

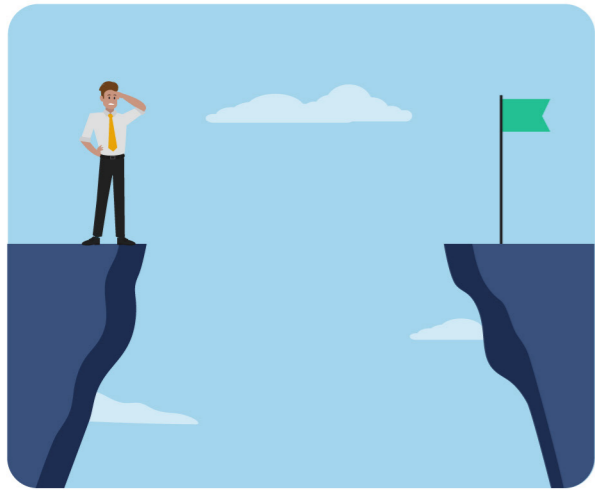
**Close the  
talent skills**



**gap**

**to open up big  
opportunities**

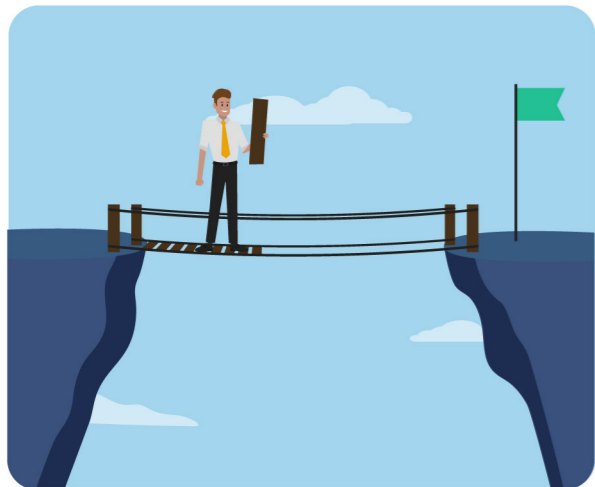
# At a glance



## Understanding the skills-gap problem

Organizations face a massive skills gap, now and in the future. This fundamental mismatch between the skills employees have and the skills they need negatively impacts productivity, morale, and business results.

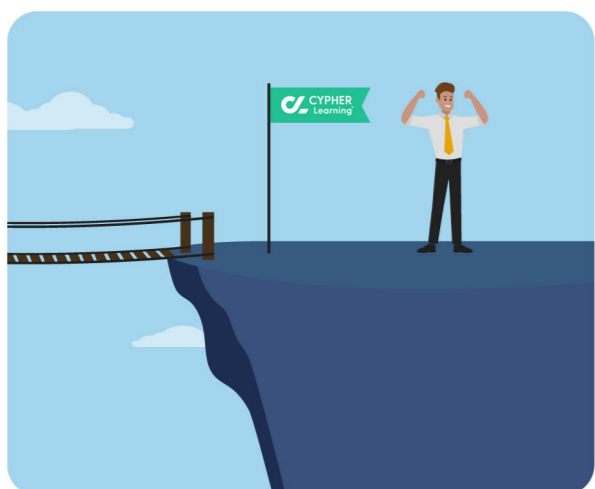
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## Realizing the opportunities

Addressing the talent skills gap opens up three key opportunities that businesses can seize: create a culture of perpetual learning, drive competition advantage and talent acquisition, and better enable “quiet hiring” from within.

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## The role of a modern learning platform

Organizations can combine people, process, and learning technology to optimize learning and future-proof their business.

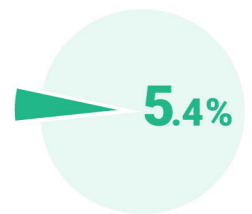
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# Understanding the skills-gap problem

## The struggle: Corporations are plagued by a skills gap

Many businesses are at a crossroads when it comes to securing the talent they need to win: Do they focus on hiring or outsourcing the right skills from the outside, or do they invest in reskilling and upskilling their existing employees? Or both?

