



Article

Labor Market Soft Skills in the Context of Digitalization of the Economy

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Abstract: Economies globally have relied on the difficulties of labor market operations. Their survival is based on their ability to adapt to the realities of current technological and digital requirements. The purpose of this study was to assess the future needs of the labor market for soft skills acquired by employees in the context of digitalization of the economy in facing modern attributes of labor market requirements using secondary data. The arguments advanced in this paper are premised on the notion that the digitalization of the economy leads to an increase in employers' need for employees to acquire soft skills. The study is grounded on the Goal-Setting Theory of Motivation, which presupposes that there is a critical link between the goals individuals or organizations set for themselves and their performance. The analysis of the selected studies revealed that soft skills are considered critical during job interviews and are becoming increasingly scarce. This study predicts a shortage of employees with soft skills, accompanied by an increase in employers' need for flexible skills. Additionally, this research recommends that discussions should consider the implications of digital technologies for personnel management and holistic measures to safeguard organizational wellbeing and protect the labor market economy through digitalization.



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1. Introduction

Organizations hire employees to fill emerging employment opportunities depending on the position's skill level. Heretofore, the emphasis has been on hard skills. Hard skills are usually technical in nature and easier to evaluate in a short period of time. Employee skill set requirements are changing as businesses face evolving market terrain. The new frontier is one in which technologies are rapidly progressing and shaping workplace change (Connell et al. 2014). The new frontier incorporates different groupings that can interact nationally and internationally with people from various cultures. Employees must be able to use interpersonal communication skills in order to collaborate with and understand coworkers. The composition of the workforce is also changing. There is a mix of people of various ages, including those who are approaching retirement (Bailey 2014). People of different nationalities and gender identities are included in the mix. As a result of generational shifts, there is a greater demand by organizations for employees with soft skills (Bailly and Lene 2013).

In business environments, the skillsets of personnel are critical to the performance of each business. The practice of developing human capital by each country, such as the knowledge and skills of personnel, is one of the most critical factors determining the long-term success of the national economy. In the context of digitalization of the economy, industries and individual professions are developing, and the tasks that employees perform at workplaces are rapidly evolving with rapid innovations introduced into the workplace. Thus, it is no longer enough for an employee to be comfortable with an academic qualification, as any knowledge and skills they obtain may become obsolete over time with

innovations (Schislyaeva et al. 2022). According to some estimates, the time to obsolescence of each skill that an employee acquires is five years. Every five years, the acquired skill is approximately half as valuable as at the time it was attained (Khalid and Naumova 2021a; Muangmee 2020).

According to Patel (2003), higher education graduates demand far more competence, in addition to curricular principles and skill, than is acknowledged in contemporary mainstream schools. The ‘desirable’ higher education degree holders would be able to integrate both hard and soft skills across disciplines. They would be imaginative and analytical thinkers, team players, self-advocates toward their personal development, and capable of facilitating learning in communities and group settings. They would have significant managerial skills and good communication skills. The majority of these ‘soft’ skills are not addressed in current school syllabi. Patel and colleagues highlight a relationship between competence and higher education towards the utilization of soft skills in the workplace. They suggest that employees with a higher education degree tend to be more competent than those without a higher education degree. They attribute this to the training on logic and analytical reasoning that higher education students undergo and these tend to enhance the adoption and implementation of soft skills in potential employees.

To keep skills up to date, employees need to regularly review their skillsets to improve on their skills to meet the changing demands of the business. So, the need for an employee to carry out lifelong learning is becoming more and more crucial for the sustenance of the firm. Skills, not titles or degrees, will in the future become employees’ “currency” in the labor market. Skills can be specific, flexible, manual, technical, digital, or human; they enable employees to meet the needs of employers regardless of occupational classifications. A skill set is a complex combination of work experience and formal learning outcomes used by an employee in the current workplace. Today, firms admit that flexible skills are as essential to them as, and sometimes even more important than, hard skills. The main problems with applying soft skills in the workplace are their immeasurability and difficulties with quantifying the skillset. To quantify and measure a skillset, it needs to be broken down and made specific to ascertain its applicability to enhancing productivity in the workplace.

Dell’Aquila et al. (2016) explored what is meant by the term “flexible skills” and how important they are for different actors in the labor market. Soft skills are essential for students as they are related to academic success and career development; they are critical for employees who need to communicate effectively with colleagues and clients; and they help management personnel to lead teams, carry out organizational tasks, and support the process of achieving the strategic goals of organizations (Khalid 2021). Soft skills refer to non-profession-specific competencies necessary for an employee’s success in the labor market. Soft skills, according to the authors, include both the ability to communicate and cooperate with others (interpersonal skills) and self-organization and discipline (intrapersonal skills) (Khalid and Naumova 2021b; Schenker-Wicki and Maiorano 2008).

Hazzan et al. (2020) studied the need for soft skills in the information technology industry. They point out the need for IT specialists to acquire additional skills supplementary to disciplinary and technical knowledge. Scholars (Ngoc 2019) also assessed the role of soft skills in Industry 4.0 by examining requirements for work skills in multinational corporations and technology environments. As a result, a set of flexible skills were synthesized that employees operating in the conditions of Industry 4.0 must possess. In addition, the article developed a scheme for integrating flexible skills training into the educational process of a university.

