



UNTAPPED POTENTIAL

UPSKILLING

Workers are over 3 times more likely to describe themselves as highly productive when training

SKILLS READINESS



# GENDER BREAKDOWN



Cycle workers have a dismal view of their skills readiness, with only 18% of men and 13% of women believing they're equipped for the next job.

# EDUCATION MATTERS; TRAINING ON THE JOB MIGHT MATTER MORE

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Source: ADP Research Global Workforce Survey Colleges and vocational schools prepare young adults to enter the job market. But the learning process can't stop there. With rapid-fire advances in technology bearing down on employers and their workers, on-the-job training and continuing education have become just as important as post-secondary schooling, if not more so. Even workers with advanced college degrees might need to bolster their on-the-job skills.

But there's more to this story than building a future-proof labor force. Employers that invest in continued learning and on-the-job development stand to reap bottom-line benefits that go beyond a well-prepared

Between July 23 and August 6, 2024, we collected data from a stratified, random panel sample of nearly 38,000 working adults across 34 markets. Forty percent of respondents identified themselves as knowledge workers, 20 percent as cycle workers, and 40 percent as skilled task workers. Two-thirds of respondents reported some level of post-secondary education, ranging from vocational training to advanced professional degrees. The rest had a secondary-school diploma or less.

Few of these workers—only 24 percent—were confident that they have the skills they would need to advance to the next job level in the near future.

Education made a difference, but only slightly. Among people with some college or vocational training, 27 percent believed they have the skills needed to advance in their career, compared to only 18 percent of people with no post-secondary education.

In short, most workers feel ill-equipped to get ahead.

# THE KNOWLEDGE WORKER ADVANTAGE

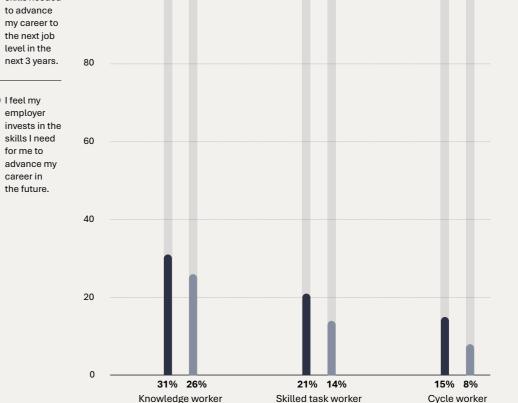
As job complexity increases, so does the sentiment that employers are investing in upskilling.

I have the skills needed to advance my career to the next job level in the next 3 years. I feel my employer

for me to

career in

the future.



# **DEFINING THE TYPES OF WORKERS**

Our survey gave workers three options for describing the work type that best fit their role:



### Knowledge worker

I have a level of freedom to use my expertise to create something new.



#### Skilled task worker

I use a level of expertise to solve similar problems each day.



### Cycle worker

I do similar repetitive tasks each day.

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#### **UNTAPPED POTENTIAL**

In 2023, we used ADP payroll data to analyze the recent job histories of more than 51 million U.S. workers. Based on rates of promotion and other information available, we calculated the share of workers who advanced under their current employer into jobs requiring more skills.

That analysis found that nearly 75 percent of workers leave an employer before ever getting promoted. Among those who stay, fewer than 1 percent are promoted by their third year.

This career development challenge continues with upskilling: Only 3.8 percent of workers learn new skills on the job—upskill—within two years of being hired, our payroll research showed.

In our global survey, most workers think their employers could be doing better when it comes to upskilling. Only 17 percent strongly agreed that their employers were investing in the skills they need for career advancement.

The opportunity to get ahead is important, and not just for workers. When our survey respondents were asked to provide the top reasons why they would stay with their employer, the opportunity for career advancement was second only to flexibility in scheduling.

THE SHARE OF WORKERS WHO LEAVE AN EMPLOYER— FOR ANY REASON—WITHOUT EVER GETTING PROMOTED AMONG THOSE WHO STAY, FEWER THAN 1% ARE PROMOTED BY THEIR THIRD YEAR.

#### A WIN-WIN

ADP payroll data from the United States shows that upskilling correlates to a 37 percent increase in wages.<sup>2</sup>
Again, our global survey validated this finding.

Among workers we surveyed who felt strongly that their employers were investing in their skills development, 54 percent had received a recent promotion. The promotion rate fell dramatically— to only 34 percent—among workers who felt let down by their employers' upskilling opportunities.

Employers, too, reap rewards from upskilling in the form of improved reputations, higher productivity, and reduced employee turnover.

