





Reskilling and Upskilling:

Ways to Prepare and Rehire American Workers in the Post Pandemic Era

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Abstract

The COVID-19 pandemic created a very challenging time for the United States workforce. The purpose of this paper is to identify American workers' career statuses, skill development needs, and employee requirements in the post-pandemic context based on the Career Optimism Index. Effective practices for enhancing American workers' skills were recommended for the three major stakeholders of American workers, employees, and higher education institutions who are responsible for closing Americans' skills gap. The clearer recognition of American workers' career needs, employees' requirements, and the effective practices for skill development contribute to a) closing Americans' skills gap, b) making higher education institutions more relevant, and c) improving the labor market in the post-pandemic era.

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Introduction

The global COVID-19 pandemic deeply impacted the American labor market and workers' lives and careers. Two years into the pandemic the influence of the pandemic on American careers and employers is still increasing. The purpose of the current paper is to identify American employers' and workers' career statuses, needs, and effective practices for skill development in the context of post-pandemic. The American career statuses and needs are explored based on the results of the Edelman Survey conducted for the University of Phoenix Career Institute. The effective practices for upskilling and reskilling are discussed based on reviewing the latest literature and reports.

The Edelman survey was conducted to measure and track people's sense of their career in the context of the workplace and the need for upskilling and reskilling. The Career Optimism Index was generated to measure how optimistic people feel about their careers on a scale of 0-100 in terms of five pillars (Career Optimism Index, 2022):

- Job security: employability and job retention
- Financial security: satisfaction with pay, economic concerns, and debt
- Skill development: confidence in critical skills opportunities for development
- Mental health: emotional, psychological, and physical well-being as it is related to careers
- Career trajectory: beliefs about the future of their careers

To collect data and generate the Career Optimism Index, an online 20-minute survey was used. The data was collected between Dec 21, 2021 – January 6, 2022, from participants in the major metropolitan areas in the United States. The survey participants included 5000 general population nationally representative adults aged 18+ who either worked or seek jobs. Additionally, 500 American employers, who were influencers in hiring or workplace decision-making participated in the survey. A similar survey was conducted only with the general population, not employers, in 2021. A comparison of the American general population's sense of careers in 2021 versus 2022 is provided in this paper. The demographics of the participants are provided in Table 1.

Table 1

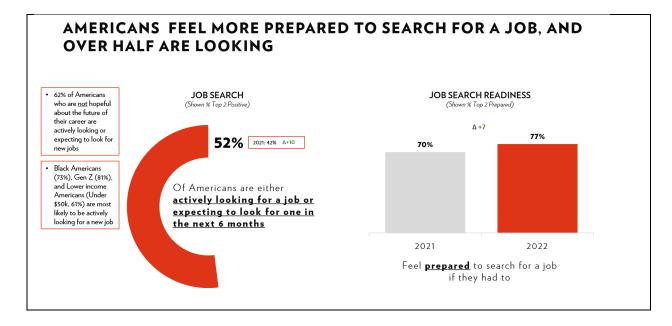
Demographics of the General Population Participants (n=5000)

Gender		Education		Region		Age	
Male	53%	College-educated	37%	Northeast	18%	18-24	13%
Female	47%	Not college educated	63%	Midwest	21%	25-34	23%
				South	37%	35-44	21%
				West	24%	45-54	21%
						55-64	17%
						65+	5%

The pandemic created a very challenging time for the United States workforce. In 2022, 53% of American workers reported that the pandemic has negatively impacted their work-life balance and 40% shared that their careers have been derailed because of the pandemic. Americans who live paycheck by paycheck and are overwhelmed by debt have increased 13pts and 10 pts respectively from 2021 to 2022 (Career Optimism Index, 2022). Deposit all these difficulties, American workers are optimistic as 81% are hopeful about the future of their careers and actively exploring new opportunities. While 52% of Americans are either actively looking for a new job or expecting to look for one in the next 6 months as shown in Figure 1.

