Bridging the Skills Gap

Using Learning Opportunities to Address

Current and Future Talent Needs

atd RESEARCH

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Contents

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A Note From the Sponsor

Skilling, reskilling, upskilling. These trends are at the top nearly every talent and learning leader's list. Skills have become the new talent currency, allowing us to consider an employee's strengths and weaknesses according to skills in which they've shown mastery. The discussion and investigation around skills gaps is a critical one—even more so now at this pivotal moment in the talent landscape.

ETU is proud to partner with ATD on the *Bridging the Skills Gap* whitepaper, which presents a deep dive into the most pronounced skills gaps and how to address them. We believe that harnessing the power of skills intelligence is one of the best ways to advance today's workforce satisfaction and productivity.

About ETU
ETU helps the world's leading companies measure and develop skills to drive business performance. Employees apply workplace skills in realistic scenarios while our simulation platform measures their strengths and gaps. Rich data insights inform business decisions and guide skill development at scale.

With the ETU platform, organizations can:

- Build experiential simulations 50 percent faster than using other technologies.

- Achieve 20 to 30 percent improvement in core skills.

- See learner engagement and satisfaction rates up to 98 percent.

- Measure the impact of L&D initiatives (on learners and the business).

ETU can help organizations transform their learning experience in critical business areas including leadership and management, compliance and risk, sales and service, onboarding, digital transformation, and diversity, equity, and inclusion.

Welcome

Welcome to the eighth edition of ATD's *Bridging the Skills Gap* report, published by ATD Research in partnership with the ATD Workforce Development Advisory Group. We hope this report can help your organization understand common skills gaps and provide action plans to bridge those gaps.

The ATD Workforce Development Advisory Group comprises talent development professionals from different industries committed to helping peers and colleagues discover the value of partnering with the public workforce system to help solve talent development challenges.

Part of the group's ongoing commitment to the field is this update to ATD's *Bridging the Skills Gap* whitepaper. Since the last edition of this whitepaper was published in 2022, organizations and their talent development teams have faced complex challenges and changes.

Bridging the Skills Gap focuses on what TD professionals and working Americans say about current and future skills gaps in their organizations. That research is supplemented with additional information pulled from news articles, reports, and other sources, as well as case studies and interviews with talent development teams that are proactively addressing skills gaps in thoughtful, informed, and targeted ways.

Our goal is to help TD professionals understand where critical skills gaps are and provide a road map for closing them strategically.

We thank you for the critically important work that you do in creating a world that works better.

Defining High Performers

This report identifies practices associated with being a high performer. In this report, high-performing organizations are those that met two criteria:

1. They reported themselves as performing as well as or better than their competitors in:
   - Financial performance
   - Customer and client satisfaction
   - Employee engagement
   - Growth potential for the next five years

2. They strongly agreed that their talent development functions helped them achieve their business goals.

23%
**of organizations
met the criteria
to be
high performing.**

Throughout the report, the star symbol indicates if statistical significance is connected to being a high performer.

Introduction

Bridging the Skills Gap: Using Learning Opportunities to Address Current and Future Talent Needs examines the current and future skills gaps organizations are facing, as described by 356 talent development professionals. The 2024 skills gap whitepaper marks the eighth iteration the Association for Talent Development (formerly the American Society for Training & Development) has published.

New this year is a section that focuses on the training needs of 522 working Americans, which provides insight into the thoughts of general employees in addition to TD professionals. Case studies, interviews, and examples from three organizations that have successfully addressed the skills gaps they face are also included. The whitepaper concludes with an action plan and resources for TD professionals.

For the purposes of this whitepaper, a **skills gap** is defined as "a significant gap between an organization's current capabilities and the skills it needs to achieve its goals and meet customer demand."[1]

By the Numbers
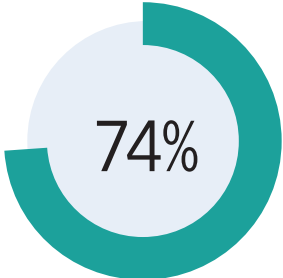
74%
of TD professionals said they had a current skills gap in their organization.
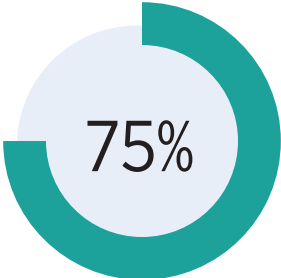
75%
of TD professionals said they expected a future skills gap in their organization.
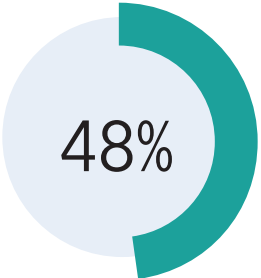
48%
of TD professionals said managers, supervisors, and team leaders had a major skills gap in their organization.

58%
of TD professionals were recruiting for key skills.
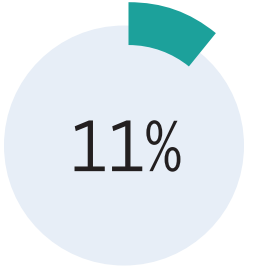
11%
of TD professionals rated employees' soft skills as excellent at their organization.

Key Finding 1

Current Skills Gaps

Nearly three-quarters of organizations were experiencing a skills gap.

The most common areas for these skills gaps were:

- Leadership and executive-level skills

- Managerial and supervisory skills

- Communication and interpersonal skills

- Process improvement and project management skills

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Organizations Are Still Experiencing Skills Gaps

In ATD's 2022 skills gap whitepaper, 82 percent of participants reported a skills gap at their organization.[2] In 2024, fewer organizations reported a current skills gap in their organization. As the importance of upskilling employees and providing development opportunities continues to rise, the downward trend of skills gaps within the labor force should also continue.

The 2022 whitepaper suggested seven steps that organizations could take to prevent a skills gap crisis from occurring in the future:

• Understanding performance metrics

• Identifying capabilities that map to organizational strategies

• Assessing the skills gap

• Setting goals to fill the gaps

• Implementing solutions

• Using partnerships to fix the skills gap

• Communicating the impact

Since 2022, organizations may have started to recognize existing skills gaps and begun making plans to prevent them.

Fewer organizations were reporting a skills gap in 2023.

Question: Is there currently a skills gap in your organization?
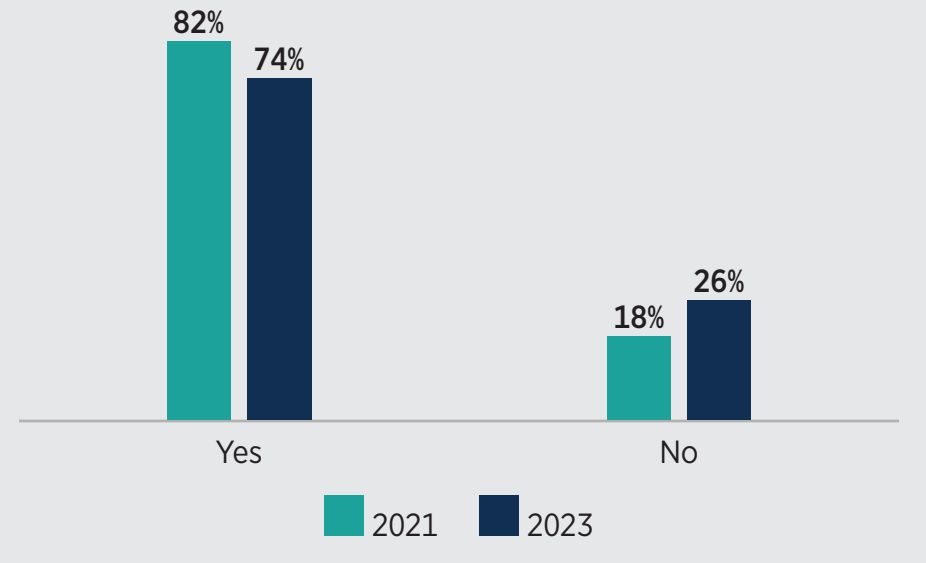
High-performing organizations were less likely to have a skills gap.

