

FEBRUARY 2018

SWINBURNE BUSINESS FORUM

SOFT SKILLS FOR SUCCESS



**SWINBURNE
PROFESSIONAL**

SOFT SKILLS FOR SUCCESS

EMILY R. BUNNETT | ROWENA ULBRICK | PROFESSOR CON STOUGH

There's no question that the skills held within a business contribute directly to profitability and growth. As businesses and services have evolved, so have the skills requirements, raising the question: what skills are most valued in today's workplace?

Technical and specialist skills remain, without question, business critical. The addition of 'soft skills' are also essential to businesses that want to be agile, dynamic and innovative.

Investing in human capital by investing in the development of soft skills ensures a workforce that can respond to change and lead innovation.



What are soft skills?

Soft skills comprise the transferable interpersonal and intrapersonal attributes and competencies that improve overall work performance and interpersonal relationships and interactions by complementing the technical skills required to complete a specific job.

Soft skills have been factor analysed into a set of overarching skill sets to reduce the large number of specific soft skills outlined across occupations. While the exact number of factors considered to highlight the most important soft skills and the factor labels provided may vary, this may be expected given the fact that the importance of individual soft skills may vary within different workforces, jobs and positions within a business.

While soft skills are spoken of widely and vary from source to source, The Foundation for Young Australians (2016) defines the following skills as the 'new basics' for the world of work today;

- | | |
|-------------------|-----------------------|
| + Communication | + Financial Literacy |
| + Problem Solving | + Digital Literacy |
| + Creativity | + Critical Thinking |
| + Communications | + Presentation Skills |
| + Teamwork | |

Making the distinction between skills, competencies and character traits provides an additional lens to how we define soft skills (Deloitte Access Economics, 2017). Therefore, character qualities such as perseverance, grit, self-management, initiative and Emotional Intelligence is also relevant for the future of Australia's workforce.

What is the impact of soft skills on business outcomes?

Communication

Why are communication skills important?



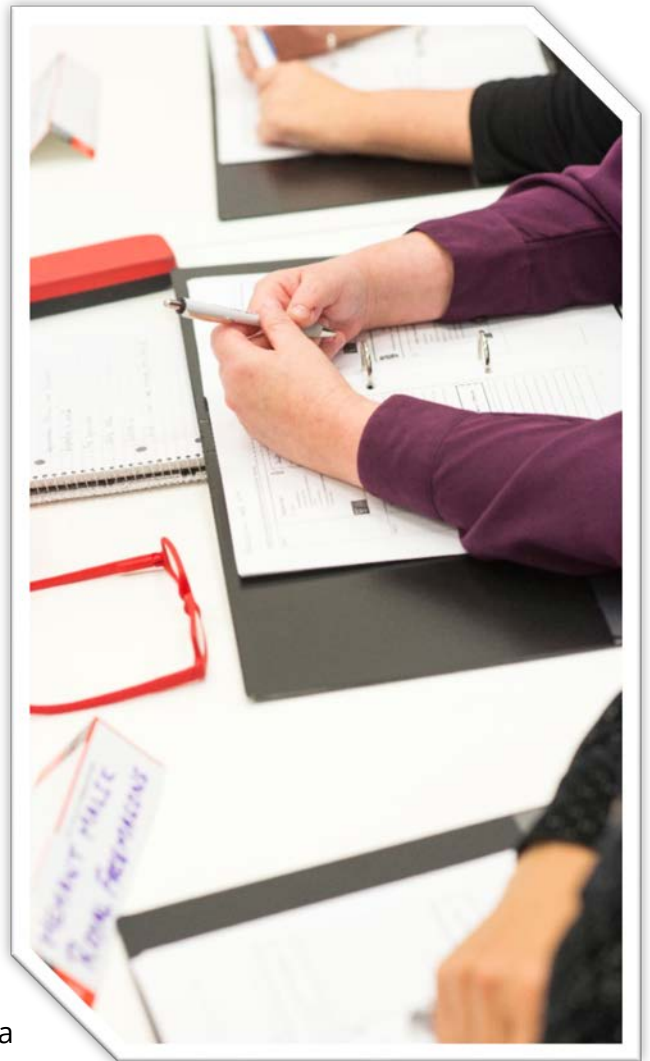
Communication is frequently noted as one of the most important, if not the most important set of skills to possess within the workplace. While the exact set of communication skills may vary according to one's position within an organization, the importance is always held at a high level. For example, one context in which the ramifications of poor communication hold severe consequences is the finding that communication and collaboration between attending and resident doctors is related to adjusted-risk morbidity in teaching hospitals (Davenport et al., 2007). Furthermore, the inter-

relationships between communication skills and other core soft skill categories are commonly documented to indicate the great importance of these skills. For instance, the ability to communicate one's own point of view, ideas and projections for the future in a productive, positive, efficient manner and actively listen and respond to others' contributions and feedback is of key importance in the development of working relationships with colleagues and hence greater teamwork and collaboration within the workplace, ultimately resulting in further advancement of performance.