Figure 1

Americans' Job Search Status

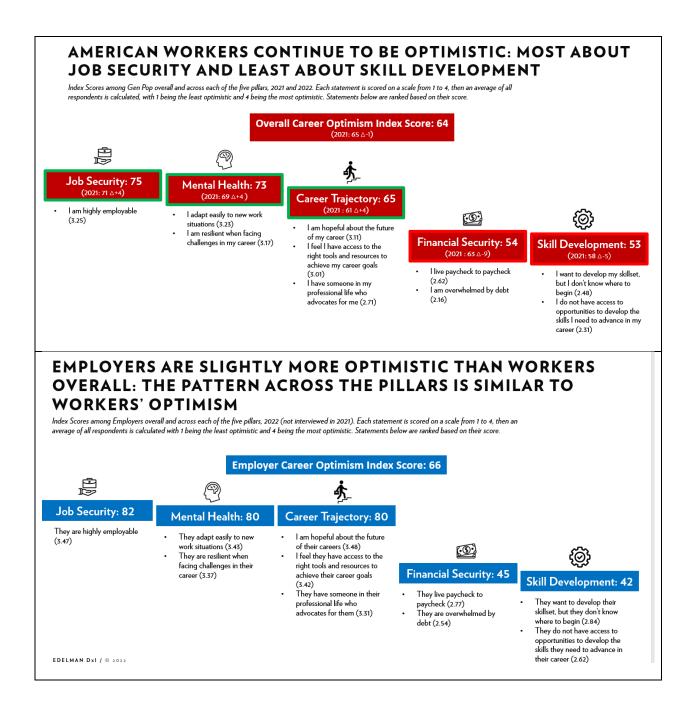


Least Optimistic about Skill Development

American workers continue being optimistic about their careers with an overall score of 64 out of 100 based on 5 pillars of job security, mental health, career trajectory, financial security, and skill development. However, they are most optimistic about job security and least about skill development. Interestingly, the skill development score has decreased 5 points from 58 in 2021 to 53 in 2022. Employers shared similar views about workers' careers with an overall optimism index score of 66. They are the most optimistic about job security with a score of 82 and the least optimistic about skill development with a score of 42 as shown in Figure 2. Americans' main skill development concerns are where to begin and how to find opportunities to develop the skills they need to advance their careers.

Figure 2

American Workers and Employers' Career Optimism and Skill Development

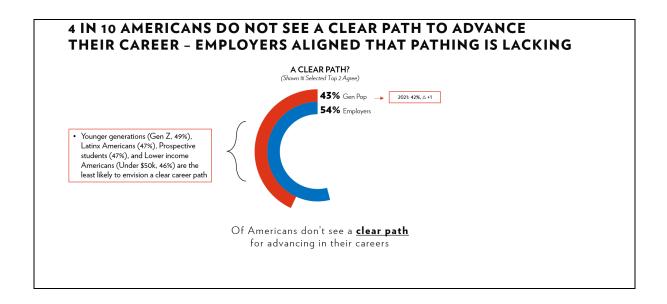


Lack of Clear Career Path

Even though there is such a desire for a new beginning there is still an opportunity for employers to address employees' needs and retain them as 69% of workers reported that they would consider staying in their current jobs if their needs were addressed. The main concern is the lack of a clear career path for employees. About 4 in 10 (43%) Americans do not see a clear path to advancing their careers. Whereas, a higher percentage of employers, about 54%, are concerned about the lack of a clear path for employees as shown in Figure 3.

Figure 3

Americans' Views on their Career Paths



Importance of Upskilling and Reskilling

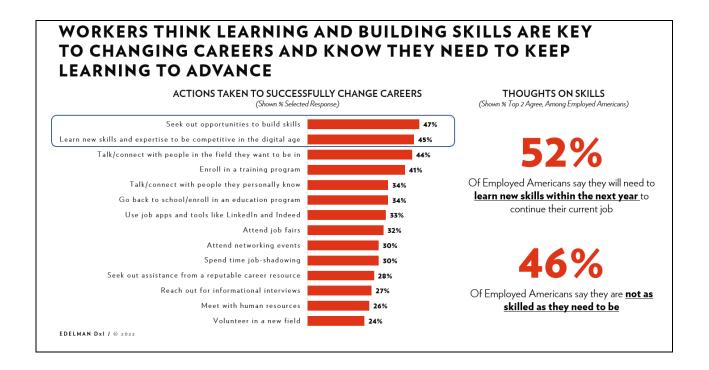
Digitalization and automation created the skills gap before the pandemic. However, the pandemic widened the gap and highlighted the need for offering opportunities to close the gap. In the aftermath of the COVID-19 pandemic career disruption, the Career Optimism Index (2022) showed an ever-increasing need for skill development opportunities that would benefit both employees and employers. Such results are in alignment with other studies. In 2018, organizations were warned to offer to reskill and upskill opportunities to stay relevant (The Council of Economics, 2018). Those organizations that ignored the warning appear to struggle with the pandemic hit (Cawood, 2020; Rogers et al., 2021).