Skills for a single position increase **annually at**  
Gartner



Compounding the dilemma is the fact that job requirements and the list of skills in demand are highly dynamic – constantly changing to reflect market opportunities, technological advancement and business priorities. According to [Gartner](#)<sup>1</sup>, the total number of skills required for a single position is increasing at 5.4% annually. **Case in point: 33% of the skills listed in an average job posting from 2019 won't be needed by 2024.**

For some companies, the obvious solution initially seems to be to recruit new talent. But to no one's surprise, this isn't as easy as it sounds. Hiring is increasingly frustrating and costly, especially in today's hyper-competitive marketplace where coveted skills and expertise are scarce and at a premium – a reality that is seemingly unaffected by the state of the economy, unemployment rate or other external conditions. And certain industries are getting hit especially hard.

## For example



**The IT sector** has been grappling with a **cybersecurity skills drought** for years, one that's compromised too many companies' abilities to protect themselves from emerging cyber threats.



**Manufacturers** are searching high and low for prospective employees with knowledge of **new technologies and processes** that will help optimize plant operations.



**Life sciences and pharmaceutical companies** are in fierce competition for **data scientists and analytics expertise** to help identify opportunities and expedite time-to-market for new therapies.

<sup>1</sup> Gartner, Foster a Culture of Agile Learning to Upskill IT Employees Faster, Jose Ramirez, Graham Waller, Christie Struckman, 17 October 2022.

**Get a complimentary Gartner Report<sup>2</sup>**  
 Foster a culture of agile learning to upskill IT employees faster



# 70% of employees are under-skilled

for the **jobs they currently hold** in some way. (Gartner)

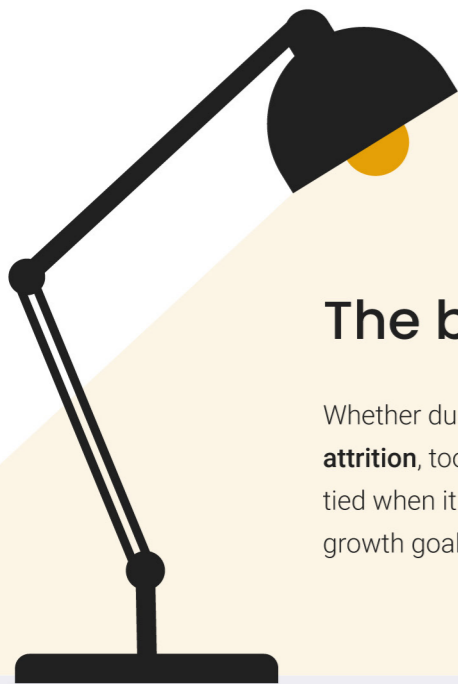
Looking inward at existing employees is another option. Unfortunately, without the proper professional development programs and resources, most businesses' requirements tend to evolve at a rate faster than the skills of their employees. Another eye-opening statistic from [Gartner<sup>3</sup>](#) states that 70% of employees are under-skilled in the jobs they currently hold.

**Said another way: Average employees are already falling behind in fulfilling their companies' needs of today – let alone those in the future.**

Complicating the scenario further is the high post-pandemic attrition rate, which continues to challenge employers even in a volatile economic climate, with employees in all stages in their careers re-evaluating their professional status and either changing jobs or opting out of the workforce altogether.

## The bottom line

Whether due to **hiring difficulties**, an **under-skilled workforce** or **attrition**, too many organizations are finding themselves with their hands tied when it comes to skills development. They have corporate objectives and growth goals to meet, yet **they lack the skills they need to deliver.**



## Frustration is a two-way street

## Employees are also feeling the pain

While human resources (HR), hiring managers, and learning and development (L&D) organizations struggle to solve their skills acquisition challenges, employees are facing their own professional development dilemma. In the quest to further their own careers, they're deciding whether to:



### Sadly, the most likely answer is C

According to [LinkedIn<sup>4</sup>](#), employees who feel their skills are not being put to good use are **10 times more likely to seek new employment.**