This article serves to fill a gap in the soft skill attributes of employers in the Russian labor market in the context of digitalization of the economy and facing modern attributes of labor market requirements. The paper is structured into an Introduction section, which provides some background on the relevance of soft skills in the labor market today, a Materials and Methods section, in which we present the relevant theory and literature and the methodology employed, a Results section, in which we present the results of our

analysis and a discussion, and a Conclusions section, in which we present the conclusions of the study. The research was guided by the following research questions:

1. What are the areas in which organizations need soft skills?
2. What are the most in-demand flexible skills among Russian employers?
3. What soft skills do Russian employees lack?
4. What approaches can be taken to address employees' lack of soft skills?

2. Materials and Methods

The problem of using soft skills and the needs of employers for employees to possess these skills have attracted the attention of domestic and foreign researchers. Table 1 shows the progress in the development of the scholarship on soft skills from prior studies (Doyle 2014; Kelly 2001; McLaughlin 1992; NCIHE 1997; Young and Chapman 2010). It shows that the parameters used to classify soft skills keep expanding as the number of studies increases and now incorporate more IT-related skills. These will keep growing with development and innovation and the need for a workforce that maintains and further develops these innovations.

Table 1. Soft skills as progressively identified by previous scholars.

McLaughlin (1992)	NCIHE (1997)	Kelly (2001)	Young and Chapman (2010)	Doyle (2014)
Communication Skills	Communication Skills	Communication Skills	Communication Skills	Communication Skills
Problem Solving Skills	Teamwork Skills	Numerical Reasoning Skills	Critical Thinking Skills	Networking
Managing Information Skills	Problem Solving Skills	Problem Solving Skills	Teamwork Skills	Business Etiquette
Responsibility	Life-Long Learning Skills	Information Management Skills	Life-Long Learning Skills	Anger Management
Adaptability Skills	Good Manners Skills	Self-Management Skill	Ethics and Moral Skills	Teamwork Skills
Life-Long Learning Skills	Listening Skills	Social Skill	Interpersonal Skills	Interviewing Skills
Teamwork Skills	Sense of Humor	Teamwork Skill	Negotiation Skills	Emotional Intelligence
Integrity Skill	Resilience Skill	Study Skill	Decision-Making Skills	Negotiation Skills
Self-Control Skill		Positivity Skill	Leadership Skills	Problem Solving Skills
Trustworthiness		Self-Awareness Skill	Self Confidence Skills	Creative Thinking Skills
		Forgiveness skill	Professionalism Skill	Telephone Etiquette
			Self-Management Skill	Time Management Skills
			Understanding Work Culture	Patience Skills
			Planning and Organizing Skills	Sense of Humor

This study hinges on the Goal-Setting Theory of Motivation. This theory stresses the critical link between the goals individuals or organizations set and their performance. Prior studies have demonstrated more effective implementation when explicit and challenging goals are set (Bandura 1986; DuBrin 2012; Gibb 2014; Herzberg 2009; Khalid and Kot 2021; Latham 2003; Locke and Latham 2002; Lunenburg 2011; Ndinojuo et al. 2016; Skinner 1979; Vroom 1994).

This is especially so when applied in evaluating performance through feedback, creating a commitment and, ultimately, wider acceptance. Mediating factors such as self-efficacy and ability may impact the emotional effect of goals. Deadlines improve the effectiveness of goals as groups and individuals work towards achieving the target objective. A learning orientation leads to higher productivity than a performance goal orientation, and setting group goals is just as important as setting individual goals (DuBrin 2012; Locke and Latham 2002; Lunenburg 2011). Goals have an impact on the behavior of employees and their performance in the management of organizations (Locke and Latham 2002). This entails that goals serve as stimulants that help keep employees and organizations focused on the main organizational objective, and leaves the organization and its employees to identify the skillsets required to achieve those goals. Once the skillsets have been identified, the organization ensures that employees continually improve their skillsets towards optimum productivity. The work by Lunenburg (2011) highlights that it is normal for most modern firms to have some form of goal setting embedded in their operations. The author explains that the development of specific goals is aided by programs such as Management Information Systems (MISs), High-Performance Work Practices (HPWPs), Management By Objectives (MBO), benchmarking, and stretch targets in addition to strategic planning and systems thinking.

Furthermore, goal setting is of fundamental relevance to most theories of work motivation. These could be Vroom's postulates on VIE theory (Vroom 1994), Herzberg's motivation theories (Herzberg 2009), the Social Cognitive Theory by Bandura (Bandura 1986), or the operant-based behaviorism advanced by Skinner (Skinner 1979). Managerial executives broadly believe that goal setting has been applied in the organizational setting to improve and sustain performance in order to achieve corporate sustainability (DuBrin 2012). Based on hundreds of studies, the central finding on goal setting is that individuals who are provided with specific and challenging but attainable goals perform better than those given accessible and nonspecific goals or no goals at all. At the same time, however, individuals must have sufficient ability, accept the plans, and receive feedback related to their performance (Latham 2003). Here, a key component of goals is their measurability. The outcome of what is to be achieved is scalable, and once it has been achieved, the objective becomes the repetition of the process in the pursuit of sustainability and enhancing the capabilities to optimize productivity by incorporating soft skills.

