

2019/2020 Skills Gap Report

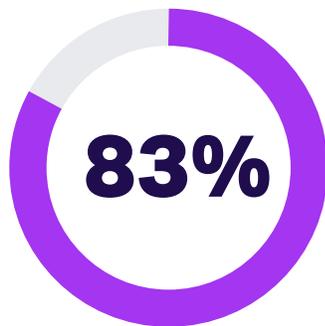


Awareness to Action:

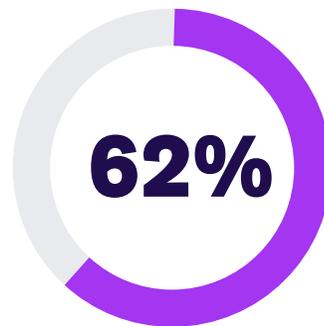
Employees Worldwide Embrace Continuous Learning

Udemy has been tracking trends related to the skills gap—the divide between job-seekers' skills and the qualifications demanded by employers—since 2016. This fourth survey and report focuses on global trends, highlighting the sentiments of employees based in India, Spain, France, Brazil, and Mexico. This survey was administered in January 2020, before the global pandemic, and it is the first year India has been included in this research.

We've seen awareness around the skills gap grow over the years as technology changes and employers demand new skills. Today its existence is generally accepted by the vast majority of employees around the world. We now see that awareness leading to increased personal action and willingness to learn new skills, as well as collective expectations for employers to more robustly support education and training to narrow the skills gap. Understanding these sentiments may be important for employers looking to attract and retain talent, leverage new business opportunities, and increase their competitive advantage.



On average, 83% of employees worldwide believe there is a skills gap



On average, 62% of employees feel personally affected by the skills gap

Employees are minding the gap

While the majority of employees in all countries believe their national workforce is competitive in the global economy, they also are uneasy that this competitiveness won't last, let alone surge ahead in the future. This is due in part to the increasing demand for new technical and productivity "hard skills" and a growing emphasis on organizational and personal "soft skills" – both of which are becoming more and more essential for 21st century business. In other words, a skills gap. India (92%), Brazil (94%) and France (91%) are near the top in their worry that their country has a skills shortage problem, ahead of Mexico (72%) and Spain (77%).

Do you believe there is a skills gap?

	2017	2018	2019
India	—	—	92%
Brazil	98%	95%	94%
France	81%	93%	91%
Mexico	66%	70%	72%
Spain	65%	73%	77%

We also found an underlying current of anxiety, with as many as three-quarters of workers in Brazil and India responding that they feel personally affected by the skills gap. The Europeans are noticeably less nervous, with just under half of employees in France and 60%

Do you personally affected by the skills gap?

	2017	2018	2019
India	—	—	76%
Brazil	66%	72%	75%
France	32%	49%	49%
Mexico	65%	73%	68%
Spain	57%	62%	60%

of employees in Spain saying they feel like the skills gap will affect them.

However, on the flip side, our research revealed a strong sense of employee optimism and confidence in the countries we surveyed. Mexico leads the group, with 79% believing that their education has equipped them with the skills required for today's workplace.

The other countries responded similarly (76% in India, 76% in Brazil, 73% in

Spain), except for France, which took a more negative tone with just 44% responding that they believed in this statement, down from 51% in 2018.

Narrowing the gap is imperative to stay employable

It's commonly acknowledged that required job skills are changing and will continue to do so at an increasingly rapid pace. Our research found that narrowing the skills gap is perceived by employees as critical to stay competitive in the workforce – a nearly universal sentiment in Brazil, India, and Mexico. While employees have various reasons why they believe it is vital to invest time and money to enhance, develop, and advance their skills, the underlying theme is that ongoing education and training is necessary in order to keep or find a job.

Do you think AI/automation will be able to do your job within five years?

India	76%
Brazil	56%
France	44%
Mexico	47%
Spain	42%

Do you think the skills to do your job will change within five years?

