**Soft Skills on the Rise: Defining Leaders of the Future**

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**Abstract**

Advances in digitalization and globalization are drivers that bring new demands on leaders. It is expected that by 2022, the skills required to perform most jobs will have shifted significantly. Jobs that are predicted to grow the most appear to be those that need intensive use of soft and digital skills. Although the pandemic has increased the importance of this debate, only minor research has been conducted on how these changes are associated with requirements for the skill set needed by future leaders. The purpose of this paper is to identify future skills and how leadership education needs to evolve.

**Keywords** Future Skills · Leadership Education· Future of Work

**Introduction**

To thrive in the future of work, leaders need a different mix of skills than in the past. In the last two decades, significant changes and transformations have occurred in societies that impact almost every business activity. Developments, especially in the field of technology and digitalization have revealed new challenges to cope with. These new developments require leaders who have different competencies to succeed in business worlds of volatility, uncertainty, complexity, and ambiguity (VUCA). Leaders need to navigate their organizations through a more complex and rapidly changing environment which requires new ways of leadership. These new circumstances revealed several doubts, in particular about the future of work: What challenges and obstacles will future leaders have to face in the future of work? Which kind of competencies will be required? How can organizations develop these competencies to prepare future leaders to thrive in the future of work? The complexity in future workplace environments amplifies the importance of soft skills. New technologies are unlikely to substitute those jobs that require dealing with unforeseen scenarios and unique human skills (Baldwin, 2019; Harari, 2018; World Economic Forum, 2020). Due to the expected increase in social tasks, as well as digital tools, soft skills will be in greater demand (European Centre for the Development of Vocational Training, 2018) and are increasingly considered as success drivers in professional careers (Gutman and Schoon, 2013). Some forward-looking studies indicate that leaders equipped with soft skills are expected to better fit into future work environments (OECD, 2019a) and that most of the jobs, which are predicted to expand until 2025, require a high level of soft skills (European Centre for the Development of Vocational Training., 2019). While the importance of soft skills is receiving more attention, the development of soft skills has not kept pace. Soft skills are still underestimated in organizations protecting the status quo, and avoiding change and transformation that is essential for coping with challenges in the VUCA environment (Lepeley et al., 2021). There is a common understanding that cultural diversity, globalization, digitalization, and automation are factors that influence the future of work and emphasize the need for enhanced soft skills in the workplace (AbuJbara and Worley, 2018), yet the debate on what skills leaders need for the future is very lively (European Commission, 2019; Puerta et al., 2016). So far, not much is known about what skills leaders need to cope with in the future of work (Bankewitz et al., 2016). This is where this paper calls for action. In this interactive roundtable discussion, a deep dive into the skillset for future leaders will be conducted.