<sup>2</sup>Gartner Report: Foster a Culture of Agile Learning to Upskill IT Employees Faster, 17 October 2022, [www.cypherlearning.com/gartner-upskill-it-employees-skills-development](http://www.cypherlearning.com/gartner-upskill-it-employees-skills-development)  
<sup>3</sup>Gartner, 2018 Shifting Skills Survey, 18 March 2019, [www.gartner.com/smarterwithgartner/motivate-employees-to-reskill-for-the-digital-age](http://www.gartner.com/smarterwithgartner/motivate-employees-to-reskill-for-the-digital-age)

<sup>4</sup>LinkedIn, 2023 Workplace Learning Report, 15 February 2023, <https://learning.linkedin.com/resources/workplace-learning-report>

# Success requires a holistic skills-development strategy

**Addressing the skills-gap challenge demands more than a simple, singular approach.** That's because skills development isn't just a point-in-time activity – to be effective, it must be considered and treated as a fundamental principle and strategic priority, woven into the fabric of the organization and respected, regulated and resourced accordingly.

It benefits companies to think more holistically about skills development, taking into consideration and designing a program that reflects the entire lifecycle of an employee, whether it's completing new-hire

onboarding, acquiring the knowledge required for a promotion, or getting the technical expertise to operate new technology, as just a few examples. Unfortunately, traditional corporate training programs have been hindered by technologies and platforms that don't afford content creators and trainers the features and flexibility to design and deploy truly engaging and responsive training offerings. Or, such technologies are highly siloed and disparate from other internal employee systems, which inhibits access to information and insights that could help tailor training programs to individual employees and improve their overall effectiveness.

## The rigidity of these tools has left today's L&D professionals, despite good-faith efforts, grappling with how to

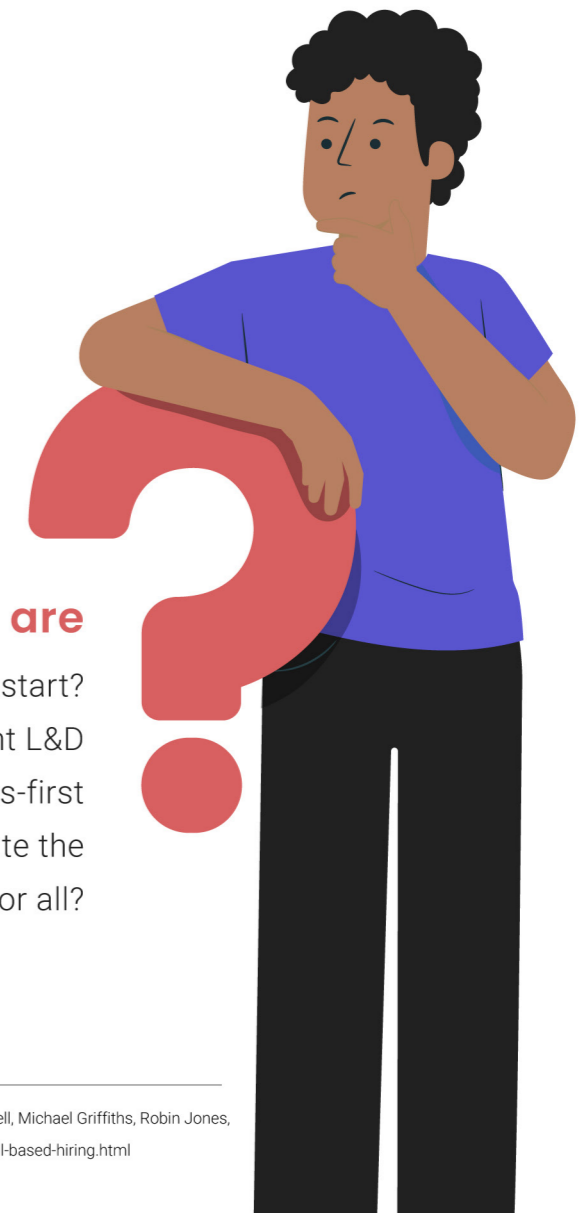
- Transform**  
L&D from ad hoc or one-off content offerings to regulated strategic initiatives.
- Elevate**  
Outcomes by increasing employee adoption, comprehension and enthusiasm.
- Create**  
Programs that can adapt and keep pace as company and employee needs change.
- Scale**  
L&D while retaining the human element and mentoring essential for success.
- Demonstrate**  
L&D's return on investment (ROI) to justify new resources.