Leadership and Managerial Skills Were Top Areas Where Organizations Experienced Skills Gaps

Nearly nine in 10 organizations were experiencing leadership and executive-level skills gaps. This is unsurprising given the many barriers to implementing leadership development activities, such as leaders not having the time to participate, lacking a budget for this type of training, and not having the resources to organize the activities.[3] Even organizations with leadership development programs experienced similar challenges, such as a lack of time to participate and needing more money in the budget.[4] Although 87 percent of organizations reported a skills gap in executive development, a previous ATD study found that nearly a quarter did not provide any learning content in this area.[5]

The second-most-common type of skills gap was for managerial and supervisory skills. Although nearly 90 percent of organizations were experiencing gaps in this area, a previous ATD study about new manager development found that organizational leaders don't prioritize this type of training.[6] Unless this issue is given priority in the future, organizations will continue to see managerial and supervisory skills gaps.

Leadership and managerial skills are areas where organizations were seeing skills gaps.

Question: Is your organization experiencing a major, minor, or no skills gap for each of the following specific types of skills?

	Major skills gap	Minor skills gap	Total
Leadership and executive-level skills	44%	43%	87%
Managerial and supervisory skills	47%	39%	86%
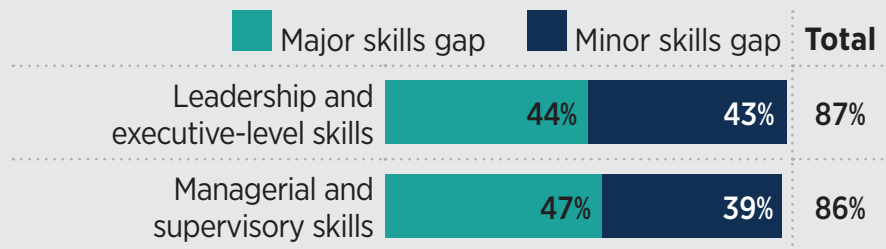
Organizations saw gaps in communication and interpersonal skills, as well as skills involving critical thinking and problem solving, creativity and innovation, and teamwork.

An internet search on the question "How to improve communication skills in the workplace?" results in more than 335 million hits. Why so many results? Because communication and interpersonal skills don't come easily to everyone. In fact, 85 percent of organizations said they were experiencing a skills gap in communication and interpersonal skills. Interestingly, 29 percent of respondents to ATD's *2023 State of the Industry* report said that most of their learning content was centered around interpersonal skills, and an additional 60 percent said they provided some learning content in this area.[7] This suggests that organizations know this is a problem area and are trying to fix it.

Critical thinking and problem solving are also tricky skills to master; 84 percent of organizations were experiencing a skills gap in this area. To promote critical thinking in employees, organizations should include learning activities in training programs, build confidence in learners through experience-based learning, and use stories and scenarios in training content.[8]

Organizations were experiencing a skills gap in soft skills.

Question: Is your organization experiencing a major, minor, or no skills gap for each of the following specific types of skills?

	Major skills gap	Minor skills gap	Total
Communication and interpersonal skills	38%	47%	85%
Critical thinking and problem solving skills	42%	42%	84%
Creativity and innovation skills	36%	47%	83%
Teamwork	30%	50%	80%
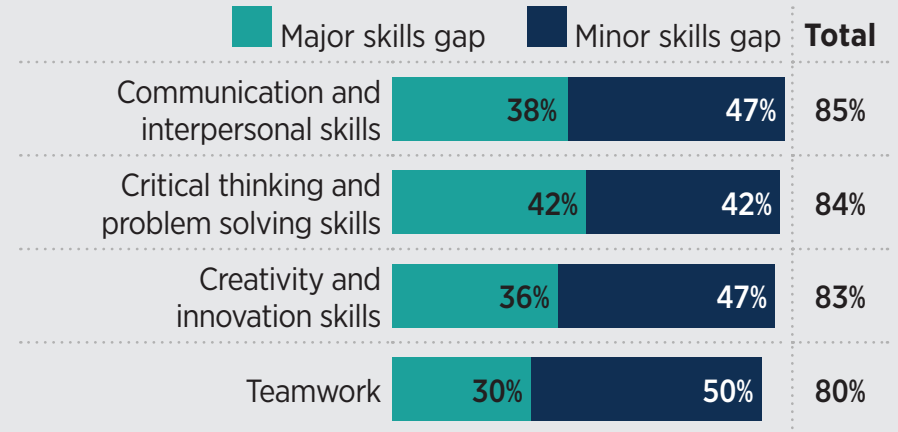
Organizations Were Also Experiencing Skills Gaps in Technical Areas

Project management skills include initiating, planning, executing, and monitoring projects.[9] *Process improvement* is a specific type of project management in manufacturing that ensures continual improvement. Eighty-five percent of organizations had a major or minor gap in this area.

Technology skills—IT, software, and system skills—were lacking at 84 percent of responding organizations. Skills gaps in *technical skills*—programming languages, technical writing, and data analysis—were seen in 83 percent of organizations.

Organizations were experiencing technical and technology skills gaps.

Question: Is your organization experiencing a major, minor, or no skills gap for each of the following specific types of skills?

	Major skills gap	Minor skills gap	Total
Process improvement and project management skills	43%	42%	85%
Technology skills	39%	45%	84%
Technical skills	30%	53%	83%

Some Organizations Are Experiencing Skills Gaps in Trade and Workplace Safety Skills

Three-quarters of organizations with employees who need trade skills—such as painters, welders, and machinists—were experiencing skills gaps in these areas. According to a 2022 study by Stanley Black and Decker, more than 10 million manufacturing jobs were unfilled worldwide.[10] This is an opportunity to train people with trade skills to fill these roles.

A little over half of organizations were experiencing skills gaps related to workplace safety.

Trades and workplace safety skill gaps exist for some organizations.

Question: Is your organization experiencing a major, minor, or no skills gap for each of the following specific types of skills?

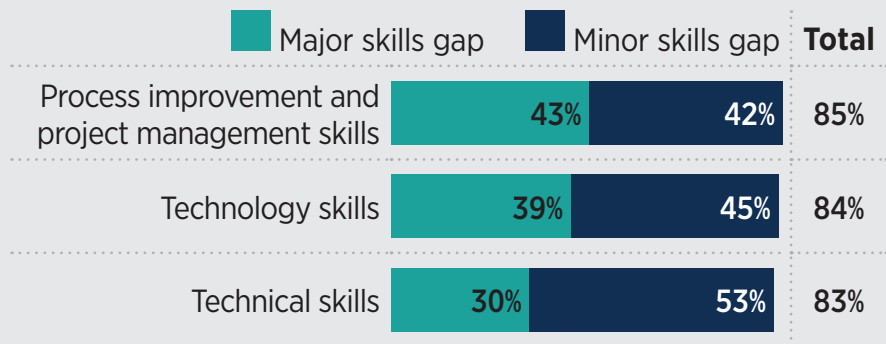|	Major skills gap	Minor skills gap	Total
Trade skills	26%	49%	75%
Workplace safety	18%	36%	54%
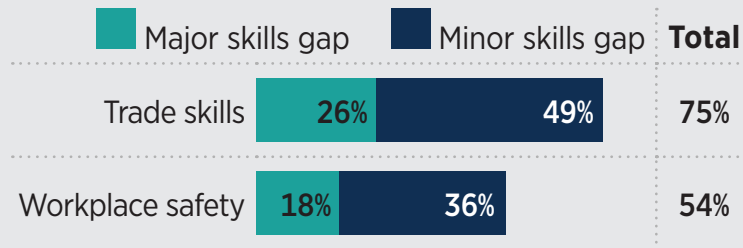
Industry-Specific Skills Gaps Were Common for Customer Service, Professional, and Selling Skills

Three-quarters of organizations experienced customer service skills gaps. Customer service entails many skills, including listening, empathy, and problem solving.

Professional skills include accounting, engineering, legal, medical, and other industry-specific skills. Seventy-one percent of organizations were experiencing skills gaps in these areas.

Organizations were also experiencing skills gaps in selling. In the *2023 State of Sales Training* report, ATD Research found that only 40 percent of organizations had a sales enablement team.[11] Sales enablement teams may help organizations bridge this skills gap by providing content and training to sales people.

Although fewer organizations were experiencing industry-specific skills gaps, they were still common.

Question: Is your organization experiencing a major, minor, or no skills gap for each of the following specific types of skills?

