESS

Description: During the Awareness stage, organizations begin to realize the importance of transitioning to a skills-based approach to talent development. This recognition often stems from a growing awareness of the limitations of traditional HR practices that focus primarily on factors like education, experience, or job titles. Companies understand that a dynamic business environment requires a more agile and adaptable workforce, which can only be achieved by focusing on the specific skills and competencies needed for success. In this stage, the organization may initiate discussions and research on the benefits of skills-based development, such as increased employee productivity, reduced skills gaps, and improved talent retention.

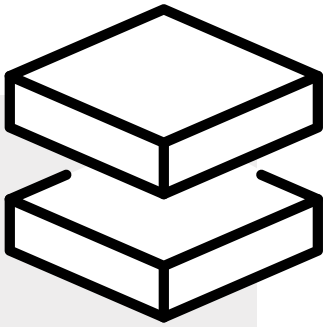
Indicator: The organization recognizes skills-based talent development is important to the business, but it has not yet embarked on the implementation journey.

Key Actions: In this stage, the organization:

- Studies skills-based talent development best practices
- Communicates the value of skills
- Identifies critical positions
- Identifies the current and desired states for the skills-based talent development journey

Technology: The organization determines the purpose and scope of the supporting database that will track skills and project elements and sets definitions and parameters for skills-based talent development.

Critical Focus: The organization's leadership acknowledges that skills-based talent development must be pursued.



PHASE 2: FOUNDATION

Description: The Foundation stage involves laying the groundwork for a skills-based talent development framework. Companies start by creating a comprehensive skills inventory, which includes identifying the skills their employees possess and the skills required for different roles and functions. Basic training programs and upskilling initiatives are introduced to address the identified skill gaps. These programs often focus on core competencies needed to perform job functions effectively. Policies and procedures for skill assessment, development, and tracking are established to ensure consistency and fairness in the process.

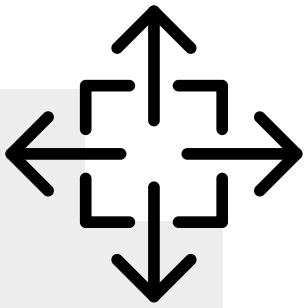
Indicator: The organization creates, agrees to, and invests in a company-wide comprehensive skills-based talent development strategy in support of the business strategy.

Key Actions: In this stage, the organization:

- Agrees on skills taxonomy
- Implements training programs to address known skill gaps for high-potential and high-impact roles
- Provides employees with opportunities for skill acquisition and growth
- Puts systems and processes in place to support skill development, including polling methods for self-identification of skills
- Completes small-scale skills-based talent development pilots (within teams or functions)

Technology: The organization populates a skills taxonomy by determining data format and structure, gathering initial data, populating the database, and completing initial implementation.

Critical Focus: The organization operationalizes the supporting database.



PHASE 3: EXPANSION

Description: In the Expansion stage, companies significantly increase their investment in skills-based talent development. They adopt technology and data analytics to assess the skills of their workforce more accurately and efficiently. This includes using tools to track skill development progress and identify emerging skill gaps. Career pathways based on skills are introduced, allowing employees to choose skill development tracks that align with their interests and the organization's needs. A culture of continuous learning and adaptability is fostered, with employees encouraged to actively engage in ongoing skill development and seek opportunities for growth.

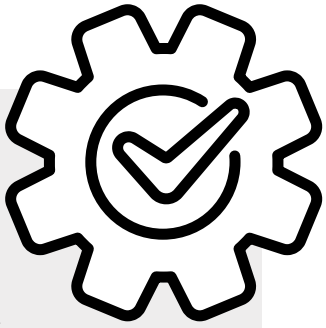
Indicator: The organization moves to company-wide implementation of skills-based talent development.

Key Actions: In this stage, the organization:

- Integrates skills-based talent development with HR and business processes such as talent acquisition, performance management, and succession planning
- Designs the skills-based ecosystem
- Creates the governance structure and taskforce to ensure alignment with business objectives
- Generates new insights about their skills-based talent development efforts

Technology: The organization integrates skills-based talent development technology with HR and business systems, provides training and support for database users, and develops analysis and reporting modalities.

Critical Focus: The organization provides broad access, promotes utilization, and cultivates a learning culture around skills-based talent development. The organization begins to look at a skills-based talent development ecosystem.