Employees who consider soft skills essential for achieving set organizational goals always consider soft skills during recruitment, including for technical positions. Thus, under certain specific circumstances, goal setting is an effective way to motivate employees (Doyle 2014; Kelly 2001; McLaughlin 1992; NCIE 1997; Young and Chapman 2010), as being motivated to achieve individual and organizational goals is a unique soft skill itself. The work of DuBrin (2012) outlines practical guidelines that supervisors should consider implementing in order to enhance goal-setting objectives. It mentions that goals need to be specific; plans must be accepted; goals must be attained; feedback must be provided on the attainment of goals; goals are more effective when employed to assess performance; deadlines are crucial in improving the effectiveness of plans; a learning goal orientation produces better results than a performance goal orientation; and goal-setting in groups is just as important as goal-setting in individuals. Soft skills become essential in attaining specific goals, and skills such as communication, adaptability, teamwork, resilience, a sense of humor, positivity, negotiation capacity, and leadership become vital to achieving target goals whether on an individual or group level.

Traditionally, the technical skills of employees, also known as hard skills, have been the only skills that employees require for successful employment. However, in the current conditions, the technical skills of employees are insufficient for companies to have qualified personnel capable of effectively performing operational tasks and optimally achieving the company's strategic goals. Hard skills are the totality of an employee's technical competencies and the technical knowledge that the employee possesses. In turn, by soft skills, we mean such personal qualities and skills of an employee that are not technical

competencies but characterize the employee's ability to perform labor functions. An employee's hard skills include skills obtained from various fields of scientific knowledge that the employee needs to perform work tasks. Hard skills are the specific abilities an employee has that were developed due to formal training. Such skills include reading, writing, arithmetic operations, and the skill of using various programs. An employee's hard skills can be defined and quantified (Boyle and Robinson 2013). In addition, the hard skills of an employee are characterized by such formal markers as the employee's level of education, work experience, and permission to perform certain labor operations.

An employee's hard skills represent the technical and analytical knowledge that an employee possesses. These competencies, if available, allow an employee to recognize an emerging problem in the process of work and develop a solution to this problem (Boyle and Robinson 2013). In addition, it should be noted that the hard skills of an employee are subject to constant changes in the current conditions due to scientific and technological progress. Technological and economic trends, including globalization and digitalization of the economy, indicate that the relevant scientific knowledge in many areas of modern science is changing rapidly. As a result, almost 50% of the subject knowledge acquired by students at the beginning of a four-year period of study in various technical specialties is outdated by the time the study period ends (Rasli et al. 2020). Thus, during the training of students, we focus only on the development of the necessary hard skills. As a result, a significant portion of the subject knowledge that employees need will become obsolete and lose its value in a short period of time. Unlike hard skills, employees' soft skills are more mobile and flexible; they develop in line with the requirements arising in the workplace and therefore are less susceptible to changes due to technological progress.

The transition from the industrial paradigm of economic development to the information society and the knowledge economy means that a large number of employers in the current conditions are interested in such skills of employees as honesty, the ability to communicate effectively, the ability to make decisions, and the ability to learn (Edwards and Martin 2019; Chaveesuk et al. 2019). Authors define the term "soft skills" as a complex of desirable qualities of an employee for specific positions and forms of employment that do not depend on acquired knowledge (Riessen et al. 2020). In other words, the soft skills an employee possesses today do not depend on scientific knowledge and are not technical skills. Flexible skills define a person as a leader, a negotiator, an effective communicator, etc. Today, an employee's possession of soft skills is just as important a criterion for an employer in the process of personnel selection as the compliance of the employee's hard skills with the standard qualification requirements demanded by the employer (Nghia 2019; Barykin et al. 2021a, 2021b, 2021c, 2021d, 2021e; Shmatko et al. 2021; Yadykin et al. 2021).

Different researchers distinguish different types of flexible skills and differentiate them into classes. Hazlett (2017) identifies thirty-five main types of flexible skills of employees, which, in turn, are divided into three large classes. The first class of flexible skills includes employees' cognitive and physical abilities. For example, this class consists of the creativity of employees, the capacity of employees to visualize, the ability of employees to present appropriate logical arguments, and the ability of employees to reason. Such skills can be inherent in an employee from birth, and their availability is associated with innate psychological characteristics. The second class of flexible skills includes the so-called basic skills. This class consists of the ability of employees to navigate information, the ability of employees to listen to the interlocutor, the ability of employees to critically perceive information and reality, and the ability of employees to analyze their behavior and other people's actions (Silaban and Silalahi 2020).

The third class of flexible skills includes cross-functional skills of employees that a person can independently develop on purpose by themselves or obtain along with professional experience. These skills include the social skills of employees (communication skills, emotional intelligence, and the ability of employees to persuade), skills in solving various complex problems, and systemic skills of employees (for example, the ability to make managerial decisions and the ability to approach the process of analysis systematically). Other

skills considered include technical skills and skills in managing various types of resources (e.g., financial resources, material resources, human resources, and time resources). [Silaban and Silalahi \(2020\)](#) identify the critical flexible skills that will be in demand by 2025; they are presented in Figure 1. It can be seen that most of these skills are cross-functional, that is, available for purposeful self-development.

