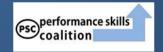


EMPLOYER PERSPECTIVES ON SOFT SKILLS 2014 SURVEY REPORT

Research & consultation support provided by Seattle Jobs Initiative





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March 17th, 2015





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EMPLOYER PERSPECTIVES ON SOFT SKILLS SOFT SKILLS SURVEY REPORT

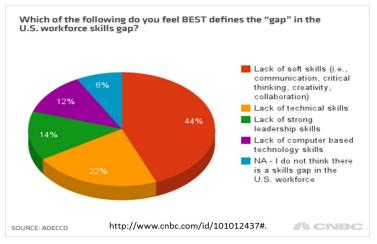
Introduction

90% reported that soft skills were more important or as important as technical skills.

In 2014, the <u>Washington State Human Resources Council</u> launched a Workforce Readiness initiative to gauge employers' perceptions on soft skills. In partnership with the <u>Performance Skills Coalition</u> and <u>Seattle Jobs Initiative</u> we designed and conducted a statewide survey of employers. As the results of

a 2013 Adecco USA survey shows (below), 500 executives said that the lack of soft skills defined the U.S. workforce gap

at more than twice the rate of technical skills. Soft skills in the workplace is a top issue among human resources (HR) and business professionals and the survey was undertaken with the intent to discover common threads in how organizations define this term, whether and how soft skills are valued, means of assessment, training and development methods, and their effect on overall business performance. The goal is that the findings from this survey will assist businesses in developing effective workplace strategies for increasing soft skills in the workplace.



Summary of Findings

WHO & WHERE: The vast majority of survey respondents came from the west side of the state. Washington Society for

Human Resources Management (SHRM) chapter member distribution at the end of 2014 was 76% for the eleven western Washington chapters and 24% for the six chapters on the east side of the state. Overall SHRM membership is closely aligned with population distribution at 78% residing on the west side of the state and 22% residing on the east side of the state, (Washington OFM, 2011). Nonetheless, the statewide distribution of survey responses were 25% less than member distribution on the east side of the state at 9%. Nine of the top ten cities represented by survey respondent firms were in the greater Puget Sound area. The greatest concentration of eastern Washington respondents came from Wenatchee, with five respondents.

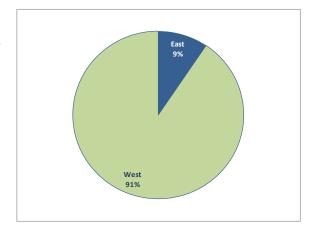


Figure 1 - Respondents by Region

INDUSTRY DIVERSITY: Industry response was diverse with eleven industries represented. Professional, Technical and Business Services accounted for the largest number of responses at 19%, with Healthcare and Social Services following second at 15%. Government and Manufacturing tied for third at 14%. Wholesale Trade represented the smallest number of responses at 3% of the total. Business size was evenly split, with 44% of responses representing firms of over 501 employees and 56% from less than 500 employees (figure 3).

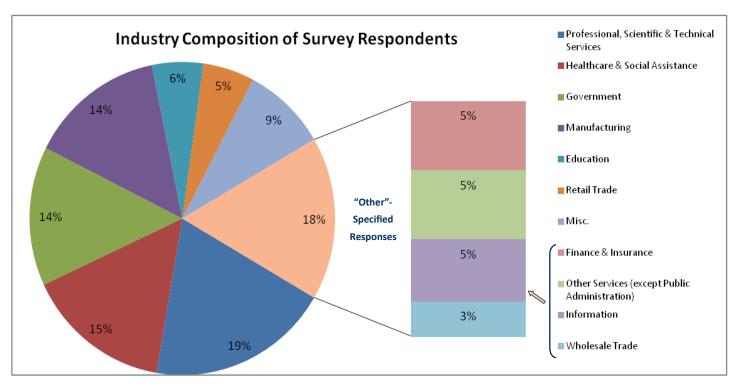
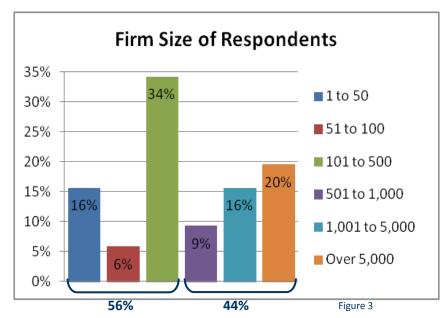


Figure 2 - Highlights industries represented by businesses participating in the survey.