The secret to achieving these objectives lies in how companies perceive and approach the skills-gap challenge. That's why an increasing number of companies have started focusing on skills rather than jobs when thinking about talent acquisition and retention. According to [Deloitte](#)<sup>5</sup>, skills-based organizations outperform their peers who cling to job-centric models.

**Skills-based organizations outperform their peers who cling to job-centric models.**  
Deloitte

And while the shift from job-based training to skills-based training has the potential for significant impact, how those lessons and content are delivered is equally, if not more, critical. Legacy learning management systems (LMSs) were built to automate lessons in a very linear fashion – minus the human aspects of learning, like mentoring, that drive engagement and comprehension.

New innovations in LMS technology are changing all that. **Modern solutions are designed to include valuable mentoring capabilities that create a 1:1 experience** and help the employee feel more supported throughout their learning journey, while giving the trainer the ability to respond to questions and guide each individual employee, at scale.



**The questions are**  
Where should companies start?  
How do they adapt their current L&D program to reflect a more holistic skills-first strategy and, ultimately, eliminate the skills gap once and for all?

<sup>5</sup>Deloitte, The skills-based organization: A new operating model for work and the workforce, Sue Cantrell, Michael Griffiths, Robin Jones, Julie Hiipakka, 8 September 2022, [www2.deloitte.com/us/en/insights/topics/talent/organizational-skill-based-hiring.html](http://www2.deloitte.com/us/en/insights/topics/talent/organizational-skill-based-hiring.html)

# Realizing the opportunities

Closing the skills gap creates three massive opportunities

An honest and thoughtful evaluation of the skills gap – coupled with recognition that a successful training strategy reflects the entire employee lifecycle – creates three tremendous opportunities for companies and their employees.

Let's examine each opportunity and strategies for capitalizing on its potential in more detail.



## Opportunity #1

### Culture of upskilling

Create a culture that welcomes and fosters perpetual upskilling, reskilling and cross-skilling by continually giving existing employees the right tools and training to boost their effectiveness.

## Opportunity #2

### Competitive advantage

Turn training and development into a competitive advantage for recruiting the best talent in a given industry.

## Opportunity #3

### Quiet hiring

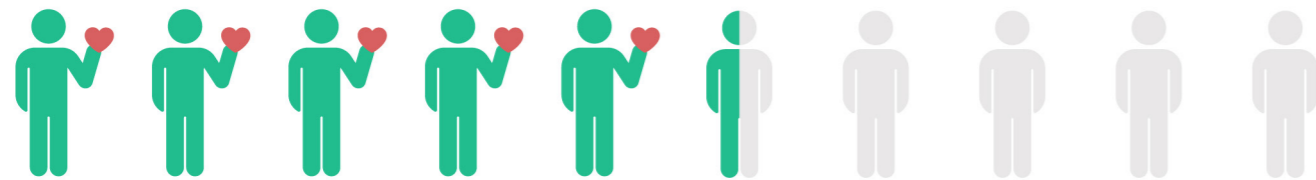
Implement a “quiet hiring” strategy, promoting from within, where appropriate, rather than looking outside the organization for new, more costly recruits.

## Opportunity #1

# Create a culture that embraces upskilling

Employees with the right skill sets for their roles and the ability to apply them effectively are more apt to be satisfied and productive in their professional lives. According to SHRM<sup>6</sup>, more than half (55%) of employees say the ability to use their skills is essential to their overall job satisfaction.

Skills-development programs tailored to the employment lifecycle help employees develop and master the skills they need through each phase of their tenure. This includes not only hard technical skills, but also soft skills like dependability, flexibility, leadership and problem-solving.



