

Key to Productivity and Business Agility:

Leveraging Data on Frontline Workforce Skills



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Executive Summary

Shifting global operations, competitive pressures, and macroeconomic variables have intensified the need to obtain precise skills data on frontline workforce capabilities and utilize it to increase worker productivity, business agility, and resilience. Strategic insights gained from the data can empower business leaders to drive effective workforce planning, compensation alignment, retention, and labor market responsiveness.

While frontline workforce skills data carries significant business potential, results do not come easily. The common barriers many organizations face involve capturing and maintaining the data, then properly leveraging it.

Working in tandem, Kahuna Workforce Solutions and Mercer® overcome these barriers by enabling a fit-for-purpose technology platform and a cohesive strategy around managing and leveraging frontline workforce skills data. The two companies help organizations realize the significant

business value of viewing the workforce as a whole while reskilling and upskilling, improving retention, redesigning and optimizing job roles, and much more.

This white paper offers a deep understanding of the challenges and dramatic benefits involved in tapping into frontline workforce skills data for the success of an enterprise and its workers:

- Why efforts to improve business agility must not overlook the front line
- The value of focusing on skills and utilizing frontline workforce skills data
- Prerequisites for effective skills-based technology systems
- Kahuna's ability to obtain, maintain, and leverage operational-level data
- Mercer's role in delivering data-driven strategic insights for HR and business leaders
- Practical use cases involving reskilling and upskilling, adaptability, and job optimization



Importance of the Frontline Workforce

To overcome the challenges of improving productivity and business agility in a changing world, an organization must concentrate on the portion of the workforce most needed to operate the business. For many companies, these are the frontline workers.

Frontline workers are the boots-on-the-ground employees performing the work essential to business operations. Workers on the front line differ from other workers in significant ways:

- **Direct connection to profitability:** Business agility and resilience often rely on the contributions of frontline workers. Frontline workforce productivity is directly linked to profitability in a way that the productivity of workers in supporting functions such as finance, marketing, and HR is not. They build the products, run the machines, treat the patients, stock the shelves, and deliver the service. Any disruption in their performance—due to skill gaps, absences or communication breakdowns—directly affects profits and revenue.
- **Need to master unique and complex skill sets:** Frontline workers typically have highly specialized skillsets and certification requirements. As a result, evaluating worker capabilities for upskilling, reskilling, and job optimization requires a more detailed and meticulous approach since the required skills are harder to generalize. For example, repairing a defect on a high-volume assembly line calls for unique technical skills involving intricate components. This is in contrast to IT skills, which are typically generalizable across platforms for activities such as programming in Java® or managing AWSSM infrastructure.
- **"Deskless" work environment:** Unlike knowledge workers who typically perform their jobs in front of a PC, deskless workers are disconnected. This limits their ability to easily access standard digital tools like intranets, HR systems, and training portals. As a result, critical updates about equipment changes, safety procedures, and production targets can be delayed or missed entirely. To support frontline workers effectively, companies need systems designed specifically for deskless environments. These systems should deliver just-in-time information, enable mobile access, and prioritize skill visibility on the floor.



Why a Skills Focus is Crucial: Disruptions, Risks, and Dangerous Errors

Frontline worker capabilities can be loosely compared to goods in a supply chain. Just as a parts shortage can constrain supply and delay production, a skills shortage can diminish quality, increase the burden on other team members, and disrupt operations.

Furthermore, frontline workers across industries frequently handle complex, risk-laden processes. Low competency on the job can carry serious safety, health, and environmental implications.

"The core operational skills of workers in settings like hospitals, manufacturing and energy services are essential, not just to the organization, but to the stability and safety of our economy. Now is the time to get deep visibility into the functional and technical skills of your enterprise, so that you are equipped with a resilient, flexible workforce that can meet the rapidly changing demands of the market, today and into the future."

Josh Bersin, Operational Skills Management: An Essential Business Imperative¹



Frontline Workforce Skills Data: Pivotal to Success

The ability to track and leverage frontline workforce data—including knowledge, skills, and abilities (KSAs) as well as experiences—impacts a wide range of business functions involving both operations and HR. From development, forecasting, and scheduling to compensation alignment, workforce planning, and labor market responsiveness, accurate workforce skills data is a powerful driver for success when properly captured, maintained, and utilized.

Skills data also benefits the business by providing workers with greater transparency into job expectations, skill requirements, and the expected skill development plan. These items collectively lessen the degree to which a worker might become overwhelmed and quit. The company in turn lowers turnover and saves the cost of replacement associated with a new hire.

In addition, skills data supports workers' engagement. Employees are motivated when they can see a viable career path and the skills they need, then start working to sharpen them. As a worker identifies new capabilities and job roles and levels up to pursue them, engagement increases.