India	87%
Brazil	80%
France	69%
Mexico	76%
Spain	63%

Our research shows that overall, employees feel an urgency to address the educational, employment, and economic challenges the skills gap presents. Most employees agreed that there are external factors, most significantly, increased use of automation and artificial intelligence (AI), that will require them to acquire different or additional skills to replace skills they believe will be obsolete in the next five years. The World Economic Forum adds weight to this conjecture, estimating that 50% of jobs worldwide will be changed by automation over the next 10 years. These sentiments can be seen in all countries but are most pronounced in India and Brazil.

Skills are changing so fast that our current skills are becoming obsolete

India	84%
Brazil	85%
France	70%
Mexico	78%
Spain	77%

College education doesn't equip us with skills that make us effective at work

India	82%
Brazil	67%
France	79%
Mexico	73%
Spain	70%

Skilling requires employer-employee collaboration

Despite being nervous about future job competitiveness, employees sound willing to be individually responsible for learning new skills to close the skills gap. India (91%), Brazil (91%) and Mexico (89%) noticeably lead the pack, saying that they have had to gain additional skills in order to do their jobs effectively. In addition, the majority of employees in Spain (76%) and France (67%) also reported working to gain new skills.

Furthermore, the vast majority of employees see potential opportunities in being pushed to learn new skills, responding that they're excited to learn new skills and transition to a new career or job function in the future. Again, employees in India (97%), Brazil (91%) and Mexico (93%) agreed the most with this statement, followed by Spain (84%) and France (71%).

However, employees also express that they can't narrow the skills gap sufficiently on their own. Our research indicates that employees believe that employers have an important, collaborative role to play in supporting employee reskilling or upskilling. Most employees believe it is very important for their current employer to encourage and support a constant learning/training culture in an organization. Responses show that this deep concern about and commitment to fostering and sharing in a continuous learning and training culture is more than a "nice to have," an added benefit, or extra incentive in the workplace. In fact, failure to address employee education and training expectations may impact organizations' employee retention efforts and contribute to higher turnover. In addition, according to an Accenture research report, when companies don't develop their existing workforce fast enough, it can render them less innovative and agile, and prevent them from capitalizing on new business opportunities.

It's important for my employer to encourage a "culture of learning"

India	94%
Brazil	53%
France	77%
Mexico	80%
Spain	74%

I'd leave my job if my employer didn't provide professional training

India	61%
Brazil	63%
France	49%
Mexico	67%
Spain	46%

A learning culture fosters competitive advantage

Our research shows that employees all over the world have been experiencing unprecedented change due to technology and other factors – and we can only imagine this has accelerated since the global pandemic began. Employees are acutely aware of trends around automation and the reality that skills are changing very fast. At the same time, they also recognize the power of lifelong learning and are embracing continuous education -- both on an individual basis and through employers -- as a way for them to stay competitive in a constantly evolving job market. Employers too may be recognizing that investing in the continuous upskilling and reskilling of their workforce helps ensure they can pivot faster to take advantage of new business opportunities. All of these findings highlight a potential transformation in the way skilling is approached, and emphasize the possible advantages for organizations that embrace a culture of learning.

Brazil

Employees in Brazil are the most concerned (94%) of all of the countries surveyed that there is a skills gap in their country, potentially damaging their prospects for career success, job performance, and job productivity. This concern is expressed with almost the same intensity across the generations: Millennials (94%), Generation X (96%), and Baby Boomers (92%).