How can we measure communication?

Specific measures can be developed for organisations requiring a targeted measure of their employee's communication skills, as well as, more general scales for employees at all levels. This may be discussed with the team according to your goals and aims for the future and training options that you may wish to compile with the team. Statistics may also be run based on companies return of investment, revenue and recruiting and training costs for the year prior to and following any training or intervention programs employed (i.e., to assess their efficacy).

The best measurement for the return on investment of communication skills would be through conducting customer satisfaction surveys or through the use of scales that measure particular communication skills within a specific occupation (e.g., health practitioners, customer service agents or service provides) that may be later used as a more general checklist. The development of such scales would likely follow a customer satisfaction review process, through which items may be developed and factor analysed to provide a final checklist or scale for future use. A checklist or scale may be rated by colleagues, customers, clients, supervisors or 'silent shoppers'. One example of such a measure is the Active Empathetic Listening Scale for Salespeople (Drollinger & Warrington, 2006).



How does superior communication advantage businesses?

The multifaceted effects of advanced communication within the workforce have great and lasting effects on workplace culture and hence job satisfaction, performance and retention rates. Furthermore, greater communication within teams enables more effective brainstorming sessions and teamwork towards achieving goals and deadlines. Similarly, the most effective leaders are considered those that are not only knowledgeable though also possess superior communication skills and emotional intelligence, as compared to those that are purely considered knowledgeable.

Communication skills are also highly important for leadership roles, wherein, a leader's ability to communicate job requirements and outcomes in an effective and efficient manner and listen to, manage and control staff who hold disparate approaches and ideas towards the same project whilst obtaining their respect, is directly related to their ability to foster teamwork, self-management, innovation and productivity within the workforce, in addition to, allowing them the freedom to develop personal attributes that contribute to their success within the workplace. It is also important to recognize that the development of one soft skill has important implications for the development of other soft skills, with many being interrelated. For example, the broad category of communication skills is related to the soft skills of trustworthiness, with a trustworthy communicator being persuasive and effective regardless of whether or not they are considered an expert in their specific area of work or not and hence providing many of the skills that are required in order to make successful leaders, such as, being able to invoke improved efforts towards working as a team (Ravindranath, 2016).

How can we learn communication skills?



Professional Development in communication skills involves teaching participants how to actively listen to customers, supervisors, leaders, clients, colleagues, etc. through techniques such as paraphrasing, asking open-ended questions and listening in a mindful manner that focuses on the speaker's point of view and the emotions they are conveying in connection with what they are communicating.

There are many organisations that use communications frameworks and programs to enhance their outcomes. For example, communication training sessions are of incredible importance in disability services. The carers, family members, advocates, friends and planners for an individual work with them to learn how to communicate on their level, adjusting their methods and learning how

listen, respond to the individual whilst reflecting their emotions and needs. Larger scale training sessions may also be employed, wherein groups of individuals learn to use the communication aids, whilst being inhibited in ways similar to that of the individuals they support in order to appreciate the difficulties they experience and how this may alter the manner in which emotions and feelings are displayed through this type of communication. Reading body language, facial cues and person-specific cues are also incredibly important in such contexts, all of which take time to learn and are best achieved through practicing the task in training session and then continuing to practice and learn in applied settings prior to undertaking any further training, that is, through time-spaced learning.

This is one very specific context where communication training is highly established yet also incredibly flexible and indicates that such programs would likely vary according to the context.

Grit / Perseverance

Why is grit important?

Employers often describe high functioning employees as having 'perseverance' or 'grit'. Grit has been found to be related to better work ethic (Meriac, Slifka & LaBat, 2015) and fewer job changes/greater retention (Duckworth & Quinn, 2009). Furthermore, grit predicts performance and retention of United States Military Cadets, independent of their previous performance levels (Maddi, Matthews, Kelly, Villarreal & White, 2012).