Workers who feel strongly that their employer is providing the training they need are nearly 6 times more likely than others to recommend their company as a great place to work.<sup>3</sup> They're 3.3 times more likely to describe themselves as

highly productive.

Even among workers who are confident in their skills, training opportunities could have a big impact on retention. When these confident workers believe that their employers are investing in them, they're twice as likely to say they have no intention of leaving their organization, compared to workers who have the skills but lack on-the-job training opportunities.

While this finding holds true for all worker types, upskilling might be a particularly powerful tool for retaining cycle workers. When cycle workers feel they have the skills needed to advance but lack any further investment from their employer, they're more likely than other workers to jump ship.

In fact, worker sentiment on upskilling changes dramatically based on the type of work being done.

Overall, only 24 percent of workers felt highly confident they have the

skills to advance. But among knowledge workers the share jumps to 31 percent.

And 26 percent of knowledge workers strongly agreed that their employers are investing in them. Among skilled task workers, that share was 14 percent, and among cycle workers it was only 8 percent.

These sentiments play into variables we saw by industry. The industries where workers feel most skills-ready—technology services, finance and insurance, and professional, scientific, and technical services—are heavily populated by knowledge workers.

<sup>2</sup> The Future of Jobs Report 2025

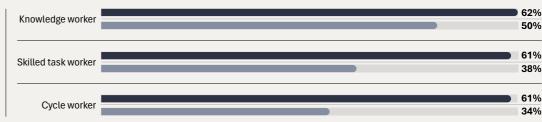
<sup>3</sup> We asked respondents the following question: Thinking about your current (primary) employer, how likely would you be to recommend your company to a family member or friend as a place to work? We used a rating scale between 0 and 10, where 0 was "Not at all likely" and 10 was "Extremely likely". We categorized respondents who selected either 9 or 10 on the scale as people who would recommend, or promote, their company. More information on talent brand promoters can be found in *Today at Work* Issue 2 from ADP Research.

#### **BUILDING A WORKFORCE THAT STAYS**

When employers invest in upskilling, their workers are much less likely to quit. Among people who feel confident in their skills, the share who have no intent to leave rises when on-the-job training is available.



- Receives further employer investment
- Does not receive further employer investment



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#### **GENDER DIFFERENCES**

Men in our survey were more likely than women to strongly agree that they have the skills needed to advance. But when it comes to feelings of employer investment, the gender gap shrinks or disappears altogether outside of North America.<sup>4</sup>

The biggest gender gap occurs among cycle workers. Among this group, only 18 percent of men and 13 percent of women believe that they're equipped for their next job. Cycle workers of both sexes also have a dismal view of employer investment in their skills, with only 9 percent of men and 7 percent of women expressing satisfaction in their upskilling opportunities.

Among cycle workers

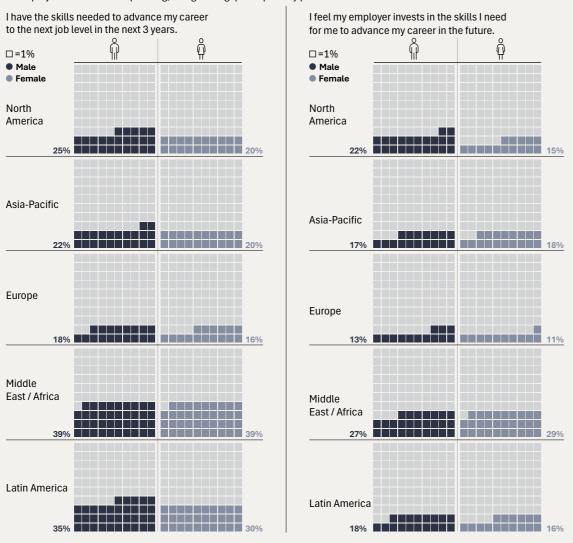
18% § 13% § §

believe that they're equipped for the next job.

<sup>4</sup>Regional differences might be an artifact of the distribution of worker type. In six of the markets we studied, more than 50 percent of respondents were knowledge workers, a group for which employer investment is reported to be higher.

#### THE UPSKILLING GENDER GAP

Men are more likely to feel they have the skills they need to advance in their careers. When it comes to employer investment in upskilling, this gender gap is especially pronounced in North America.



# THE TAKEAWAY

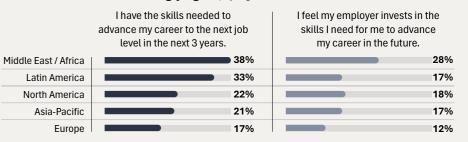
Employers who devote resources to on-the-job development can build a more highly skilled workforce. And that investment can result in teams that are more productive and loyal to the organization. While post-secondary education matters, the training that organizations do after workers are hired might matter even more. Our sample looks across worker types to help us understand that no matter the job complexity, when workers receive skills training, they are more likely to stay, effectively reducing the high cost of turnover.