Yes, I believe there is a skills gap in Brazil

95%



Yes, I feel personally affected by the Brazil skills gap

72%



- **75%** of Brazilians feel that the skills gap is affecting them personally.
- Skills most valued by employers according to the survey include Tech/Digital Skills (**55%**) and Leadership/Management Skills (**53%**).
- **47%** of employees choose online courses to learn new skills, followed by company-sponsored training (**31%**), and books (**10%**).
- **67%** believe that their university education didn't teach them the skills they need to be effective in today's workforce.
- **97%** say there is so much competitiveness in the labor market that they need to continuously learn to stay successful.
- The majority of respondents (**85%**) agree that the skills required to do their jobs are changing too fast. The Baby Boomers are most pessimistic (**51%**).
- **91%** report they had to learn new skills to do their job effectively.
- **80%** agree that the skills required to do their job will change in the next five years. Generation X feels most strongly, with **82%** in agreement.
- **56%** also agree that artificial intelligence (AI) and automation will be able to do their work in the next five years.
- **71%** report that their employer offers professional development programs and **91%** are excited to learn new skills.
- Half (**53%**) think it's important for their employers to build a culture of learning while **58%** say that employees who take online courses are more qualified than their colleagues.
- **63%** will consider leaving their job if their employer won't offer professional development programs.
- **39%** also confess they have been dishonest in order to get a job or a promotion.

France

The majority of French full-time employees (91%) feel that there is a skills gap in the country but only about half (49%) feel affected by it. Nevertheless, employees are recognizing the need to continuously upskill and improve in order to stay competitive in today's changing economy.

Yes, I believe there is a skills gap in France

91%



Yes, I feel personally affected by the France skills gap

49%



- **91%** of French full-time employees think there is a skills gap in France; this sentiment is pronounced nearly equally across all generations: Millennials (**94%**), Generation X (**90%**), and Baby Boomers (**89%**).
- Technological/Digital Skills (**51%**), Leadership/Management (**43%**), and Productivity Skills (**40%**) are most desired by employers according to the survey.
- **56%** of French employees learn new skills through company-sponsored training and **13%** through online courses.
- **79%** agree that their traditional education didn't prepare them with the skills they need to be successful today; **67%** say they have had to learn new skills.
- **70%** think that job skills are evolving very rapidly and **69%** agree that the skills required for their work today will change over the next five years.
- The majority (**75%**) think that artificial intelligence (AI) and automation are to blame for jobs lost and 44% think AI will be able to do their work in the next five years.
- **76%** say that companies offer professional development and **77%** think that having a corporate learning culture is important.
- 71% are eager to learn new skills; **49%** would leave their employer if they didn't offer professional development.
 - **56%** think that their employer is responsible for their training, **38%** think they are personally responsible, and **6%** think it's the government.
- Only **31%** of full-time French employees have a side hustle or are thinking of starting one.
 - **48%** would start a second job for the additional income and **28%** as a hobby.
- A third (**32%**) confess they have been dishonest in order to get a job or a promotion; men (**36%**) a little more so than women (**28%**).

India

The vast majority of employees are near-unanimous in their concern that India suffers from a skills gap (92%), and this overarching worry becomes deep anxiety as most (76%) feel that the skills gap affects them personally. On the flip side, Indian employees are extremely bullish and confident in their ability to learn new skills and be successful in the future.

Yes, I believe there is a skills gap in India

92%



Yes, I feel personally affected by the India skills gap

76%



- **92%** of full-time employees in India agree that there is a skills gap in the country and the majority of them feel personally affected by it.
- At the same time, **92%** believe that India's workforce is competitive in the global market.
- Two-thirds also responded that all four skill types are equally valued by their employers: Technical and Digital skills (**68%**), Leadership and Management skills (**66%**), Productivity skills (**66%**), Soft skills (**63%**).
- Indian employees learn mostly through online courses (**44%**) and corporate professional development (**34%**). The majority of Indian employees (**97%**) are excited about learning new skills and transitioning to a new job one day.
- **82%** agree that college education has not equipped them with the skills they need to succeed in today's job market; **84%** say that skills are changing so rapidly that their current knowledge is becoming obsolete.
- The majority (**92%**) also say that there is so much competition in the job market that they need to be constantly upskilling.
 - **82%** agree that automation and artificial intelligence (AI) are taking away job roles and they need to reskill to stay relevant.
 - **76%** think that AI/automation will be able to do their work within the next five years.
 - **91%** have had to learn new skills to do their job effectively.
- **86%** confirm that their employer provides professional development while **61%** say they would leave their current job if that wasn't the case.
- The overwhelming majority (**94%**) also say it's important for their employer to encourage and support a "constant learning/training culture" in the organization.
- About half (**55%**) confess they have been dishonest in order to get a job or a promotion.