How is Grit measured?

The 12-item Short Grit Scale is a self-report measure developed to assess individual's perseverance and consistency of interest (Duckworth & Quinn, 2009). The scale contains two subscales, one for perseverance and one for consistency of interest. Higher Short Grit Scale scores predict fewer job/career changes in adulthood. The scale also displays medium to large consensus with rating from family members and peers. Though the scale's transparency and length leave it open to socially desirable responses, rather than honest answers. This suggests that the data obtained may not be accurate and further refinement of the measures are to be designed to adequately measure this as a core character trait.

How does grit help businesses succeed?

Employees with higher levels of grit display greater work ethic and hence tend to work more effectively and efficiently. If all employees are motivated towards obtaining long term goals even in the face of obstacles and failures, then the overall productivity of the workplace should remain high, reflecting the employees' dedication and perseverance towards achieving goals.

Moreover, employees who exhibit grit are more likely to remain in the same organization and hence retention rates are improved. Improved retention decreases the costs of recruiting and training new staff members and improves staff morale, the company's reputation and the teamwork and collaboration between employees. Advancing staff within an organization may also be useful in terms of ensuring that previously earned respect and understanding developed between colleagues and of company strategies and protocols are retained, with less time, attention and resources being required to ensure that new members to the team know the business thoroughly and are received well by other staff (e.g., subordinates respond to and work well under new leaders).



How can we learn perseverance and grit?

Grit and perseverance can be developed through teaching individuals about the malleability of the brain and cognition and hence how the brain can change in the face of adversity or change. Grit may also be improved by practicing scenarios in which failure or obstacles are encountered, moving from an initial stage of planning during which potential obstacles are envisioned and possible solutions organized, to executing a plan and finally reflecting on any failures, setbacks and methods used to overcome them during the exercise or that may be used in the future following task completion (Zhou, 2017).

Self-Management

Why is self-management important?

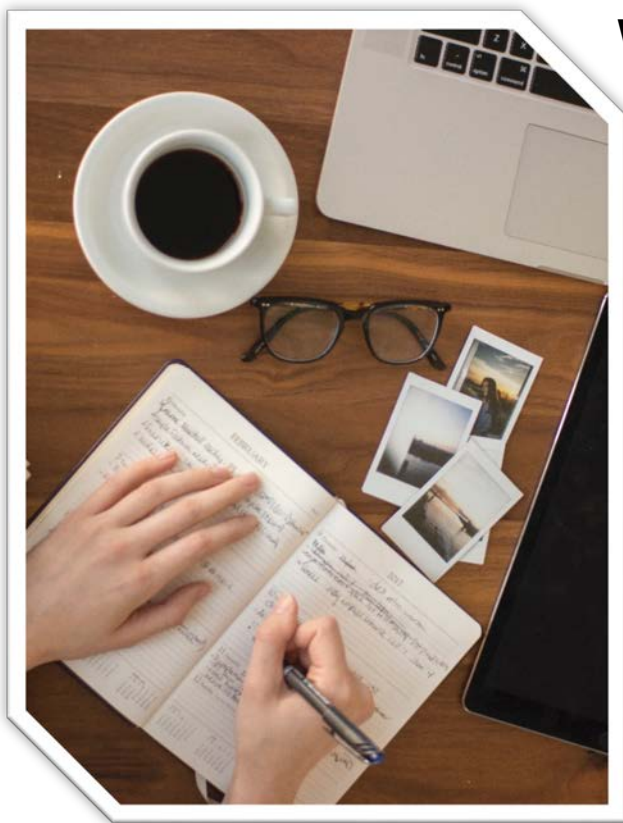
There are clear advantages to hiring and retaining employees who exhibit superior self-management skills. Employees that demonstrate that they are capable of taking initiative, following through tasks to completion with minimal instruction required, plan and organise tasks and obtain direction and feedback when needed to ensure that the task is completed to a high standard efficiently. Frayne and Geringer (2000) found improved self-management to relate to better work performance as measured through subjective and objective measures.

How is self-management measured?

Self-management would be best measured through the compilation of a series of tasks that are relative to a job and then asking peers, superiors and individuals to rate others/themselves on each of these, from this a smaller set of questions would be developed for future assessment of self-management and the best rater would be chosen (self or other), based on the reliability and

validity of these measures. The exact items may be developed in a context dependent manner for a specific job and company, or a more broad area scale, depending on demand and appropriateness of the scale and each organisation's choice.