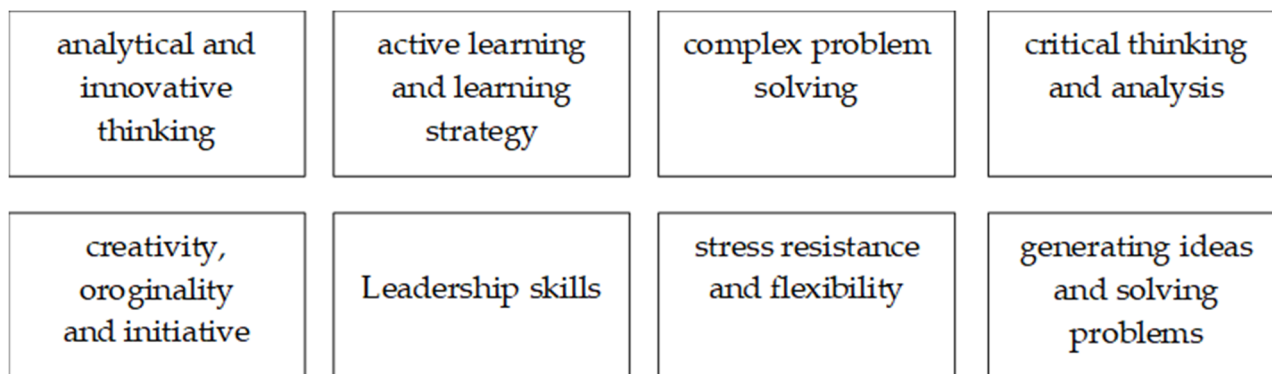


Figure 1. The soft skills that will be most in demand in 2025. Source: the authors based on data from ([Doyle 2014](#); [Kelly 2001](#); [McLaughlin 1992](#); [NCIHE 1997](#); [Silaban and Silalahi 2020](#); [Young and Chapman 2010](#)).

This research study was founded on a multiple-case-study review design. In this study, we focused on the findings from studies on soft skills and their effects on the modern workforce. Such studies interpret data and attempt to highlight variable relationships based on the results of the research findings. This research evaluated the findings from previously published scholarly articles and contextualized the relevance of soft skills to optimizing set objectives in the framework of the digitalization of the economy. Results from studies on the skillset requirements of Russian employers are reviewed in order to achieve a sustainable model of commerce and meet the digital needs of doing business in a world that has migrated towards the global village concept. Communicating and maintaining relationships with the organization's stakeholders require specific soft skills and the innovation of new models that keep the individual or organization ahead of or in line with the competition. Our goal was to learn about the effectiveness of soft skills and how employers consider them when making hiring decisions as well as improving the skills of the labor force as they seek to attain sustainability.

3. Results

Today, employers' need for employees to have flexible skills is directly related to the automation of production processes and the digitalization of the economy. Flexible skills are essential for employees to perform various work tasks in new areas of activity effectively. In particular, HR specialists name several areas of activity distinguished by a high level of digitalization of work processes. The availability of soft skills among employees will be a priority over the next five years. These areas of activity are highlighted in Figure 2.

In addition to these areas of activity, which are characterized by a high level of digitalization of labor processes, employers in other spheres of the economy are also interested in the availability of specific soft skills of employees. Employers' need for various soft skills of employees is proliferating. Specifically, according to an assessment by Deloitte, occupations that require employees to have some flexible skills account for 52% of all workplaces ([Deloitte 2019](#)). We present the forecast for soft skills in the workplace in Figure 3.

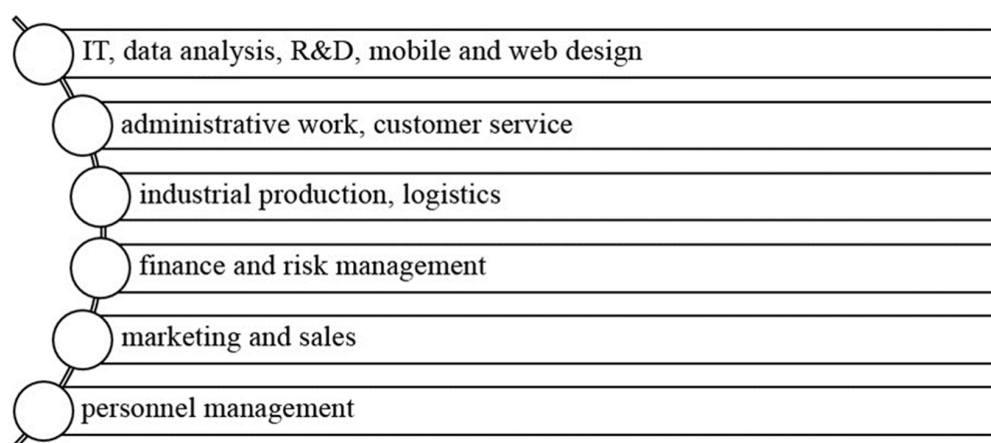


Figure 2. Areas of activity most sensitive to the availability of soft skills. Source: the authors based on data from (Kyllonen 2013).

