

Part 2

SHL Skills
Development
Series

The Upskilling Disconnect: Why Insight Alone Isn't Enough

SHL.



Learning and development (L&D) budgets are shrinking while skills demands are expanding. In 2024, average spend per employee dropped to \$774, down from \$954 in 2023. With less money and higher stakes, generic training programs are a luxury you can't afford.

Here's the opportunity: employees want development more than ever. 94% would stay longer if their company invested in their growth, and they're 2x more likely to stay with clear career paths.

The challenge isn't motivation—it's execution. Most organizations have skills data but struggle to turn that data into development programs that actually work.

Five common challenges derail even well-intentioned upskilling efforts. Here's how to avoid them.

Society for Human Resource Management (SHRM) 2023-2024 State of the Workplace Report
LinkedIn, Workplace Learning Report, 2019
LinkedIn, Workplace Learning Report, 2023

Challenge #1

Learning programs aren't tied to strategic skills needs

Challenge #2

Development isn't personal

Challenge #3

Managers lack the mechanisms to support skills development

Challenge #4

Skills progress is hard to see and measure

Challenge #5

Without a learning culture, skills growth stalls



Challenge 1

Learning programs aren't tied to strategic skills needs

Generic leadership workshops. Communication seminars that check compliance boxes. Sound familiar? When L&D programs aren't built on actual skills data, they become expensive distractions from the capabilities that your business actually needs.

Only 4% of companies effectively measure the business impact of their skill-building programs



Challenge 1

The fix:

Check the skills landscape

- Start every program by reviewing the data available on your skills landscape

Match learning to strategy

- Align efforts with strategic needs

Prioritize critical gaps

- Prioritize closing gaps in your skills landscape that are critical to achieving your strategic goals

Organizations
with a shared
skills framework
bring products
and services to
market **20% faster**



Challenge 2

Development isn't personal

Employees want to grow, but most don't get the insights or support they need to do so. Without visibility into their strengths and development areas, it's difficult to tailor development to individual needs.

Generic programs create generic results; low engagement, minimal skill growth, and frustrated and disengaged employees.

60% of employees say they don't have a development plan tailored to their needs



Challenge 2

The fix:

Start with the individual

- Use individual skills assessments to tailor learning to actual needs

Show them the path

- Give employees clear insights into their strengths and development priorities so they can drive their own growth

Learn from the data

- Use aggregated skills data to identify how to scale focused development programs

Personalized
learning
experiences can
boost employee
engagement by
up to **50%**



Challenge 3

Managers lack the mechanisms to support skills development

Your L&D team builds great programs. Employees complete them. Then... nothing changes.

The problem? Line managers – who have the most influence on day-to-day skill application – don't know how to support what employees learned or coach for continued growth.

Without manager support, even excellent training becomes “the workshop that I took last month” instead of embedded capability.

**46% of managers
don't feel confident
coaching for career
development**



Challenge 3

The fix:

Put skills in their hands

- Equip managers with clear data about their team members' skills and development areas

Build personalized plans

- Provide an easy way to create personalized skills-based plans

Turn coaching into habit

- Make these conversations a regular part of one-on-ones and performance feedback

Organizations
with strong
coaching cultures
see **13%** higher
employee
engagement and
33% more revenue
growth



Challenge 4

Skills progress is hard to see and measure

Course completion rates don't measure skill growth. Our team finishes the project management certification, but can they actually run complex projects any better? Most organizations measure activity (completions) instead of outcome (capability gained).

And without visibility into actual skill development, L&D becomes a cost center instead of a performance driver.

Only 16% of organizations effectively measure the business impact of their learning programs



Challenge 4

The fix:

Define success clearly

- Set measurable skill development goals

Measure real progress

- Use assessments and performance indicators that show development not just participation

Learn and adjust

- Track what's working and what isn't, then adjust programs based on real results, not assumptions

Companies that
take a data-
driven approach
to learning report
17% higher
retention and **18%**
higher revenue
growth



Challenge 5

Without a learning culture, skills growth stalls

Someone attends a great workshop, returns energized with new ideas, and... gets pulled back into “how we’ve always done things”. Without organizational support for applying new skills, even motivated employees or well-meaning learning initiatives struggle to change established patterns.

Only **35%** of employees feel their organization provides effective training and development opportunities



Challenge 5

The fix:

Make learning part of the day

- Build skill development into daily work – project assignments, team collaborations, and problem-solving opportunities

Reward application

- Recognize and reward skill application, not just skill acquisition

Share the knowledge

- Create opportunities for employees to share knowledge

Organizations
with strong
learning cultures
see **92%** more
innovation and
37% higher
productivity



Turn insight into lasting impact

Skills insights without action are expensive reports that gather dust. But when you combine data-driven insights with targeted, personalized development, you create something powerful: a workforce that grows with your business needs.

The result? Higher engagement, better retention and the agility to pivot when markets shift.

Plus, with the right assessment approach, you can identify who's ready to reskill into critical new roles, building future-ready talent from within instead of competing for internal hires.

Just getting started?

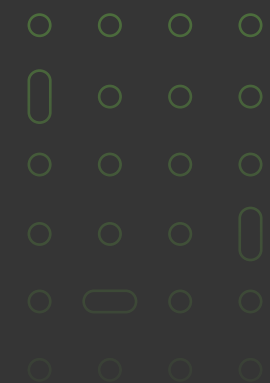
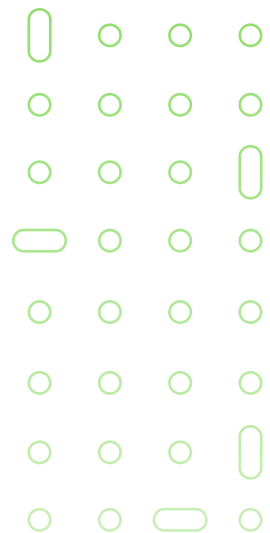
Download our Skills Audit Guide to map your workforce's skills and identify critical gaps.

[Download now](#)

Ready to take action?

See how SHL's Skills Development solution turns insight into personalized growth—and unlocks reskilling potential at scale.

[Watch the video](#)



SHL brings powerful and transparent AI technology, data science, and objectivity to help companies attract, develop, and grow the workforce they need to succeed in the digital era.

We empower talent strategies to unlock the full potential of your greatest asset—people.



shl.com

© 2025 SHL and its affiliates. All rights reserved. CST25_2967

SHL.