**Skills for the future of work**

Due to the rise of automation and digitalization accelerated by the global pandemic, ever-increasing attention is drawn to soft skills in the work environment (OECD, 2019b; World Economic Forum, 2020). Deloitte estimated that by 2030, almost two-thirds of all jobs would be based on soft skills (Deloitte Access Economic, 2017). However, in the literature, several ways have been proposed to define and classify soft skills, also called life skills (World Health Organization, 1994), key competencies for a successful life and a well-functioning society (Rychen and Salganik, 2001), key competencies for lifelong learning (European Union, 2006), generic competencies (Sánchez and Ruiz, 2008), 21st-century skills (Ananiadou and Claro, 2009), future work skills (Davies et al., 2011), skills for social progress (OECD, 2015) and non-cognitive skills (European Commission, 2019). This is because soft skills relate to individuals’ different properties or attributes (Heckman and Kautz, 2012; Puerta et al., 2016). According to Goleman (2000), soft skills involve qualities such as self-awareness, self-regulation, motivation, empathy, and social skill, while hard skills refer to traits such as intelligence, analytical or technical skills, determination, rigor, and vision. Dixon et al. (2010) proposed a more brief perception: ‘‘soft skills [are] a combination of interpersonal and social skills. Hard skills […] include the technical or administrative procedures that can be quantified and measured’’ (p. 35). The definition of Dixon et al. (2010) adds an important aspect to the research on soft skills by emphasizing that soft and hard skills – although divergent in many ways – complement each other. Although there are different ways of naming soft skills, different definitions of them, and different manners of them, research is clear that soft skills refer to the emotional side of human beings (Boyatzis et al., 2017). While the importance of soft skills has long been overlooked (Heckman and Kautz, 2012), the break of the Covid-19 pandemic created an urgency that has not been seen before. While many studies focus on the changes brought through new technologies, they relate future skills directly to soft and digital skills, which represent only one part of the future skill set (European Commission, 2019). Looking from the whole VUCA perspective leaders need to be equipped with a more diverse future skillset consisting of cognitive and metacognitive skills (e.g. critical thinking, creative thinking, learning to learn, and self-regulation), non-cognitive skills (e.g. empathy and collaboration), and digital skills (e.g. using new digital devices) (OECD, 2019b). Although there is a link between leadership excellence and soft skills (Boyatzis et al., 2017) that demonstrates that soft skills build a crucial part of leadership (Crosbie, 2005; Davis and Muir, 2004; Deming, 2017; Weber et al., 2009), hard skills bound to digitalization and increasing automation of working processes will be equally important in the future workplace. For the purpose of this paper, the term “future leadership skills” is defined as those skills young professionals will be required to have in order to act successful as leaders in the future of work. The problem is that the development of these skills is not yet part of traditional leadership development programs. Many organizations do still not understand the value of future skills and underestimate the economic implications. Traditional skills continue to be valid, yet the list has expanded to a large degree accelerated by the global crisis. Skills to survive and thrive in a 21st-century labour market are characterized by constant change and disruption and put a stronger focus on the need to adapt to constantly changing and unpredictable environments (Lepeley et al., 2021). However, identifying a list of future skills most relevant for the 21st-century labour market is not simple as circumstances are changing rapidly. Working frameworks from several organizations and research projects, introduced different skill sets to act in an increasingly globalized and digitalized world (European Commission, 2019; OECD, 2019b; World Economic Forum, 2020). Despite the variety in terminology and composition, there are overlapping elements among these skills, which will form the starting point of the roundtable discussion. From the previously used skill frameworks, future skills, which are most often seen, are the following:

* Creativity
* Critical thinking
* Effective communications
* Self-regulation
* Collaboration
* Problem-solving
* Adaptability
* Resilience
* Agility
* Learning skills
* Digital literacy
* Teamwork
* Empathy
* Intercultural knowledge

It might be discussed which of these skills belong to the category of “soft skills”. Nevertheless, there is evidence that future skills hold a strategic potential for higher education institutions. Although there is widespread acknowledgment about the importance of future skills, the level to which those skills are being promoted in higher education institutions and organizations differs and is dependent on study programs, teaching styles, and student characteristics (Ehlers and Eigbrecht, 2020). There are challenges regarding the preparation of students to thrive in the future of work, in particular, there is a lack of programs to support the development of future skills. At the same time, higher education institutions are becoming more important for organizations concerning the support of future skills development. Thus, higher education institutions need innovative approaches such as new learning environments to boost the existing curricula (Meyer-Guckel et al. 2019).

**Session description**

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| **Activity** | **Time allocation** |
| Introduction and current situation sketch | 20 minutes |
| Interactive discussions | 50 minutes |
| Wrap-up of key outcomes | 20 minutes |
| **Total time** | **90 minutes** |

This roundtable discussion includes three parts. After a short welcome, an introduction to the topic and purpose of the session will be given. A video will be included at the start of the roundtable discussion to set the stage for the discussion. Afterward, participants will be involved in a discussion to explore the topic in detail. In this part, in-event polling will be used to make it interactive and to come up with discussion points. Finally, a wrap-up will serve to summarize the key essentials.

During the session, the following questions will be explored: (1) Which future skills are most difficult to teach? (2) Which future skills are most fun/interesting to teach? (3) Which future skills are most necessary/valuable to teach? (4) How can higher education institutions help organizations to develop these future skills to prepare future leaders for coping with changing circumstances? The roundtable discussion is an opportunity for participants to engage with other participants in a lively discussion on leadership soft skills development. The goal of the roundtable discussion is to discuss the controversial topic of future skills needed in leadership education. Also, an important takeaway will be the network of people sharing similar challenges in leadership education and can share solutions implemented at their organizations and business schools. The speakers will help to develop a common understanding of future skills, and perhaps stimulate further work in these fields. Further content can be shared with participants to drive continuous improvements and exchange. The usage of additional tools, like Slido, helps to maintain higher interactivity with the audience during the session.

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