**55% of employees** say the ability to use their skills is essential to their overall job satisfaction.  
SHRM

In today's hybrid workforce, a **successful skills-development program is especially important**, even having the potential to turn L&D from an operational cost to a value center. Programs for upskilling, reskilling and right-skilling maximize productivity and

increase return on the talent investment. And when properly designed, these programs can **keep employees at home engaged, fulfilled, and feeling like valued members of the organization.**



## Seize the opportunity

How can you design and deliver such programs and foster a culture of continual upskilling geared toward the modern, dispersed workforce? Online training offerings that allow hybrid workforces to learn anytime, anywhere play a vital role in this model, but **they benefit from the right underlying platform. Tap into learning platforms that:**

- ✓ **Enable learning anywhere**

Lead with sensitive and responsive design so learners can easily engage wherever they are.
- ✓ **Use competency-based learning**

Support smart and proactive competency-based learning so each individual can acquire and hone the skills they need, getting personalized attention, and recommendations at scale.
- ✓ **Offer automation**

Offer the convenience and efficiency of automating manual tasks (such as for enrolling learners in courses and issuing badges and certificates) while still providing essential human connections. For example, easy access to a network of peers and mentors humanizes the learning experience to help employees feel more comfortable with the program and confident in themselves.

<sup>6</sup>The Society for Human Resource Management, Employee Job Satisfaction and Engagement, April 2016, [www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/documents/2016-employee-job-satisfaction-and-engagement-report.pdf](http://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/documents/2016-employee-job-satisfaction-and-engagement-report.pdf)

## Opportunity #2

# Turn training and development into a **competitive advantage**

While **upskilling existing employees should be at the heart of a strong talent acquisition and development strategy**, hiring or contracting external help will always be an important part of the equation. How does skills development contribute to the cause? Compensation and benefits may top the list of what drives a person to take one position over the other, but workers are also more likely to join organizations that provide clear skills advancement and career paths. And as more than 85 million jobs globally could go unfilled by 2030

without enough skilled people to take them, per [Korn Ferry](#)<sup>7</sup>, **skills development presents an obvious opportunity for competitive advantage in recruiting**. According to [Gartner](#)<sup>8</sup>, “When active job seekers were presented with a scenario where they have two competing offers for similar positions, **53% say they’re more likely to take a role that offers more opportunities to learn new skills over a job that offers 10% higher compensation.**”



## 85M+ jobs globally

could go unfilled by 2023 without enough skilled people to take them.

Korn Ferry



Simply put, the ability to articulate a clear path to cultivating the right skills for the job enhances the ability to fill positions both from outside and within the company.

<sup>7</sup> Korn Ferry, The \$8.5 Trillion Talent Shortage, Michael Franzino, Alan Guarino, Yannick Binvel, Jean-Marc Laouchez, 2018, [www.kornferry.com/insights/this-week-in-leadership/talent-crunch-future-of-work](http://www.kornferry.com/insights/this-week-in-leadership/talent-crunch-future-of-work)

<sup>8</sup> Gartner, Foster a Culture of Agile Learning to Upskill IT Employees Faster, Jose Ramirez, Graham Waller, Christie Struckman, 17 October 2022, [www.gartner.com/smarterwithgartner/motivate-employees-to-reskill-for-the-digital-age](http://www.gartner.com/smarterwithgartner/motivate-employees-to-reskill-for-the-digital-age)

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## Seize the opportunity

Companies can compete for talent more effectively if they can:

### ✓ Showcase learning opportunities

Confidently share with candidates the organization’s core commitment to training and skills development. Highlight how your learning platform and overall learning ecosystem enable employees to develop the skills they want and need.

### ✓ Outline development path

Present candidates with a development program mapped to their lifecycle as a prospective employee. Give examples of how your training aligns with advancement opportunities to help drive internal mobility.

