

**GRADS *of* LIFE**

# **Skills-First Change Management**





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## Defining the Change in a Skills-First Movement

Unlocking skills-first success begins with the “why”

### Overview

Organizational change management enables the successful adoption of initiatives through moving stakeholders from a company’s current state to a desired future state. To begin this journey, it is crucial to **articulate the “why”** of implementing skills-first.

Adopting a skills-first approach requires a compelling “why” that resonates with logic, emotion, and ability. A strong change statement addresses how people are **ready (logic), willing (emotion), and able (ability)** to make the change. While other aspects of change are fluid, this foundational message should be consistent throughout the transformation to ensure alignment and drive adoption.

### Defining the Change

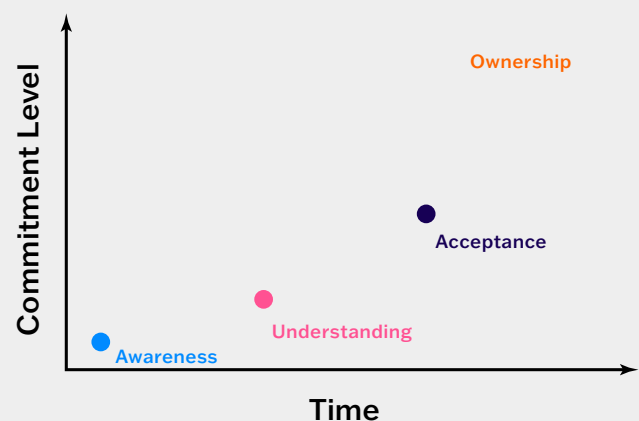
1. **What & Why:** Identify the current state, what will change, and why it is happening now.
  - a. This should include all aspects of why people are **ready, willing, and able** to make the change as well as what people may lose in adoption.
2. **Benefits & Future State:** Draw a compelling picture of the benefits to stakeholders and the ideal future state.
3. **How:** Outline strategies or activities that will lead to the future state.

### The Change Adoption Curve

While change management is a process, movement toward adoption happens at the speed of individual readiness. The Change Adoption Curve illustrates how individuals move through various levels of commitment to change over time. The stages, in order of increasing commitment, are:

- **Awareness:** Is aware of proposed change and the need for change.
- **Understanding:** Understands how the change contributes to the organization’s mission and vision.
- **Acceptance:** Accepts and is willing to tell others how the change contributes to the organization’s mission and vision.
- **Ownership:** Owns and confidently shares the successes related to the change with others.

The purpose of all four tenets of skills-first change management is to move individuals along this curve, and it starts with the “why.”



## Sample Change Definition

Below is an example of a skills-first change statement for a fictional organization.

<b>What</b>	What is changing? What is not? What is current state?	Starting in 2025, we will remove degree requirements for manufacturing roles. This shift will require retraining hiring managers and transforming talent acquisition processes to focus on skills, not credentials.
<b>Why</b>	Why are we doing this? What isn't working? Why now?	Talent shortages and competition have driven the need to find qualified candidates without unnecessary barriers. We must act now to meet rising production demands and stay competitive.
<b>Benefits</b>	What benefits do we anticipate? Why is this worth it?	By emphasizing skills over credentials, we create fairer hiring practices, retain more talent, and support employees in their growth, resulting in improved internal mobility and stronger talent pipelines.
<b>Future State</b>	What is our vision of the future? What would these benefits achieve long term?	A workplace where learning and growth opportunities are accessible to all, fostering fairness, increased promotions, and a shared understanding of role expectations.
<b>How</b>	What strategies will we use to achieve the future state?	Over the next 6-9 months, we will build skills profiles for key roles, train hiring managers on new processes, and collaborate with L&D teams to upskill employees and facilitate lateral mobility.

## Key Takeaways

- A well-defined change statement crafts a clear, compelling case for change and ensures everyone is ready, willing, and able to move forward together.
- Be sure to articulate what is changing, what is lost, and what the benefits of the change are.
- Reference the change throughout each stage of the adoption curve.
- Use your change statement as a north star to drive a successful skills-first transformation and regularly align stakeholders.



## Supporting Resources & Tools

Use [the DICE® calculator](#) by BCG to gauge your initiative's success potential today. The framework provides a subjective assessment of initiatives and spotlights interventions that would improve their chances of success. While it is recommended to use this at the start of an initiative, this tool is also useful during project reviews or milestones.



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## Stakeholder Engagement in a Skills-First Movement

Scaling skills-first success leverages key stakeholder groups throughout the change process

### Overview

Effective stakeholder engagement requires developing a deep understanding of the stakeholder groups involved in your skills-first transformation to ensure that the right people are engaged in the right activities to mobilize change. Involving key stakeholders early in the change process helps to surface concerns or resistance proactively and allows change leaders to more accurately anticipate other obstacles to inform timely mitigation strategies. Utilizing strong two-way communication channels throughout the change provides opportunities to continually incorporate feedback and signals to stakeholders that their input is valued, bolstering buy-in and support.