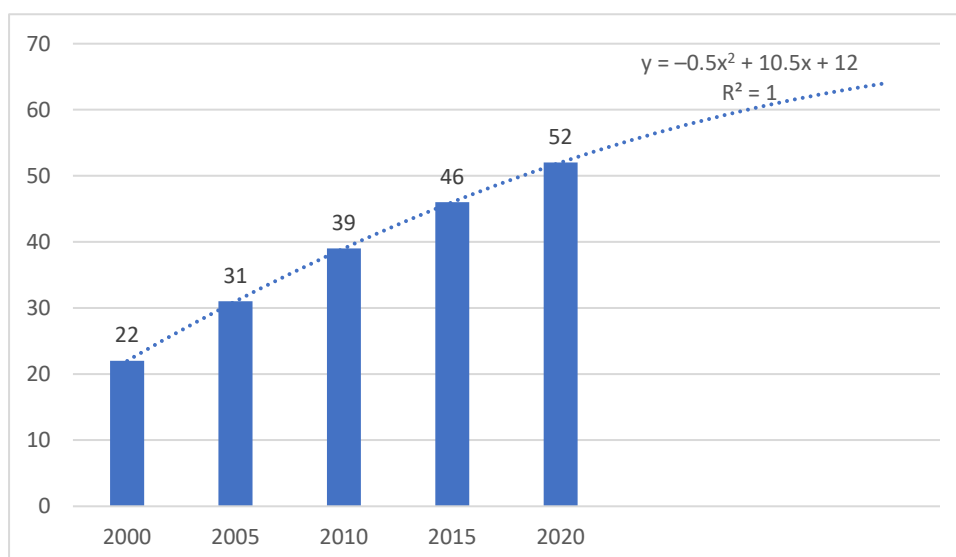


Figure 3. The forecast of the need for soft skills in the workplace. Source: the authors based on data from (Rasli et al. 2020).

In 2000, 22% of all workplaces required soft skills. By 2005, the proportion of workplaces requiring flexible skills had increased to 31%. In 2010, 39% of all workplaces were characterized by the requirement for employees to have adaptable skills. In 2015, 46% of all workplaces required employees to have soft skills. Finally, by 2020, the share of workplaces requiring employees to have soft skills reached 52% (Deloitte 2019). Based on these indicators, it is possible to predict the need for employees to have flexible skills. When studying the dynamics of this category, the highest rate of determination was recorded for a polynomial function. The equations are presented below:

$$Y = -0.5 \times x^2 + 10.5 \times x + 12 \quad (1)$$

$$R^2 = 1 \quad (2)$$

Thus, it is possible to establish predictive indicators of labor market demand for the availability of soft skills in employees. In particular, by 2025, 56% of workplaces can be expected to require employees to have soft skills. In 2030, 61% of workplaces can be expected to require employees to have soft skills. Finally, in 2035, 64% of workplaces can be expected to require employees to have soft skills. It should be noted that employers'

need for employees to have certain types of soft skills is differentiated depending on the specifics of the national economy (and the involvement of the national economy in the global economy). For example, during the coronavirus pandemic in 2020, when employees were working remotely, employers around the world (that is, according to the average global estimate) needed employees with such flexible skills as creativity, the ability to work independently with little or no supervision, the ability to persuade and cooperate in teams, the ability to adapt, and a high level of emotional intelligence. At the same time, the needs of Russian employers for flexible skills of employees were slightly different.

The following flexible skills were most in demand by Russian employers in 2020: the ability of an employee to learn, the ability of an employee to coordinate, the power of an employee to negotiate, the ability of an employee to transfer knowledge to colleagues, a high level of information literacy, the ability of an employee to focus on a customer, the ability of an employee to communicate effectively, the ability of an employee to solve complex tasks, functional literacy, and advanced time management skills (Karas 2021). This aligns with the Goal-Setting Theory discussed in (Latham 2003), in which soft skills are critical to attaining individual and group goals. The NAFI Research Centre assessed the needs of Russian employers for employees to have flexible skills (NAFI Research Centre 2018). Figure 4 shows the flexible skills that, according to the surveyed employers, are lacking in Russian employees.

