Mind the gap:
Upskilling Australia and New Zealand employees for the digital workplace

The current working climate is digitally evolving at an unprecedented pace. Organisations need to support their employees through digital transformation and upskill them so that their performance doesn't suffer. This isn't an easy job and it takes time. Organisations that can't keep up with the change or support their employees along the way will end up with a less skilled workforce that feels overwhelmed and unsupported. Delivering modern learning and development plans is essential in order to upskill employees through this transition. Ultimately, it is both the organisation and its employees who suffer if this doesn't happen.

Learning and development is seen as vital, but its quality must improve

Learning and development (L&D) is an essential part of any job, with 63% of surveyed employees based in Australia and New Zealand seeing opportunities for L&D as important when considering a new job role. L&D can offer an array of benefits to employees and teams – improved performance, improved satisfaction/morale and improved productivity to name a few. This can only have a positive impact on ROI and staff retention.

Encouragingly, around three quarters (74%) of Australia and New Zealand employees say they received L&D from their organisation in 2018. In fact, employees report they received L&D three times last year, on average. However, is this enough? And are employees happy with the quality of the L&D they received? The answer is no. More than seven in ten (72%) wish they received more L&D from their organisation for new skills in 2018. In addition, only 19% rated the L&D that they received as excellent, where nothing could have been improved. This leaves the vast majority (80%) feeling their organisation could have done more to provide effective L&D. This is likely to contribute to the 42 percent of Australia and New Zealand employees who admit their team is under-skilled to deliver what is needed for the business.

Not only do organisations need to offer more L&D, they must deliver it to a much higher standard, otherwise skillsets will stagnate.

72%
of employees wish their employer offered more new skills training last year

By prioritising external talent over upskilling, many are missing out on potential benefits

We've already seen organisations are failing to successfully upskill employees in their current roles. But, in addition, upskilling employees for new roles isn't done well either. More than nine in ten (92%) Australia and New Zealand employees report that when a new role needs to be filled in their organisation, external employees are considered for hire, as opposed to appropriate internal employees being upskilled, with 39 percent citing roles are filled with external employees all or most of the time.

Upskilling employees for new roles bring a whole host of benefits to organisations. The initial investment is less, while the level of retention, morale, productivity, performance and career mobility can be more. Unfortunately, many are missing out on these perks. To not miss out, organisations need to put a robust learning and development plan, as well as a talent management strategy in place. This may seem like a daunting task, but there are new technologies such as full suite HCM systems and expert third parties that can help in this area. In the long run, this is a highly worthwhile venture.

Employees want more learning and development, but fear their organisation won't deliver it

Six in ten (60%) surveyed Australia and New Zealand employees admit they need to learn a new skill in 2019 in order to remain confident in their role. However, 55 percent are concerned about not receiving the L&D they need from their organisation in order to remain employable and skilled in the future. This should sound alarm bells for organisations given 89 percent of employees see the future of working as nothing without L&D.

With so many organisations failing to deliver enough L&D, and to the high standard that is needed, the chances of employees learning a new skill are slim. This places a huge question mark over whether employees have confidence in the role they fill. The end result could leave employees feeling unsupported and unskilled, which will only push them to seek other opportunities elsewhere. This makes it critical for organisations to provide effective learning and development opportunities.

55%

of employees are worried they're not receiving the learning and development they need to stay employable

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A more innovative approach is needed in how L&D is delivered

Choosing learning and development methods for staff isn't an easy task. It's important to pick methods that employees want and would find useful for their learning and development. We asked how Australia and New Zealand employees would like to receive L&D from their organisation in 2019, and around six in ten (59%) say they would like to online through eLearning courses. Microlearning is another technique favoured by more than a third (34%) of employees.

Given as many as 72 percent of employees feel their organisation could be more up to date or on trend (innovative) with the L&D they provide, delivering eLearning in bite-size nuggets and as short-term learning activities could be the way of the future to meet L&D needs.

With digital transformation comes new learning and development demands

Most organisations are now on a digital transformation journey. A quarter (25%) of employees claim their organisation has successfully implemented new technologies to help with L&D, while 67 percent have either partially implemented them or plan to. This implementation can increase skills (62%), efficiency (61%) and/ or productivity (56%), as well as improve

performance of individual/teams (46%) and/or development (45%).

However, to see these benefits, employees need to be upskilled or reskilled. The perks can't be felt across the organisation overnight, significant time and effort needs to go into providing the relevant training to employees on how to use new technologies.

Nine in ten (90%) Australia and New Zealand employees from organisations in the process of adopting new technologies say these new technologies change the requirements for L&D. More than four in ten report more digital skills are required (45%) and/or more frequent reviews of current skills and training programmes are needed (44%). However, organisations are failing with this, with over three quarters (76%) of employees reporting their organisation could provide more training on how to use new technologies.

While the purpose of implementing new technologies is to help with L&D, if employees aren't given good quality training in this area, they're only going to be left feeling overwhelmed and, in fact, less skilled as a result. Ultimately, the success of an organisation's digital transformation depends on their workforce, so failing to upskill employees through this transformation will only result in it not being achieved.

76%

of employees want their employers to step up by offering more training in new technologies

Those currently or planning to implement new technologies to help with L&D report an array of benefits:

Increases skills (62%)

Increases efficiency (61%)

Increases productivity (56%)

Improves performance (46%)

Improves development (45%)

> **"** *...as many as 72 percent of employees feel their employers are behind the times with the L&D they provide...* **"**

In the wake of digital transformation initiatives, roles are changing and skills gaps emerging

The majority (70%) of Australia and New Zealand employees' job roles are being changed due to digital transformation, with 19 percent currently being transformed and 52 percent having a slight digital transformation. While this can bring about new job roles and opportunities, the skill requirement increases and employees are unlikely to perform well unless the right training is in place, with 88 percent needing digital skills training to help with the digital transformation of their role. Around half would like Microsoft Office training (51%) and/or video-based microlearning (47%), while more than a third (36%) would like collaboration training.

These are methods organisations should be investing in to enhance digital skills, to ensure their employees are supported through digital change, and to create a more skilled and digitally able workforce.

But unfortunately, the story isn't that rosy. Less than one third (27%) of employees feel completely supported by their organisation in meeting the changing demands of their role as a result of it undergoing digital transformation. What's more, almost half (46%) fear significant parts of their role will be replaced by technology in the next 10 years. This makes it all the more important for organisations to support their employees through digital transformation. But this isn't always happening. And these organisations are only going to end up with an unskilled workforce far into the future.

Which digital skills training content would help employees most with the digital transformation of their role?

Microsoft Office training	Video-based microlearning	Collaboration training	G suite training	Social for Business training	Adobe Creative Cloud training
51%	47%	36%	28%	26%	25%

Australia and New Zealand respondents whose role is being digitally transformed or is having a slight digital transformation (701)

"
Only 27% of employees feel fully supported by their employer to meet the changing demands of their role
"

Conclusion

Many organisations are providing their employees with some level of training for new skills, but this isn't enough. Employees need more. And they need it delivered to a much higher standard. With so many roles undergoing digital transformation, upskilling has become more vital than ever – it's no longer a 'nice to have' for organisations, but a must-do.

Organisations that leverage progressive learning vendor partners that fit the needs of employees will be the ones who excel with a skilled and digitally able workforce. Those who don't work with an expert training vendor could find themselves quickly spiraling downhill and behind their competition.

To find out more about the results and how Skillsoft can help your business grow its learning and development, please visit:

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