

Workforce Skills Gap

2023 SKILLS GAP SURVEY BY SALARY.COM

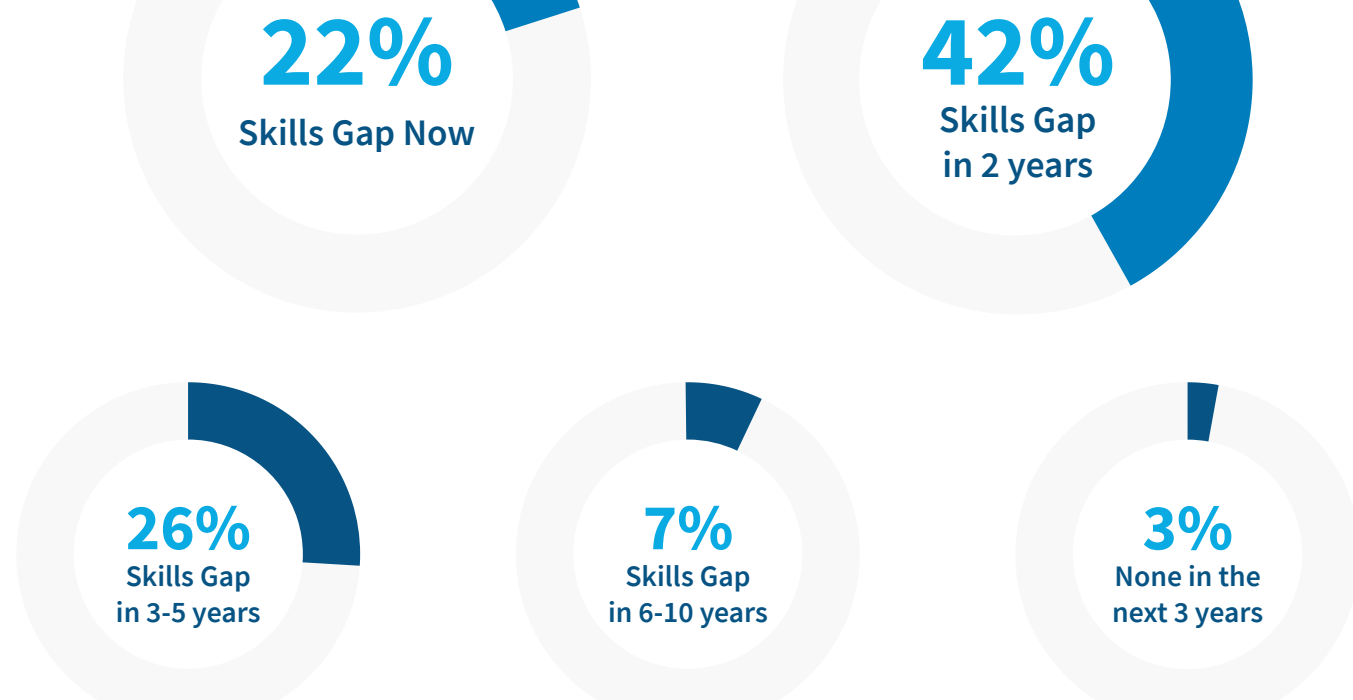
Almost a Quarter of U.S. Employers Are Battling a Skills Gap.

Another **42%** say it will hit them within two years.