Mexico

According to 72% of full-time Mexican employees, there is a growing skills gap in the country. This sentiment is felt much stronger among women (71%) and Baby Boomers (82%) than men (66%), Generation X (68%), and Millennials (67%). The majority of Mexican employees also feel personally affected by the skills gap in the country.

Yes, I believe there is a skills gap in Mexico

72%



Yes, I feel personally affected by the Mexico skills gap

68%



- 72% of Mexican full-time employees think there is a skills gap in Mexico and 68% feel personally affected by it.
- Employers in Mexico value Leadership/Management skills (63%) and Technical/Digital skills (59%) most.
- 42% of surveyed employees learn new skills through online courses and 37% rely on their company's professional development programs.
- 74% report that their employer provides some form of professional development and 67% would leave their job if there was no training available.
 - 93% are excited to learn new skills that will help them change jobs in the future.
 - 80% also agree that it's important for the company to promote a culture of learning.
- 73% agreed that their university education didn't prepare them with the skills required for today's workplace.
- Accelerated change has perhaps led 89% of employees in Mexico to also learn new skills to do their jobs effectively.
- Two-thirds of employers (78%) believe that skills are changing too fast and they need to constantly improve, while 76% think that the skills they will need for their work will change in the next five years.
- Almost half (47%) also believe that artificial intelligence (AI) and automation will be able to do their jobs in the next five years.
- Despite trends in the changing economic environment, 77% agree that the Mexican job market is competitive in the global economy.
- 56% also have a second job and the majority (70%) have that side hustle to earn extra income.
- A third (35%) confess they have been dishonest in order to get a job or a promotion. Millennials (41%) are leading this trend in comparison to Generation X (28%) and Baby Boomers (92%).

Spain

Spanish workers are very aware that work dynamics are changing, and the majority (77%) think there is a skills gap in the country, up 4% since 2018. At the same time, there is also a lot of optimism in the country as most (84%) are excited to learn new skills and eventually transition to a new job.

Yes, I believe there is a skills gap in Spain

77%

Yes, I feel personally affected by the Spain skills gap

60%

- 77% of Spanish full-time employees agree that there is a skills gap in the country and 60% feel personally affected by it.
 - Women (68%) feel much more affected by the skills gap than men (52%).
- Leadership/Management skills (62%), Technical/Digital skills (57%), and Productivity skills (49%) are most valued by employers.
- Almost half (46%) of Spanish employees are learning new skills through company-sponsored training, while 32% rely on online courses.
- 70% agree that their university education didn't prepare them for skills they need to be successful at work today and 76% say they have had to learn new skills to be effective at their jobs.
- 77% also agree that skills today are changing very rapidly and 63% think the skills required for their jobs today will change in the next five years.
- A third (77%) think that automation and artificial intelligence (AI) are taking away jobs and almost half (42%) believe that technology will replace them in the next five years.
- At the same time, 72% believe that the Spanish workforce is competitive in the global economy, a 14% increase since 2018.
- 70% confirm that their company offers professional development and 84% are excited to learn new skills and change jobs eventually.
 - Furthermore, 46% agree that they would leave their job if their employer didn't offer training.
 - 74% believe it's important for their company to build a culture of learning.
- A third (32%) have a side hustle and 55% a second job to earn extra income.
- A third (39%) also confess they have been dishonest in order to get a job or a promotion.

About Udemy

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