Impact of Skills Data on Scheduling Flexibility

The concerns of the frontline workforce, particularly in the hourly sphere, center on financial needs, benefits, and schedule flexibility. In fact, flexibility stands out as an important value in Mercer's 2025 *Inside Employees' Minds* report.² As Mercer states, "Employers across industries are beginning to increase flexibility in scheduling and expand paid time off. For example, 47% of healthcare clinical organizations are using flexible shifts as a creative hiring tactic."³

However, leaders can only offer schedule flexibility if they shift employees' work hours, and this is impossible without a deep knowledge of employees' skills. A certain skillset required on a specific shift must be replicated exactly to avoid a competency gap on the job—and this makes frontline workforce skills data invaluable for scheduling.



Minimum Requirements for Skills-Based Systems

Although the need is growing, obtaining actionable frontline workforce skills data and optimizing its use can be extremely challenging. Organizations need the right technology and strategy to meet these minimum requirements:

- **Built-for-purpose platform that focuses on frontline worker skills:** Traditional human resource information system (HRIS) platforms are not architected to capture granular frontline workers' skills and competencies. Limitations are particularly evident with the minute level of detail in technically precise skillsets.
- **Tracking and maintenance for skills planning and certifications:** Once skills are captured, they must also be kept current as individuals gain additional competencies due to training, development, and experiences. Stale workforce skills data can cause confusion and hinder progress. Additionally, expiration and renewal dates for Occupational Safety and Health Administration (OSHA) and other certifications are cumbersome and difficult to track and update across an enterprise.
- **Tools that help accelerate adoption:** Skills tracking initiatives result in low adoption when they're not backed by an outcome-driven strategy. When the organization clearly communicates the anticipated increases in quality, efficiency, and productivity—not to mention engagement and retention—they can be powerful motivators.
- **Easy integration with core HRIS and HR/Operations technology platforms:** For detailed skills data to be useful, the platform housing it must integrate with traditional HR systems and operations technology so an organization can act on the data in its granular or aggregated form.

When participants in Mercer's *Global Talent Trends 2024-2025* survey were asked, "Which of the following are priorities for your 2025 People agenda?" the response "Designing talent processes around skills" **ranked third out of 20** line items.⁴

Outcome-Driven Strategy for Capturing and Leveraging Data

The many challenges involved in frontline workforce skills data capture and use can be overcome in a clean one-two punch with Kahuna Workforce Solutions and Mercer.

First, Kahuna enables organizations to curate and continuously maintain accurate, highly detailed frontline workforce skills data and use it at an operational level. Next, Mercer translates that data into broader capabilities, providing unique strategic insights that empower HR teams and business leaders to drive successful outcomes.

Here's a closer look.

Kahuna: Operational-Level Skills Data Tracking, Use, and Integration

The skills and competencies involved in frontline jobs are at the core of Kahuna's advanced skills management platform. Kahuna orchestrates everything from data capture and operational-level use to integration with a wide range of platforms:

- Resource allocation and ticketing: ServiceMaxSM, InforSM, and Kronos[®] platforms and more
- Planning and analytics: Microsoft[®] Power BI[®] and Tableau[®] platforms and more
- Human capital management (HCM) systems: Workday[®], SAP SuccessFactors[®], and Oracle[®] platforms and more



13,000
Hours Saved

With Kahuna, a large regional medical center **saved 13,000 hours—worth \$450,000 annually**—on nursing professional development and administrative staff time spent on competency programs and data management.

Capturing data: Through blended assessments from various sources, Kahuna brings together all the skills, competencies, training, and certifications that are important to an organization's operations using a normalized data model. The data is organized and aligned to the way work gets done within that organization. The proficiency of each worker at a granular level of detail in every area is easy to view through a single pane of glass.

Maintaining data: As workers expand their skills, proficiency increases. Changes are automatically reflected in the system, keeping skills data fresh and actionable. Certification expiration and renewal tracking provide an added convenience.

Leveraging data: Kahuna aggregates the data to the right level of capability for operations, then makes it visible and available for advanced analytics and

reporting. The data integrates easily with downstream operational systems—including manufacturing execution systems, scheduling/ticketing systems, dispatching systems, and business intelligence (BI) enterprise reporting tools—as well as HCM systems.

Mercer: Strategic Insights for HR and Business Leaders

Mercer makes the valuable, rich data coming from Kahuna readily available for HR professionals to use in their talent lifecycle processes and planning activities.

Starting with the skills and competencies most valuable for each job role, Mercer develops an informed strategy, delivering insights for recruiting, career development, workforce planning, succession planning, and compensation alignment. For example, Mercer translates the detailed operational skills of an electrical power system lineman into capabilities tied to skills development and compensation.

Mercer brings to life the initial objectives associated with capturing frontline workforce skills data. By aggregating data from Kahuna

into broader capabilities, Mercer gives HR a framework for labor market responsiveness and offers workers a pathway to a more fulfilling career.



