Bridging the talent gap with the power of technology

FQ Equality Lounge @ G20

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In an era where the “war for talent” continues to challenge organizations, and a quarter-century after the phrase was coined, the quest for skilled workers remains a struggle for four out of five chief human resources officers (CHROs). Conventional methods of talent acquisition are falling short, necessitating a change in basic assumptions in how we cultivate tomorrow’s workforce.

At this crucial time, the convergence of technology and skill development is emerging as a notable change, raising pertinent questions about the role of technology in narrowing the talent gap, particularly for women.

Technology’s dual role in transformation and innovation

Technology is the biggest focus for investment for most organizations, with excitement around the possibilities afforded by technologies such as AI (Artificial Intelligence), blockchain, XR (Extended Reality), and robotization. In the context of macroeconomic uncertainty, technology provides a pathway to increase certainty, reduce cost, and enhance the customer experience.

In the current landscape, technology stands as a cornerstone, revolutionizing every facet of business operations and propelling the birth of novel products and services. It provides a pathway to dual transformation, enabling businesses to extract more value from current capabilities while laying a path for sustained growth in the future through innovation.

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Shaping tomorrow’s workforce

The surge in technological investments continues to propel dynamic shifts in skill requirements across the digital and technology landscape. This trend presents a unique opportunity for women, rooted in three key factors.

Firstly, research underlines that the most significant surge in women’s earning potential stems from skill certifications in digital, technology, and information sciences. These certifications can amplify earnings by up to 20%.

Secondly, the digital and technology industry is characterized by adaptable employment models, offering individuals the flexibility to work coordinated with their schedules and accommodating family responsibilities as well. Studies underscore that aligning other life commitments (such as caring responsibilities) with economic advantages becomes a potent catalyst, galvanizing support for women’s professional growth. This mutual backing from stakeholders in both the personal and professional environment is pivotal in sustaining women’s commitment to their careers and enabling them to achieve their full potential.

Thirdly, digital and technology skills and certifications are increasingly available through more flexible, multi-modal, and asynchronous channels, making learning more accessible. In a domain where skills often have an 18-month shelf life due to rapid changes, this accessibility to continuous learning becomes pivotal in ensuring sustained employability.

Enriching current job roles

As technology facilitates automation and robotization, it eliminates jobs that are repetitive, routine, and with minimal demand for interpersonal interaction or creativity. However, the jobs that remain, and the new jobs that emerge, are enriched. Roles tend to be more complex, encompass greater strategic breadth and complexity, and have a higher requirement for interpersonal engagement, emotional intelligence, and collaboration across diverse teams and functions.

Studies suggest that women often exhibit strengths in the behaviors that align with these enriched roles. Meta-analyses of work styles tell us that, on average, women tend to favor delivering results by connecting, collaborating, and co-creating solutions more often, while men, on average, lean toward more focused and driven approaches. Similarly, when assuming leadership roles, women tend to adopt participative styles more often, contrasting with men’s preference for more directive and task-focused approaches, based on meta-analyses of leadership style.

These preferences position women ideally for success in a technology-driven world. In an environment where innovation thrives through the fusion of diverse talents, women’s innate ability to harness the unique strengths of others positions them as indispensable contributors to crafting solutions for a complex and dynamic world. Research shows us that elevated levels of support and social sensitivity can provide a powerful fuel that enables diverse groups to solve more complex problems and generate innovative ideas. So, while technology is driving up the demand for digital skills, it is also amplifying the need for skills in working in a more integrative and collaborative way to amplify the contribution humans can make through creative, complex, and socially enabled problem-solving.

Navigating talent in the digital world

Innovative technology is revolutionizing talent acquisition by leveraging AI algorithms to predict role compatibility and streamline individual role matching. While tools that review resumes and applications blind have the potential to be more objective, machines conduct these activities by applying algorithms based on historical data. Historical data-based algorithms pose two challenges. Firstly, they risk perpetuating outdated role paradigms and biases, including gender-related ones. Additionally, these algorithms may overlook the dynamic shifts that are reshaping roles.

A new breed of technology-enabled instruments such as game-based assessments and XR experiential tools offer a wealth of opportunities to generate more complex, personalized, and dynamic insights. For example, digital game-based simulation assessments enable participants to demonstrate job-relevant capabilities that they have gained in another industry, facilitating mobility, and reducing barriers from a lack of experience.

Digital and XR assessments also offer the opportunity to capture richer data such as psychophysiological information or dynamic data in response to realistic situations, which provide both the applicant and the organization confidence in the individual’s ability. These experiences built the self-efficacy of women, making them more confident to make job moves even when they do not have years of experience in the space.

In summary, technology-enabled assessments can be used for talent identification and high-impact talent development, to support individuals and organizations to better capitalize on the talent they have. In this way, technology can enable a shift from a role-centric to a talent-centric approach that is better suited to the rapidly changing environment.
The impact of technology on roles and talent also has implications for how leaders identify, select, and develop talent. There are three things to think about to help you fully capitalize on the rich talent available today.

**Key takeaways/actions**

1. **Criteria:** When selecting talent against existing and established criteria (education, experience, even characteristics) be aware that these can reinforce the status quo. For example, one client recently realized that their strict focus on hiring talent with an engineering degree (because that is what they had always done) meant they were missing talent with more technology, digital, and computer science expertise, which is what they needed to support their business transformation. Established criteria are often great reflections of past drivers of success — but they may not reflect the factors that drive success in the future.

   **Action:** Instead of using criteria based on past success factors, use future-focused criteria that anticipate the ongoing transformation in your organization.

2. **Job Requirements:** Multi-stage careers recognize that the way people engage with work and professions has changed dramatically. Career journeys tend to be more fluid, and multi-faceted and involve regular re-certification and ongoing education rather than reliance on a single qualification in early career. Returning your job requirements to allow for multi-stage careers enables you to tap into richer sources of talent. For example, an over-reliance on formal degree education as a proxy for problem-solving and critical thinking means you will not be able to tap into talent sources who are using portfolio approaches to continually update and refresh their education, while skills such as problem-solving and critical thinking can be measured using targeted situational judgment tests.

   **Action:** Be wary of traditional proxies for skills such as formal degrees, experience, or age. Instead, deconstruct your need and be open to a range of methods you can use to identify these skills and characteristics in practice.

3. **Role boundaries:** Roles have traditionally been situated in one function or another. This is convenient for administration, as costs can be easily allocated, and for management. However, technology is blurring boundaries across roles, with leaders needing to be focused on business first and function second. Maintaining rigid role boundaries can prevent the kind of collaboration that is essential in a technology-enabled world to drive innovation and create competitive advantage. Boundaries between ‘in-organization’ and ‘out-organization’ are also blurred. Having adjacent partners who can be strongly connected to your organization to maintain your culture and customer values while also taking advantage of connections to other networks to drive creativity and innovation can provide both flexibility and give you the best of both worlds.

   **Action:** Consider new ways of shaping and managing roles to facilitate collaboration across boundaries, both functional and organizational.