	Major skills gap	Minor skills gap	Total
Customer service	23%	52%	75%
Professional skills	29%	42%	71%
Selling skills	21%	47%	68%
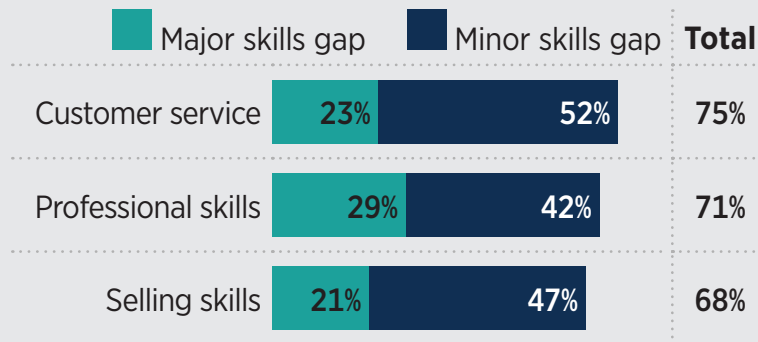
Talent Development Professionals Noticed Skills Gaps Across All Roles

Skills gaps have been identified across all levels of employees—from executives to individual contributors. More than nine in 10 talent development professionals indicated that managers, supervisors, and individual contributors were all experiencing skills gaps in their organizations. Approximately 80 percent of organizations had directors and executives experiencing skills gaps.

There were skills gaps at all organizational levels.

Question: To what extent do skills gaps exist for each of the following groups in your organization's workforce?

	Major skills gap	Minor skills gap	Total
Executives	32%	49%	81%
Directors	28%	53%	81%
Managers or supervisors	48%	42%	90%
Individual contributors	40%	53%	93%

Steps for Success
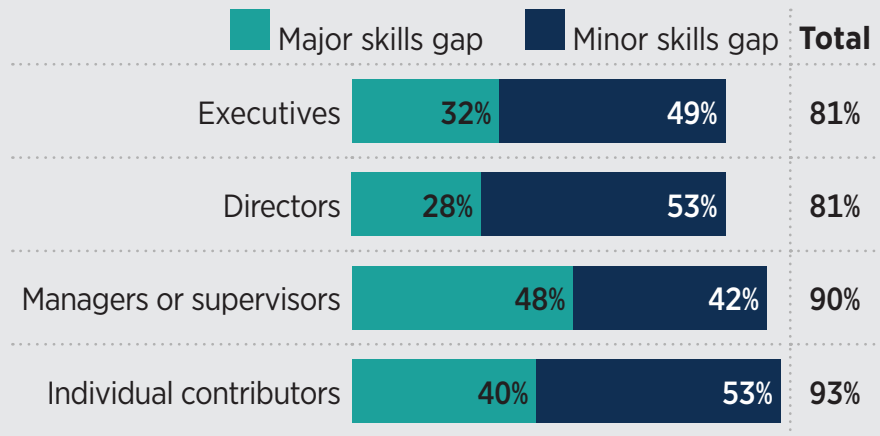
Has your organization assessed its employees' current skills gaps? To do this, ATD recommends asking the following questions:

1. Have you selected a performance consulting tool?

   _____
   _____
   _____

2. What are the causes of the skills gaps at your organization?

   _____
   _____
   _____

3. What performance behaviors are required to meet organizational goals?

   _____
   _____
   _____

4. Have you conducted a capability audit to determine where gaps exist?

   _____
   _____
   _____

For more information, visit td.org/design/design/skills-gap-action-plan-checklist to download a Skills Gap Action Plan Checklist.

Key Finding 2

Future Skills Gaps

75 percent of organizations expect a skills gap in the future. The most commonly expected future skills gaps were:

- Managerial and supervisory

- Communication and interpersonal

- Critical thinking and problem solving

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Most Organizations Expected Skills Gaps in the Future

Three-quarters of organizations expected that they would have skills gaps in the future. This is unchanged from the responses to ATD's 2022 skills gap whitepaper.

When PwC conducted its annual global CEO survey, it found that more than half of them were concerned that a lack of skills in their workforce was preventing their company from changing how it created, delivered, and captured value.[12] Talent development professionals know there are skills gaps, and CEOs are concerned about the future impact of these deficits.

There was no shift in the expectation of future skills gaps in organizations.

Question: Do you expect there will be a skills gap in your organization in the future?

	Yes	No
2021	75%	25%
2023	75%	25%

Legend: 2021, 2023
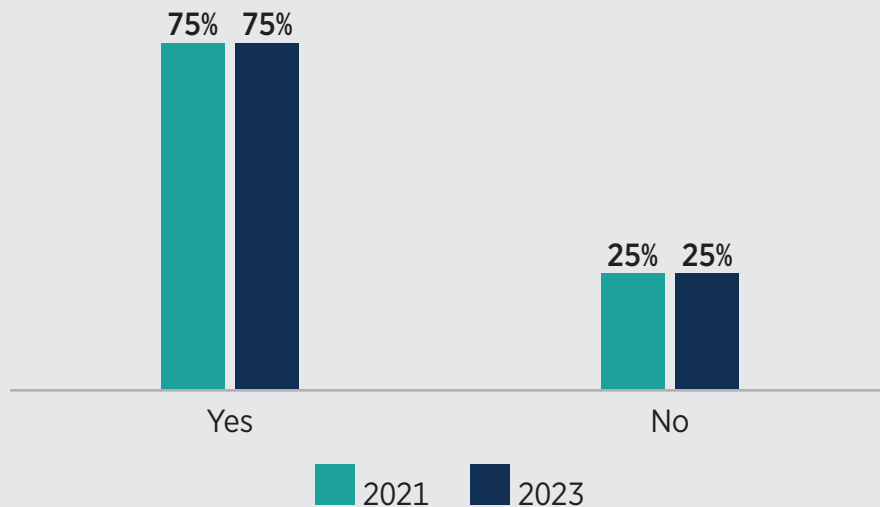
Managerial and Supervisory Skills Gaps Caused the Most Concern for the Future

Organizations were concerned about experiencing skills gaps in the future, which could have significant consequences for an organization's long-term success. In an article for *Entrepreneur,* Graham Glass warned organizations that skills gaps could cause a loss in productivity, a lack of innovation, and attrition.[13]

Most organizations were concerned about managerial and supervisory skills, communication and interpersonal skills, critical thinking, and problem solving.

Organizations were concerned about most skills in the future.

Question: How concerned is your organization about experiencing a skills gap in the following areas in the future?

Skill	Percentage
Managerial and supervisory	86%
Communication and interpersonal	83%
Critical thinking and problem solving	83%
Process improvement and project management	82%
Leadership and executive level	81%
Technology	80%
Creativity and innovation	78%
Technical	78%
Teamwork	77%
Customer service	77%
Professional	76%
Trade	74%
Selling	73%
Workplace safety	61%
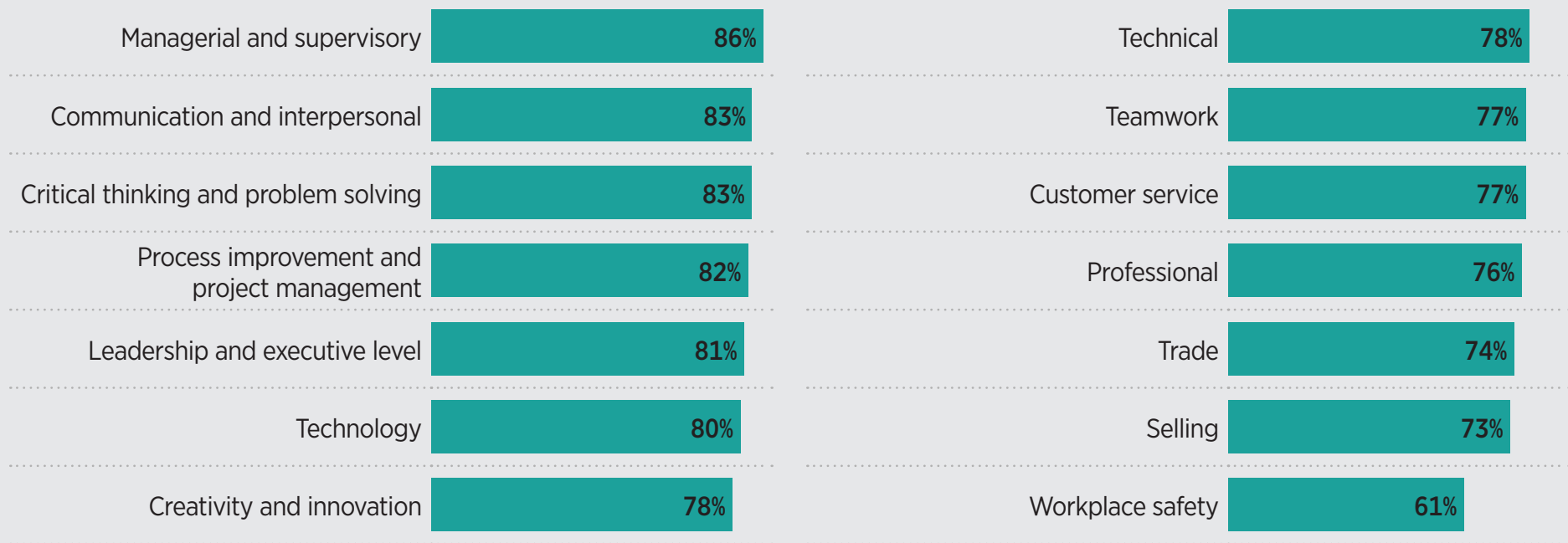
(Percentage selecting slightly or extremely concerned.)