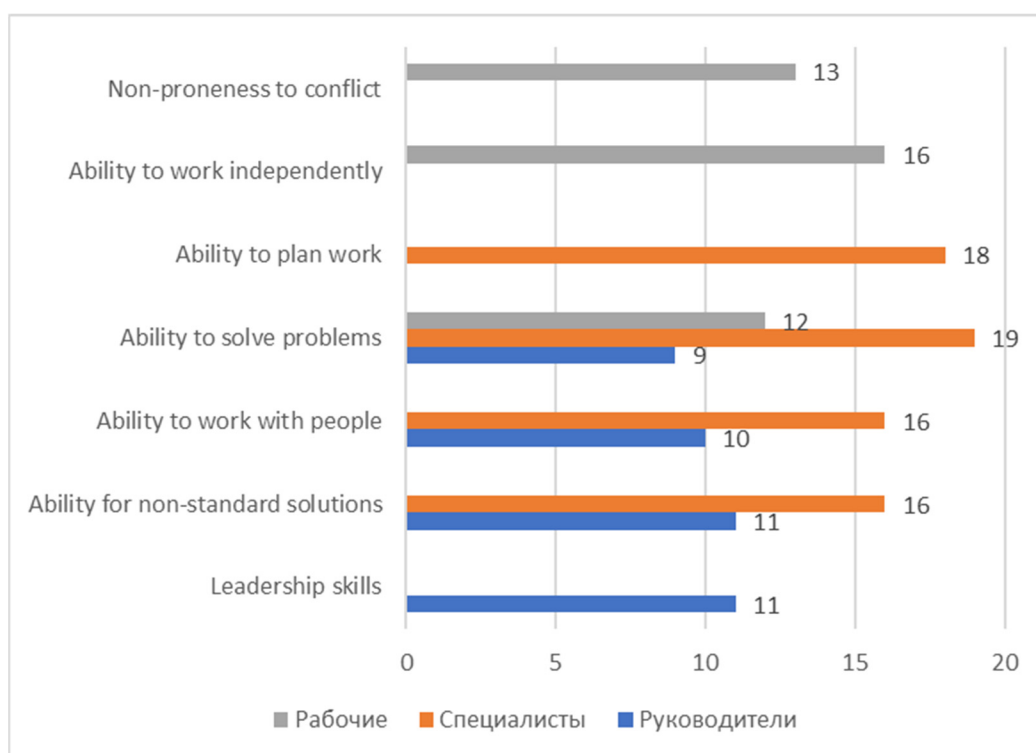


Figure 4. Skills that Russian employees lack. Source: the authors based on data from Nghia (2019).

According to Nghia (2019), 13% of the surveyed employers stated that workers lack the skill to not be prone to conflict. Additionally, 16% of the surveyed employers noted that workers lack such skills as the ability to work independently. In addition, 12% of the surveyed employers believed that workers cannot solve problems. According to 18% of the surveyed employers, specialists cannot plan their work. Moreover, 19% of the surveyed employers believed that specialists cannot solve problems, and 16% of the surveyed employers believed that specialists lack such skills as the ability to work with people. Finally, 16% of the surveyed employers believed that specialists cannot develop non-standard solutions.

According to 9% of the surveyed employers, managers cannot solve problems. In addition, 10% of the surveyed employers believed that managers cannot work with people. According to 11% of the surveyed employers, managers cannot develop non-standard solutions and lack leadership capabilities. These deficiencies can affect the ability of the organization to meet its goals. The managers in this instance should follow the recommendations of (DuBrin 2012) in order to motivate their employees in accordance with the postulates of the Goal-Setting Theory, in which soft skills are regarded as being important to attaining specific goals, by deploying skills such as effective communication, adaptability, teamwork, resilience, a sense of humor, positivity, the ability to negotiate, and leadership.

According to Russian employers, the most significant deficit in soft skills can be observed among specialists; managers have already developed flexible skills to a greater extent than other categories of workers, and the requirements for flexible skills among workers are lower than those of other categories of personnel. Given the growing need for employees to have flexible skills, the global and national labor markets are likely to face a significant shortage of employees with soft skills over the next decade. Most developed countries are investing heavily in improving the workforce's qualifications within the formal education system and, therefore, in developing the hard skills of the workforce. However, national education systems are less focused on developing soft skills.

The problem of personnel lacking the soft skills required by employers can be solved in various ways, such as by hiring personnel with the necessary skills and by training and developing the flexible skills of current personnel. Each approach has its advantages and disadvantages. Recruiting employees who have already demonstrated flexible skills entails that enterprises can be confident of hiring people with the right skills and meeting their specific needs for soft skills more quickly. However, it can be costly; employees with developed flexible skills are already valued more highly in the labor market than workers who have not developed flexible skills. Besides, the right set of flexible skills is not the only factor determining a new employee's success. In the long term, the cost of replacing an unsuccessful employee can be two and a half times their salary.

On the other hand, training current personnel can allow enterprises to develop practical skills for a specific purpose. It can also have additional benefits, such as increased personnel engagement. However, it may take time to implement the training program and the training process itself. This could involve a range of direct and indirect costs, and the development of flexible skills is not guaranteed. Figure 5 shows ways to solve the problem of employees lacking the soft skills necessary for employers in the United States and Europe.

Among European employers, 45% intend to address the lack of flexible skills by retraining employees, 7% intend to address the lack of flexible skills among personnel by hiring new employees, and 49% intend to combine the retraining of current personnel with the hiring of new employees.

Employers in the United States intend to address the lack of flexible skills among their personnel primarily through a combination of retraining and hiring new employees—35% of employers chose this option. Recruiting new employees with the necessary skills is the second most popular option among U.S. employers—30% of employers chose this option. Finally, 25% of U.S. employers intend to address the lack of flexible skills by retraining their employees.

