The Importance of Social Skills for the Future of Work

Gemma Piercy, Senior Tutor – Labour Studies, Faculty of Arts and Social Science, University of Waikato, New Zealand, gemma.piercy@waikato.ac.nz

Zanian Steele, Human Resources Advisor, Astro Pine, Ngongotaha, New Zealand, zanian.m.steele@gmail.com

Abstract: Technological change and precarity has made social skills increasingly important in the workplace for both permanent and non-permanent staff throughout the labour market. This is especially true for those in precarious work located in the growing service sector. We argue that, in order to avoid staff becoming redundant due to technological change, which invalidates their ‘hard’ technical skills, it is crucial that Human Resource (HR) practitioners to recruit on the basis of soft skills. However, we also argue that simply recruiting soft skills is not enough to ensure the workplace has access to the kinds of social skills that are required. Providing all staff with opportunities to develop and practice their skills is essential as these are the hardest tasks to automate since customers favour personal engagement. Furthermore, for employees, cultivating and maintaining easily transferable social skills is a key part of remaining relevant in an employment relations environment where precarity is a by-product of labour market flexibility.

Keywords: employability, hourglass economy, digital taylorism, social skills, service work, precariousness

The rapid rate of technological change has seen the decline of a range of occupations from postal workers to stenographers. Many routinized jobs are now mechanized, yet in this age of computerization, simple social human interactions have proven rather difficult to automate. Given the trends identified in the future of work literature (see Autor & Dorn, 2013; Levy and Murnane, 2013; Manyika, Lund, Auguste and Ramaswamy, 2012), we suggest it is timely to consider different ways of responding to changing skill needs. Debates on the future of work highlight that it is increasingly important for workers to build a range of portable skills across and within industries. Soft skills, which are broad enough to remain useful in several industries, are now essential for success in the workplace. ‘Soft skills’ is a broad term incorporating many aspects of skill. Soft skills are most often associated with emotional intelligence and non-technical abilities. This article will particularly focus on social skills which are a sub-set of soft skills. We will draw on Deming’s (2015) work in this area which defines social skill as the ability to interact and attribute mental states to others based on their behaviours by “putting oneself in another’s shoes” (p.4).

The purpose of this article is to discuss how technological change and precarity has made social...
Skills increasingly important in the workplace for both permanent and non-permanent staff throughout the labour market. We argue that more focus needs to be given to providing the soft skills (social skills) that make employees productive (Deming, 2015). Moreover, such an approach would also address the lack of access that precarious workers have to education and training (Blumenfeld, 2016; McGann, 2012; Standing, 2011). Precarious workers are workers employed in occupations characterised by working conditions which are non-standard, and/or insecure for example, casualised work (Vosko, 2008).

For employers and HR practitioners, the changing nature of work and technology creates new recruitment difficulties, even in the service sector in which there are plenty of job seekers. Moving forward, the use of recruitment practices to address skill shortages may not always be an appropriate or even possible solution. For employees, remaining flexible can help to mitigate many of the negative aspects of increasing labour market flexibility, such as the increasing prevalence of precarious or insecure work. Workers can maintain their employability by having a broad range of easily transferable skills that allows them to shift between occupations and perhaps even industries (Krause and Vonken, 2009). Developing and maintaining a range of soft skills, especially social skills, which are currently in high demand, can therefore act as ‘insurance’ for employees in case of technology or labour market change that makes their hard (technical) skills redundant (Deming, 2015).

In order to address these points in greater depth, the remainder of this paper is set out as follows. The first section outlines the concepts of soft and social skill. The second section of the article examines social skills in the context of service sector work. This section highlights the increasing importance for service workers to exercise social and cognitive skills simultaneously. The third section of the paper explores the importance of social skills in the context of rapid technological change, for example, the significance of digital-Taylorism. The fourth section describes precarious work and why developing and maintaining social skills is essential for both precarious workers and the companies that employ them. The fifth section discusses why in light of the future of work and technological change greater attention needs to be paid to how social skills are developed and deployed in the workplace.