Steps for Success

Has your organization started thinking about future skills gaps it may encounter? To consider these future skills gaps, ask the following questions:

1. What are the organization's key strategies and goals?

   _____

   _____

   _____

2. What are your organization's current skills needs? And what skills will be needed over the next three years?

   _____

   _____

   _____

3. How can your organization bridge the skills gaps that you anticipate in the next three years?

   _____

   _____

   _____

For more information about understanding the organization's strategies and goals and how to identify skills gaps, visit td.org/design/design/skills-gap-action-plan-checklist for a Skills Gap Action Plan Checklist.

Key Finding 3

Training Methods

Organizations were using a variety of formal and informal ways to address skills gaps. Popular training methods included:

- Instructor-led training (in-person and virtual)

- Coaching and mentoring

- Microlearning

- Simulations and scenario-based learning

But training isn't the only way to address the skills gap—some organizations were recruiting new employees with key skills.
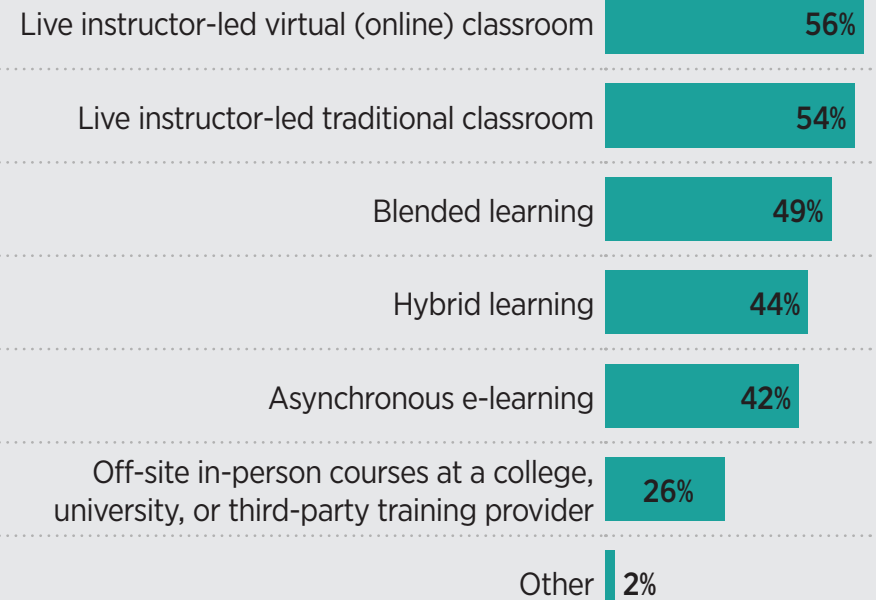
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Organizations Were Using Many Delivery Methods to Address Skills Gaps

Organizations used training and learning opportunities to upskill and reskill employees to address skills gaps. The most common delivery methods were instructor-led virtual and traditional classrooms. The advantages to using instructor-led training include that learners can have discussions about the content, learners build relationships, the training session can be flexible to meet the needs of the learners, and the program can be interactive.[14]

About half of organizations were using blended learning, which is a combination of synchronous and asynchronous learning. Less than half were using hybrid learning, which means facilitating a traditional and virtual classroom simultaneously. Asynchronous e-learning, sometimes referred to as self-paced e-learning, was used by approximately two in five organizations to address skills gaps.

Live instructor-led virtual and traditional classrooms were popular delivery methods to address skills gaps.

Question: At your organization, how is training delivered to address skills gaps? (Select all that apply.)

Delivery method	Percentage
Live instructor-led virtual (online) classroom	56%
Live instructor-led traditional classroom	54%
Blended learning	49%
Hybrid learning	44%
Asynchronous e-learning	42%
Off-site in-person courses at a college, university, or third-party training provider	26%
Other	2%

High-performing organizations were more likely to use live instructor-led traditional classrooms and off-site in-person courses at a college, university, or third-party training provider.
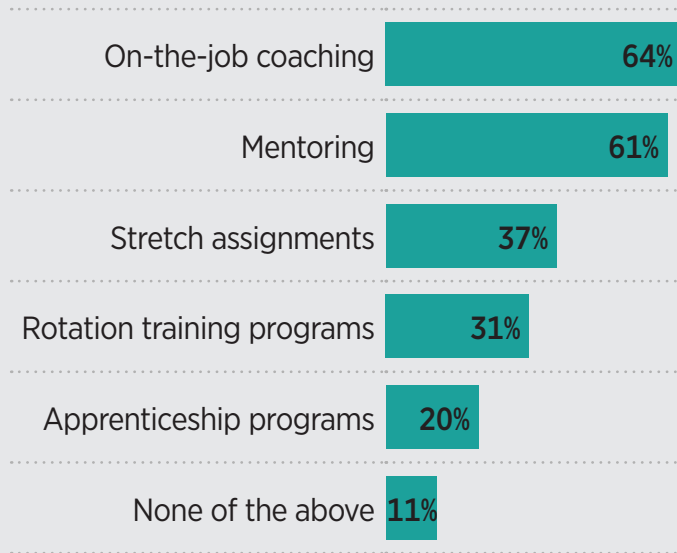
Nine in 10 Organizations Were Using On-the-Job Activities to Address Skills Gaps

Formal learning isn't the only way employers can address employee skills gaps. Many organizations were also using on-the-job learning, which is "an approach for developing skills in the actual work environment."[15]

Coaching and mentoring were the most popular on-the-job activities for addressing skills gaps. Organizations use coaching to improve leadership and management skills, which are both areas with current and future gaps.[16]

Coaching and mentoring were popular ways to address skills gaps.

Question: Do you use any of the following learning activities to address skills gaps? (Select all that apply.)

Activity	Percentage
On-the-job coaching	64%
Mentoring	61%
Stretch assignments	37%
Rotation training programs	31%
Apprenticeship programs	20%
None of the above	11%

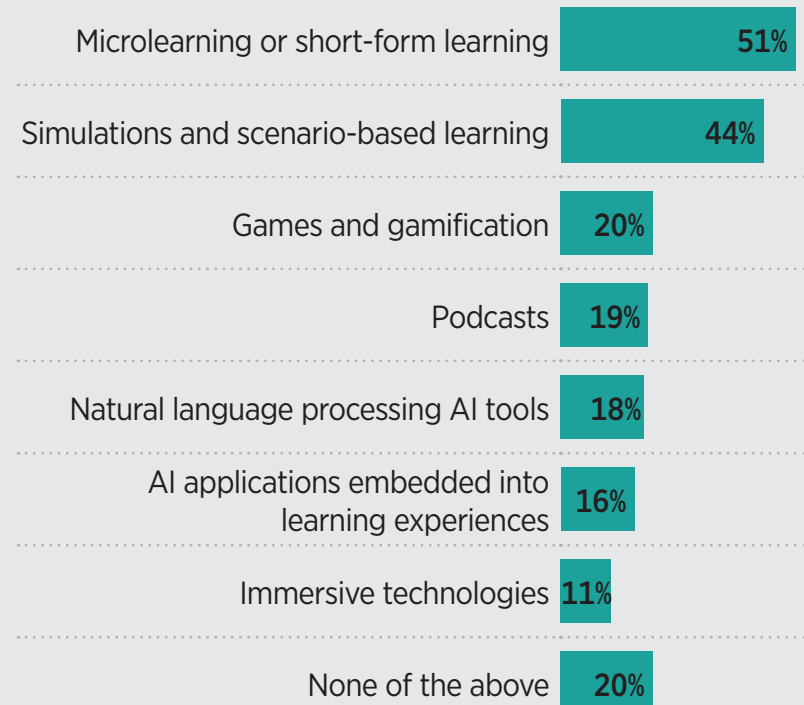High-performing organizations are more likely to use rotation training programs and stretch assignments.