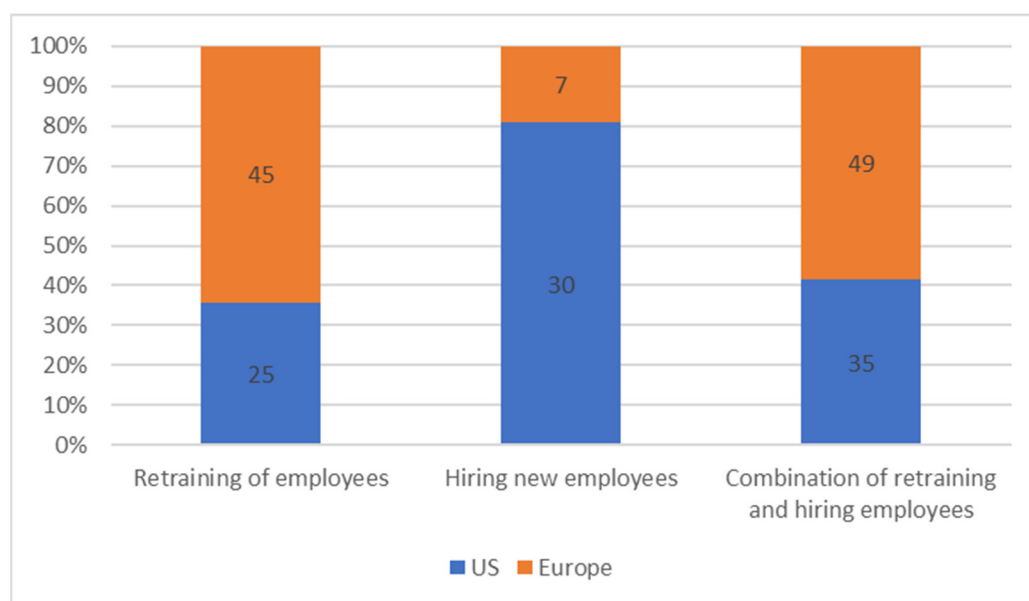


Figure 5. Prospective ways to address the problem of employees lacking skills. Source: the authors based on data from [Edwards and Martin \(2019\)](#).

4. Discussion

Most research on the impact of flexible workforce skills on business outcomes focuses on the qualitative business value of adaptable skills. However, there has been a paradigm shift with other researchers beginning to quantify the financial value of training human resources for businesses. For example, in a Deloitte study, employees were provided with 80 h of training to improve their time management, effective communication, problem-solving, and financial literacy skills. The study showed that this flexible skills training increased productivity by 20% and provided enterprises with 258% of the net profit from such activity eight months after the program ended ([Kyllonen 2013](#)). Likewise, a study on leadership and communication skills training programs for the employees of a large retailer found significant positive effects on store performance and at the individual level; in particular, increased total sales and an increase in the number of transactions ([Deloitte 2019](#)), and on ensuring that the required soft skills that help employees attain target goals are encouraged ([NAFI Research Centre 2018](#)). [Lunenburg \(2011\)](#) discussed the integral role that an organization's use of goal-setting plays in their operations and incorporated programs such as a Management Information System (MIS) and High-Performance Work Practices (HPWPs) amongst other impactful programs to determine whether goals were achieved.

Of course, an increase in labor productivity and business profits to such an extent is not guaranteed for every company that trains employees and develops their soft skills. Training outcomes depend on several factors, such as employees' level of engagement, the training structure, and the relevance of training ([Barykin et al. 2021a, 2021b, 2021c, 2021d, 2021e](#)). For example, a strength-based approach advocates for focusing on employees' strengths and believes that this can yield better results than eliminating employees' weaknesses. However, it is also possible that flexible skills training programs are more likely to work for those who have less of a need for them. For example, people with higher emotional intelligence may be better equipped to receive constructive feedback, and active listeners may be better able to take in lessons from a curriculum.

In terms of individuals and organizations achieving set goals, eliminating (or minimizing) weaknesses plays a key role in employee performance. [DuBrin \(2012\)](#) found that organizational executives believe that goal-setting needs to be adopted within the workplace if the organization is to reach and then maintain optimum performance levels. It is important that the set goals are measurable and scalable, as applying soft skills helps

in solving specific organizational problems. Organizations can assess and review the results of an application of soft skills based on the discernible results of the work-related activity. Ultimately, given that the lack of flexible skills is already a significant barrier to organizations achieving set goals, the focus should be placed on developing flexible skills in the workforce, which, according to DuBrin in his postulations on goal-setting, have to be specific and accepted, and feedback on the attainment of the goals can ensure the sustainability of the organization. In addition to benefits for employees or businesses, this can contribute to the development of the national economy.

So, for example, the report by Deloitte indicates that upgrading the skills of and developing flexible skills in the workforce could lead to an annual increase in the Australian GDP of 36 billion AUD by 2030 (Deloitte 2019) and ensure that the required soft skills that help employees attain target goals are encouraged (NAFI Research Centre 2018). This trend can be extrapolated to other national economies. It can be concluded that the demand of the labor market and employers for various soft skills of employees is rapidly increasing due to the digitalization of the economy. According to the data from an analytical survey conducted in 2019 by AIM, programs for developing soft skills among employees were the third most in-demand corporate EdTech products in the Moscow distance education market (EDTECH 2019). The PwC consulting agency, together with Oculus for Business and Talespin, explored the possibilities of using virtual reality technologies for teaching and developing soft skills (Likens and Eckert 2020). Based on the results of this study, the following conclusions can be drawn.