PHASE 4: OPTIMIZATION

Description: The Optimization stage is about refining and fine-tuning the company's skills-based talent development processes. Data and analytics play a crucial role in this stage, helping organizations gain insights into the effectiveness of training programs, the impact of skill development on performance, and the alignment of skills with business goals. Talent management strategies are adjusted to ensure that they align with the evolving skill needs of the company. Performance evaluation and compensation structures become increasingly linked to an individual's skill development, contribution, and mastery, reinforcing the value of skills within the organization.

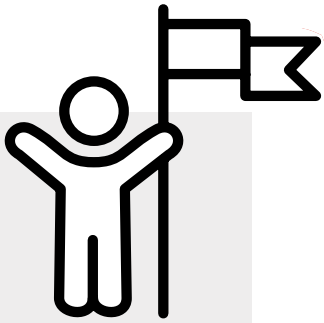
Indicator: The organization establishes metrics and evaluation mechanisms to measure the effectiveness of skills-based talent development programs and track employees' skill progression.

Key Actions: In this stage, the organization:

- Integrates skills-based talent development governance with business leadership
- Generates recommendations about skills-based talent development that are routinely reviewed
- Implements processes to compare existing skills with anticipated skill requirements

Technology: The organization maintains, updates, monitors, and evaluates its skills-based talent development database.

Critical Focus: The organization is focused on continuous improvement and technology integration for its skills-based talent development ecosystem.



PHASE 5: LEADING

Description: At the Leading stage, the company has become a trailblazer in skills-based talent development. The organization excels at quickly adapting to industry changes and emerging skill requirements, staying ahead of the competition. Leaders in this stage often serve as industry benchmarks for effective talent development, and they are known for their ability to mobilize a highly skilled and versatile workforce. A culture of innovation and continuous improvement is deeply embedded within the organization, and it continuously pushes the boundaries of skills-based development to maintain its competitive edge.

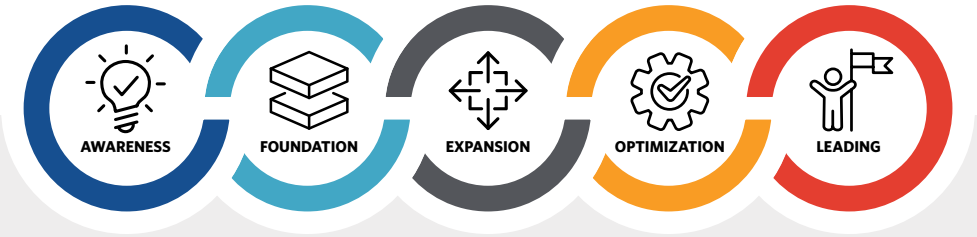
Indicator: The company integrates skills-based development into strategic workforce planning and demonstrates its impact.

Key Actions: In this stage, the organization:

- Embraces agile methodologies for skill development
- Collaborates with external organizations, industry experts, and educational institutions in the skills-based talent development marketplace
- Dedicates resources to managing and improving the skills-based talent development ecosystem
- Implements nontraditional career and succession strategies

Technology: The organization establishes a user interface to enable full self-service of skills-based talent development for employees. The company enhances its predictive capability, implements career web-mapping, identifies adjacent skills, and leverages artificial intelligence (AI).

Critical Focus: The organization uses predictive analytics and forward-looking business strategies in its skills-based talent development ecosystem.



USING THIS MODEL

These five phases reflect a company's evolving journey toward creating a workforce that is agile, adaptable, and aligned with the skills needed to thrive in a rapidly changing business environment.

Use the model to assess the current state of your company and your TD function. It guides you through the steps you'll need to take to move forward. You can also use it to define clear goals for advancing through the maturity model stages and to prioritize the actions that are most critical for your organization's success.

Use the model to continuously monitor the progress of your learning and development programs. Use metrics and key performance indicators (KPIs) to assess the effectiveness of your training initiatives. As you implement and evaluate your training programs, be open to adjustments and improvements. The maturity model should be considered a living framework that evolves with your organization's changing needs.

Use the model to keep stakeholders informed about the impact of your skills-based development initiatives. Share success stories and data that demonstrate the value of the programs.

Make the model your own. Adapt it to better suit your organization and circumstances. Then periodically review and update it to ensure it remains aligned with your organization's evolving needs and industry trends.