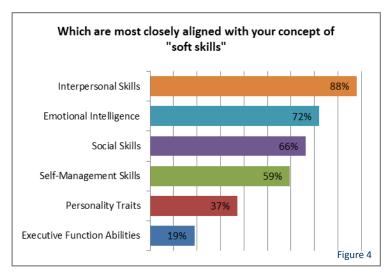
Overall, businesses were evenly between smaller firms (generally speaking, those with 500 employees or less) and larger employers, (figure 3). Firms with 101 to 500 employees comprised the greatest subset of respondents with a total count of 70. The next largest group was those with over 5,000 employees with 40. Those sized 51 to 100 employees were the least represented, accounting for only 6% of the sample. Overwhelmingly. human resources professionals were the individuals replying on behalf of organizations (87%).

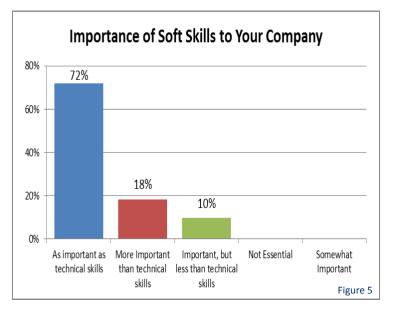


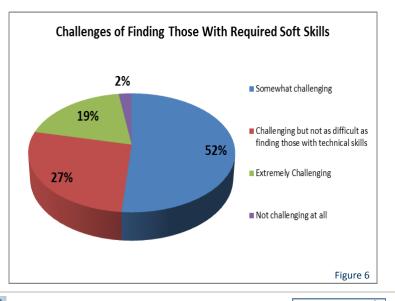
DEFINITIONS: Employer definitions and descriptions of "soft skills" were aligned with well-established definitions by training and development organizations as well as with those of the Performance Skills Coalition and Seattle Jobs Initiative, (Appendix A, Full Report). Responses indicated strong alignment with "interpersonal skills", "emotional intelligence", and "social skills", (figure 4).

IMPORTANCE OF SOFT SKILLS: Overall, company respondents placed great importance on soft skills with 90% reporting that that soft skills were "more important than technical skills" or "as important as technical skills", (figure 5). The remaining 10% responding to this question said that soft skills were "important, but less than technical skills". No one responded that soft skills were "not essential" to their organizations. Of the 17% indicating that soft skills were "more important than technical skills", more than a third came from Professional, Technical and Business Services, and little over a quarter came from the Education sector. One fifth of Manufacturing reported that soft skills were "less important than technical skills".

FINDING CANDIDATES WITH SOFT SKILLS: A large majority of respondents said that finding candidates with needed soft skills was "extremely challenging" or "somewhat challenging", (figure 6). Industries who reported the most difficulty in finding candidates with soft skills were Finance (85%), Government (80%), and Manufacturing (78%). Given fact the that Manufacturing respondents placed the lowest premium on soft skills, it is surprising that Manufacturers represented the highest rate (30%) who reported extreme difficulty in finding candidates with requisite soft skills.









EMPLOYER DEFINITIONS OF SOFT SKILLS

When asked for their personal definitions of soft skills, employers offered a surprising amount of consensus across industries with certain keywords arising time and again. For the most part, responses centered around the ability of employees to navigate the workplace, interact with both coworkers and customers, and be prepared for work on a daily basis. Below are the most cited definitions in our survey.

1. **INTERPERSONAL/EMOTIONAL INTELLIGENCE; TEAM BUILDING/TEAMWORK:** Interpersonal skills were the overwhelming leader for respondents in defining soft skills. Employers seek individuals who are able to effectively interact with coworkers and outsiders. Soft skills not only allow individuals to build relationships, represent the face of an organization, but also display socially acceptable behavior in the workplace.