### ✓ Proactively upskill employees

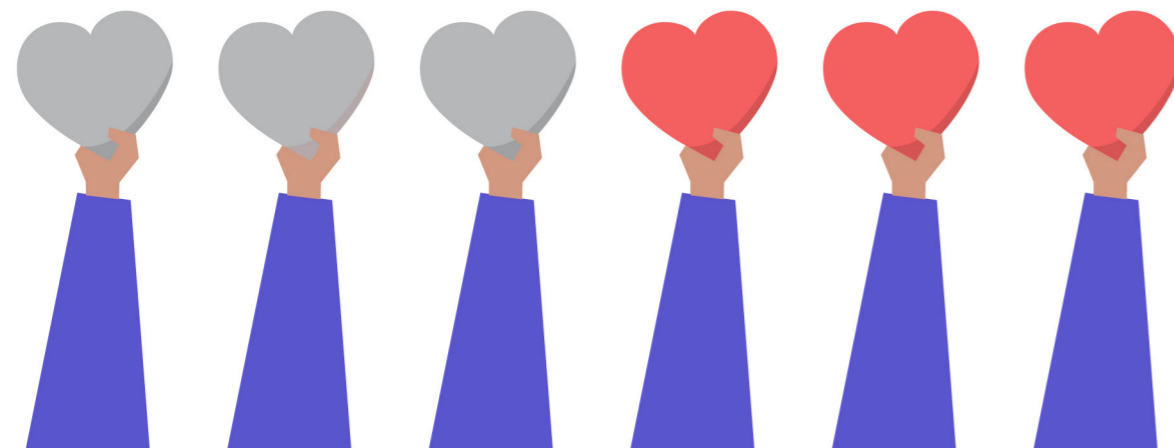
Proactively approach existing employees due for reskilling. Share a similar commitment and investment in their growth to help drive retention and create positive “buzz” that will attract others to your organization.

## Opportunity #3

### Embrace the **quiet-hiring trend**

What is “quiet hiring”? It’s a term given to hiring from within, and it’s often the **most effective way to fill vacant positions**. Instead of looking outside the company for the right skills, HR and hiring managers may identify talent and recruit internally, from other parts of the organization. According to [The Conference Board<sup>9</sup> Measure of CEO Confidence™](#), **68% of CEOs said attracting the right people from the outside was a problem** – likely due to challenges around finding soft skills and a cultural fit as well as quantifiable hard skills, certifications, etc.

Promoting from within allows **organizations to assess an internal candidate’s soft skills** before filling an open position. According to a recent survey by [McKinsey<sup>10</sup>](#), companies are increasingly focused on social, emotional and advanced cognitive skills – for example, leadership, decision-making and project management. McKinsey states that the share of respondents saying that their companies are addressing interpersonal skills and empathy skills has nearly doubled in the past year.



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McKinsey

<sup>9</sup>The Conference Board Measure of CEO Confidence™, 9 February 2023, [www.conference-board.org/topics/CEO-Confidence](http://www.conference-board.org/topics/CEO-Confidence)

<sup>10</sup>McKinsey, Building workforce skills at scale to thrive during—and after—the COVID-19 crisis, Fabian Billing, Aaron De Smet, Angelika Reich, Bill Schaninger, 30 April 2021, [www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/building-workforce-skills-at-scale-to-thrive-during-and-after-the-covid-19-crisis](http://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/building-workforce-skills-at-scale-to-thrive-during-and-after-the-covid-19-crisis)



## Seize the opportunity

Organizations are better positioned to hire from within when they:

### ✓ Assess existing talent

Know where they stand talent-wise. By conducting skills inventories, organizations can understand disparities between the skills employees have and the skills they need.

### ✓ Create valuable content

Can quickly create (via rapid content authoring) or procure training to plug gaps and create more well-rounded internal candidates for a given position. Organizations shouldn’t feel compelled to create all, or even most, of the content they need. For example, it’s often useful for them to create product-specific content (unique to their organization) and tap into the libraries of well-respected learning content providers (often accessible through their learning platforms) for valuable soft-skills training.

### ✓ Facilitate goal setting

Enable employees to participate in the definition of their own training and career goals – and then automatically access training content and opportunities that map to them.



# The role of a modern learning platform

An effective technology platform is at the core of **successful skills development**

Closing the skills gap requires a hands-on and technology-enabled approach. It involves more than simply running an online evaluation and directing the employee towards volumes (and volumes) of content posted online. How relevant is that material to the individual's experience or responsibilities? How easy is it to access? How does the trainer know if the employee is progressing and whether they're retaining the information (or if they've even bothered to open a single content file)?

Today's employees – and humans, in general – expect to be treated as individuals, each with their own unique needs and preferences. So, to be successful, L&D organizations also need to factor individuality into their approach. That is, not only must they have the right content to power their training program, but they also must deliver it to the right people and tailor the delivery to how, when and where each individual wants it.