Technology-Based Learning Was a Popular Way to Address Skills Gaps

Organizations were implementing technology-based learning into training programs to address skills gaps. Microlearning as well as simulations and scenario-based learning were the two most popular technology-based learning modes, followed by games and gamification and then podcasts.

Fewer organizations used artificial intelligence (AI)—only 18 percent used natural language processing tools and 16 percent used AI-embedded applications. This is unsurprising based on the budget constraints indicated by many organizations, as well as the current lack of knowledge about AI and lack of resources to implement it.[17]

Four in five organizations used technology-based learning methods to address skills gaps.

Question: Does your organization use any of the following technology-based learning methods to address skills gaps? (Select all that apply.)

Microlearning or short-form learning	51%
Simulations and scenario-based learning	44%
Games and gamification	20%
Podcasts	19%
Natural language processing AI tools	18%
AI applications embedded into learning experiences	16%
Immersive technologies	11%
None of the above	20%

High-performing organizations are more likely to use podcasts, games and gamification, microlearning, simulations and scenario-based learning, and natural language processing AI tools.

Organizations Were Using More Than Training to Address Skills Gaps

Training isn't the only way to address skills gaps. Most organizations were using a multifaceted approach to work on these areas.

One way that organizations addressed skills gaps was by recruiting for key skills. When organizations use skills-based hiring approaches, they may see an impact on their skills gaps. *Harvard Business Review* recommends organizations start by rethinking their job descriptions to focus on skills and results.[18] This helps to shift the organizational mindset from thinking about qualifications to focusing on skills.

Another method is to determine what skills the organization needs to be successful now and in the future. This can be done through a skills gap analysis exercise. According to Indeed, a skills gap analysis can help organizations recognize their staff's expertise, as well as what learning content areas they should focus on.[19]

Organizations were using multiple methods to address skills gaps.

Question: How is your organization addressing skills gaps?

Method	Percentage
Recruiting for key skills	58%
Examining what skills the organization needs to be successful now and in the future	54%
Identifying core competencies and capabilities and targeting their development	53%
Assessing current gaps and creating a plan to address the most critical areas	52%
Offering retention programs for employees with key skills	31%
Partnering with the public workforce	28%

(Percentage who are currently doing this activity.)

High-performing organizations were more likely to use nontraining activities to address skills gaps.

The Public Sector Also Addressed the Problem of Existing and Future Skills Gaps

The government has also enacted legislation and devoted resources to developing the workforce. The mission of the US Department of Labor's FY2022–2026 Strategic Plan is to "foster, promote, and develop the welfare of the wage earners, job seekers, and retirees of the United States; improve working conditions; advance opportunities for profitable employment; and assure work-related benefits and rights."[20] One of the goals is to build opportunities and equity for all through "advance training, employment, and return-to-work opportunities that connect workers to higher-wage jobs, especially in ways that address systemic inequalities."

During FY2023, the Employment and Training Administration (ETA) awarded grants to promote inclusion and address systemic inequalities, including:

• More than $65 million in State Apprenticeship Expansion Formula grants to 46 states to "increase their availability to serve, improve, and strategically enhance the National Apprenticeship system"

• More than $49 million in Pathway Home grants to "provide training, employment, and supportive services to adults reentering the workforce following incarceration in a local or state correctional facility"

• More than $50 million in Strengthening Community Colleges Training grants to 15 community colleges to "expand their capacity to meet the skill development needs of employers and workers"

The ETA continues to prepare workers for 21st-century jobs and increase access to registered apprenticeships. It also oversees the Workforce Innovation and Opportunity Act, which serves youth, young adults, and those with significant barriers to employment.

For a complete list of ETA grants, visit dol.gov/sites/dolgov/files/general/budget/2025/CBJ-2025-V1-01.pdf.

Steps for Success

No matter what method your organization uses to address skills gaps, it is essential to monitor and measure the results. Some questions to ask include:

1. Are you using assessment tools to measure progress between pre- and post-learning activities?

    _____

    _____

    _____

2. Are you monitoring employees' progress against individual and organizational goals?

    _____

    _____

    _____

3. How are you communicating the progress toward closing skills gaps to senior leaders and executives?

    _____

    _____

    _____

4. What methods are most effective in closing the skills gaps?

    _____

    _____

    _____

For more information about monitoring, measuring, and communicating the results and impact of bridging the skills gap, visit td.org/design/design/skills-gap-action-plan-checklist for the Skills Gap Action Plan Checklist.

Key Finding 4

Soft Skills

Although not all employees have excellent or good soft skills, talent development professionals understand they can be learned. The most commonly sought soft skills in employees were communication, problem solving, ethics, and teamwork.

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# Most TD Professionals Thought Soft Skills Could Be Learned

ATD Research found that soft skills were an area in which organizations were experiencing high levels of skills gaps. To better understand the issue, we asked additional questions about soft skills.

Soft skills—which are also known as people skills, essential skills, durable skills, and interpersonal skills—are "a set of personal attributes and abilities that allow individuals to effectively interact with others in a professional setting."[21]

Although more than half of organizations said their employees had good or excellent soft skills, there was still room for improvement. Fortunately, 87 percent of TD professionals thought that soft skills could be taught. Employers can offer learning and development programs, mentoring and coaching programs, and on-the-job training to help employees improve their soft skills.[22]

52% of organizations rated their employees' soft skills as excellent or good.

Question: Overall, how would you rate the soft skills of employees at your organization?

Excellent	Good	Average	Fair	Poor
11%	41%	38%	7%	3%
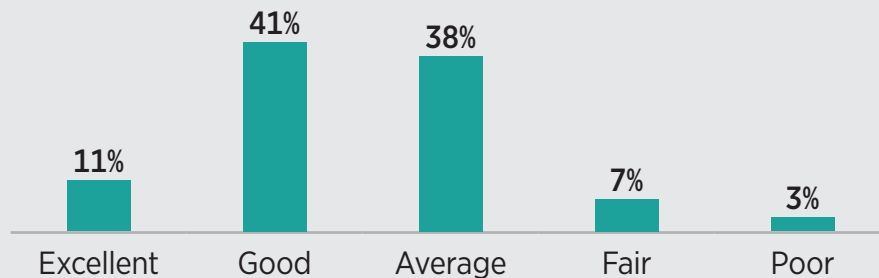
High-performing organizations were more likely to indicate that their employees' soft skills were excellent or good.

Organizations Struggled to Find Candidates With Strong Soft Skills

The current study found that many organizations were recruiting new employees to fill skills gaps. However, 65 percent of respondents said they struggled to find candidates with strong soft skills.

Respondents noted that communication, problem solving, ethics, and teamwork were essential skills when hiring and promoting.

Communication skills are important when making hiring and promotion decisions.

Question: How important are each of the following soft (or durable) skills when making hiring and promotion decisions?

Skill	%
Communication skills	83%
Problem solving	76%
Ethics	75%
Teamwork	75%
Professionalism	73%
Adaptability	72%
Critical thinking	71%
Time management	65%
Self-organization	62%
Emotional intelligence	59%
Creativity	41%

(Percentage responding very important.)

High-performing organizations are more likely to indicate that emotional intelligence, ethics, creativity, teamwork, problem-solving, time management, self-organization, and professionalism are very important soft skills when making hiring and promotion decisions.