Furthermore, employers highlighted the importance of emotional intelligence. This was defined by employers as an ability to empathize with others, read body language and tone, and be able to understand the subtext of a conversation. This also encompasses the ability to control oneself emotionally in the workplace and with all levels of management. This includes being respectful of cultural differences that exist among coworkers and refraining from harassment.

"Emotional intelligence that enables a candidate to interact professionally with all levels within a company. Ability to build professional relationships with coworkers, vendor and business partners. Aware of societal norms and values. Ability to build respect, credibility, and positive reputation."

2. **COMMUNICATION:** Most employers surveyed cite communication as an essential component of soft skills. The ability to effectively communicate on behalf of one's organization through both verbal and written means is key. Beyond that, employers believe workers with soft skills demonstrate an affinity toward teamwork, a collaborative nature that facilitates interaction, and an ability to listen and process what individuals are saying.

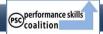
"The ability to perform the position requirements using effective communication and interpersonal skills to partner, plan and execute against the mission and values of the organization. Effective teamwork, managing through others, collaboration, being politically savvy and managing up are included in the definition of soft skills."

3. **SELF-MANAGEMENT:** Employees with soft skills have a sense of work ethic and professionalism that includes an ability to prepare for and execute their work on a daily basis, set and meet deadlines, and hold themselves accountable for their work. Employers expressed a belief that this quality creates a motivated employee who is engaged and can use critical thinking to solve issues that arise for an organization.

"Work ethic, ability to consistently show up on time and be ready for work....Drug free...Ability to get along with others...and be appropriate in the workplace."

4. **INTANGIBLE NATURE OF SOFT SKILLS:** Respondents frequently cited "soft skills" as an intangible quality individuals possess that is not easily taught. While employers seek out candidates with soft skills, they prefer to not have to train their employees in these competencies; many feel that training for soft skills is ineffective. This sentiment was often expressed and is best represented by the following response:

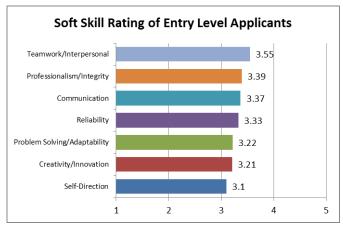
"Soft skills are rooted in emotional intelligence that greatly complements hard skills/standard job qualifications. While soft skills can be cultivated, it is more dependent upon one's personality, temperament, etc., and is in general more difficult to learn than hard skills."



SOFT SKILLS THAT HAVE THE MOST IMPACT: Soft skill areas that had great impact on job advancement were evenly rated, with "reliability" leading the pack, followed closely by "teamwork/interpersonal", "problem solving/accountability", and "communication". The lowest rating was placed on "creativity/innovation" although it followed the other skill areas closely. There was very little variation on these ratings by industry sectors. When rating the soft skills of entry-level applicants, again the skill areas were evenly rated, with

Four of the top five soft skill competencies were related to "professionalism/ integrity"

"teamwork/interpersonal", "professionalism/integrity", and "communication" rated the highest, (figure 7). Comparing the ratings for entry-level applicants with impact on advancement, it's **notable that "professionalism/integrity" is rated second for entry-level applicants but doesn't show in the top six for impact on advancement**. Also, "reliability" ranks first for impact on advancement but only fourth for entry-level applicants. These are thought-provoking, in light of the high rating of "professionalism/integrity" and "reliability" competencies, (below).



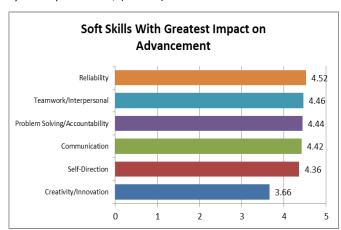


Figure 7—Soft Skill Area Ratings by Entry Level Applicants & Impact on Advancement.

PROFESSIONALISM/INTEGRITY & TEAMWORK/INTERPERSONAL ARE KEY SKILL SETS

The question regarding the impact of individual competencies within soft skill area groupings (noted above), revealed key skills within "professionalism/integrity" and "teamwork/interpersonal" (see appendix).