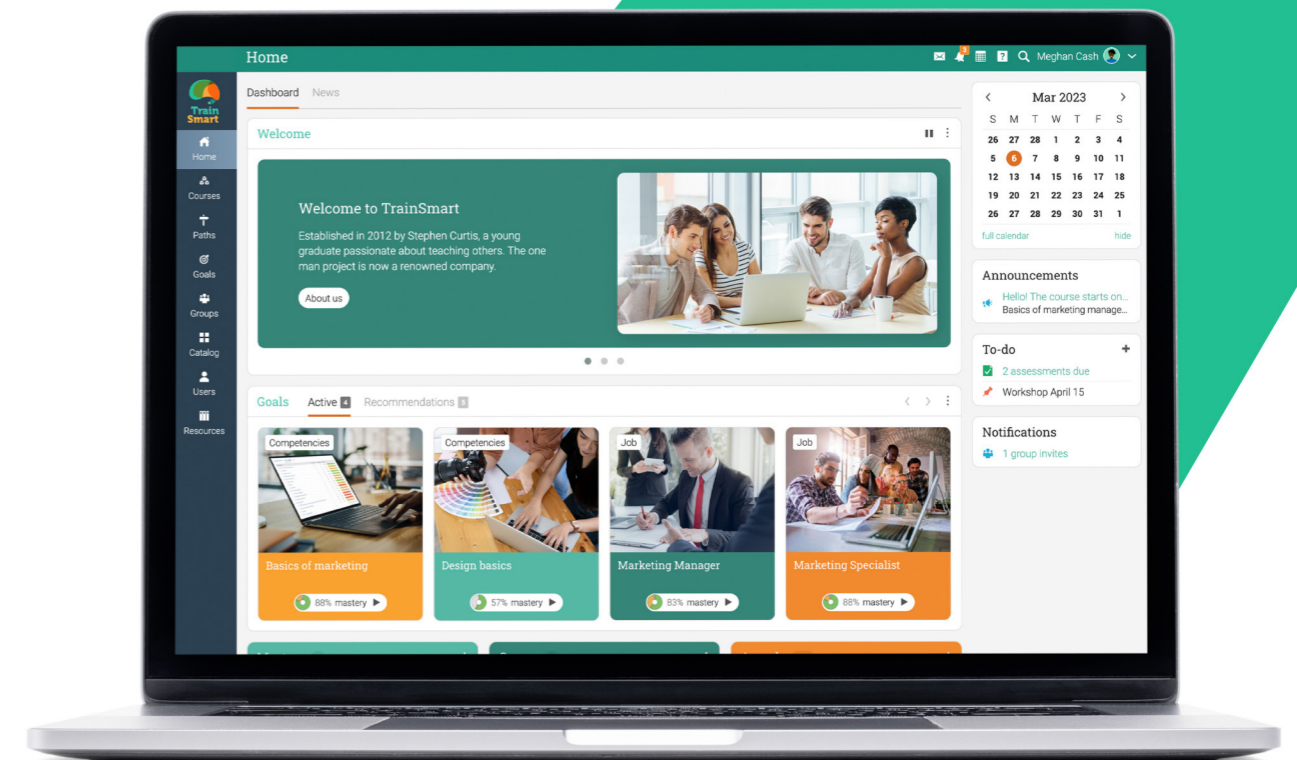
## “Constant learning

driven by both workers and organizations - will be central to the future of work, extending far beyond the traditional definition of learning and development.

*Korn Ferry*

With the CYPHER modern learning platform CYPHER Learning® enables companies to close the skills gap and, in doing so, open up opportunities.