Key Finding 5

Working Americans

Employees want opportunities to improve their soft skills, such as critical thinking, creativity, and communication. They also think their managers, supervisors, and team leaders need additional training.
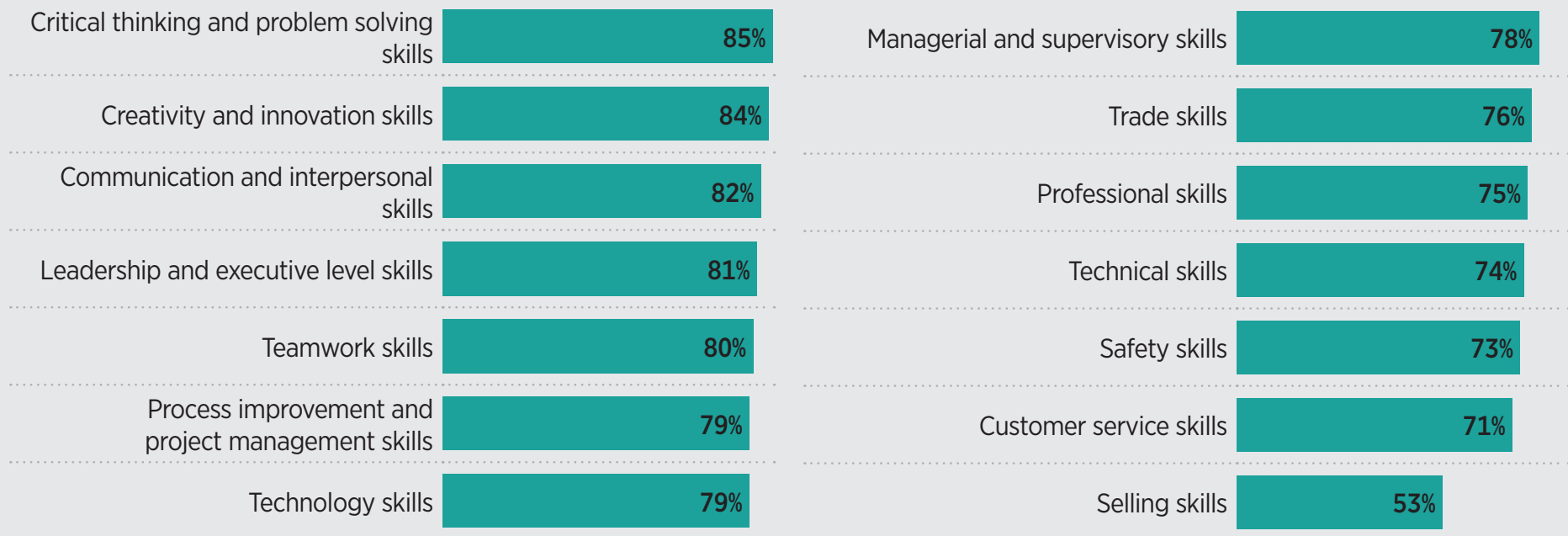
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Working Americans Wanted Their Organizations to Offer Specialized Skill Training

New to the study this year, ATD Research asked working Americans about their training preferences. Most respondents said they were interested in receiving training in soft skills, such as critical thinking and problem solving, creativity and innovation, and communication and interpersonal skills. Organizations should determine if their own employees are interested in professional development opportunities in these areas.

Working Americans were interested in training content on soft skills.

Question: If your organization provided you with the opportunity to participate in training on the following topics, how likely would you be to sign up?

Critical thinking and problem solving skills	**85%**
Creativity and innovation skills	**84%**
Communication and interpersonal skills	**82%**
Leadership and executive level skills	**81%**
Teamwork skills	**80%**
Process improvement and project management skills	**79%**
Technology skills	**79%**

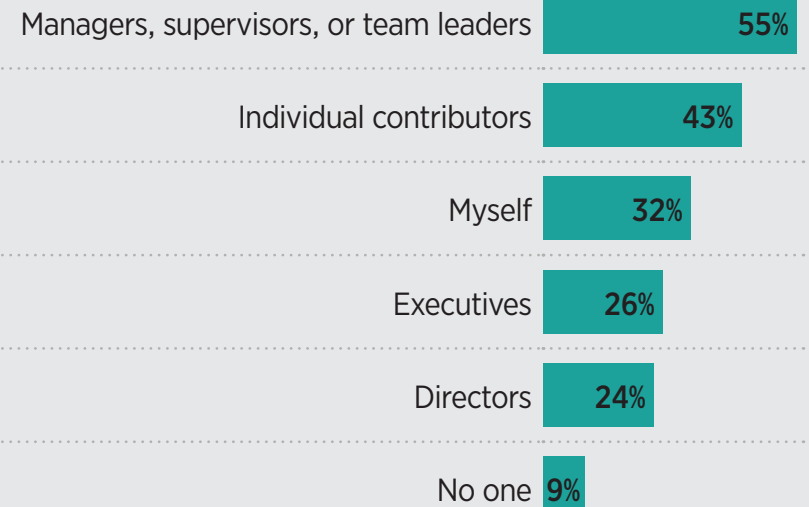|	
Managerial and supervisory skills	**78%**
Trade skills	**76%**
Professional skills	**75%**
Technical skills	**74%**
Safety skills	**73%**
Customer service skills	**71%**
Selling skills	**53%**

(Percentage responding somewhat or extremely likely.)

Working Americans Thought Managers, Supervisors, and Team Leaders Needed More Training

Given the popular saying "People quit managers, not jobs," it's unsurprising that more than half of working Americans thought their managers, supervisors, and team leaders would benefit from more training. According to a study by SHRM, the top areas in which managers need training are communication, training and developing teams, time management, delegation, and prioritizing.[23]

Nearly a third of respondents said they needed additional training. A recent study by Gallup found that only a quarter of employees strongly agreed their manager invested in their professional development. Organizations need to listen to employees who want additional training; otherwise, these employees may opt to join another organization that values training and development.

Working Americans saw a need for managers to receive additional training.

Question: At your workplace, who do you think needs additional training? (Select all that apply.)

Managers, supervisors, or team leaders	55%
Individual contributors	43%
Myself	32%
Executives	26%
Directors	24%
No one	9%

Steps for Success

Organizations with a perceived performance gap may benefit from conducting a needs assessment, which is "a tool used to facilitate decision making, and typically occurs within the analysis phase of instructional design. Needs assessments involve collecting and synthesizing information to appropriately determine whether gaps exist, which will ultimately identify whether there are training gaps that need to be addressed."[24]

The first step in a needs assessment is to identify the need. Talent development professionals may find it helpful to ask employees their opinions through focus groups, interviews, and questionnaires. Here are two sample questions to ask staff:

• Do you have the support needed to succeed within your role?

• How could the organization become more efficient and perform better?

Once you've collected the data, the next step is to analyze it, and then write a summary of the findings. This will help you decide on potential solutions. Finally, put together a plan to begin implementing the solution.

ATD members interested in more information about needs assessments should visit td.org/templates-and-tools/needs-assessment-toolkit to download the ATD Needs Assessment Toolkit.

Advice From Colleagues

Three organizations have provided case studies about how they successfully addressed skills gaps.

A Case Study of Rosendin

Rosendin is the largest employee-owned electrical contractor in the United States, employing more than 7,500 people.

The Challenge

Rosendin's challenges were based on incorporating leadership and soft skills for field and office employees becoming new managers. Because the company is part of the construction industry and in a dangerous field, a focus on jobsite safety needed to be integrated into how its leaders think, act, and perform. Rosendin recognized the impact that leadership had on employee safety, and they knew they had a responsibility to ensure supervisors received the necessary training to keep employees safe.

Rosendin had been experiencing a trend in leadership and soft skills challenges for many years, which the COVID-19 pandemic brought to the forefront. The construction industry had always taken a coarse approach to supervisor-employee interactions; however, Rosendin recognized the need to become a catalyst for change in the industry's management styles.

How Did They Address the Skills Gap?

The L&D department's objective was to humanize the learning content and drive home a culture-based training program that addressed safety compliance. To do this, they built an interactive leadership course called Dynamic Leaders. This course took an innovative approach to championing participant values and allowed the input from the participants to drive the conversation. In turn, participants were able to gain a real-life situational perspective. It also shifted the focus to Rosendin's culture, rather than simply addressing compliance.

Cohorts of around 20 people were made up of a variety of employees with different roles and levels of experience. This meant that field and office managers took the course together. Cohorts could also include employees who were aspiring to become managers; in fact, no one was ruled out from being able to take the class.

