Welcome to Today’s WCET Webcast

FEBRUARY 22, 2023

The webcast will begin shortly.
There is no audio being broadcast at this time.
An archive of this webcast will be available on the WCET website next week.
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State of the Skills Gap 2023: Challenges and Opportunities in Supporting a Post-Pandemic Workforce

February 22, 2023
Hosted in partnership with:

WILEY University Services
Welcome!

• Slides and the *Closing the Skills Gap 2023* report can be downloaded via the link in chat.

• Please use the **Question** box for questions and **Chat** for other information exchange.

• Follow the Twitter feed: #WCETWebcast.

• Slides, recording, and shared resources will be emailed to attendees.

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Megan Raymond  
Senior Director, Membership & Programs  
WCET  
mraymond@wiche.edu  
@meraymond
Today’s Moderator

Suzanne Ehrlich
Associate Professor & Co-Director,
UNITE Design Lab
University of North Florida
WHAT IS THE SKILLS GAP?

SKILLS GAP
/skills, gap/ [Noun]

A significant disparity between the skills an organization needs to fulfill their goals and the availability of those skills in their workforce or potential job candidates.
BACKGROUND

- This report builds on our previous Skills Gap and Reimagining the Workforce reports
- Wiley University Services surveyed over 600 human resources professionals and hiring managers across the United States during the summer of 2022 to understand the state of the skills gap across industries

SURVEY RESPONDENT PROFILE

<table>
<thead>
<tr>
<th>Held multiple seniority levels</th>
<th>Worked for organizations of various size</th>
<th>Came from a wide range of industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 25% C-Suite</td>
<td>• 13% &gt;50k employees</td>
<td>• Top industries:</td>
</tr>
<tr>
<td>• 33% Senior Management and VP</td>
<td>• 16% &lt;1k employees</td>
<td>• Manufacturing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Retail</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Technology</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Healthcare</td>
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</tbody>
</table>
KEY FINDINGS

- The skills gap spread to more organizations during the pandemic
- When a skills gap forms, staffing challenges follow
- Alternate credentials are gaining on the college degree
- Organizations must unlock opportunities to reskill their workers
- Demand for skills is evolving too fast for companies to keep up
KEY FINDING ONE

Skills gaps spread to more companies during the pandemic
More companies are reporting a skills gap

Do you believe there is a gap in the skills your organization needs and what your employees possess right now?

**2021 Report**
- Yes: 31%
- No: 14%
- Unsure: 55%

**2023 Report**
- Yes: 14%
- No: 17%
- Unsure: 69%
Many companies are looking to existing employees to fill the gap.

<table>
<thead>
<tr>
<th>How does/would your organization handle a noted gap in skills? (Select all that apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upskill/reskill current employees</td>
</tr>
<tr>
<td>Hire new candidates that have the skills needed</td>
</tr>
<tr>
<td>Hire contingent/contract workers</td>
</tr>
<tr>
<td>Outsource</td>
</tr>
<tr>
<td>We are/would be unable to address it</td>
</tr>
<tr>
<td>Unsure</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>
KEY FINDING

TWO

When a skills gap forms, staffing challenges follow.
36% of respondents believe the skills gap causes recruitment challenges.
Many companies admit not investing enough in their people

<table>
<thead>
<tr>
<th>ORGANIZATIONS WITH A SKILLS GAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>What do you believe are the biggest causes of the skills gap at your company?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of employee development initiatives and options</td>
<td>41%</td>
</tr>
<tr>
<td>Lack of in-house resources for training and development</td>
<td>38%</td>
</tr>
<tr>
<td>Lack of leadership support or awareness around the disparity in skills</td>
<td>36%</td>
</tr>
<tr>
<td>Our compensation packages are not competitive enough</td>
<td>35%</td>
</tr>
<tr>
<td>Slow or unable to adapt to changes in technology</td>
<td>33%</td>
</tr>
<tr>
<td>A shift in company strategy or product offering</td>
<td>33%</td>
</tr>
</tbody>
</table>
As workforce skill needs evolve, updating curricula to match the latest demand is becoming more important. It also benefit populations beyond a school’s prospective students.

- Updated curricula **gives alumni a reason** to return to school to audit the updated courses or add certificates to their degrees.
- By announcing these changes, universities can **play a lasting role** in their graduates’ upskilling efforts and in employer’s retention efforts.
KEY FINDING

THREE

Alternate credentials are gaining on the college degree
Some are questioning the continued value of the degree

How strongly do you agree or disagree with the following statements:

1. I feel my bachelor's degree was very important in helping me achieve my career goals
   - Strongly/Somewhat agree: 81%
   - Neither agree nor disagree: 14%
   - Strongly/Somewhat disagree: 7%

2. I feel that a bachelor's degree can lead people to better jobs
   - Strongly/Somewhat agree: 81%
   - Neither agree nor disagree: 15%
   - Strongly/Somewhat disagree: 4%

3. I feel that a bachelor's degree is very important in helping others achieve their career goals
   - Strongly/Somewhat agree: 74%
   - Neither agree nor disagree: 19%
   - Strongly/Somewhat disagree: 8%

4. I feel a bachelor's degree is not as valuable as it once was
   - Strongly/Somewhat agree: 62%
   - Neither agree nor disagree: 20%
   - Strongly/Somewhat disagree: 19%
EVALUATING ALT CREDENTIALS

$\frac{3}{4}$ of respondents see these qualifications essentially equal

- 5 YEARS OF WORK EXPERIENCE
- CERTIFICATES FROM COLLEGES OR UNIVERSITIES
- DIGITAL BADGES AND MICRO-CREDENTIALS
INDUSTRY CERTIFICATIONS BEAT DEGREES?

When it comes to validating skills, some industry certs may have an edge.