Self-management and the efficacy of self-management training programs may also be assessed by reviewing statistics related to company and employee performance. For example, call centres may assess an individual's performance based on customer ratings, number of sales and commission earned. These statistics may be assessed periodically to assess the effect of any training or developmental programs undertaken.



How does self-management advantage organisations?

Kirkman and Rosen (1999) found that businesses that are empowered and hence need to display self-management and regulation are more productive and proactive and display greater job and customer satisfaction and team and organisational commitment. Therefore, through investing in employees' self-management training and invoking a sense of empowerment and responsibility in them after they have obtained the skills to do so through training programs, a company may augment the degree to which they benefit from enhanced self-management of employees. Providing motivated employees with the opportunity to display their organization, planning, regulation and control skills alongside their perseverance will also likely foster improved working environment and workplace cultures which are always a key aim towards building a successful enterprise.

How can we learn self-management?

Self-management is best trained to be specific to the job requirements and goals. Fryane and Geringer (2000) found that the use of a time-spaced learning program that was integrated over a four-week period, for two hours per week during work resulted in increased self-management that was retained over a 12 month period. Mindfulness training has also been recommended as a means for equipping employees with the skills they require to recognise when their mind has wandered and having the skills they need to return their attention to the task at hand. Mindfulness training has been found to strengthen self-control and attention networks in the prefrontal cortex and therefore improve one's capacity for sustained attention and (Zhou, 2017).

Emotional Intelligence (EI)

Why is Emotional Intelligence (EI) important in the workforce?

One of the most consistently found and supported findings regarding the importance of improved EI in the workforce is its relationship with superior leadership performance. For example, Kerr, Garven, Heaton and Boyle (2006) found that advanced EI, particularly, perceiving emotions and using emotions to facilitate thought were related to superior leadership effectiveness. Leaders who display higher EI are perceived as being able to communicate with their team members more effectively and foster good teamwork and collaboration amongst colleagues. Furthermore, they display superior ability to manage and control others' emotions in an understanding and productive manner that fosters greater motivation for success, understanding and negotiation in the future (e.g., Mittal & Sindhu, 2012).

Carmeli and Josman (2006) provided evidence for the positive association between EI and work performance and organizational ethics/professionalism (i.e., altruism and compliance). However, the exact mechanisms through which EI benefits may depend on the task at hand, gender of employees and the EI branches targeted through training (i.e., specific EI branches have varied effects towards improving the performance of male and female employees) (Lyons & Schnieder, 2005).





How is it measured?

The GENOS emotional intelligence inventory provides one specific measure that has been employed in varied applied settings (Palmer, Stough, Harmer & Gignac, 2009). Genos provides a 70-item self-report measure of emotional self-awareness, emotional expression, emotional awareness of others, emotional reasoning, emotional management of others and emotional self-control, rated on a 5-point Likert scale. The scale has been found to display adequate construct and criterion related validity (e.g., predicting performance and leadership within the workplace) and internal reliability (Cronbach's alpha ranging between .74 and .98).

Another well-known measure of EI is the MSCEIT V2.0 (Mayer, Salovey, Caruso & Sitarenios, 2003). The MSCEIT is a 141-item objective measure of four branches of EI, specifically: perceiving emotions, using emotions to facilitate thought, understanding emotions and emotion management. The measure displays psychometrically sound indices of factor structure, reliability and validity.

How EI helps businesses?

Amongst the key advantages of advancing soft skills, other than financial gains and returns, is their ability to improve the culture within a workplace and retention rates of staff. Improved retention rates are notably important in ensuring that a new group of employees are not requiring training more frequently and that the culture within the workforce remains at a high standard and the reputation of the company is maintained, resulting in a higher caliber of applicants, amongst other benefits. EI has clear, positive advantages for improving the culture and hence communication, teamwork, collaboration, negotiation, retention and performance within a workplace.

Furthermore, an organisations interest in advancing the EI of employees and investing in the emotional labor and dedication to the workplace and its employees may also modulate the direct effect of improved EI on retention rates. For example, Wong and Law (2002) found that EI may only be positively related organizational commitment and retention when the organization requires a higher degree of emotional labor. The authors suggested that an individual with high EI may not feel compelled to go beyond their job's role and may not be satisfied within a work environment that does not necessarily recognise such skills. Nevertheless, regardless of the emotional labor dictated by the organization, job satisfaction and performance were related to EI of both leaders and followers.