# SHARE OF WORKERS WHO STRONGLY AGREE, by market

Market	I have the skills needed to advance my career to the next job level in the next 3 years.	I feel my employer invests in the skills I need for me to advance my career in the future.	
Asia-Pacific			
India	37%	32%	
Vietnam	29	23	
Philippines	26	21	
Indonesia	26	20	
Thailand	25	24	
Singapore	23	23	
China	23	20	
New Zealand	20	14	
Australia	19	14	
Taiwan	10	10	
South Korea	9	5	
Japan	3	2	
Europe			
United Kingdom	22%	17%	
Switzerland	20	18	
Spain	19	11	
Sweden	18	9	
France	18	12	
Germany	16	15	
Poland	15	10	
Italy	14	10	
Netherlands	13	10	
Czech Republic	12	10	

	I have the skills needed to advance	I feel my employer invests in the	
Market	my career to the next job level in the next 3 years.	skills I need for me to advance my career in the future.	
Latin America			
Brazil	37%	24%	
Mexico	35	20	
Chile	32	14	
Argentina	30	12	
Peru	30	15	
Middle East / Africa			
Nigeria	45%	27%	
Egypt	44	35	
South Africa	42	29	
Saudi Arabia	36	28	
United Arab Emirates	24	18	
North America			
Canada	22%	17%	
United States	22	20	

# Share of workers who strongly agree, by region



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# SHARE OF WORKERS WHO STRONGLY AGREE,

by age and region

I have the skills needed to advance

Region	18-26	27-39	40-54	55-64
North America	21%	25%	22%	21%
Asia-Pacific	26	24	19	11
Europe	19	20	15	12
Middle East / Africa	37	41	36	32
Latin America	29	35	34	31

#### My employer invests in the skills I need

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Region	18-26	27-39	40-54	55-64
North America	22%	24%	16%	14%
Asia-Pacific	20	20	17	8
Europe	13	14	12	9
Middle East / Africa	28	30	24	19
Latin America	17	18	15	17

# SHARE OF WORKERS WHO STRONGLY AGREE,

by age

Younger workers in our survey were more likely to strongly agree that they had the skills they need to advance in their careers.

# Age groups

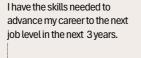
18 to 26

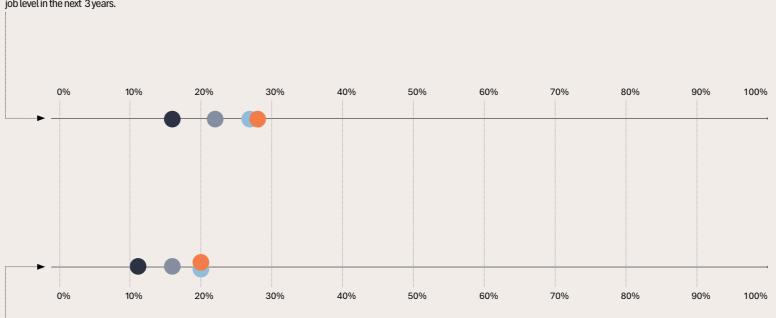
27 to 39

40 to 54

• 55 to 64

Source: ADP Research Global Workforce Survey





I feel my employer invests in the skills I need for me to advance my career in the future.

# SHARE OF WORKERS WHO STRONGLY AGREE, by industry

Technology and finance workers were the most likely to believe they have the skills they need to advance in their careers. This finding aligns with our responses from knowledge workers.

	I have the skills needed to advance my career to the next job level in the next 3 years.	I feel my employer invests in the skills I need for me to advance my career in the future.
echnology services	34%	25%
inance and insurance	31	25
rofessional, scientific, and technical services	27	17
leal estate and rental and leasing	27	22
Construction and related trades	25	18
nformation	25	19
1anufacturing	24	17
rts, entertainment, and recreation	24	16
ducational services	23	14
etail/wholesale trade	23	17
ublic administration/service	23	14
dministrative/support services nd waste management/remediation	22	15
Itilities	21	18
griculture, forestry, fishing and hunting	21	17
ccommodation and food services	21	13
lealth care and social assistance	21	13
lining, quarrying, and oil and gas extraction	21	18
ransportation & warehousing	19	12
Other personal services	18	14

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