



# Upskilling & Reskilling Are Critical for the Future of Work

## How Leaders Can Address the Skills Transfer Gap



### OVERVIEW

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- What the skills transfer gap is
- Setting clear objectives
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- Why training consistency is important
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- Upskilling & reskilling

The skills of every position in nearly every industry are transforming rapidly. In response to this change – the new future of work – companies need to find the right talent to meet these new needs. However, the significant skills gap in the job market has led many employers to hire employees that need training or to move current employees who need upskilling or reskilling as quickly as possible.

Many employees are happy to learn new skills that are relevant to their position or will help further their careers. [A study by Accenture](#) found that 85% of the 10,000 workers surveyed across ten countries stated they would invest their free time over the next six months to learn new skills to remain relevant in their work.

However, many executives are finding a problem with the practical application of the training they are investing in to address the new skills gap. A study by Harvard Business Review found that [just 10% of the \\$200 billion leaders spend](#) annually on their corporate training and development in the United States actually delivers concrete results.

It's not enough for leaders to identify skill gaps and provide training for employees. When this training does not transfer to their actual work, executives only waste time and energy on learning.

This whitepaper will address what the skills transfer gap is, and discuss how companies can avoid it by better training employees in the new future of work.

## What is the Skills Transfer Gap?

To discuss the skills transfer gap, let's first define the skill gap and why a gap in learning transfer is hurting business.



**1 in 5** workers say their professional skills are not up to date  
*CareerBuilder*

The skills gap is the disparity between what an employee actually knows versus what they need to know in their position. This has increasingly become an issue as technology and automation permeate every part of business.

The skill gap affects a business's ability to hire. In 2017, 60% of U.S. employers had job openings for 12 weeks or longer, [according to a study by CareerBuilder](#). However, this shortage only grew as companies listed about [33% more skills on their job ads during 2020](#).

It's a big problem for business:

- Nine out of 10 leaders stated that their company was either currently facing or would have a skill gap in the next five years ([McKinsey Global Survey, 2019](#)).
- One third of U.S. employers stated that the skills gap has increased over the past year ([Monster](#)).

This skills gap is [estimated to have a \\$2.5 trillion impact](#) on the economy over the next decade.

One of the best ways to address much of this gap is by actively investing in the training of current employees. Many companies are actively seeking to do just that with eLearning. The industry is [projected to grow from \\$101 billion in 2019 to \\$370 billion in 2026](#). [One survey of 400 HR and workforce learning professionals](#) found that 42% expect to upskill and reskill current employees.

Even with training, businesses struggle to have skilled employees. Companies try to train their employees to have the skills they need to be successful, but their workers fail to use these skills. This struggle has a name: the Skills Transfer Gap.

The Skills Transfer Gap is the disparity between what someone learns and where they practice their knowledge. In order to overcome this gap, employees need to be able to bridge the divide between learning a skill and applying it.

**//** In 2017, 60% of U.S. employers had job openings for 12 weeks or longer— and this shortage only grew as companies listed ~33% more skills in 2020.

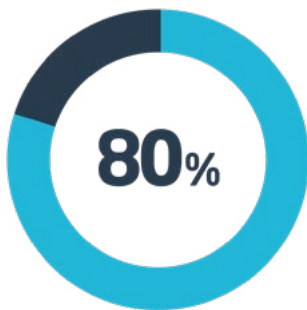
- CareerBuilder

No company trains employees for its own sake. Employers offer training to give their employees the skills and tools they need to succeed in the modern world of work. When training fails to connect to the actual work that your employee does, it wastes both money and time.

The Skills Transfer Gap is not limited to business. It's a problem nearly all industries face, such as government, education, and medicine. Most industries tackle the skills transfer gap with a combination of on-the-job training, and training within a controlled environment.

How can we apply this to learning and overcoming the skills transfer gap in business? Here are the top ways leaders can address the Skills Transfer Gap:

## Addressing the Skills Transfer Gap



**80%** of employers say they had difficulty filling openings due to skill gaps in 2021, as opposed to 2020.

*Monster*

### Set Clear Objectives

The first and most important way to get employees to incorporate their training into their work is by providing a clear context. Employees should understand why they need training in the first place. Why should they be applying this knowledge and these skills to their work? Employees need strong answers from the very beginning.

The training should be clear about the skills, knowledge, or attitude change that will happen. Be specific and provide tangible objectives at the beginning of the course and before each module. Most importantly, these objectives should support the company's overall objectives and goals. For example, employees who complete the training have a better chance of promotion and education they can take with them throughout their professional journey.

One of the best ways to support skills transfer and lower the transfer gap is to improve employee buy-in. It's also one of the best ways to grow employee enthusiasm.

### Shorten the Gap Between Learning & Doing

Research shows that the distance between where a skill is learned and where it is applied influences the probability that the knowledge will be retained. Learning in a conference room, for example, will make applying it at the worker's desk more difficult.



The eLearning industry is projected to grow from **\$101B** to **\$370B** in the next 7 years.

