

# Organizations Face Growth Risks as Skills Gaps Widen, Skillsoft Research Finds

Only 10% of HR and L&D professionals are fully confident that their workforce has the skills needed to meet business goals over the next 12-24 months

BOSTON--(BUSINESS WIRE)-- <u>Skillsoft</u> (NYSE: SKIL), the platform that empowers organizations and learners to unlock their full potential, today released the results of its <u>2025</u> <u>Global Skills Intelligence Survey</u>. The findings reveal that widening skills gaps are now a top barrier to growth and that outdated approaches to talent development are leaving organizations unprepared to meet the demands of a rapidly changing economy.

In a global survey of 1,000 HR and learning and development (L&D) professionals across the U.S., UK, Germany, and Australia, just 10% say they are fully confident that their workforce has the skills needed to achieve business goals over the next 12 to 24 months, with leadership, AI, and technology identified as the most significant shortages. Nearly a third (28%) see skills as the key factor that could make or break their organization's growth.

Despite this urgency, many organizations are relying on talent strategies and development programs that are outdated and disconnected from workplace outcomes. While 85% of respondents have talent development systems in place, only 6% rate them as "outstanding," and just 20% believe their talent strategies are aligned with organizational goals. Fewer than one-in-four (24%) are using a consolidated platform approach that provides a clear view of workforce capability. Respondents also highlighted several pain points with their current solutions, describing them as fragmented, overly manual, and lacking customization. These limitations make it difficult to measure skills, address shortages, and build the workforce needed for today's pace of change.

"Business transformation depends on the strength, adaptability, and skills of the workforce," said Ciara Harrington, Chief People Officer, Skillsoft. "These findings should be a wake-up call for every leader. Skills gaps are already impeding growth, and traditional approaches to talent development are only worsening the issue. To compete in today's human-Al world, organizations must place skills at the center of their strategy and evolve toward integrated platforms that connect learning, skills intelligence, and performance in a single place, unlocking a workforce ready for change and innovation."

Additional key findings from the research include:

## **Barriers to Transformation and the Talent Imperative**

While organizations recognize the need for business transformation in this AI era, many face persistent barriers that put growth at risk and underscore the importance of stronger talent strategies.

Critical organizational challenges:

- 33% say employee engagement issues are not being effectively addressed
- 27% report their organization is focused on the present rather than planning for the future
- 26% see employees promoted without adequate preparation
- Future of work concerns:
  - 37% fear losing top talent to more agile competitors
  - 33% cite burnout as a barrier to transformation
  - 24% worry AI is advancing faster than workforce upskilling
- Al adoption hurdles:
  - 41% say their workforce is resistant to change
  - 28% point to the need for greater technical expertise

## **Smarter Business Decisions Start with Skills Intelligence**

Even as leaders prioritize transformation, limited visibility into workforce skills can slow progress, reinforcing the importance of actionable skills intelligence.

- Only 18% measure the success of their talent development programs through the ideal method of regular skill assessments throughout the learning journey
- 91% say employees overstate their skills, most commonly in leadership, technical, and Al expertise, leading to a distorted view of workforce capability
- The "overstatement" of skills impacts businesses by exacerbating skill gaps (36%), reducing productivity (34%), and increasing manager stress (31%)
- 49% see opportunity for AI to enhance skills intelligence solutions to deliver more accurate, actionable skill gap analyses

# Reimagining Talent Development for an Al-Native Future

Organizations continue to offer a strong mix of traditional learning experiences, but many are now looking to Al-native capabilities to personalize development and better align talent strategies with business goals.

- Most commonly offered learning experiences:
  - Online, video-based training (58%)
  - Group training scenarios (57%)
  - Mentorship opportunities (50%)
  - Live, instructor-led training (50%)
- Desired Al-powered enhancements:
  - Adaptive training (43%)
  - Real-time feedback (42%)
  - Interactive simulations (38%)
  - Personalized learning paths (33%)

As workforce needs continue to shift, the research points to the value of connecting skills to every facet of business strategy. Leaders who understand their organization's strengths and gaps – and act on that insight - will be positioned to adapt faster, perform better, and stay competitive in a changing market.

### **Additional Resources**

- Discover more findings from Skillsoft's research <u>here</u>.
- Visit Skillsoft at HR Tech in Las Vegas on September 16 at booth #1621.

# **Research Methodology**

Skillsoft's Global Skills Intelligence Survey was conducted online from May to July 2025 through an independent market research firm. The survey yielded 1,000 responses from full-time human resources (HR) and learning & development (L&D) professionals whose organizations have a talent development program in place. Respondents were from four countries: the United States, the United Kingdom, Germany, and Australia.

## **About Skillsoft**

Skillsoft (NYSE: SKIL) empowers organizations and learners to unlock their full potential by delivering personalized, interactive learning experiences and enterprise-ready solutions. Powered by AI and strengthened by a broad ecosystem of partners, the Skillsoft platform helps customers solve some of today's most complex business challenges including bridging skill gaps, improving talent retention, driving digital transformation, and future-proofing the workforce. Skillsoft is the talent development partner of choice for thousands of organizations – including 60% of the Fortune 1000 – and serves a global community of more than 105 million learners. For more information, visit skillsoft.com.

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