

Survey – Employer Perspectives on Outskilling: A Lifeline for the Post COVID-19 Labor Market

As the labor market enters a time of unprecedented transformation, a growing number of employers are turning to a new – and perhaps counterintuitive – approach: training for employees to prepare them to leave, or “outskilling.”

About the Survey

In the months that preceded the COVID-19 pandemic, Penn Foster surveyed 400 C-suite and HR decision-makers at companies across the United States.

We found that business leaders were already preparing for increased job displacement, and outskilling was already a business priority. As the past few weeks have made clear, some shifts are impossible to predict, and companies that faced hiring shortages weeks ago face the grim reality of downsizing.

Topline Findings

Before COVID-19, many CHRO's managed their workforce planning 1 to 3 years in advance – and expected that timelines were going to get longer. In the new economic landscape, how will that change?



64% of CHROs say they do workforce planning 1-3 years in advance. **56%** of CHROs think timelines are getting longer.

There is widespread agreement that education benefits are vital for recruiting and retaining talent.



Overall, **80%** of survey respondents said helping workers prepare for their next job benefits their organization.

Employers who were anticipating job displacement before COVID-19 already valued outskilling.



96% also agreed that helping people prepare for future jobs benefits their organization. **50%** of CEOs said job displacement is likely in their company within 3-5 years.

While most businesses agree that outskilling is valuable, they don't always offer it.



80% of businesses value outskilling, while only 40% of them actually have an outskilling program.



In our digital age, layoffs are a certainty, but unemployment might not automatically follow if employers, educators, workers and policy makers can train those whose jobs are eliminated for new careers in expanding occupations.

LAUREN WEBER | THE WALL STREET JOURNAL



Unlike traditional education benefits, or even corporate training, outskilling is not about retaining workers. It is about helping workers develop the tools they need to land a new job or find a whole new career path.

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What's Next?

As the world braces for the long-term economic impacts of the outbreak, we believe outskilling will only grow in importance – as not just a reaction to the current economic landscape, but a tool to increase recruitment, retention, and support both short-and long-term business goals as the economy recovers.

So how prevalent is outskilling among businesses today? What role can employers play in helping displaced employees navigate their way to economic safe harbor? What adjacent skills might enable displaced hospitality or retail workers prepare for new careers in healthcare or logistics?