First, VR technology allows us to accelerate the training and development of soft skills by four times compared with the face-to-face training of employees. Second, training employees using VR technology will enable employees to feel more confident when applying the flexible skills they have acquired in real life. Third, VR content can increase the current level of employees' engagement with the learning process. Moreover, employees who learn with VR technology are more focused on learning. Fourth, VR training is more cost-effective than face-to-face training if enough employees are involved. A set of the most suitable training formats for developing soft skills among employees can be identified. Webinars can attract experts with different skill levels from different countries to train personnel. The organization of work in a group webinar will allow employees to develop the communication skills to conduct negotiations, perform public speaking, and pitch ideas. AI assistants, such as training chatbots and voice training bots, can improve employees' communication skills, help them develop empathy, and increase their emotional intelligence. With VR technology, learners can find themselves in situations where they can practice the flexible skills they have obtained by learning.

In comparing European and U.S. employers, we can deduce from Figure 5 (Edwards and Martin 2019) that Europeans tend to prefer upgrading the skills of their workforce through retraining. It is easier for employees without soft skills to obtain a job and receive training in the soft skills that are required to enhance their performance and achieve personal and organizational goals. Compared with employers in the United States, there is more emphasis on hiring employees because of their soft skills. We can deduce that there is more competition for jobs in the United States than in Europe, hence the higher entry qualification requirements. Another deduction may be that there is more emphasis on organizational profits and companies may decide to allocate fewer resources to retraining employees by employing staff with soft skills that align with the organizational goals. European employers may, however, be more concerned about the sustainability of the project of training and retraining employees in the use of soft skills.

Authors suggest that a discussion should be held about the implementation of digital technologies in developing soft skills in the labor market, taking into account the implications of digital technologies for personnel management (Chaveesuk et al. 2020). Despite these limitations, the results indicate that the successful design and implementation of flexible skills training programs could provide financial benefits to employees in their personnel development.

5. Conclusions

To develop a plan for training employees in the use of flexible skills, it is prudent to assess each employee's current level of soft skills development and set one specific goal at a time. While there may be long-term objectives, other smaller goals can be set such that attaining each goal brings one closer towards the long-term goal. The development of employees' soft skills can be assessed using tools such as the English MindTools Test or the Russian K-AMPUS Test. After the gaps in employees' soft skills have been identified, it is necessary to select the required materials, formats, and training methods to map out a training path to the development of soft skills for each employee. The training program should be divided into blocks according to the particular flexible skills to be developed and the level of difficulty for employees. Such an approach to the development of soft skills will provide employees with a comfortable and convenient learning process. Therefore, it will be possible to maintain an optimal balance between work and life and achieve maximum results in the development of flexible skills.

The following fundamental aspects determine the planning algorithm for developing employees' soft skills. First, it is necessary to decide on the flexible skills that should be developed towards a specific goal, i.e., the skills the company requires its employees to have in order to achieve its strategic objectives in the current conditions. Second, it is necessary to determine which flexible skills should be developed, i.e., to identify which flexible skills are lacking among employees and to select those soft skills that require development. Third, it is necessary to determine how the flexible skills of employees should be developed, i.e., to choose the soft skills development tools that correspond to the characteristics of the company and the soft skills that the employees are to develop. Fourth, it is necessary to determine who will develop the flexible skills of employees, e.g., staff from the company that possess these skills or third-party coaches.

Previously, face-to-face training was believed to be optimal for developing the flexible skills of the company's employees. However, modern practice shows that online soft skills development is no less effective than face-to-face training. It is expected that there will soon be an increase in requests from employers for corporate training of employees in the use of flexible skills in a distance-learning format. There are already many different digital platforms and tools available for the self-training of employees. Employees can freely choose the training programs they like most on these platforms. At the same time, the independent choices of employees may not always fully—or even partially—coincide with the company's current interests. Hence, among the many existing training tools and educational resources, a company needs to choose training tools that meet their current business needs and will also be relevant to the state of the economic sector in the future. This can be achieved by adopting the Goal-Setting Theory of Motivation.

Flexible skills or soft skills are the qualities of an employee that characterize their work activity and do not depend on technical skills acquired as a result of formal training. They include social skills (such as teamwork and receiving and providing feedback), cognitive skills (such as considering different levels of abstraction), and organizational skills. Most developed countries are investing heavily in improving the workforce's qualifications within the formal education system and, therefore, in developing the hard skills of the workforce. However, national education systems are less focused on developing soft skills. Today, there is a significant shortage of employees with soft skills, which will only increase with employers' growing need for flexible skills. This is a problem not only for employees but also for businesses. There are two main ways to develop the necessary flexible skills of personnel: training personnel and hiring personnel to achieve set goals that are specific and measurable. That is, enterprises can either train current employees in the skills they need or hire people who already have them. The lack of a method for the consistent measurement of soft skills makes it challenging to objectively assess employees' skills. Certification of soft skills could be one way to address this problem at the organizational level. A lack of soft skills is also one of the reasons why organizations have been unable to meet their goals.

It is left for the organization to provide the motivation that will inspire employees to attain organizational goals.

One of the shortcomings of this study is the non-application of secondary data in understanding the relevance of soft skills in the Russian workplace, which would highlight the influence of demographic data on assessments of the influence of soft skills on employer and employee decisions and how they interact with each other. Future studies should specifically use primary data to understand this dynamic in order to fully comprehend how soft skills function and the direct role that they play in the workplace and in goal attainment for both individuals and organizations.

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