Upskilling and reskilling are two ways to advance employees' professional lives. Both approaches are involved in advancing skills, but each has a different goal. Upskilling refers to learning additional skills within the same occupational field to advance to a more responsible position in the same line of work. Whereas reskilling refers to learning a new set of skills to shift to a new position in a separate field (Monear, 2020).

Enhancing new skills is considered a critical approach for career development by Americans. A quarter of workers and 35% of employers reported that employees feel that they are held back in their careers because of a lack of opportunities for upskilling. Workers think learning and building skills are key for enhancing and changing their careers and know they need to keep learning to advance their professional lives. About 52% of employed Americans reported that they need to upskill or learn new skills within the next year to continue their job. And 47% reported that they seek to reskill or build skills to successfully change their careers. Additionally, 45% emphasize learning new skills to be able to be competitive in the digital age. Other activities with the highest impact on the participants' career development are also related to skill development such as enrolment in a training program (41%) or going back to school (34%) as shown in Figure 4.

Figure 4

American Workers' Views on the Role of Skill Development for their Career Advancement

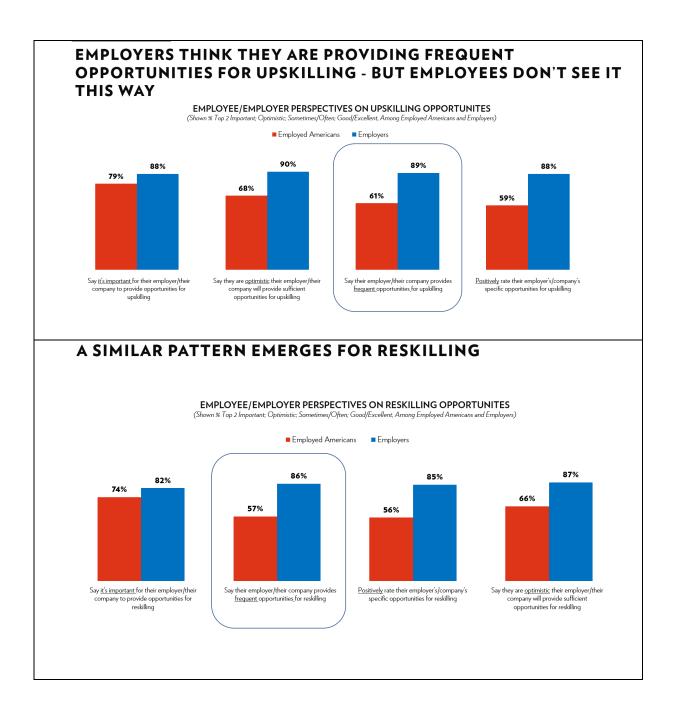


Employers and Employees' Views on Skill Development

Employers and employees agree on the importance of upskilling and reskilling with slightly different views. Over three quarters (79%) of employed Americans reported the importance of upskilling and 74% the importance of reskilling, while 88% of employers reported prioritizing employees with upskilling and 82% for reskilling. However, there is a disparity between employers' and employees' perceptions of support for upskilling and reskilling. About 89% of employers think they are providing opportunities for upskilling, but 61% of employees agree. Similarly, 86% of employers think they are providing opportunities for upskilling, but 57% of employees agree as shown in Figure 5. Such a misalignment indicates that organizations should revise their approaches to skill development to better address their employees' needs.

Figure 5

Employees versus Employers' Views on Upskilling and Reskilling



Americans Need More Support for Skill Development

The results from the Career Optimism Index (2022) highlighted the need for more opportunities for skill development. A third of Americans don't feel optimistic about opportunities for learning new skills in their careers. Lack of time, financial support, and proper training within organizations are referred to as barriers to new skill development as shown in Figure 6.