### Defining Skill

Skill is socially and politically embedded in the education and employment relations systems (Clarke and Winch, 2006; Lloyd and Payne, 2002; Rigby and Sanchis, 2008; Thelen, 2004). This means that the conceptualisation of skill alters depending on the country in question. The implications of this varied meaning have become ever more complicated as nations have turned to skill acquisition as a key tool in the challenge to be internationally competitive (Brown, Lauder and Ashton, 2011; Marginson, 1993; Olssen, 2001; Spencer, 1998).

Despite these conceptual challenges, various attempts at defining skills have been made. In the workplace, employees are required to deploy a range of skills, which can be classified into three discrete logics of skill: cognitive, technical and behavioural.

- **Cognitive skills** – i.e. a foundation of general skills obtained on the basis of general citizenship (e.g. literacy, numeracy, general education competence)

- **Technical skills** – i.e. those associated with the purchase of labour on the open market to perform particular tasks (e.g. recognised trade or professional skills)

- **Behavioural skills** – i.e. personal skills associated with labour’s ability to perform in the context of particular authority relations on the job (e.g. usually subordinate roles in the production process or the provision of a particular service (Buchanan et al., 2001, p. 18).

It is useful to keep these three levels of skill in mind because skill needs have changed over time as...
developed economies have experienced growth in service work and a loss of manufacturing or production based work associated with technical skills. As a result, the focus on skills has shifted and now soft skills associated with employability are at the centre of the policy discourse (Kondrup, 2013, Kraus & Vonken, 2009; Lafer, 2004).

**Social Skills and the Service Sector**

Soft skills, which are included in Buchanan et al.’s (2001) behaviour logic of skill, have gained considerable attention in service sector literature. Korczynski (2005) and Bolton (2004) use the concept of emotional labour to demonstrate that the more intangible aspects of the social skills deployed in service work need to be made more visible. Emotional labour is a term used to describe the way in which workers use their bodily and facial displays to manage emotions, their own and others. In service work emotional labour is a core part of the way in which employees interact with customers. The purpose of Bolton (2004) and Korczynski’s (2005) arguments about emotional labour is to illustrate that social skills are deployed with greater levels of complexity than is suggested by the low pay rates and working conditions of service workers.

Wharton argues that: “jobs involving emotional labour possess three characteristics: they require the worker to make voice or facial contact with the public, they require the worker to produce an emotional state in the client or customer, and they provide the employer with an opportunity to exert some control over the emotional activities of workers.” (1996, pp. 91-92). Employees deploy one of two key strategies when they are engaged in the emotional labour of managing their bodily and facial display; surface and deep acting. Surface acting is faking the performance of emotions required by the workplace. In contrast, deep acting is where employees internalise management rhetoric and take on the enterprise’s values as their own (Hochschild, 1983).

In this sense, much service sector work is reliant on an employee’s social skills and, indeed, utilizing these constitutes emotional labour (Bolton, 2004; Korczynski, 2005). Significantly, these arguments also demonstrate that soft skills are deployed in combination with cognitive skills. For example, Bolton emphasises the use of emotional intelligence when engaging in choice making in relation to the management of emotion in the workplace. Korczynski’s (2005) argumentation ties into the concept of task discretion, i.e. the more decisions a worker is able to freely make, the more skilled their execution of the emotional labour that the provision of service requires.

Awareness of the importance of cognitive skills alongside social skills in service work is increasing. For example, there are labour aristocrats, high end retail employees who command wage premiums and/or benefits which stem from their capacity to exercise emotional and aesthetic labour (Warhurst & Nickson, 2007). Moreover, as more university educated workers enter into retail across the board, new roles are appearing which take advantage of these workers’ capacity to deploy social and cognitive skills, indeed the concept of a career retail wage aims to make retail based work more attractive and demonstrate a company’s commitment to developing a high wage, high productivity economy (Spark, 2016). This move has been popularized by Spark’s $40,000 commitment and The Warehouse Group’s career retailer’s wage (Spark, 2016; The Warehouse Group, 2013) and indicates that there is increasing acknowledgment that retail work can be professionalized. Non-neutral technological change reinforces parts of these arguments.