When considering which internal stakeholders to engage, we commonly find that successful skills-first transformations include representation from executive leadership, hiring managers, IT, HR, and legal teams at minimum.



### Steps for Building Stakeholder Engagement

These six steps will allow leadership or change management teams to mobilize and posture stakeholders effectively.

- 1. Stakeholder Identification:** Identify who can support effective decision-making, cause or prevent project delays, and build or damage trust
- 2. Stakeholder Prioritization:** Consider your stakeholder groups, reflecting on their degree of support and level of influence
- 3. Stakeholder Analysis:** Assess how stakeholder allies and champions can be leveraged to address resistance from the organization
- 4. Stakeholder Mapping:** Use a stakeholder map as a visual overview of stakeholder identification and analysis to map needs, identify priorities, and plan communication and engagement strategies
- 5. Stakeholder Engagement Plan:** Prepare a plan that lists recommended engagement strategies that leverage feedback mechanisms and address resistance
- 6. Information Sharing:** Create a stakeholder engagement report that tracks progress, feedback, outcomes, and impact

## Stakeholder Bias and Mitigation

As individuals progress along the **Change Adoption Curve**, they may show initial hesitation or demonstrate various levels of commitment to the change over time. Appropriate mitigation strategies can be deployed as needed to mitigate bias and support progress.

Stage	1. Awareness	2. Understanding	3. Acceptance	4. Ownership
<b>Behavioral Indicators</b>	<b>Denial of the potential</b> <ul style="list-style-type: none"> <li>Some display of doubt</li> <li>I already have a degree, Skills-First won't affect me</li> <li>I don't have a degree, but the org won't really let me move into corporate roles</li> <li>The org changes all the time, I doubt Skills-First will stick</li> </ul>	<b>Active resistance and disengagement</b> <ul style="list-style-type: none"> <li>This doesn't make sense; why are we doing this?</li> <li>Why should I change? The old way worked just fine</li> <li>I don't understand how to find new roles for Skills-First. This new system is confusing and hard to navigate</li> </ul>	<b>Accepting of the change</b> <ul style="list-style-type: none"> <li>I am excited to explore new roles</li> <li>I've seen a lot of great candidates come through under the Skills-First platform</li> <li>I didn't realize how many good internal and external candidates we could have been overlooking</li> </ul>	<b>Dedication to supporting the change</b> <ul style="list-style-type: none"> <li>Focus on the future instead of dwelling on the past</li> <li>Clear sense of personal role in Skills-First and how to provide individual impact</li> </ul>
<b>Leadership Response</b>	<ul style="list-style-type: none"> <li>Give employees plenty of information</li> <li>Let them know what changes are planned, who will be affected, how, and on what timetable</li> </ul>	<ul style="list-style-type: none"> <li>Listen to employees; they don't want solutions, they want their responses and reactions acknowledged</li> <li>Ensure employees are trained on new systems and processes</li> </ul>	<ul style="list-style-type: none"> <li>Provide practical encouragement and support</li> <li>Involve employees in planning and setting goals</li> </ul>	<ul style="list-style-type: none"> <li>Provide forums and opportunities to discuss change</li> <li>Recognize and reward those who respond well to the change</li> </ul>

## Key Takeaways

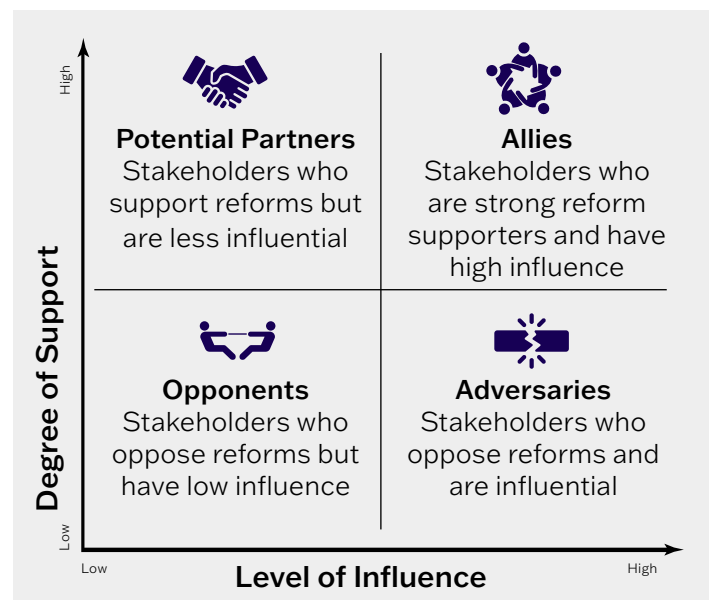
- **Enlist champions at every level of the organization** — Empower change champions with resources to evangelize the benefits of a skills-first approach. Ensure executive leadership and change champions are visible and vocal proponents of the change, modeling desired behaviors.
- **Actively identify, analyze, and address resistance** — Enable a process for stakeholders to provide feedback on what is working and what requires improvement; address feedback promptly and publicly to build accountability.