Figure 6

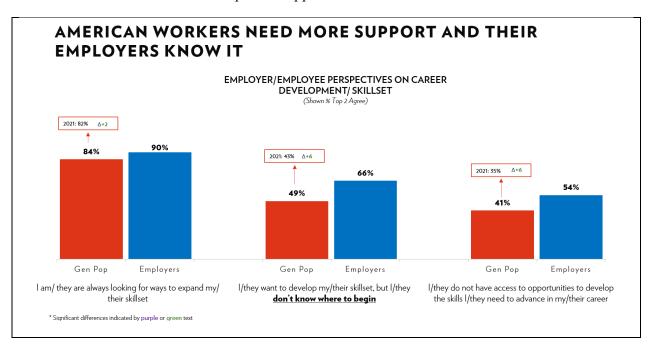
Americans' Views about Skill Development Opportunities



Career Optimism Index (2022) participants shared that they need more support to expand their skillsets and their employers know it as shown in Figure 7. In 2022, 49% of Americans reported that they need to develop their skills but don't know where to begin. There is a 6-point increase from 2021 to 2022. While 66% of the participated employees agreed with such needs. Furthermore, 41% of Americans shared that they do not have access to opportunities for skill development, with a 6 points increase from 2021 to 2022, and 54% of employers agreed.

Figure 7

Americans' Views on Skill Development Support



The results of the Career Optimism Index (2022) underscore the importance of skill development for the American career advancement and labor market. Various stakeholders are involved in upskilling and reskilling American workers and closing their skills gap. American workers may focus on enhancing their skills by using available resources. Employers may invest in the skill development of their employees based on their organizations' needs and goals. Higher education institutions may support both American workers to advance their skills and employers to improve their employees' skills.

American Workers' Roles

Americans may use public resources to further build up their career skills, earn credentials, and seek jobs. Open Educational Resources (OER) are free and open-source materials that are available to the public, and support overcoming equity barriers. The resources include textbooks, videos, and tests and are available at OER Commons, a public digital library. The learning materials cover subjects such as applied science, business, physical science, career, and technical education. The education levels are from preschool to graduate, and professional and adult education.

Massive Online Open Courses (MOOCs) are free courses that aim to democratize higher education. MOOCs provide an affordable and flexible way to learn a new skill and advance career development. Many courses in a variety of subjects along with certifications are offered through MOOCs providers such as edX, Coursera, and Udacity. An affordable fee is applied for certification. Next-generation of digital tools supports Americans to expand their skills and sharing them with employers more effectively. Micro-credentials help workers gain digital skills and show their skills. Micro-credentials are short, focused credentials designed to provide in-demand skills. Digital Promise, for example, collaborated with Facebook to support job seekers gain digital skills and sharing their expertise.

Employers' Roles

Organizations may adopt effective approaches both in their business processes and mindsets to successfully reskill and upskill their employees. Conducting strategic planning, improving training, and creating a strong lifetime learning culture are recommended as the principles of successful skill development within organizations (Allas et al., 2020).

For improving training organizations may adopt the following approaches (Holoubek & Hibbard, 2020).

- Employ modular -bite-size training
- Measure impact on employee performance and return to investment
- Tailor training to the type of skills and the kind of gap
- Offer on-the-job reskilling, since employees don't have time for formal training, employers benefit by incorporating on-demand training on the job
- Partner with higher education institutions to establish new certificates and degrees
- Offer apprenticeship and work-based learning
- Include boot camps and coding schools

Higher Education Institutions' Roles

Higher education institutions play a critical role in closing Americans' skills gap by offering accessible post-secondary education and adopting the following approaches.

• Keep college affordable to make it more accessible. Affordability is among the main barriers to accessing higher education during the pandemic. It is especially important for low-income students.

Providing financial assistance will help mitigates students' financial burdens and reliance on loans (Kwakye et al., 2020).