Operations and HR: Win-Win Collaboration

Organizations that grasp the vision and understand the importance of assessing and cultivating skills can improve operations, HR processes, and frontline workers' lives.

Collaboration between operations and HR leadership, similar to the relationship between Kahuna and Mercer, adds tremendous benefits to the organization and each department. Fully enabled by Kahuna within an HRIS, such collaboration is a win-win where HR has an influential seat at the table.

“Our research shows that 91% of employees are actively seeking to learn new skills, but 98% of HR personnel still report significant skill shortages in their companies.”

*Using skills frameworks to initiate a skills-powered organization
A study by Mercer⁵*

Three Use Cases for Data-Driven Results

The strategic advantages Kahuna and Mercer offer can be leveraged across numerous use cases. The following scenarios provide a glimpse into the scope and potential of the opportunity.

Reskilling and Upskilling

With projected long-term labor shortages and the cost advantages of retention over hiring, taking a skills-based approach with active reskilling and upskilling is a superior option. In fact, when participants in Mercer's *Global Talent Trends 2024-2025* survey were asked, "Investment in which areas would give the biggest boost to productivity in your organization?" the **top response was employee up/reskilling**.⁶

Upskilling and reskilling are critical for operations, and HR has a significant governance role that can include compensation and often implementation as well. Data analysis helps organizations orchestrate the planning process:

- Identifying gaps and opportunities for skills development
- Clarifying the effort needed on an individual basis to avoid unnecessary, redundant training when a worker already has many mandatory skills
- Understanding the talent pool in a targeted region to determine if hiring would be an advantage or disadvantage



70%

SLA Compliance Boost

A leading global provider of digital commerce solutions **boosted service-level agreement (SLA) compliance by 70%** by upskilling the company's frontline workforce and closing skill gaps previously filled by third-party contractors. Partnering with Kahuna resulted in **over \$7 million in total impact**.

Kahuna bridges operations and HR, and Mercer wraps strategic insights around the two. Organizations can leverage Kahuna's tools for skills validation and turn to Mercer to build a strategic approach for upskilling that will accelerate the evolution of the workforce.

Reskilling and upskilling are good for employees and good for the business. Employees' engagement and job satisfaction typically increase as they gain new skills, reducing turnover. The rise in workforce productivity and adaptability improves business agility and resilience.



“Reskilling and deploying workers whose jobs are impacted by new technologies requires a growth mindset—yet less than half (46%) of executives rate their organization’s culture as high on *skills agility*.”⁷

Adaptability to External Market Forces

Agility is becoming a business imperative. The level of change in today’s business environment — including the rise of artificial intelligence (AI), automation, smart manufacturing, and more — make it impossible to keep pace if an organization does not know what its skillsets are. Responding to shifting tariffs and reciprocal tariffs, supply chain disruptions, and geopolitical changes requires the agility to flexibly redeploy workforce capacity based on skills data.



>10%

Rework Reduction

A Fortune 1000SM organization with an international, highly technical field service workforce partnered with Kahuna to **cut service call rework by more than 10%** through gap-focused operational skilling strategies.

Organizations can rapidly adapt by leveraging frontline workforce skills data from Kahuna combined with Mercer’s strategic insights. These insights shed light on competitive practices and how others use job architecture, job design, and pay design to provide the desired level

of adaptability. Clarity on workforce skills enables the standardization of safety, quality, and operational excellence across the organization through training, development, reskilling, and upskilling. In the face of a disruption, business leaders can become nimble when others flounder, using the situation to the organization’s advantage.



Job Redesign and Optimization

Whether a job role is changing or calls for a fresh look at the tasks involved, organizations can achieve greater efficiency and employee engagement by breaking down jobs into their components and rebuilding them according to the level of skill required.

For example, a registered nurse (RN) might have 20 major tasks, but unique and specialized capabilities are only necessary for five—and that's where the nurse adds the most value. Another five might be taken care of by someone without a registered nursing license. Mercer adds tremendous value by helping reorganize the job so the right employees handle the right tasks and organizations are not paying a nurse's salary for a simple routine activity.

As this occurs, job satisfaction, productivity, and retention improve while cost savings increase.



\$650K
Cost Savings

A global organization with over 50 plants worldwide **eliminated 2 hours of weekly data rework and validation** for environment, health, and safety (EHS); HR; and quality stakeholders **valued at \$650,000** with Kahuna.

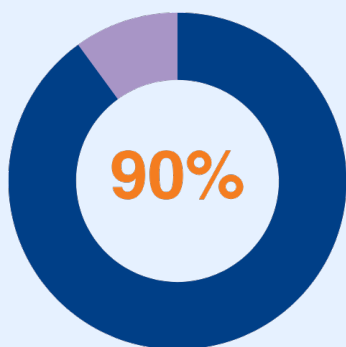
Kahuna enables organizations to identify clear career paths and development opportunities that help frontline workers take part in pursuing their own growth, development, and preparedness for future roles. Skills and competencies—including new capabilities as they are acquired—appear in the Kahuna system and accompany the individual if he or she receives a promotion or changes departments.





