

AI-Driven Skills Taxonomy Checklist:

An Evidence-Based Guide

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A well-defined skills taxonomy, or framework, helps organizations standardize skill definitions, align talent with opportunities and drive workforce transformation. Developing a skills taxonomy using generative AI tools like SkillsGPT or WorkforceGPT requires a structured, evidence-based approach for effective implementation. Here are best practices to support your organization's skills transformation journey.

Best Practice	Example
<div data-bbox="107 558 159 611">✓</div> <p>Begin with a Proof of Concept (POC) or Pilot</p> <p>Test AI's ability to assess and map skills by focusing on a core skillset, allowing for adjustments before expanding to additional skill categories</p>	<p>In <u>Johnson & Johnson's</u> partnership with IBM, a pilot project focused on a specific skillset enabled them to make critical adjustments before deploying their MySkills platform on a larger scale. A <u>proof of concept</u> determines data needs, assesses AI readiness and identifies initial gaps ensuring a smoother expansion</p>
<div data-bbox="107 791 159 844">✓</div> <p>Analyze Market Data and Validated Skills Frameworks</p> <p>Identify relevant, in-demand skills using validated databases and frameworks such as <u>O*Net</u> and the Standard Occupational Classification (<u>SOC</u>) System</p>	<p>The <u>Department of Labor's O*Net</u> covers over 900 occupations mapped to the Standard Occupational Classification (SOC) system and is built on data from statistically valid samples of workers, ensuring precise skill identification for various roles</p>
<div data-bbox="107 1024 159 1077">✓</div> <p>Implement a Dynamic Model for Continuous Updates</p> <p>Ensure your taxonomy evolves with new technologies, emerging roles, and evolving skill requirements, helping the organization remain adaptable and responsive to future demands</p>	<p>IBM and Amazon utilize AI-driven, dynamic skills taxonomies as part of their talent strategies. IBM offers <u>personalized learning paths</u> to stay aligned with emerging technologies, while Amazon fosters continuous learning and skill development to enhance <u>employee agility and mobility</u></p>
<div data-bbox="107 1257 159 1310">✓</div> <p>Tailor the Skills Taxonomy to Your Organization's Context</p> <p>Ensure relevance by customizing the taxonomy to reflect the specific needs and nuances of your organization or industry</p>	<p><u>Research</u> has shown that taxonomies tailored to organizational needs are more sustainable and reflective of ongoing market shifts</p>
<div data-bbox="107 1491 159 1543">✓</div> <p>Involve Human Subject Matter Experts</p> <p>Use human expertise to validate AI-generated taxonomies, checking for accuracy, context, and potential biases in AI outputs</p>	<p>Studies show that human intervention is critical to <u>mitigate errors and biases in AI systems</u>. As AI becomes central to HR systems and workforce planning, the need for <u>human AI collaboration</u> remains paramount.</p>
<div data-bbox="107 1724 159 1776">✓</div> <p>Capture a Comprehensive Range of Skills</p> <p>Build a taxonomy that includes both technical (core and adjacent) and durable (soft) skills, creating a holistic picture of role requirements and facilitating better talent matching and career development</p>	<p><u>Research</u> shows that organizations that map a broad spectrum of skills gain a competitive edge by adapting quickly to shifting demands, as shown in workforce studies</p>

Best Practice		Example
✓	Align the Skills Taxonomy with Development Initiatives Use the taxonomy to guide learning and development programs, mapping identified skills to targeted upskilling and career paths. This alignment clarifies growth opportunities for employees and supports effective reskilling	Research highlights that aligning taxonomies with <u>learning initiatives</u> improves skills gap resolution by linking employee development directly to skill demands
✓	Recredential Job Descriptions for Skills-Based Hiring Shift from traditional degree requirements to skills-focused job descriptions, increasing inclusivity and better matching candidates to roles	<u>OneTen's research</u> indicates that skills-first job descriptions outperform traditional, degree-focused descriptions by improving candidate understanding of qualifications, application likelihood, and perceived fit
✓	Set Ethical Guidelines and Ensure AI Transparency Establish clear ethical guidelines to ensure transparent, fair, and trustworthy AI outputs	Johnson & Johnson introduced AI ethics guidelines for their MySkills platform and <u>transparency measures</u> to build trust and foster buy-in while allowing employees to opt-out or challenge skill inferences

This checklist provides a comprehensive, evidence-based guide for implementing an AI-driven skills taxonomy. Ultimately, combining AI technology with human oversight is essential in enabling organizations to develop a future-ready, skills-first workforce that is both adaptable and responsive to evolving market demands. For more detailed findings, read OneTens Research Snapshot: Skills-First Transformation: Building a Skills Taxonomy Leveraging AI.

At OneTen, we're driving a skills-first movement to unlock career opportunities for talent without four-year degrees.

We create skills-first strategies and solutions that help companies build – and retain – a winning workforce. To learn more, visit:

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