*Statista*

**//** Train people well enough so they can leave. Treat people well enough so they don't have to.

— Sir Richard Branson

Instead, allow employees to learn in an environment where they can immediately apply what they know. Don't give employees the time to forget all of the information they just learned. Instead, give them a chance to put it into practice right away.

Employees can strengthen the bridge between learning and application when learning takes place at work, rather than being separated for hours or days from practically applying their skills. Experts refer to this as a near transfer.

This distance is not only physical. Time also plays a critical factor in the gap between learning and doing. Short spurts of learning over a period of time allow workers to utilize their training as they apply it. This is also why completing learning modules at the end of the day on a Friday is ineffective for learning.

If too much time lapses between when they learned the material and when they can apply it, it can affect learning as well. Instead, short spurts of learning over a period of time allow workers to utilize their training as they apply it.

### **Socialize Learning**

Sitting in a conference room in isolation does not engage all the parts of the brain needed to absorb information. It can become too easy for employees to get distracted and not pay attention to critical details of the lessons.

However, putting it in the context of a conversation forces learners to become more actively involved in the learning process. Employees can see real-life examples of skills and working practices from each other. Staff can record and share their work to create a powerful resource to contextualize the training material.

Learners should collaborate and help one another. Most people learn best when discussing the curriculum and how it can be applied to work. Socializing also gives learners a valuable opportunity to put what they learned into their own words.

[Research shows that self-explanation practices](#) can help learners get a deeper understanding of the material. With the rise in remote work, socialized learning does not need to be in-person. Online boards, Slack channels, and other virtual social interactions can help recreate a social situation that provides these same benefits.

**“ If a new concept, model, or method is to make a difference to an organization, it must be used by its executives, not just understood.**

– Moldoveanu, Narayandas;  
*The future of leadership development*

## ● Create Realistic Examples

Many times, training programs like to come up with creative and outlandish scenarios to show how the skills can be applied –but it’s critical that workers understand how to use these skills in their everyday life directly. Realistic examples are crucial to ensuring employees know precisely how to utilize their new expertise during their work day.

In many cases, having learners volunteer real situations they’ve encountered in the past can give them a more realistic understanding and skills transfer. Experts refer to this method of real-life examples as, [“Expansive Framing”](#) and is shown by research to help improve knowledge transfer.

Training programs should create realistic situations and also allow for immediate practice. With circumstances they are likely to face, workers can immediately start applying what they have learned to reinforce it. Combining realistic situation examples with immediate practice increases the likelihood of skills transfer even more.

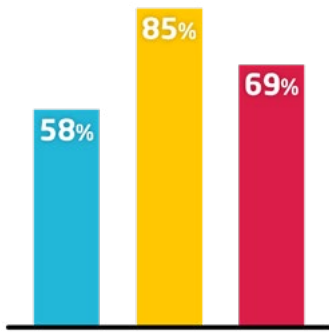
## Switch Up Media

Learning on the same medium continuously with the same study strategies can cause workers to get bored quickly. It can also make it more challenging for the material to stand out and be memorable. This results in difficulty retaining the information. Research shows that switching up how you learn helps improve retention.

For example, some training could be video, while other is text or auditory instruction. It is [referred to as desirable difficulties](#). In this context, switching up the delivery mode will help ensure the material sticks out and is more easily remembered. Don’t use just one medium to learn material and train employees. Shake it up to keep them engaged and invested.

## Provide Consistent Training – Anywhere, Anytime

Training should not be a one-and-done event. Instead, training opportunities should be available anywhere and anytime at work. We are continuous learners and should take advantage of opportunities to reinforce and connect to earlier training. Rather than a hodge-podge of unrelated lessons and plans, choose training that builds and references back to each other.



**58%** of workers are aware of the skills they need to develop to remain relevant

**85%** of workers would invest free time to learn new skills

**69%** of workers cite on-the-job training as the best way to learn

*Accenture*

As human beings, we need reinforcement to start applying skills to everyday life. For example, if you wanted to memorize a telephone number, you'd likely repeat it to yourself over and over until you have it memorized. This approach provides organizations with the chance to reinforce its values, approaches, and the skills taught. Training should refer to earlier sessions, strengthen the content, and create parallels.

Consistency and referencing earlier lessons encourages generalizing. Generalization is defined as taking knowledge and skills learned and using them within a new setting. One example might be that an employee may take what they learned about handling workplace conflict and apply it to their customer service skills. It encourages employees to look for more circumstances that they can apply what they learned – anywhere, anytime.

## Upskilling & Reskilling to Overcome the Skills Transfer Gap

New challenges and the future of work have resulted in a bigger talent shortage than ever. Because of this, the Skills Transfer Gap has created a significant problem for businesses – but it is not impossible to overcome. Forward thinking leaders are looking to partner their recruiters and their L&D teams to uncover internal talent to reskill and upskill for the roles they need. They also understand that when finding new talent, they need to account for the Skills Transfer Gap and invest in better onboarding, training, and talent development to solve these challenges.

With the right tools and methodology in place, companies can overcome the talent shortage by reskilling and upskilling staff to not only survive, but thrive, in this new future of work.



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