Southeast Academic Medical System Reduces Turnover by 90%

Challenge: A southeast academic medical system's primary care division faced rising turnover and burnout among ambulatory RNs. This was attributed to extended working hours and increased patient acuity.

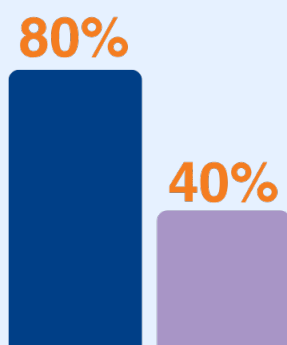


Solution: A job-share model developed by Mercer was implemented that enabled home-based telehealth nurses to work remotely two to three days a week while also spending two to three days in the clinic and vice versa.

Outcome: The model led to a remarkable 90% reduction in primary care nurse turnover year-over-year, significantly improving workforce stability and job satisfaction.

Top Five Children's Hospital Virtually Eliminates Ghosting, Cuts Turnover in Half

Challenge: A top five children's hospital experienced a 50% ghosting rate among new medical assistant (MA) hires. The hospital had an alarming 80% turnover rate due to the lack of a clear career progression within the role or beyond a supervisor-level position.



Solution: A tiered structure was introduced by Mercer, creating three mini-tiers (junior, mid, and senior MAs) that allowed new hires to advance a level in six to eight months. Each tier offered a small compensation increase.

Outcome: The hospital realized a significant reduction in turnover—from 80% to 40%—while the issue of ghosting among new hires was largely eliminated.

Better Together: Productivity and Agility with Kahuna and Mercer

As the need for productivity, agility, and resilience increases, organizations that track and manage highly detailed, granular-level workforce skills data and leverage it for actionable insights will rise to the top.

Kahuna's proven technology provides current, detailed frontline workforce skills data at an operational level. Mercer translates that data into strategic insights for HR and business leaders. Together, they offer a comprehensive solution for skills tracking, workforce development, retention, productivity, business agility, and resilience.

This “better together” solution delivers dramatic benefits for operations, HR, and frontline workers. Kahuna and Mercer work hand-in-hand to empower organizations with the data and integration needed to tap into frontline workforce skills data for a future-ready organization.

To learn more about leveraging frontline workforce skills data to increase productivity and agility, reach out to [Kahuna](#) or [Mercer](#) today.



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 2. Mercer, *Inside Employees' Minds 2025: Understanding the challenges shaping the hourly workforce*, 14.
 3. Kopsch, David, and Andre Rooks, et al., "The unique work schedule needs of hourly employees," September 26, 2024, [<https://www.imercer.com/articleinsights/flexibility-for-hourly-workers>].
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 6. Mercer, *Global Talent Trends 2024-2025*, 6.
 7. Ibid., 38.
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Kahuna

Kahuna Workforce Solutions is a leading skills and competency management SaaS platform designed for operations, learning and human resources. The platform provides enterprises with validated skills data, offering valuable insights into workforce capabilities, aligning talent supply and demand and maximizing training investments. Kahuna helps organizations build a more skilled, adaptable and competitive workforce.

 <https://kahunaworkforce.com>

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Mercer

Mercer, a business of Marsh McLennan (NYSE: MMC), is a global leader in helping clients realize their investment objectives, shape the future of work and enhance health and retirement outcomes for their people. Marsh McLennan is a global leader in risk, strategy and people, advising clients in 130 countries across four businesses: Marsh, Guy Carpenter, Mercer and Oliver Wyman. With annual revenue of over \$24 billion and more than 90,000 colleagues, Marsh McLennan helps build the confidence to thrive through the power of perspective.

 <https://www.mercer.com/en-us/>

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Jai Shah 

Chief Executive Officer, Kahuna

Jai Shah is the CEO and Co-founder of Kahuna Workforce Solutions. With over 25 years of experience in architecting and implementing software solutions, Jai is passionate about connecting HR with Operations through applied technology and rich data solutions. He specializes in guiding the development of skills management applications that actually make a difference to end-users and deliver value to business operations.



Andre Rooks 

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Andre Rooks is a Partner at Mercer, where he develops strategies to improve rewards-program outcomes. Previously, he led Mercer's Career Business for the Upper Midwest and was a senior consultant at Aon Hewitt. Andre has authored numerous white papers, served as a guest speaker at Loyola University Chicago and DePaul University, and presented at industry conferences including WorldatWork, the HR Technology Conference, and The Conference Board. He specializes in translating rewards and career-program data into actionable business strategies.

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