Non-neutral technological change, which is akin to skills biased technological change, occurs when technology raises the productivity of skilled employees more than those who are less skilled. Polarization is created in the labour market as the demand for high skill roles grow but the number of opportunities for the less skilled shrink (Autor & Dorn, 2013). This kind of polarization has been identified particularly in the manufacturing sector where a small number of high skill roles are kept but most employees lose their roles. Given the loss of occupations in manufacturing these low skilled employees are often redeployed to the service sector (Berlingieri, 2013). As such changes in the nature of skill needs cannot be considered without also examining the impact of technological
changes which is the focus of the following section.

Social Skills and Technology

As a wide range of routinized tasks have been automated in the workplace, non-routinized tasks that involve human interaction and task discretion have been harder to automate. In the context of international competitiveness, knowledge workers are often expensive and hard to coordinate, leading to attempts to try and codify, simplify, standardize and routinized knowledge work. Therefore, increasing white collar occupations previously characterised as knowledge work, thereby invulnerable to automation and off-shoring, are being off-shored and automated (Brown, Lauder & Ashton, 2011). This kind of standardisation can be referred to as Digital-Taylorism. However, non-routinized tasks that involve human interaction and task discretion have been harder to automate. As a result, such work is for now, still better suited to be deployed by employees in the workplace, indicating the continued relevance of social skills.

Digital Taylorism has impacted the HR profession like most others with software at times being substituted for human analysis; however final interviews and phone screenings are almost exclusively conducted in person. For a job seeker, possessing adequate social skills is essential to ‘getting the job’. On a macro level, those social skills are essential in the redeployment that allows for labour market flexibility. While technological change has invalidated a host of workplace activities, computers and automated work systems have been reasonably poor at replacing human contact, especially in the service sector where social skills are highly important (Deming, 2015). Understanding that this technology, in its current form cannot replicate human interaction or creativity means that those skills are becoming more and more important to remaining competitive. Moreover, non-human substitutes for interaction can even be non-conducive to a company’s success.

Middle level jobs, often characterized by routinized tasks, have been contracting in favour of high wage, analytical roles that are not routinized and require greater levels of creativity (Demming 2015; Fitzgerald, Rainnie, & Burgess, 2013). As a result of these changes, an ‘hour glass’ economy has begun to form where there are a range of high skilled roles and a range of lower skilled, often service sector roles (Nolan & Slater, 2010). Brown, et al. (2011) address these changes in skill demand, examining the ways in which contemporary policymaking, increasing computerization and off-shoring have created a culture of digital Taylorism. These changes Brown et al. (2011) argue mean that not only has technology come to replace middle skilled workers but even the work of skilled qualified workers face off-shoring as the number of skilled workers in the developing world continue to rise. Digital Taylorism continues to allow an increasing amount of work, even high skilled work, to be off-shored. Developing and retaining portable soft skills is an essential task for employees, in order to avoid being made redundant by technical change as technological development renders a wide range of hard skills obsolete.

Autor and Dorn (2013) argue that non-neutral technological change has caused low skilled workers to relocate into the service sector. Non-neutral technological change encompasses various aspects, including skills-biased technological change. These economic concepts are used to demonstrate how the labour market is becoming polarised. For example, technology makes some occupations and their associated skills redundant but technological change can also create the impetus for new jobs. The basis of Autor and Dorn’s argument is that service work is harder to automate as consumers favour variety over specialization. Therefore, service work and the social skills it requires are less likely to be made redundant.

While non-neutral technological change does not solely explain the growth in social skill intensive jobs at the top end of wage distribution (Deming, 2015), it does show the importance of social skills to those trapped at the bottom half of the ‘hour glass’ economy and why demand for such skills has increased. The rise in the popularity of artisanal producers who specifically shun the
Tayloristic production logic shows that consumer culture is changing, and that competition happens not just in terms of cost but also in quality. Companies too must acknowledge that competition now exists not just on the basis of cost but quality as well (Brown, Ashton, & Lauder, 2011). Customers expect variety and engagement as this constitutes a core part of quality and requires staff with appropriate social skills. New Zealand policy literature is rife with discussion of how to work towards becoming high skill valued added economy, and how the development of portable social skills is a key component of this (Piercy & Cochrane, 2015).

