ATD Research: Upskilling and Reskilling

An ATD Presentation
Fall 2020
The Upskilling and Reskilling Study

- Online survey early 2018
- 223 respondents worldwide
- 58% global/multinational firms in varied industries
- 80% of respondents held leadership positions
- Interviews with learning leaders supplemented survey results

- **Upskilling** describes training designed to augment existing skills with new or significantly enhanced knowledge or skills to enable individuals to continue and succeed in the same profession or field of work.

  Upskilling does *not* refer to normal, ongoing development offered to upgrade knowledge/skills in the normal course of business.

- **Reskilling** describes training designed to help individuals gain new knowledge or skills to enable them to perform new jobs or enter new professions.
56% of organizations currently provide their employees with opportunities to upskill, reskill, or both.

Offering skills training is strongly correlated to better market performance and greater organizational learning effectiveness.

Top 5 Drivers of Skills Training

- Talent risk: 55%
- Technology-related change that required employees to learn how to use new technology: 48%
- Shift in customer demands: 46%
- Shift in organizational focus or mission: 45%
- Change in our markets: 39%
About Skills Programs

Structure brings benefits

- Internal mobility programs provide structure for skilling
- Rewards and recognition programs provide support
- Talent management program alignment strengthens outcomes
- Rotation programs provide experiential learning
- Tuition assistance expands learning beyond enterprise walls

More likely to occur informally

- 47% Upskilling
- 46% Reskilling

Fewer programs are formal and structured

- 38% Upskilling
- 30% Reskilling

In limited use—more often seen in high-performance organizations—and strongly correlated to better market performance and/or learning effectiveness.

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Is Skills Training Effective?

Organization is highly effective at upskilling
25%

Organization is highly effective at reskilling
17%

Why aren’t skills programs more effective?

- Lack of senior leadership support
- Inadequate resources
- Unsupportive policies
Recommendations

▪ **Collaborate with other business functions**
  ▪ Strategic and workforce planning teams, HR, and others
  ▪ Ensures alignment with business objectives
  ▪ Training focuses on meeting actual skills needs

▪ **Look beyond enterprise walls**
  ▪ Partner with colleges, universities, technical schools, etc.
  ▪ Learning leaders predict closer relationships between businesses and educational institutions as skills training continues to evolve

▪ **Improve effectiveness of skills training**
  ▪ Know what affects upskilling and reskilling in your organization
  ▪ Measure skills gaps
  ▪ Measure skills training
Current Skills Gaps

What are the specific types of skills gaps that your organization is experiencing now? (Choose all that apply.)

- Critical thinking and problem-solving skills: 65% (2018), 58% (2015)
- Managerial/supervisory skills: 61% (2018), 59% (2015)
- Process improvement and project management skills: 48% (2018), 50% (2015)
Zurich Insurance: Interpersonal Skills and Becoming Trusted Advisors

Initiative to increase skills and capabilities of customer-facing employees so customers view them as trusted advisers.

Training: 8-10 weeks

Experimentation: 4-6 weeks practicing and applying their knowledge

Post-training: 4-12 weeks working through test cases
Zurich’s Results

- 1,500+ employees trained
- Advisors’ competence increased significantly
- More business partners agreed Zurich reps are trusted advisers
- 81% saw improved client relationships
Upskilling and Reskilling as Part of Career Paths and Longer-Term Development

- 59% of companies offer defined career pathways and/or certifications/credentialing
Nearly half of the U.S. workforce feels they need additional education to advance in their current career, particularly those without college experience and who are not taking college courses.

**Percentage of U.S. workforce who feel they need additional education to advance in their career by educational status.**

These results are based on interviews with 176,727 U.S. adults, ages 18-65, in the workforce who participated in the Strada-Gallup Education Consumer Survey between June 2016 and April 2018.
University Health System and Project QUEST: Career Pathways

Project QUEST is a nonprofit that partners with foundations (Kellogg Foundation), education providers, and employers like UHS.

At UHS, low-income frontline staff and prospective staff who met certain qualifications could apply for a two-year health degree with support from Project QUEST.

Enrollment in community college and training, plus support for transport, childcare, books, etc.

Target hard-to-fill positions in healthcare.
University Health System’s Results

First cohort of current UHS employees in 2017--18 enrolled in community college, three completed formal degrees

Also hired over a dozen outside Project QUEST trainees in 2017

UHS staff turnover is 14.9% vs. 19.1% in TX for healthcare

Lowered employee recruiting costs
Special Scenarios

- Upskilling and COVID-19
- Upskilling on a budget