Four of the top five most impactful competencies were in the "professionalism/integrity" grouping:

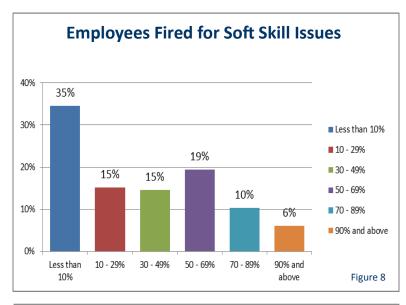
- Stays within ethical boundaries (professionalism/ integrity)
- 2. Effective relationships with customers (professionalism/integrity)
- 3. Trustworthy (professionalism/integrity)
- 4. Dependable follows through, turns in work on time *(reliability)*
- 5. Accountable for actions (professionalism/integrity)

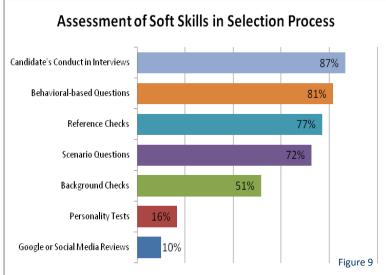
The remaining top ten were strongly represented by "teamwork/interpersonal" grouping:

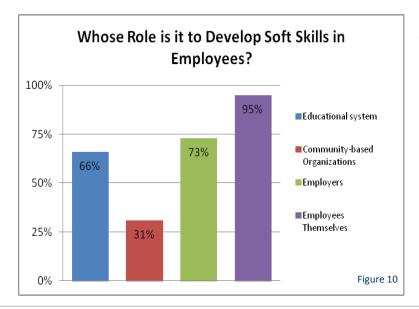
- 6. Gets along well with others (teamwork/interpersonal)
- 7. Performs well in a team (teamwork/interpersonal)
- 8. Takes effective and appropriate action (problem solv-ing/adaptable)
- 9. Attendance regularly and on time (reliability)
- 10. Respects cultural values of others (teamwork/ interpersonal)

DISCIPLINARY ACTION: Underscoring the above results were responses to the question that asked about *what skills, when absent, were most likely to lead to disciplinary action.* **Once again, skills within the "professionalism/integrity" and "reliability" groupings, when absent from an employee's behavior skill-set, were more likely to result in**









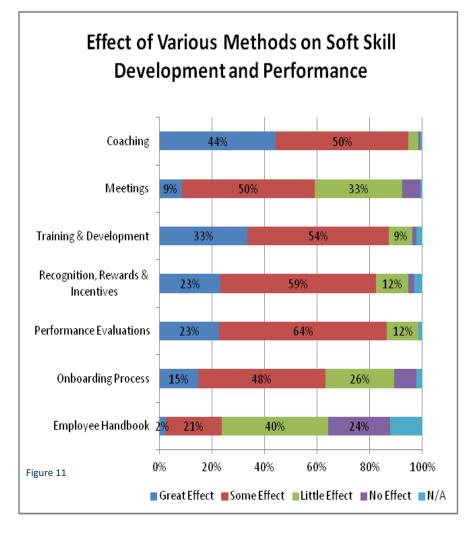
disciplinary action. Interpersonal and Communication Skills, the top two identified components of soft skills, of which 72% of employers responding felt were essential to business success are "not very likely" to lead to disciplinary action.

FIRED FOR SOFT SKILLS ISSUES: In contrast to the importance of soft skills overall was the number of respondents (35%) who reported that "less than 10%" of employees were fired due to soft skill issues. The next closest reported number (19%) stated that "50-60%" were fired due to soft skill issues. Only 6% said that "90% and above" were fired due to soft skills, (figure 8).

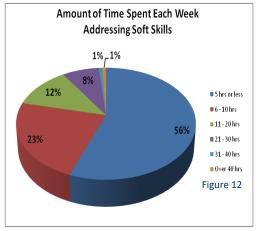
ASSESSMENT IN SELECTION PROCESS: The top four methods for assessing soft skills during the hiring process were "conduct in interviews", "behavioral-based questions", "reference checks", and "scenario questions". The next highest method chosen was "background checks" at 51%, followed distantly by "personality tests", and "Google or social media reviews" at 16% and 10%, respectively. Employers indicated a diversity (12) of assessment tools used in hiring processes, (figure 9).