Rosendin

The L&D department was very intentional when they set up the Dynamic Leaders course. Because cohorts were allowed to drive the conversation, facilitators had to be able to lead impromptu conversations—and thus couldn't follow a strict script. It also meant they had to be ready and comfortable with the unexpected. These discussions led to many additional learning experiences for both participants and facilitators.

How Did They Measure the Success of Dynamic Leaders?

The L&D department focused on injury and accident rates to measure success. They monitored how many injuries and accidents happened in an area before the Dynamic Leaders training program, and then continued watching those rates after the course. They saw a significant decrease in first aid and recordable injuries in the areas where they piloted the course during the first year. As Rosendin continues to offer Dynamic Leaders, it will continue tracking safety statistics.

They also used course surveys to request participant feedback. One major finding from the surveys was a near universal agreement that Rosendin employees in management positions should take the class. The participants saw the value in taking time from their busy schedules to take the course.

Words of Advice

Keep a human perspective and focus on helping people, not fixing them. Building relationships with employees was how they kept a human perspective at Rosendin. In addition, it's important to make sure employees know that they are valuable team members. The L&D team realized that the program couldn't solely focus on compliance—by focusing instead on workplace culture, employees were reassured that managers cared about their well-being. They know that people come first at Rosendin.

Filling the Talent Pipeline by Focusing Training on Soft Leadership Skills

A Case Study of MAREK

MAREK is a family-owned company dedicated to excellence in commercial and residential specialty construction. It has approximately 2,500 employees.

The Challenge

MAREK realized that nearly a third of its field supervisors were nearing retirement age, which meant that the company would soon need to start hiring or promoting employees into these positions. The company decided to invest in its current staff, fill its pipeline, and prepare to promote employees as field supervisors began to retire.

Filling the talent pipeline was a shift in thinking at MAREK. In previous years, the company was reactive, rather than proactive, to the need to bridge skills gaps. Hiring needs were treated like emergencies because few current employees were prepared to take on leadership roles. With this new approach, MAREK is being proactive. Leaders know they have needs in the future, and they are slowly preparing their current staff to take on those roles.

How Did MAREK Address the Skills Gap?

Approximately 15 years ago, MAREK created Craft Academy to provide frontline workers with the skills required to be effective and efficient. During an employee's first two years with the organization, this program gives them the tools they need to be productive. However, the training only focused on being a great frontline worker—it didn't provide training on the soft leadership skills that employees would need to become field supervisors. Recognizing all employees, and not just field leaders, would benefit from soft leadership skills training, MAREK added topics like communication and conflict management to the Craft Academy course lineup.

The company also recognized the need to allow current employees to learn leadership skills, so it developed a field supervisor training and development program. To keep the program flexible and allow employees to learn in a variety of ways, MAREK built it using a blended learning approach that included instructor-led courses, e-learning courses, and on-the-job training opportunities. In addition, the program specifically targeted safety, operations, leadership, and technology. The training also focused on the experiences of the MAREK employees.

Cohort learning was the most effective way to organize the supervisor training and development program; learners were set up in groups of approximately 20 to 30 people with the goal of giving them a peer-to-peer

network. Employees who were ready to be promoted or had already been promoted were invited to join, and participants were selected from various branch locations. This meant that participants weren't just learning in a formal setting; they also had opportunities for informal learning. They were able to network and have conversations with co-workers and peers who they may not have met otherwise.

MAREK also created defined career paths to allow each employee to be in the driver's seat for their career. Part of helping employees define their career path was launching annual performance reviews between employees and their supervisors. During these conversations, they discussed career development, as well as areas they wanted to improve and learn more about.

How Will Marek Continue to Evolve Training in the Future?

MAREK's TD team understands that training needs are constantly evolving. They are already thinking about the organization's future needs and how they can strategically meet them.

One new initiative is to localize their training. They want to to provide training and materials in Spanish and English, which will allow employees to learn in their preferred language. Translating their materials isn't easy, and they understand the importance of appropriately translating industry-specific terms.

The team is also constantly re-evaluating the learning programs to ensure that they're relevant to the needs of today's workers. For example, they are now evaluating Craft Academy content that was developed years ago, which likely won't work for a postpandemic workforce. They are also looking into ways to streamline their learning process and more quickly bridge skills gaps. The goal is always to ensure employees have the skills they need today for the problems they may encounter tomorrow.

Words of Advice

It's imperative to align with the organization's strategy. Determine what gaps need to be filled and make a plan to close them. But remember that TD professionals must be realistic about what they can and can't do with their time, staffing, and budget resources. Determining where the team can make the most significant impact on the organization is key.

Another piece of advice from the team at MAREK is to talk with people in other departments about what they need now and in the future. For example, while trying to build the field supervisor pipeline, they spoke to field leaders and asked questions about the skills employees would need to be successful in the role. In addition, they asked how they could improve the program to ensure the next generation of field leaders had the appropriate skills. Through surveys and informal conversations with field leaders, they were able to improve the learning program. These insights were critical to ensure the TD team built a learning program that met the organization's strategic needs.

A Case Study of Dugan & Meyers

Dugan & Meyers specializes in general construction, construction management, design-build, water and wastewater construction, and concrete construction. It has approximately 300 employees.

The Challenge

Dugan & Meyers was experiencing significant language barriers between jobsite workers who spoke Spanish and project leadership who spoke English. This challenge was particularly important because communication on a job site is crucial to everyone's safety and work efficiency. In addition, the language barrier was also significantly affecting upward mobility for employees to advance within the organization.

Dugan & Meyers realized they needed to address this challenge. However, they also recognized that since any time employees spent away from the job site and their work was costly, they didn't have much extra time to spend on training and development efforts. The solution had to address the need while being strategically targeted for efficient use of time.

How Did Dugan & Meyers Address the Skills Gap?

The company concentrated on providing development opportunities to both groups.

English-speaking employees participated in a course that blended in-person and virtual instructor-led training. Dugan & Meyers knew the course couldn't focus only on "how to speak Spanish"; instead, it focused on teaching safety and job-related terms and phrases in Spanish. At the end of the course, learners were expected to be able to share information or instructions with Spanish-speaking employees without a translator. This course was created internally, in tandem with operations and safety, and focused on real-world situations that employees would encounter.

The course geared toward Spanish-speaking employees needed to serve two needs. Learners needed to be able to understand safety, job-related terms, and phrases used on the jobsite in English. They also needed additional English-language training to help with future advancement and success within the organization. Dugan & Meyers collaborated with an external source, Open English, to provide a more in-depth English as a second language course that included virtual instructor-led, self-guided, and one-on-one mentoring sessions. These training sessions

allowed employees to learn new skills using hands-on situations and classroom-based instruction. Because their availability was limited during the workday, employees were invited to participate during their own time after hours. They were also able to access a training team member to help with technical needs. Learners were also incentivized to make progress in the training—as they achieved success at different levels, their leaders were informed of their progress, and they were further recognized.

As Dugan & Meyers tracked the learners' progress, informing leaders about the observed improvements at the jobsite was a high priority. This level of accountability was crucial to the completion and success of these programs.

As Dugan & Meyers continues hiring new employees, the company will conduct an initial skill assessment to gauge how well employees can speak Spanish so that they can align them with future training.

What Short-Term Impacts on Organizational Goals Have You Been Able to Document? What Long-Term Impacts Are Expected to Be Gained As Your Effort Continues?

Dugan & Meyers is bridging the gap between workers and communication. The company's employees are benefiting from these efforts to break down language barriers, create a culture of acceptance and understanding, and foster mutual respect among co-workers across traditional cultural gaps.

"Since I started the program, I have noticed that I am more confident speaking in English," explained a carpenter foreman who went through the training course to improve their use of English. "My leadership have told [me] that they are able to understand me better when I speak in English with them."

"The Spanish-speaking co-workers on my sites have seemed to be very appreciative of the fact that I have been working to learn Spanish," said a superintendent who finished the training course to improve their use of Spanish. "And [they] have been more than willing to help me along the way."

With a strong bilingual workforce, the company has seen its talent pool grow. Bilingual employees have additional opportunities to be promoted into management and leadership roles.

Action Plan

This whitepaper focused on bridging the skills gaps for organizations. By having a better understanding of the topics that training programs should focus on, as well as the target audiences for those programs, talent development professionals can potentially bridge the skills gap at their own organizations.