**Social Skills and Precariousness**

Acknowledging technological change and labour market policy aimed at creating flexibility, the rising precariousness of work has created a range of challenges, not just for the workers themselves or policy makers, but for employers and Human Resource professionals too. Popularized in Standing (2011), the employment relationship once characterized by collective contracts and secure work has been eroded by neoliberal reforms aimed at creating greater flexibility in employment relations (Hayter & Ebisui, 2013; Vosko, 2008, 2010). Precarious work broadly covers a range of work from those trapped in temporary or casual work that provides insufficient security to higher end portfolio workers, those whose work is often associated with the romance of self-employment, flexibility and freedom, even when their incomes are inadequate (Burgess, Connell, & Rasmussen, 2005; Giddens, 2001). In many respects, ‘flexibility’ in this context is analogous to employers being able to ‘fire’ employees more easily (Beck, 1999).

There are now a growing group of workers who lack secure employment, often employed on casual, fixed term or temporary contract (Pacheco & Cochrane, 2016). Precarious work can be described as having four dimensions: (1) uncertainty as to the continuing availability of the work/job; (2) limited control (individually and collectively) over working conditions, the labour process and pace of work; (3) limited access to legal and regulatory protection and to social protections; (4) low-wage jobs and a high degree of economic vulnerability (Rodgers & Rodgers, 1989, cited in Hayter, & Ebisui, 2013, p.81).

Precarious work is especially prevalent in the service sector and is also common amongst those employed as ‘unskilled’ labourers, meaning that precarious workers are, in the first instance likely to have fewer skills, both social and technical, than full-time workers. With limited occupational identity, those in precarious work find their roles constantly shifting as they work in a range of industries, meaning that hard or technical skills, specific to one kind of job, are less useful to them (McGann, 2012; Standing, 2011). With limited occupational identity, those in precarious work find their roles constantly shifting as they work in a range of industries, meaning that hard or technical skills, specific to one kind of job, are less useful to them.

Precarious employees sit at the bottom half of the ‘hourglass economy’ associated with the labour market skill based polarization described earlier, and have limited occupational identity (Autor, & Dawn, 2013). Standing (2011) positions the lack of occupational identity as a weakness leading to existential angst on the part of precarious workers. The impact of the ambivalent nature of insecure employment on workers is not a complete weakness, rather it serves to reinforce the argument that generic skills are more important for survival in the labour market (Brown, et. al, 2013; Standing, 2011). Simply put, it is hard for an employer or an employee to predict the changes in, for example, cleaning technology. Therefore, workers are better off having skills which can be redeployed, rather than to be able to perform lower skill routinized task expertly with specific pieces of equipment. There are differences between customer orientated retail based service work and more routinized manual service work like cleaning. However, a common skill set has begun to develop where the ability to interact with people and adapt to new information is more important than the ability to perform a specific set of tasks. Furthermore, social skills are highly transferable because they are generic; a ‘one size fits all’ set that can be easily taught in a way conducive to Tayloristic
DISCUSSION

Investment in new equipment and machinery requires upskilling on the part of the workforce in a range of tasks and key competencies that may be specific to a particular firm or industry. It is those ‘hard or technical skills’ that workers, especially those in precarious work, are unlikely to develop outside the workplace without on-the-job instruction. Furthermore, many precarious workers are less likely to develop the soft skills implied in formalized training as temporary and casual employees are less likely than their permanent counterparts to receive workplace training of any kind (Blumenfeld, 2016; Misko, 2008). Current research demonstrates that the lower levels of access to training for workers who are precariously employed can be tested empirically using the qualification levels reported in Census data. Furthermore, the household labour force survey asks questions regarding participation in training and could supplement census based data (Pancheco & Cochrane, 2016). However, this kind of research still uses proxies such as qualifications as a measure for skill. It would be useful for future research to challenge this reliance on qualifications and determine different avenues regarding the measurement of skills.

Further to the measurement limitation posed by qualifications, the rate of technical change in some respects challenges education and training systems, which only provide ‘front loaded’ education. Front-loaded education or education prior to labour market entry, in which learners gain skills only in a classroom environment, can swiftly be made irrelevant by the speed of changes in practice and technology. The workplace, therefore, is an increasingly important learning site (Vaughan, 2008). As social skills are likely to be gained as a by-product of off-the-job learning, they may not need to be expressly taught in a formal or classroom context. Research into workplace learning has increased in the last 20 years but more research into the differences between training systems and workplace learning (Brockmann, 2012) is needed. Literature suggests, in contrast to formal off-the-job learning, that social skills may need to be taught informally in the context of on-the-job learning. This kind of situated learning is where, for example employees learning through observation and practice (Wenger, 2003). However, much more research is needed to determine the efficacy of prioritising practice learning and relevant ways of incorporating social skills.