- 1 Creating a culture that embraces upskilling
- 2 Turning training and development into a competitive advantage
- 3 Enabling more organizations to hire from within



1

# Creating a culture that **embraces upskilling**

CYPHER connects the way people live with the way they learn. **With anytime, on-demand access to content** from any device, learning is convenient and easy to complete. **Next-gen competency-based development** also enables each individual to practice and master the skills they need, so they meet the

demands of their roles, now and in the future. Additional core capabilities — including for social learning, gamification, and the ability to connect with experts, coaches, and mentors — **make learning more community-oriented and fun.**



 **NEXT-GEN COMPETENCY-BASED**

**SKILLS DEVELOPMENT**



Job

Marketing Specialist

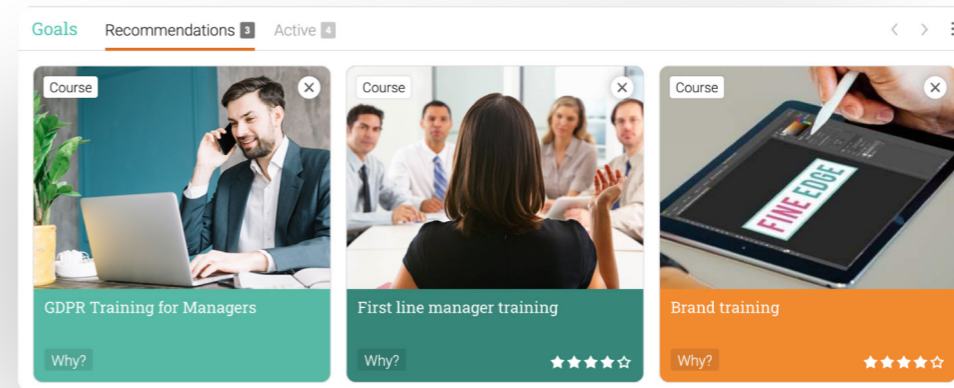
45% mastery

2

# Turning training and development into **a competitive advantage**

The CYPHER modern platform gives employees regular **access to the training they want and need** — optimized for their career paths and professional development. With the ability to **deliver proactive,**

**automated, and spot-on learning recommendations,** organizations can better engage, develop and retain learners, and attract new talent as well.



Goals Recommendations Active

Course

GDPR Training for Managers

Why?

Course

First line manager training

Why? ★★★★★

Course

Brand training

Why? ★★★★★

 **AUTOMATED SKILLS RECOMMENDATIONS**

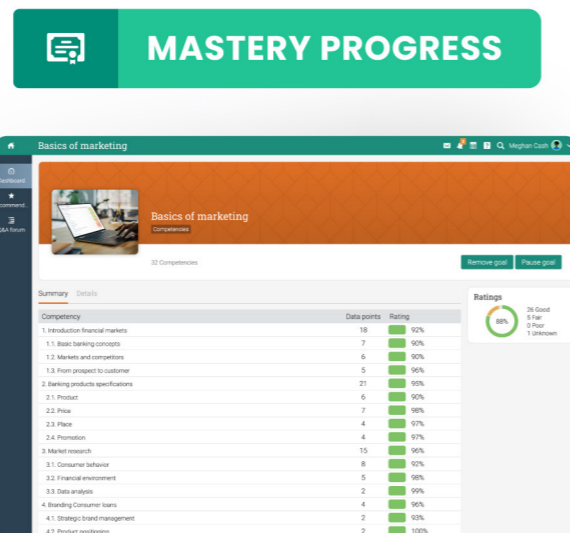


3

## Enabling more organizations to **hire from within**

Organizations can **objectively assess employee skill sets to identify gaps and target training**. Employees play a key role in their own development – **setting career goals and seeing their progress toward mastery**. Personalized learning is a key part of skills development – with learning paths automatically tailored to employees' roles, goals, current skills and

backgrounds, aptitudes demonstrated and more. And HR, L&D personnel and hiring managers can clearly see where each employee stands and whether intervention is necessary – with **instant visibility into where employees are, where they want to be, the skills they have, and the skills they need**.



# About CYPHER Learning

We believe learning is the heart of innovation and progress. Everything we do empowers L&D pros, educators, and entrepreneurs to inspire, develop, and celebrate their learners – with **personalized competency-based learning, proactive development**

**tracks, and scalable automation** all wrapped in a **collaborative and entertaining experience**. We make a beautiful, modern, and intuitively simple learning platform to get them there.

**CYPHER Learning is leading the necessary disruption of learning platforms to unleash human potential.**



Let us show you how our platform can help you close the skills gap.

[Schedule a demo](#)