<table>
<thead>
<tr>
<th>Credentials</th>
<th>Significantly above</th>
<th>Significantly lower</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry certifications</td>
<td>51%</td>
<td>41%</td>
</tr>
<tr>
<td>College degree</td>
<td>45%</td>
<td>53%</td>
</tr>
<tr>
<td>College certificate</td>
<td>40%</td>
<td>44%</td>
</tr>
<tr>
<td>Project portfolios</td>
<td>37%</td>
<td>26%</td>
</tr>
<tr>
<td>Skills bootcamps</td>
<td>33%</td>
<td>31%</td>
</tr>
<tr>
<td>Badging</td>
<td>20%</td>
<td>17%</td>
</tr>
<tr>
<td>MOOC certificate</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
<td>4%</td>
</tr>
</tbody>
</table>
Industry certifications are a top way for employers to validate specific skills. As an institution, do you:

- **Analyze opportunities** for programs to culminate in a degree and certification
- **Prepare students** to sit for third-party exams in relevant fields
- **Assess opportunities** and barriers to awarding degree credit based on prior learning, existing certifications, etc.
KEY FINDING
FOUR

Organizations must knock down barriers to reskill workers
Companies are collaborating with schools to fill their skills gap

In the last three years, has your organization collaborated with colleges, universities, vocational schools, and/or other third-party providers (such as General Assembly, Hack Reactor, etc.) to make the curriculum more responsive to workplace needs?
## Partnering with Schools

Those that collaborate, do so widely

*If they collaborate: What types of providers have you partnered with?*

<table>
<thead>
<tr>
<th>Provider Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-year college or university</td>
<td>59%</td>
</tr>
<tr>
<td>Technical program</td>
<td>56%</td>
</tr>
<tr>
<td>Community college</td>
<td>49%</td>
</tr>
<tr>
<td>Vocational school</td>
<td>39%</td>
</tr>
<tr>
<td>Third-party provider</td>
<td>25%</td>
</tr>
</tbody>
</table>
From Insight to **Action**: Employer Partnerships

3 effective skills development programs according to 2/3 of respondents

- **Tuition Reimbursement**
- **Company Scholarships**
- **University-Sponsored Tuition Discounts**

Work with employers to **understand** their **education benefits** and **initiatives** for upskilling and reskilling their employees.

- Through these relationships, devise plans that **help employees** make the most of their benefits through your programs.
- **Collaborate** with organizations to establish flexible pricing arrangements, such as exclusive scholarships.
Demand for skills is evolving too fast for companies to keep up.
WHAT SKILLS ARE IN HIGHEST DEMAND?

These were the top five skills across all respondents:

- 46% Strategic Thinking
- 42% Problem Solving
- 41% Digital Communication
- 40% Project Management
- 36% Time Management
From Insight to **Action**: Address Skills Across Programs

Skills have varying shelf lives — in many industries, some may go obsolete quickly, while others endure for years.

- **Identify courses** that assist with immediate needs while continuing to offer degrees for long-term reskilling initiatives

- Identify courses or content related to **relevant soft skills development** and create inroads to including them in programs that may not currently offer as much direct access

<table>
<thead>
<tr>
<th></th>
<th>Hard/technical skills</th>
<th>Soft/durable skills</th>
<th>Trade skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>8%</td>
<td>14%</td>
<td>12%</td>
</tr>
<tr>
<td>1 to 2 years</td>
<td>39%</td>
<td>29%</td>
<td>30%</td>
</tr>
<tr>
<td>3 to 4 years</td>
<td>35%</td>
<td>31%</td>
<td>31%</td>
</tr>
<tr>
<td>5 to 6 years</td>
<td>8%</td>
<td>14%</td>
<td>15%</td>
</tr>
<tr>
<td>Greater than 6 years</td>
<td>10%</td>
<td>13%</td>
<td>13%</td>
</tr>
</tbody>
</table>
Insight to ACTION RECAP

Top things to remember about the skills gap and steps colleges and universities can take to help slow/shrink the skills gap
Engage with local employers regularly to understand their skill needs and update your programs

When a skills gap forms, staffing challenges follow

Alternate credentials are gaining on the college degree

Organizations must unlock opportunities to reskill their workers

Demand for skills is evolving too fast for companies to keep up
<table>
<thead>
<tr>
<th>Suggested Actions</th>
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</thead>
<tbody>
<tr>
<td>Engage with local employers regularly to understand their skill needs and update your programs</td>
</tr>
<tr>
<td>Enable benefits usage by developing options for employees to leverage cost-saving opportunities and maximize time to completion</td>
</tr>
<tr>
<td>Identify courses that can assist with immediate skills needs while continuing to offer degrees for long-term reskilling initiatives</td>
</tr>
<tr>
<td>Publish positive carer outcomes to stand out to employers and prospective students in the community</td>
</tr>
<tr>
<td>Update, update, update. Encourage lifelong learning by sharing news about improved programs, certificate options, and more with your alumni.</td>
</tr>
</tbody>
</table>

Get even more insights and considerations by downloading the full report!
Questions from the Audience
Additional Information and Resources

• The webcast recording and additional resources will be available in the next week: wcet.wiche.edu/events/webcasts.

• Visit universityservices.wiley.com/resources to download free reports, infographics, articles and more.

• Email questions or feedback to: universityservices@wiley.com.
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- Member Closer Conversation on AI – February 24, Noon MT
  - At capacity, register to be waitlisted.
- Finding and Providing Clarity Amidst the Array of Digital Learning Definitions and Modalities – March 15, 11 AM MT
- Member Closer Conversation on Digital Learning Definitions – March 31, Noon MT
Elements of Evolving Business Models of Higher Education

WCET Virtual Summit
Exclusively for WCET Members
March 9, 2023

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Thank you for attending!

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