For organizations that are beginning to address skills gaps, ATD Research recommends a few action steps:

• **Assess the current skills gap.** To begin, TD professionals need to understand the skills that are required for employees to be efficient and effective at their job. Then, they should identify the root cause of the skills gap, determine what behaviors are necessary to meet goals, and prioritize a path to fill them. You should ask, "Has the organization conducted a capability audit to determine what gaps exist?"

• **Start determining where your organization will have skills gaps in the future.** To do this, you must understand the business and its key strategies, goals, and metrics.

You should ask, "How can the organization bridge the skills gaps that it anticipates over the next three years?"

• **Use a needs assessment to assess current and future skills gaps.** This will allow you to understand the skills employees need and then create a plan to address them.

• **Look to alternate opportunities to address skills gaps.** Training and learning opportunities may not be the only solution. For example, it may be necessary to recruit new employees with specific skills or offer retention programs to keep employees with key skills. You may use a multipronged approach by offering learning programs, recruiting new staff, and retaining staff with specific skills.

• **Once a solution is in place, monitor and measure the results of the learning program.** Use assessment tools to measure progress before and after the training program. Collecting data isn't enough—you also need to use it. Make changes to the program as needed and communicate the progress and results to stakeholders.

For organizations that have already started to address skills gaps and are interested in best practices from high-performing organizations, ATD recommends the following:

- **Be strategic in selecting the training modality for addressing skills gaps.** High-performing organizations are more likely to use live instructor-led traditional classrooms and off-site in-person courses at a college, university, or third-party provider. Determine what method of training will work best for your employees.

- **Consider incorporating on-the-job training opportunities.** Rotation training programs and stretch assignments are popular methods for bridging skills gaps.

- **Incorporate technology into your training programs.** High-performing organizations use podcasts, games and gamification, microlearning, simulations and scenario-based learning, and natural language processing AI tools as part of their learning programs.

- **Reflect on what soft skills are critical for employees, and then consider them when making hiring and promotion decisions.** Critical soft skills for high-performing organizations include emotional intelligence, ethics, problem-solving, and professionalism.

Finally, whether their organization is at the beginning of its journey to address skills gaps or if it has an established learning program to address these needs, all TD professionals should continue to learn and find resources that allow them to stay current in this area. ATD members have access to resources for learning more about addressing skills gaps.

Bridging the Skills Gap

Survey Overview

Target Survey Population

The target population for this whitepaper was talent development professionals across different organizations and industries—356 TD professionals completed the survey. The second target population was working Americans across different organizations and industries—522 working Americans completed the survey.

Survey Instrument

Two surveys were created for this study. The first was targeted at talent development professionals and included questions about current skills gaps, future skills gaps, training methods, soft skills, and demographic information for the respondents. The second targeted working Americans and included questions about training interests, skills gaps at their organization, and demographic information about the respondents.

Procedure

ATD Research distributed a link to an online survey to the target populations in December 2023 and January 2024. The surveys closed in January 2024.

Identifying Statistically Significant Differences

This report notes differences between groups. All differences are significant at a level of at least $p < 0.05$. A significance of $p < 0.05$ implies a less than 5 percent probability that the difference is a result of chance and one can be 95 percent confident that the results represent a statistically significant relationship.

Demographics

Talent Development Demographics

Employment Status

Employed full time	96%
Employed part time	4%

Organization Size

Small (*1 to 99 employees*)	21%
Medium (*100 to 2,499 employees*)	49%
Large (*2,500 to 9,999 employees*)	17%
Extra-large (*10,000+ employees*)	13%

Work Arrangement

Remote	16%
In-person	45%
A hybrid of remote and in-person	39%

Industry

Accommodation and food service	2%
Administrative and support, waste management, and remediation services	1%
Agriculture, forestry, fishing, and hunting	2%
Arts, entertainment, and recreation	3%
Construction	5%
Educational services	10%
Finance and insurance	12%
Healthcare and social assistance	11%
Information	3%
Management of companies and enterprises	1%
Manufacturing	11%
Mining, quarrying, and oil and gas extraction	1%
Professional, scientific, and technical services	9%
Public administration	3%
Real estate and rental and leasing	2%
Retail trade	5%
Transportation and warehousing	3%
Utilities	1%
Wholesale trade	1%
Other services	14%

Region

Africa or the Middle East	1%
Asia-Pacific	1%
Canada	1%
Europe, UK, or Ireland	3%
Mexico	1%
United States	93%
Other	1%

Span of Control

Executive or director	31%
Manager, supervisor, or team leader	51%
Individual contributor	18%
Other	<1%

Working American Demographics

Organization Size

Small (*1 to 99 employees*)	35%
Medium (*100 to 2,499 employees*)	40%
Large (*2,500 to 9,999 employees*)	14%
Extra-large (*10,000+ employees*)	11%

Work Arrangement

Remote	14%
In-person	72%
A hybrid of remote and in-person	14%

Industry

Accommodation and food service	6%
Administrative support, waste management, and remediation services	1%
Agriculture, forestry, fishing, and hunting	1%
Arts, entertainment, and recreation	3%
Construction	7%
Educational services	13%
Finance and insurance	4%
Healthcare and social assistance	15%
Information	3%
Management of companies and enterprises	1%
Manufacturing	10%
Mining, quarrying, and oil and gas extraction	<1%
Professional, scientific, and technical services	3%
Public administration	1%
Real estate and rental and leasing	1%
Retail trade	6%
Transportation and warehousing	4%
Utilities	1%
Wholesale trade	1%
Other services	18%

Region

Africa or the Middle East	<1%
Asia-Pacific	1%
Canada	1%
Europe, UK, or Ireland	1%
Mexico	<1%
United States	97%
Other	<1%

Span of Control

Executive or director	10%
Manager, supervisor, or team leader	40%
Individual contributor	45%
Other	5%

ATD Resources

ATD has many free and paid resources for addressing skills gaps. Whether you have five minutes or five weeks, we have content that will fit your schedule.

The ATD blog is filled with posts on a variety of topics.
- "Tech Skills Gap Versus Tech Skills Shortage" describes the differences between staffing shortages and gaps in existing skills. Visit td.org/insights/tech-skills-gap-versus-tech-skills-shortage.

- "8 Predictions for AI in 2024" describes how AI can upskill and reskill the workforce. Visit td.org/atd-blog/8-predictions-for-ai-in-2024.

The templates and tools library contains more than 200 templates, tools, book summaries, and checklists to save you time at work:
- "Skills Gap Action Plan Checklist" is designed to help talent development professionals understand how to address skills gaps within their organization. Visit td.org/design/design/skills-gap-action-plan-checklist.

- "Needs Assessment Toolkit" can help talent development professionals identify a gap and provide a list of potential solutions for addressing it. Visit td.org/templates-and-tools/needs-assessment-toolkit.

Talent Development Capability Model is a framework to guide the TD profession in what practitioners need to know and do to develop themselves, others, and their organizations.
- ATD members can sign in to the interactive Capability Model using their TD.org account. From there, they can review the knowledge and skill statements and rate their proficiency. After completing the self-assessment, members can identify and prioritize areas for further development. Visit td.org/capability-model/about.

Not a member of ATD? Visit TD.org to join and gain access to ATD's resources, articles, whitepapers, webinars, and more.

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MIN ⸻ **SKILL** ⸺ MAX

ATD Workforce Development Advisory Group

The Association for Talent Development (ATD) is recognized for shaping discussions on workforce development. ATD's Workforce Development Advisory Group is a consortium of talent development leaders representing organizations and educational institutions who assist ATD in educating and advocating for public policies that support building a highly skilled workforce.

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The Association for Talent Development (ATD) champions the importance of learning and training by setting standards for the talent development profession. ATD is the largest, most-trusted organization for the professional development of practitioners in training and talent development, serving a worldwide community with members in more than 100 countries. Since ATD was founded in 1943, the talent development field has expanded significantly to meet the needs of global businesses and emerging industries. ATD's mission is to empower professionals to develop talent in the workplace.

The resources we provide to help talent development professionals increase their impact and effectiveness include our research. ATD's researchers track trends, inform decisions, and connect research to practice and performance. By providing comprehensive data and insightful analyses, ATD's research products, which include research reports, briefs, infographics, and webinars, help business leaders and talent development professionals understand and more effectively respond to today's fast-paced industry.

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Learn more at **TD.org**.

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