Incorporating the Skills-Based Talent Development Maturity Model into your corporate learning strategy can help you systematically improve your employees' skills, align training efforts with organizational goals, and adapt to changing business requirements. It's a dynamic process that requires ongoing commitment and adjustment to be effective.

APPENDICES/SIDEBARS

Key Components of a Skills-Based Talent Development Model

Skill identification: The first step is identifying the skills essential for individual roles and the organization. This may involve creating a skills inventory or framework that outlines the specific abilities needed now and in the future.

Skill assessment: Once skills are identified, organizations assess the current levels of their employees to help identify areas where employees lack the necessary skills to perform their roles effectively.

Skill development: Next, provide opportunities for employees to acquire and enhance the skills they need. This can involve various training methods, including formal education, on-the-job training, workshops, mentoring, and e-learning.

Skill tracking and measurement: To effectively manage skills-based talent development, organizations track and measure employees' progress in acquiring and applying the required skills. Metrics help assess the impact of development initiatives and identify areas for improvement.

Skill recognition: Recognizing and valuing employees' skills are key aspects of this approach. Employees should receive acknowledgment for how their learning efforts benefit the organization. This recognition can be linked to performance evaluations, compensation, or career advancement.

Skill mobility: Promote the idea that employees can move within the organization based on their skills rather than being limited by traditional job titles. This method encourages career pathways that allow employees to take on new responsibilities as they acquire relevant skills.

Skill-centered culture: Eventually, a culture of continuous learning is fostered, with employees encouraged to actively engage in ongoing skill development and seek growth opportunities.

Data-driven decision making: Data and analytics play a significant role, as organizations use data to assess the effectiveness of training programs, identify emerging skill needs, and make informed decisions about talent management.

WHY A SKILLS-BASED TALENT DEVELOPMENT MATURITY MODEL?

Establishing a standard: The model allows organizations to establish and apply a vetted standard. It provides a trusted, reliable, and repeatable approach for skills-based talent development.

Assessment and benchmarking: The maturity model allows learning organizations to assess their current state of skills-based talent development. This assessment helps them identify strengths and weaknesses in their processes and practices. It also allows them to benchmark their progress against industry best practices and competitors, providing a clear understanding of where they stand in the talent development landscape.

Goal setting and road mapping: The maturity model can help corporate learning departments set specific, achievable goals for improvement. By clearly defining different stages or levels of maturity, organizations can develop a roadmap for progressing from one stage to the next. This roadmap guides the allocation of resources, sets priorities, and creates a structured plan for achieving higher levels of skills-based talent development.

Alignment with business objectives: The maturity model helps ensure that talent development efforts align closely with the organization's strategic goals and business needs. It encourages learning departments to prioritize the development of skills that are most relevant to the company's success, helping to bridge skills gaps and drive better performance.

Continuous improvement: By using the maturity model, learning organizations can foster a culture of continuous improvement. They can assess and refine their processes, tools, and strategies as they progress through different maturity levels. This iterative approach ensures that the organization remains adaptable and responsive to changing skill demands and market conditions.

Resource allocation: The model helps organizations allocate resources more effectively. Learning departments can allocate budget and personnel based on the specific needs and priorities associated with their current maturity level, ensuring that resources are used efficiently and in areas that provide the most significant impact.

Enhanced accountability: The maturity model introduces clear metrics and key performance indicators (KPIs) that can be used to assess progress. This enhances accountability, as it becomes easier to track and report on the impact of skills-based talent development initiatives. Leaders can make data-driven decisions and hold teams accountable for results.

Communication and alignment: The model serves as a communication tool, enabling learning departments to convey their progress and objectives to key stakeholders within the organization, such as senior management and HR. It helps ensure that everyone is on the same page regarding the importance of skills-based talent development.

Talent retention and attraction: A mature skills-based talent development program can make an organization more attractive to prospective employees and help retain current staff. Employees are more likely to stay with a company that invests in their professional growth and offers opportunities to develop the skills needed for career advancement.

Risk mitigation: By addressing skills gaps and ensuring a skilled workforce, organizations can better mitigate risks associated with talent shortages, market changes, or disruptive technologies. This preparedness enhances the organization's ability to adapt and thrive in a rapidly changing business environment.

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