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# Promoting Upskilling to Harness the Power of Advancing Technology



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**Technological advancements in computing and the increased availability of tools powered by AI promise to fundamentally shift how people work and interact with one another.**

As we stand on the edge of a transformative new era, the emergence of advanced AI can help organizations operate with unprecedented efficiency and unlock new innovations. Organizations primed to succeed in the modern world will develop cultures that enable them to reap the benefits of new technologies through the empowerment of their employees.

Making new technology available is an important first step, but efficiency and innovation are only generated when employees are bought in and comfortable using it. To harness AI's full potential, organizations must equip employees with the skills and knowledge necessary to confidently interact with and effectively leverage it in their role. Many organizations fall flat in empowering their employees to build such proficiency. Among organizations that have begun to implement AI technology, nearly half (47%) offer no formal or informal training opportunities. This finding reflects the broader trends uncovered by Gallup and Workhuman research that underline the distinct gap between employees' desire to upskill and the support to do so offered by their organizations.

Leaders and managers who are in tune with the demands of the modern workplace meet their employees' enthusiasm for upskilling and build cultures of skills-based learning where upskilling is not just encouraged but engrained in the fabric of how work is done. The following explores new research about employees' intentions to upskill and highlights how organizations can do more to empower them. Gallup and Workhuman uncover how strategic recognition and direct promotion of upskilling can drive effective adoption of new technologies and yield additional cultural benefits.

## The Opposing Perspectives on AI of Business Leaders and Their Employees

Data from a 2024 Gallup survey of the U.S. workforce shows that 33% of employees say their organization has begun to integrate AI technologies. Additionally, past Gallup research indicated that 72% of chief human resources officers (CHROs) predicted that AI would begin replacing roles in their organization in the next three years.<sup>1</sup> Leaders, in particular, are enthused by the future of AI in their organizations, with the hope that it will boost efficiency, innovation and decision-making.

Other employees feel less enthused. Workers share that they feel unprepared and uncertain about the future of AI in the workplace. Gallup finds that organizations are not doing enough to help employees feel comfortable and build proficiency using AI technology.



<sup>1</sup> Barrett, H. & Pendell, R. (2023, August 21). 72% of top CHROs see AI replacing jobs – and workers aren't ready. Gallup.com. <https://www.gallup.com/workplace/509540/top-chros-replacing-jobs.aspx>

**Integrated AI technologies show great promise, but organizations must adopt them with care and intention to fully realize their benefits.** For leaders who hope to leverage AI technology to push their organizations ahead of the curve, simply buying a new AI software or service for their organization is not enough. Organizations will maximize the potential of AI and other new technologies only when their employees are motivated to learn, explore and make a conscious effort to integrate them into their role.

## Promoting Upskilling to Engage and Better Equip Employees for the Future

To ease employees' concerns and maximize the return on their investment, leaders looking to integrate new technologies such as AI into their organizations must offer ample opportunities for training and development. Furthermore, by promoting upskilling and reskilling as cultural priorities, organizations can ensure their employees use opportunities for development and build a workforce capable of integrating new technologies in stride.

Fortunately, there is an appetite amongst employees to use upskilling to develop within their current roles and career paths. Most often, employees who recently learned a new skill report that they did so because it helped them do their job more effectively (60%) or learn and grow (51%).

Employees who are encouraged to upskill are more likely to take on training and learning opportunities that will help them be more efficient when using new technologies or implementing new business practices. However, promoting upskilling also helps show employees that they are cared for and valued by their organization.

Employees who strongly agree their organization encourages them to learn new skills are 8.4 times as likely to strongly agree that there is a path for them to grow in their organization, 47% less likely to be searching or watching for another job, and 4.2 times as likely to be engaged. These benefits are invaluable and help organizations maintain a full pipeline of talented employees capable of filling their most critical roles and adapting to the modern world of work.

## Gaps and Disparities in Upskilling

The reality is that most organizations are failing to properly upskill their employees for success in the future. For example, according to Gallup research of employees whose organizations have begun to implement AI, just 23% say they are offered optional training, and only 15% are provided with required training.

Even organizations that do provide or subsidize opportunities for their employees to learn and develop still often miss out on the added benefits of promoting upskilling as a cultural value. Only 26% of employees strongly agree that their organization encourages them to learn new skills. This data shows another concerning pattern: Newly tenured employees (36%) and leaders (43%) are more likely to strongly agree that their organization encourages them to learn new skills, while managers (25%), project managers (24%) and individual contributors (26%) are left behind.

Further analysis finds even deeper disparities not just in upskilling but in overall development opportunities. Senior leaders (44%) are more than twice as likely as managers (20%), project managers (21%) and all other individual contributors (16%) to strongly agree that they see a path to grow within their organization. When organizations do not create or promote opportunities for their workforce to develop, they sabotage their own growth and agility. Additionally, performance across the organization may become stagnant, and employees are more likely to become complacent and more inclined to maintain their current way of working.



## Leveraging Strategic Recognition to Encourage Upskilling and Development

Encouraging employees to upskill and solidifying learning and development as an organization's core value are not insurmountable goals. Gallup and Workhuman find that strategic recognition is an influential tool that can strengthen cultures and communicate priorities by positively reinforcing behaviors considered central to driving an organization's success. Leaders and managers focused on modernizing their workforce through upskilling can communicate its importance and reward employees for taking charge of their own learning and development.

Most organizations do not capitalize on the utility of recognition to promote upskilling. **Just 14% of employees say learning a new skill is one of the most common reasons employees at their organization are recognized, thanked or appreciated.** Like the pattern seen in employees' reporting of how often they are encouraged to learn new skills, recognition for learning new skills is most often given to newly tenured employees and leaders, while managers and all other employees are less recognized. Significant messaging gaps and opportunities remain for leaders hoping to inspire and engrain upskilling as part of their organization's identity.

When the importance of upskilling is communicated strategically through recognition, the message is clear: Employees who say learning a new skill is commonly recognized in their workplace are 75% more likely to strongly agree their organization encourages them to learn new skills. Gallup and Workhuman research finds that this encouragement translates directly into more tangible intentions to upskill. When learning a new skill is commonly recognized in a workplace, employees are 56% more likely to strongly agree they are motivated to learn new skills.

The rapid development of new AI technologies has placed increased pressure on organizations to evolve their culture and adapt their workplaces for the future. Yet employee feedback indicates that they and, more critically, their organizations are largely unprepared for these changes.

By encouraging and providing the resources for employees to upskill and develop within their organization, leaders improve their organization's ability to remain adaptable, innovative and at the forefront of technological changes. Gallup and Workhuman underline how strategic recognition can help clearly communicate the importance of upskilling and cement innovation as a cultural value.

# Methodology

# Statement

Primary results from this report are based on a survey conducted April 16-30, 2024, with 4,439 adults who are employed full or part time, aged 18 and older, and living in all 50 U.S. states and the District of Columbia, as a part of the Gallup Panel™. For results based on these samples of national employed adults, the margin of sampling error at the 95% confidence level is  $\pm 2.3$  percentage points for response percentages around 50% and  $\pm 1.4$  percentage points for response percentages around 10% or 90%.

Some results from this report are based on a survey conducted May 7-21, 2024, with 21,543 adults who are employed full or part time, aged 18 and older, and living in all 50 U.S. states and the District of Columbia, as a part of the Gallup Panel. For results based on these samples of national employed adults, the margin of sampling error at the 95% confidence level is  $\pm 0.9$  percentage points for response percentages around 50% and  $\pm 0.5$  percentage points for response percentages around 10% or 90%.