Employers have the capacity to provide training in all three skill logics (cognitive, technical, and behavioural) or they can pick and choose training that best suit their business needs. Most often the training provided focuses on technical skills (Rainbird, 2006). The focus on providing training on technical skills, however, poses a contradiction that is becoming increasingly difficult to resolve and needs to be challenged. The tension arises in part from the higher degrees of complexity that workers need to face in relation to the ways in which cognitive and social skills are deployed in the workplace.

Currently, these skills are developed by the workplace through recruitment practices. This is unsurprising because cognitive and behavioural skills can be acquired in a range of settings. Recruitment practices, however, are not perfect. Oliver and Turton (1982) coined the term ‘Good Bloke Syndrome’, in which employers use the term ‘skill shortage’ to cover the fact that they cannot recruit an employee who fits with their subjective view of what is ‘right’ for their workplace. What this example also illustrates is that even in the context of recruitment, social skills are crucially important for cultural ‘fit’. In such a situation, a prospective employee that can connect with the employer’s values and can communicate effectively will have an advantage over someone who only possesses the required technical skills. Emotional labour continues to be a focus of researchers examining social skills in service work (Bolton, 2011; Vincent, 2011), however, most research on recruitment and fit has focussed on aesthetic labour (Warhurst & Nickson, 2007; Warhurst, Nickson, Witz, & Cullen, 2000). Further research identifying more specifically the kinds of social skills used in determining ‘fit’ could be useful, notwithstanding the challenges of
We argue that social skills need to be deployed in the workplace with higher levels of cognitive skills, which means that finding the ‘right’ people is becoming more challenging. Increasing task complexity and variation places employees into positions where they need to make on-the-spot decisions, particularly in workplaces that require social skills or emotional labour. Training cannot capture this kind of complexity, but the need to develop skills in this area cannot be ignored if recruitment cannot supply them. Hampson and Junor (2010) highlight that greater attention needs to be paid to the complex nature of skills in service work. In order to capture the nature of task complexity (Hampson & Junor, 2008, 2010, 2015), their theoretical developments and empirical work have provided a template to examine the different levels of task discretion and responsibility that service sector work demands. However, as with situated learning, while a small amount of empirical research exists, much more needs to be done in this area.

Issues also arise from the transferability of skill and risk management regarding workplace talent. Employers are, in part, willing to provide training on technical skills not just because they are needed but also because they are not portable (Rainbird, 2006). It is much lower risk for employers to provide employees with non-transferable technical skills. Social and cognitive skills, in contrast, are transferable and portable, making the provision of training which emphasises these skills high risk. This kind of risk management is highlighted in the labour market where employees and workers, particularly the precarious in insecure employment, tend to only receive either none or only technical training.

The emphasis on risk management, however, is at the heart of the contradiction between the provision of technical and social skills. This is because the workers who need to be the most flexible, who need to shift between multiple jobs, or need to be able shift between occupations and industries are only likely to receive the least portable skills: technical. Such risk management needs to be challenged from an employment or HR perspective as well as in relation to policy and practice. Due to their place in the labour market, precarious workers are more likely to need training in social and cognitive skills. Organisations and the government cannot assume that the education system can provide sufficient levels of training on how to deploy cognitive and social skills together, given the increasing demands placed on workers.

Investing in cognitive and social skills, alongside technical, has a number of payoffs that have the potential to outweigh the risks beyond the retention of talent. For example, soft skills are increasingly required to be deployed alongside ‘hard’ skills (Wheelahan & Moodie, 2011). For example, a core element of soft skills in terms of creativity and problem solving, is the capacity to understand when as well as how to deploy hard or technical skills. Furthermore, as more graduates enter into the labour market, there is a growing expectation that the required ‘hard’ skills will have already been acquired. Therefore, the workplace as a site of learning has a greater capacity to focus on training workers in soft skills (Wheelahan & Moodie, 2011). Finally, with employee turnover high, especially in the service sector, if more employers invest in providing opportunities for employees to develop essential social skills, the risk of loss on investment in training will decrease.