- Invest in high-quality online education. Online learning affects students' retention and completion. Effective practices such as live Q&A, breakout groups during the class, interactive, and collaborative approaches among students increase student satisfaction. Adopting online communications among students beyond class time is vital to keep them engaged. Additionally, students prefer instructors who send personal messages to students to check-in and give feedback, use real-time examples to clarify course content, allow students to reflect on their learning, break up class activities into shorter pieces than in an in-person course, and have students work on group projects separately from the course meetings and provide frequent quizzes or other assessments (Means et al., 2020). Furthermore, using professional development for faculty to support quality online instruction is critical (Mann, 2020)
- **Provide students with holistic support.** Supporting students such as data-driven advising, coaching, resources for basic needs, childcare, housing, and financial assistance, and increasing communication between faculty and students are proven to improve students' satisfaction (O'Donoghue & Ratledge, 2020).
- Align curriculum with industry needs. Connecting the post-secondary curricula to industry needs is becoming increasingly critical to provide a clear career pathway to college graduates, fulfill the skill gap required by employers, and balance the labor market. Educators, workers, and employers have different descriptions of the skills taught, gained, and valued in the labor market (Lumina Foundation, 2016). Data analysis should be done to build a directory of required competencies based on employers' and industry experts' feedback to develop college curricula (Carnevale et al., 2017). For example, the Center for Employability Outcomes in Texas created the Skills Outcomes Analysis in 2014 to help colleges match their curricula with work performed in the industry using an analytical tool. The tool created 3000 skills based on 1400 Texas employers' suggestions and validated by 4000 subject matter experts. Overall, 26 Texas colleges used the tool to align 1300 courses and 83 post-secondary credentials (Student Outcomes Alignment, 2014).
- Apply next-generation assessments such as micro-credentials and stackable credentials. By organizing programs along a series of certificates build on top of each and aligned to industry certifications, community colleges offer incremental milestones on the path to associate degrees (Center for Occupational Research and Development in Partnership with Social Policy Research Associates, 2018). This is a practical way to support students' progress along with their education while earning their credentials with labor market value.
- Partner with industries. Community colleges collaborate with giant tech companies such as Amazon and Google to establish apprenticeship and degree programs (Mims, 2018).
- Offer programs to alumni for returning and taking refreshing courses years after earning their degrees. For example, Stanford University and the University of Michigan offer such special programs to their alumni.
- **Provide skills-based training based on employers' needs.** For example, <u>Trilogy Education</u> is a workforce accelerator that partners with universities to develop skill-based training.

Conclusion

The pandemic created a very challenging time for the United States workforce. Digitalization and automation created a skills gap before the pandemic. However, Career Optimism Index and other reports indicated that the pandemic expanded the skills gap and underscored the ever-increasing need for enhancing American workers' skills to close the gap. Although Americans remain optimistic about the future of their careers, they are least optimistic about their skill development. They are not sure where to begin and how to find opportunities for skill development. Furthermore, Americans don't have a clear career path. In such a context upskilling and reskilling are critical approaches to enhancing Americans' skills. Both American

employees and employers agree on the importance of skill development, however, they do not agree on the available skill development opportunities. Such a misalignment indicates that organizations should revise their approaches to skill development to better address their employees' needs.

The results of the Career Optimism Index emphasized the necessity of nurturing career skill development to close Americans' skills gap, address employers' needs, and balance the labor market. American workers, employees, and higher education institutions are involved in upskilling and reskilling American workers. American workers may focus on enhancing their skills by using available resources such as Open Educational Resources (OER) and Massive Online Open Courses (MOOCs). Furthermore, they may use the next generation of digital tools such as micro-credentials to promote their gained skills and seek jobs. Employers may invest in the skill development of their employees based on their organizations' needs and goals. Conducting strategic planning, improving training, and creating a strong lifetime learning culture are recommended as the principles of successful skill development within organizations. Higher education institutions may support both American workers to advance their skills and employers to improve their employees' skills. The effective practices to make higher education more accessible and relevant for supporting career skill development are:

- Keep college affordable to make it more accessible
- Invest in high-quality online education
- Provide students with holistic support
- Align curriculum with industry needs
- Apply next-generation assessments such as micro-credentials and stackable credentials
- Partner with industries
- Offer programs to alumni for returning and taking refreshing courses years after earning their degrees
- Provide skills-based training based on employers' needs

This paper identified American workers' career statuses and skill development needs in the post-pandemic context based on the Career Optimism index (2022). Effective practices for enhancing American workers' skills are recommended for the three major stakeholders of American workers, employees, and higher education institutions who are responsible for closing Americans' skill gap. It is hoped that the issues discussed in this paper enhance understanding of American workers' career needs and employees' requirements and increase skill development support by organizations. Implementing the recommended effective practices promotes the required skill development and contributes to a) closing Americans' skills gap, b) making higher education institutions more relevant, and c) improving the labor market in the post-pandemic era.

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