The effect of training on EI:

EI has well been established as a skill that may be improved upon through training. Multiple training applied developmental programs have been successful in contributing to advanced work cultures, performance, leadership and teamwork. Training programs may include an introduction into EI and application of emotional skills in work related contexts and circumstances. Employing the skills learnt during such programs within the workplace has great benefits in ensuring that the skills and knowledge obtained are maintained and satisfactorily applied.

Future Proofing

Developing a workforce that has the skills to be able to navigate the rapid rate of change in Australian businesses is essential to a sustainable, stable and productive workforce. While the definition and categorization of soft skills can vary, the competencies, character traits, skills and literacies that individuals can possess have a significant impact on business outcomes. The essential nature of these skills in the future of work highlights the need for businesses to invest in skilling their workforce to enjoy not only beneficial outcomes in measures such as productivity and retention, but also to be agile in an ever changing economic and social landscape.



References

- Davenport, D. L., Henderson, W. G., Mosca, C. L., Khuri, S. F., Mentzer, R. M. (2007). Risk-adjusted morbidity in teaching hospitals correlates with reported levels of communication and collaboration on surgical teams but not with scale measures of teamwork climate, safety climate or working conditions. *Journal of the American College of Surgeons*, 205, 6, 778-784.
- Drollinger, T., & Warrington, P. T. (n.d.). Development and Validation of the Active Empathetic Listening Scale, 23(February 2006), 161–180. <http://doi.org/10.1002/mar>
- Duckworth, A., Quinn, P. D., Duckworth, A. L., & Quinn, P. D. (2016). Development and validation of the Short Grit Scale (GRIT-S) Development and Validation of the Short Grit Scale (Grit – S), (February). <http://doi.org/10.1080/00223890802634290>
- Foundation for Young Australians (2016). Enterprise skills and careers education in schools WHY ARE ENTERPRISE SKILLS AND. (2016), (April).
- Frayne, C. A., & Geringer, J. M. (2000). Self-Management Training for Improving Job Performance : A Field Experiment Involving Salespeople, 85(3), 361–372. <http://doi.org/10.1037//0021-9010>
- Kerr, R., Garvin, J., Heaton, N., & Boyle, E. (2011). Emotional intelligence and leadership effectiveness. <http://doi.org/10.1108/01437730610666028>
- Kirkman, B. L., & Rosen, B. (1999). Beyond self management: Antecedents and consequences of team empowerment. *Academy of Management Journal*, 42(1), 58–74. <http://doi.org/10.2307/256874>
- Lyons, J. B., & Schneider, T. R. (2005). The influence of emotional intelligence on performance, 39, 693–703. <http://doi.org/10.1016/j.paid.2005.02.018>
- Maddi, S. R., Matthews, M. D., Kelly, D. R., Villarreal, B., & White, M. (2012). The Role of Hardiness and Grit in Predicting Performance and Retention of USMA Cadets. *Military Psychology*, 24(1), 19–28. <http://doi.org/10.1080/08995605.2012.639672>
- Mayer, J. D., Salovey, P., Caruso, D. R., & Sitarenios, G. (2003). Measuring Emotional Intelligence With the MSCEIT V2 . 0, 3(1), 97–105. <http://doi.org/10.1037/1528-3542.3.1.97>
- Meriac, J. P., Slifka, J. S., & LaBat, L. R. (2015). Work ethic and grit: An examination of empirical redundancy. *Personality and Individual Differences*, 86, 401–405.
- Mittal, E. V., & Sindhu, E. (2012). Emotional Intelligence & Leadership, 12(16).
- Nemec, P. B., Spagnolo, A. C., & Soydan, A. S. (2017). Can you hear me? Teaching listening skills. *Psychiatric Rehabilitation Journal*, 40, 415–417.
- Palmer, B. R., Stough, C., Harmer, R., & Gignac, G. (2009). The Genos Emotional Intelligence Inventory : A Measure Designed Specifically for Workplace Applications, 103–117. <http://doi.org/10.1007/978-0-387-88370-0>
- World Economics Forum (2018). The 10 skills you need to thrive in the fourth industrial revolution, retrieved from <https://www.weforum.org/agenda/2016/01/the-10-skills-you-need-to-thrive-in-the-fourth-industrial-revolution/>

Further information

1800 633 560

indenrolments@swin.edu.au

swinburne.edu.au/professional

Swinburne Professional

Swinburne University of Technology Hawthorn campus

John Street Hawthorn VIC 3122