WHOSE ROLE AND HOW TO DEVELOP: Selecting all that apply, 95% of respondents said that employees themselves are most responsible for developing their soft skills, with 76% respondents feeling that it is the employers role to do so, and 66% feeling it is the education system's role. This coincides with the finding that organizations shy away from soft skills training, and expect employees to enter the workplace with such skills already well developed. This finding candidates underscores the importance of developing soft skills prior to employment as few resources will be spent once on the job, (figure 10).





Of the soft skill issues that arise on the job, three quarters are addressed individually. This is consistent with the vast majority of employers who reported that "coaching" had "great effect" (44%) or "some effect" (50%) on soft skills development and performance (figure 11). Conversely, 80% of HR respondents report spending 10 hours or less developing soft skills in employees and a disturbing 56% who spend less than five hours per week (figure 12).

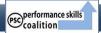


Implications for Human Resources Professionals

Conclusions that can be drawn from this survey are illuminated as much from identified gaps between responses as from the weight of particular responses themselves. Answers to several related, yet distinct, questions offer some compelling topics:

- 1. How do we *find and adequately assess* whether or not job candidates possess the appropriate soft skills?
- 2. Once hired, what is the *responsibility of both employers and employees* to develop the requisite soft skills?
- 3. What are the **most effective strategies** for training and developing employees to perform and behave in ways that are crucial to organization productivity?
- 4. What **systemic and/or organizational challenges** are evident in a) how we have worked to accomplish these objectives to date, and b) how we can better address these objectives in the future?

The broad diversity of responses from industries throughout Washington State offers a fairly strong "bench" of opinions from HR practitioners and business people regarding soft skills in the workplace.



Implications for Human Resource Professionals (continued)

Interestingly, while placing such importance on soft skills, professionals are not able to spend much time addressing issues that arise as a result of soft skill deficiencies. Additionally, few report having fired individuals as a result of soft skill issues, of which "interpersonal and communication skills" (top identified skills) were not likely to lead to disciplinary action. Considering that a majority of professionals spend less than 5 hours each week addressing soft skill deficiencies gives one pause. Also concerning is that a minority of organizations *proactively* address these crucial skill needs.

Most concerning is that a majority of professionals spend less than five hours each week addressing soft skill deficiencies ...

Also that a minority of employers report proactively addressing these reportedly crucial skill needs.

There is no arguing that, in order for organizations to thrive and be as productive as possible, the topic of soft skills assessment and development must be addressed. Customers, coworkers, and business viability require this. For most human resources and training professionals this simply validates what many have been talking about, blogging about, strategizing about, and working on for years. The disconnects revealed in this survey offer several opportunities for further investigation.

It seems from this sample that human resource and business professionals agree on what are the essential competencies and characteristics of soft skills. They also agree on the overall importance of these skills to organizations. Still, it is clear from responses that more work is needed to identify a) how best to develop essential soft skills in employees via proactive training and one-on-one coaching and b) how to develop a talent pipeline that brings candidates to our doors with crucial soft skills already intact.

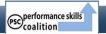
For Survey Full Report, go to: http://wastatecouncil.shrm.org/workforce-readiness

WSHRC 2015 Workforce Readiness Initiative

Our collaboration with the **Performance Skills Coalition** will continue in 2015. We are co-developing a "toolkit" with recommended guidelines for soft skills development programs for human resources, training and workforce professionals.

For more information about **Performance Skills Coalition** (PSC) meetings or how to participate in the above initiative, go to the PSC LinkedIn page at: https://www.linkedin.com/groups?home=&gid=3849993

Or contact Linda Rider, WSHRC Workforce Readiness Director at Irider@seattlejobsinit.com



Special Acknowledgement to:

Matt Helmer, Senior Policy Analyst Seattle Jobs Initiative

For consultation to Performance Skills Coalition during this project