The rise in precarious work has made the capacity to deploy soft and hard skills simultaneously critical as employees shift frequently from employer to employer within a wide range of industries. Maintaining a socially skilled workforce is likely to help with customer engagement and retention at a time in which the market is flooded with more and more products and companies fight to distinguish themselves from the crowd. Not only are these skills essential to a company’s performance in the short term, but, in the long term, investment in soft skills will allow a workforce to adapt to changing technology with greater ease as routinized technical tasks become more computerized.

There has also been something of a drive to professionalize retail work. As the number of mid-skill
routinized jobs disappear and more people relocate to the service sectors, companies that want to attract a skill-premium must offer decent prospects for advancement. Following in the footsteps of the Warehouse Group (2013) Spark, now provides a ‘professional retail wage’, which in both cases at $20.00 an hour or above. These high rates of pay will enable employers to not only attract retail employees who already have comprehensive social skills, it will decrease the turnover of those whom the company invests in, making social-skill based training less risky (Spark, 2016). There is a growing number of retail employees with bachelor’s degrees (Williams & Whelan (2015), yet because job seekers have poor information about employers and retail employees tend to have low levels of loyalty to the company, it is crucial for companies to be attracting the best, most socially skilled employees. Differentiating one’s firm as a ‘good’ retail employer, as in the case of Spark or the Warehouse, can help achieve this and motivate precarious workers with easily transferable skills to stay in their roles.

There are also clear public benefits from an increased focus on social-skill training in the workplace. Not only are we likely to see less of a skills-productivity disconnect, a more versatile workforce that is relevantly skilled will be more insulated to technological change and labour market shocks. Inter-firm collaboration is required to make certain that soft skills are adequately provided to precarious workers who move regularly within the service sector. Additionally, state intervention is needed to persuade firms to collaborate and to broaden workplace training strategies (Piercy and Cochrane, 2015; Buchanan, 2001). Increased collaboration in this space also allows industry to drive social skill training to be developed first hand without requiring a process of bureaucracy in which public servants attempt to synthesise industry perspective into policy (Rainbird, 2006).

Finally, precarious workers who develop and practice social skills ‘on-the-job’ will find it easier to transition into secure employment as they will have a competitive edge over those who have only elementary soft skills or possess only the requisite technical skills. Even if precarious workers struggle to find secure work, the portability of social skills will at least allow them to move between employers and industries with greater ease, decreasing the amount of time spent excluded from the workforce all together. Maintaining key social skills may also aid precarious workers in their pursuit of higher-skill and higher-paid roles. Deming (2015) indicates that these same social skills are becoming more important even at the top end of the wage distribution, while high wage non-routinized jobs that require limited social skills are decreasing.

Developing the social and cultural capital to practice a more versatile range of skills allows the precariously employed to look more competitive and thus ease their transition into secure employment. If this transition does not occur, increasing the capacity to harness and deploy social skills will still make it easier to find work due to being appropriately skilled for a range of alternative work options. The labour market, businesses and potential employees/workers therefore, all benefit, demonstrating that investment and collaboration is worthwhile on the part of the state, employers, as well as individuals.

Conclusion

The rise in precarious work has created challenges both for recruiters and job seekers. The concept of soft skills has gained considerable attention in service sector literature as computers continue to replace workers who perform middle level routinized tasks, leaving lower skilled workers to perform work where technology cannot replicate human interaction. The hourglass economy has created a greater need for social skills at both the top and bottom ends of the wage distribution. The demand for labour market flexibility has created significant job insecurity for large sections of the population, leading to a significantly large group of workers whose employment is precarious. These precarious workers are less likely to receive employer sponsored workplace training than their permanent counterparts and have fewer opportunities to develop soft skills gained and...
practiced in the formal and informal training process. This means that employers and HR professionals need to move beyond using soft skills as an indicator for recruitment, to facilitating workplace interactions and formalized training that help workers develop and practice such skills, including in the case of temporary and casual staff. Doing the above allows companies to maintain a flexible workforce that is able to cope with a range of technical changes and remain competitive in the face of an uncertain future.

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