## Supporting Resources and Tools

### Stakeholder Mapping Template

Companies can leverage this stakeholder mapping matrix to identify and categorize potential stakeholders. Building an initial understanding of a stakeholder's level of support and influence can inform the best ways to engage with and support them.

The goal is to build as many potential partners and allies as possible. A strong base of support can quickly build momentum in the organization by amplifying communication on the strategic value of a skills-first transformation and sharing personal experiences or success stories. Remember that opponents or adversaries to change are just as important to engage, as they can derail progress if not given clarity on the “why” and “how”.



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## Leadership Accountability in a Skills-First Movement

Driving skills-first success hinges on aligned and visible leadership support

### Overview

**Leadership accountability is taking ownership for the decisions made and the outcomes achieved in the change process.** This requires leadership to publicly give and take credit for successes and promptly address setbacks as the organization begins their skills-first journey.

A well-known challenge to change efforts is misaligned leadership who are not visibly recognized as champions of the change. Research suggests the degree to which employees embrace change is **dependent on their trust in management**, which requires strong consensus within the leadership team.<sup>1</sup> Executives can and must set the tone for change to enable enterprise-wide success.

### Defining roles and responsibilities

Defining roles and responsibilities across all levels of leadership ensures a shared vision and strategy for change.

- Change cannot succeed without close collaboration among key change leaders. Assigning roles and naming each leader's individual impact on change efforts can increase the likelihood of adoption across the breadth of the organization. See Change Adoption curve stages [here](#).

Setting clear expectations across different levels of the organization builds shared accountability.

- It is imperative to engage leaders and ensure their early, genuine buy-in. This requires equipping senior leadership with the resources necessary to communicate the expected impact of the change on key stakeholder groups as well as tools to mitigate obstacles they may face.

### Monitoring & Evaluation

Monitoring the progress of change initiatives allows leadership to recognize wins and respond to roadblocks.

- Actively leverage key performance indicators (KPIs) to assess performance, drive data-driven decision-making, and make real-time adjustments as necessary.
- Implement recognition programs to reward leaders who successfully contribute to skills-first initiatives.
- Consider incorporating skills-first goals into your existing performance management process.

### Key Takeaways

- **Facilitate leadership alignment:** Make sure all leaders demonstrate commitment to adopting a skills-first approach and understand its importance and overall alignment to the company's strategic goals.
- **Establish a guiding coalition:** Appoint a group of influential individuals from various levels and areas of the organization with the responsibility of driving Skills-First change, garnering support, and addressing resistance.
- **Ensure ongoing monitoring and evaluation:** Regularly monitor the performance of skills-first practice adoption and the success of individual change initiatives against pre-determined objectives and key performance indicators (KPIs).

<sup>1</sup> JSTOR, Management Revue: Leading and Managing Organizational Change Initiatives. 2009.

## Supporting Resources and Tools

### Establish a Guiding Coalition Structure

The Guiding Coalition visual is an example structure that can serve as the north star of an organization's Skills-First implementation, ensuring ongoing momentum.



### Leadership Engagement Chart

This chart that lists examples of the common responsibilities and key activities of leadership parties in an organizational change.

Leadership Party	Responsibilities	
<b>Executive Leadership</b>	Pinnacle of a change management initiative; holds the Guiding Coalition and the Change Management Execution Team accountable for momentum and success	<ul style="list-style-type: none"> <li>Advocate and champion for change</li> <li>Review outputs from Guiding Coalition</li> <li>Address organizational barriers</li> </ul>
<b>Guiding Coalition</b>	Body established to monitor the progress of the initiative; review data and provide guidance on mitigation and course correcting strategies	<ul style="list-style-type: none"> <li>Advocate and champion for change</li> <li>Communicate development and decisions</li> <li>Provide feedback and continuous improvements</li> </ul>
<b>Change Management Execution Team</b>	Responsible for the day-to-day management and execution of the rollout; works with all stakeholder groups to enable understanding, coordination, and institutionalization	<ul style="list-style-type: none"> <li>Advocate and champion for change</li> <li>Develop overall change strategy</li> <li>Execute implementation activities</li> <li>Evolve strategy with organizational maturity along Adoption Curve</li> </ul>
<b>Human Resources (HR)</b>	HR must be integrated in all implementation decisions as they will be at the center of both external hiring and internal mobility	<ul style="list-style-type: none"> <li>Ensure all HR processes updated</li> <li>Provide oversight and review of HR related trainings and comms</li> </ul>
<b>People Managers</b>	Integral to direct employee adoption; without manager communication, transparency, and unyielding support, the anchoring of the change will be compromised significantly	<ul style="list-style-type: none"> <li>Advocate and champion for change</li> <li>Serve as first point of contact for staff and provide support for them</li> </ul>



