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Upskilling and Reskilling: A Human Resources Strategy to Address the Skills Gap in the Age of Automation.

Azhar Naima M.

azhar.naima.m@gmail.com

College of Business Economics, Al Nahrain University, Baghdad

Abstract: *This paper examines a critical topic in contemporary human resource management: the implementation of reskilling and upskilling strategies as strategic instruments to mitigate the knowledge gap arising from the rapid advancement of automation and artificial intelligence. The article seeks to underscore the critical function of HR managers in spearheading digital transformation through the investment in human capital rather than its replacement. The study shows how companies can lower their operating costs caused by high staff turnover by using ongoing learning programs. This is done by looking at the worldwide corporation [corporation Name]. The report ends with a list of suggestions, the most essential of which is that the business should embrace a "growth mindset" and use microlearning tools in the workplace every day. It also gives a specific point of view on how to use these tactics in Arab labor markets to fit with modern national goals.*

Keywords: reskilling, upskilling, automation, human resource management, skills gap, and AI

(Introduction)

The global job market is going through its biggest structural change since the First Industrial Revolution. This is because automation and AI technologies are becoming more and more important in the production and service industries. The World Economic Forum says that by 2030, more than half of all workers throughout the world will need to learn new skills because they will be using digital technologies.

The skills gap is no longer only a lack of workers; it's also a lack of digital and creative talents. Consequently, upskilling and reskilling methods have become essential for the survival and competitiveness of enterprises, rather than solely conventional training alternatives. This study seeks to examine the function of human resource management in facilitating this change and guaranteeing the sustainability of human capital.

(Conceptual Framework)

A. Distinguishing Between Upskilling and Reskilling:

Li (2022) says that upskilling implies giving an employee new, more sophisticated abilities in their present field so they can use modern equipment. Reskilling, on the other hand, is a more in-depth procedure that teaches the employee completely new abilities so they can move from a position that is no longer needed or automated to a new function in the company.

B. Human Capital Theory in the Digital Age:

This study is grounded in human capital theory, with Becker and Murphy (1992) underscoring in their revised arguments that investment in knowledge is the principal catalyst for growth. Schwab (2021) says that "lifelong learning" is now the new benchmark for keeping a job and feeling safe in the age of automation.

(The Automation Challenge)

According to a 2023 study conducted by the McKinsey Global Institute, automation is not inherently designed to replace humans; rather, it is intended to replace "routine tasks." This leaves a big deficit in non-routine skills, such as managing complicated systems, emotional intelligence, and analytical thinking.

Human resources face the following challenges:

1. Technology changes quickly: The abilities you learn today might not be useful in 3 to 5 years.

2. Psychological resistance to change: Employees' fear of automation makes them less motivated.

3. Investment costs: The development of comprehensive training programs necessitates a substantial time commitment and a substantial expenditure.

HR Strategies to Address the Skills Gap

The World Economic Forum (2024) says that top companies are using a three-part plan: • talents Mapping: Using data analysis to find out what talents employees already have and what capabilities the firm will need in the future.
• Micro-learning: Offering brief, focused training sessions that fit with the fast pace of digital work.

• Encouraging a Growth Mindset: Tying awards and promotions to an employee's capacity to learn new skills, not merely their years of experience.

Case Study: AT&T's "Skills-First" Strategy

One of the best-known instances of a corporation that is working to close the skills gap is the American telecommunications giant AT&T.
When the company realized in 2013 that its technology was shifting from "hardware" to "cloud computing and software," it faced a dilemma: lay off 100,000 employees or retrain them.

Strategy Details:

.1 Future Ready Project: The company invested over $1 billion in a massive education program.

.2 Smart Platform: The company created a platform that allows employees to see "extinct jobs" and "future jobs," with direct links to the training courses needed to transition.

.3 Results: Instead of costly external hiring, AT&T was able to fill 75% of its new tech positions with its existing, reskilled employees.

.4 Analysis: Experience has shown that the cost of reskilling is 20% to 30% less than the cost of laying off existing employees and hiring new ones (HBR, 2023).

Comparative analysis: Human skills versus machine skills

Type of skill	role of automation and artificial intelligence	role of humans (the field of refining)
Data processing	Complete superiority and exceptional speed.	Strategic interpretation and decision-making.
Routine tasks	Complete replacement (automation).	Supervising and maintaining the machinery.
Creativity and innovation	Limited (generated based on data).	Creating unprecedented concepts.
Emotional intelligence	It doesn't actually exist (it's just a simulation).	Negotiation, empathy, and leadership.

(Recommendations)

To ensure the success of upskilling and reskilling programs, HR should:

.1 Integrate learning into the workflow: Training should not be a separate event, but rather an integral part of the employee's daily tasks.

.2 Establish academic partnerships: Collaborate with universities and educational platforms (such as Coursera and LinkedIn Learning) to provide accredited content.

.3 Focus on soft skills: Such as critical thinking and psychological resilience, as these skills are less susceptible to automation.

Recommendations Specific to the Arab Labor Market: Towards a National Skills Vision:

Based on the preceding analysis, and from a forward-looking perspective on the reality of human resources in the Arab region, particularly Iraq, we find that the challenge lies not only in the availability of technology, but also in the speed of response of educational and institutional systems. Therefore, the researcher recommends the following to localize upskilling strategies:

• Alignment with National Visions: To make sure that the skills of the workforce are in line with major national projects, human resources managers should connect upskilling programs to the state's strategic directions, especially in the areas of digital transformation, renewable energy, and logistics.

•Bridging the Gap Between Academic Education and Market Needs: It is essential to establish "sectoral skills councils" comprising representatives from universities and major companies to design flexible training curricula that meet the demands of automation before graduates enter the labor market.

• Putting money into digital languages: Since most automation and AI technologies are produced in English, Arab enterprises should start programs to spread "digital culture" in Arabic. This will make sure that all kinds of workers are involved in development and that old skills are not forgotten.

• Helping small and medium-sized businesses (SMEs): These businesses are the backbone of the Arab economy; thus, they need government-supported training incubators that work together. This is because retraining programs are too expensive for these businesses to pay for on their own.

If you do what I say, automation will switch from being a "threat" that causes technical unemployment to a "opportunity" to relocate Arab workers to new occupations in the global economy.

(Conclusion)

In the age of automation, upskilling and retraining are not only ways to train people; they are also ways to make sure that the company stays in business. People who want to work in the future will not be judged on what they know now, but on how quickly they can learn new things.

The new job of human resources is to go from being a "personnel manager" to a "talent engineer," making sure that no human aspect is left behind in the digital age.

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