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## Change Communications in a Skills-First Movement

Implementing skills-first success requires communicating early and often

### Overview

Skills-first change communication is the dissemination of messaging across key stakeholder groups to help improve their understanding of a skills-first transformation, explain the impact of a skills-first approach across the organization, and provide relevant updates on the current state of implementation.

#### Key Stats

**80%** of projects with effective change communication meet their original goals vs. 52% of projects without

**1.7X** stronger financial performance for companies with effective communication practices

**30%** more likely for change to “stick” when employees are invested in it

**Pre-Work:** Before developing a change communications plan, your team should have already defined the change, identified and engaged key stakeholders, and established leadership accountability.

### Developing A Change Communications Plan

Developing a comprehensive change communications plan for your skills-first practice implementation is best done by a team of change leaders. Proper planning will ensure that change communication is delivered promptly, effectively, consistently, and pervasively.

#### Components of a Communications Plan

##### 1. Key messages by stakeholder

Consider each audience, their role and relationship to the change, their unique information needs, and the primary objective for their communication when crafting messaging. The most effective messages leverage both quantitative (data and research) and qualitative (narrative and storytelling) components.

Of 10 proof points tested by Deloitte and McKinsey, hiring managers found that the two most convincing arguments for adopting or expanding skills-first hiring were attracting and retaining talent. This critical stakeholder analysis insight indicates that data and stories around talent sourcing and retention will resonate most with hiring managers.



## 2. Communications channels and frequency

(see tools and resources section)

Evaluate the communication channels at your disposal by considering their capabilities, usability, and intended reach and impact. Schedule communications across priority channels in coordination with your broader strategic communications and implementation plan.

Organizations who incorporate learning and training as a component of their skills-first change communications take into account geographic location, audience size, and scheduling demands when deciding how to format training delivery. These factors often dictate the length and number of sessions and whether those sessions are conducted in-person or virtually (all decisions which can be tracked in a change communications plan).

## 3. Communications objectives and KPIs

Identify and track key success metrics for your change communications and establish feedback channels and support resources. Monitor the impact of different messages and channels to inform and update the communications plan and strategy.

Changes or patterns in self-reported metrics like a survey question rating current understanding of skills-first practices, observable behaviors like utilization of skills-first hiring rubrics, and existing metrics like employee retention can all serve as indicators of progress. Measures and targets for change communication can be incorporated into a change communications plan in order to identify opportunities mitigate risks and accelerate adoption.

## Key Takeaways

Effective change communications should:

- **Tailor messaging** to align with the motivations, needs, and priorities of key stakeholder groups. This clarifies the “why” behind the change to drive buy-in, enabling them to move from awareness to ownership along the Change Adoption Curve.
- **Consider channel strategy** when crafting a communications plan, optimizing mediums based on messaging, user engagement and communication objectives. Ensure consistency with strategic communications goals and governance.
- **Include regular evaluation** of communication tools and tactics. Track and measure communications efficacy, collecting and incorporating feedback to adjust communications.



## Supporting Resources and Tools

### What are the information needs?

Identify the information each stakeholder needs to successfully perform their role. This takes some time and analysis but it's worth the investment to make sure you have all the stakeholders covered in your plan.

Stakeholder	Stakeholder's Role or Relationship with the Change	Information They Need to Successfully Perform Their Role	Potential Communication Channels (including existing and to-be-created channels)
[stakeholder]			
[stakeholder]			
[stakeholder]			
[stakeholder]			
[stakeholder]			
[stakeholder]			
[stakeholder]			
[stakeholder]			

### What is the tactical communication plan?

The tactical plan brings it all together. This is where you take everything you've identified on the previous pages and create a sequence of messages for everyone, so the plan achieves the goals you described on page 2. It can be useful to put this information in a spreadsheet to actively manage and track your communications.

Target Date	Message Name	Audience	Channel	Description / Purpose	Reviewers / Approvers
<i>Identify the ideal date to distribute the message</i>	<i>Give message a name that makes it easy to refer to</i>	<i>List the stakeholders that will receive this message</i>	<i>Name the channel you're using for the message</i>	<i>Briefly describe the message and the outcomes you want to achieve</i>	<i>List the people that need to review and/or approve the message before it's distributed</i>
[target date]					
[target date]					
[target date]					
[target date]					
[target date]					
[target date]					