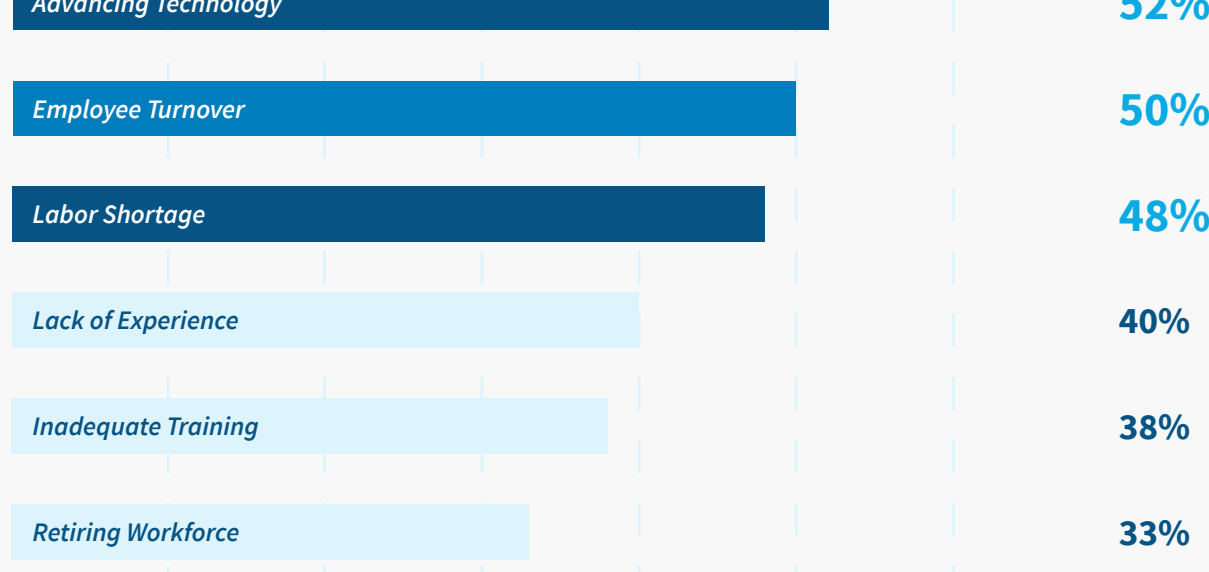
Workforce Skills Gap Defined

The difference between what your workforce does today and what they need to do tomorrow.

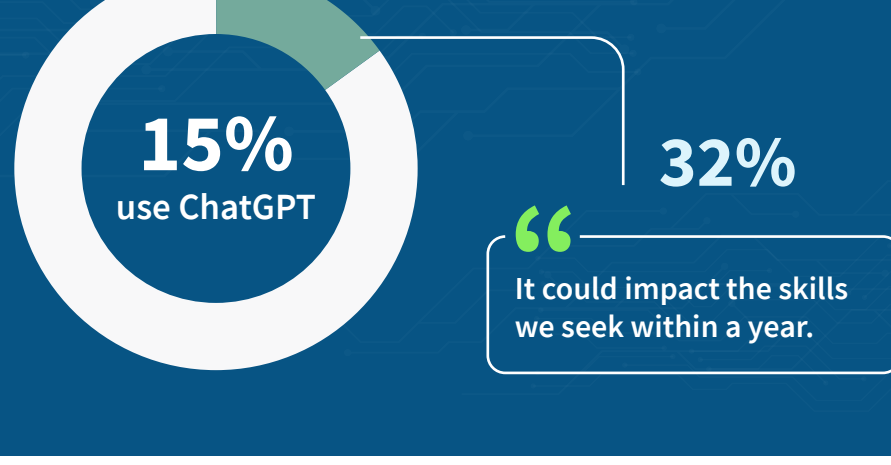
When organizations anticipate a Skills Gap:



Top Factors Leading to Skill Gap

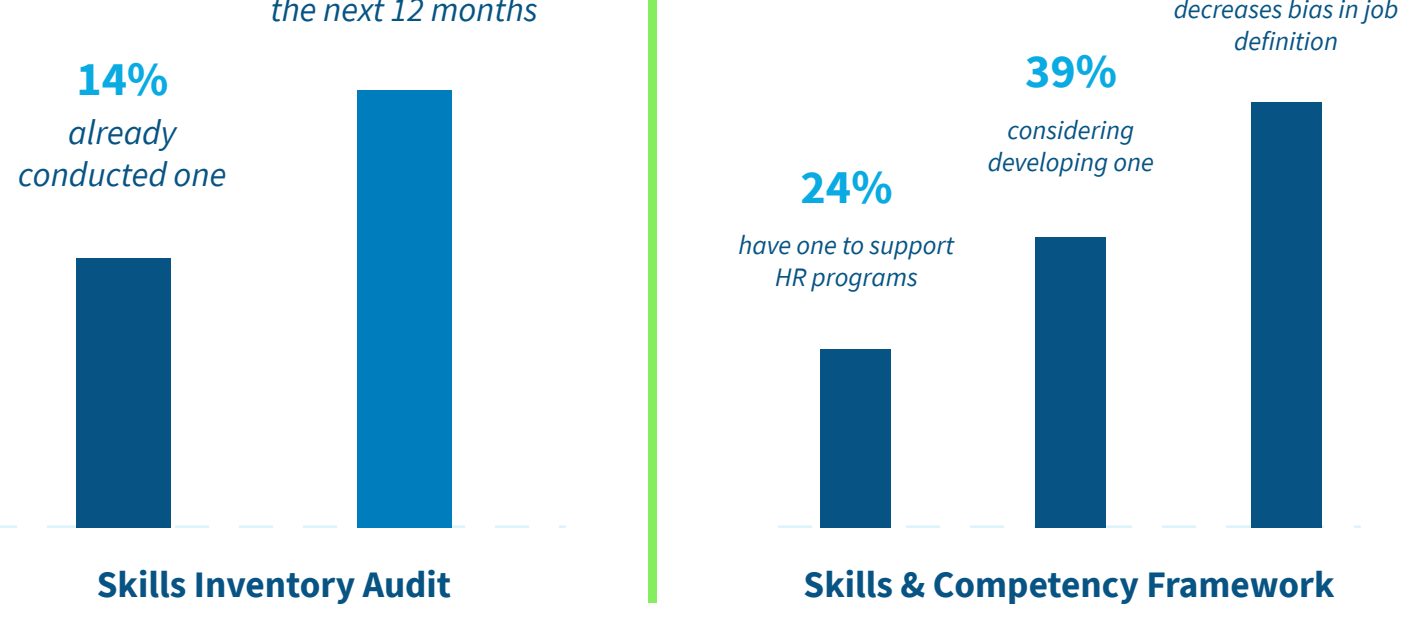


Advancing technology is the biggest contributor, though teams are not sure how generative AI, like ChatGPT, will impact the skills they seek:



Organizations lack foundational Best Practices to address the workforce skills gap.

However, it is now a priority for most.



The Skills Gap Challenge

Almost **75%** state

It is more difficult today to find qualified candidates.

TOP 3 Challenges Tracking & Managing Employees' Skills and Competencies

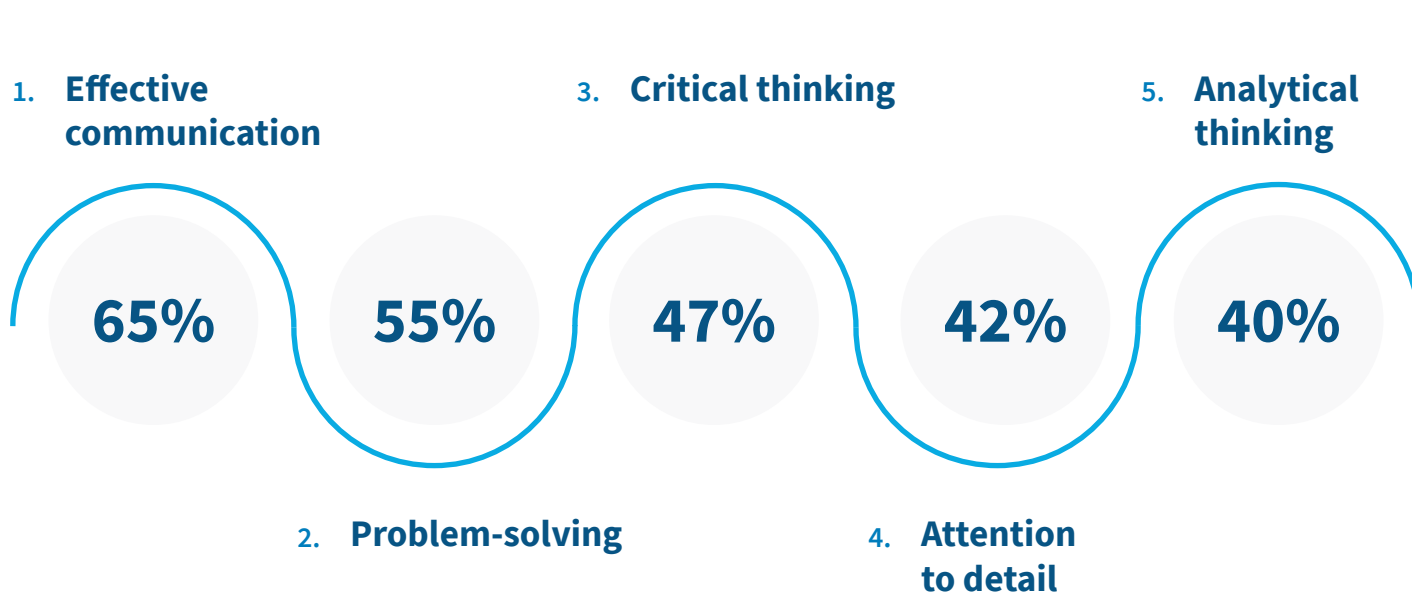
1. Conducting a skills inventory
2. Creating career pathways
3. Identifying the employee skills gap

Approaches To Narrow the Skills Gap

70% invest in programs to reskill/upskill employees.

65% employ skills-based hiring

Top 5 In-Demand Skills Organizations Seek from Candidates:



The Winning Pay Philosophy is a Hybrid One

44% use a combination of skill-based and variable-based compensation.

18% use a skill-based approach.

23% have no plans to adopt a skills-based approach.

This study confirms a widening skills gap. To narrow the gap, organizations should start with a skills inventory, utilize in-house talent, establish career pathways for employees, and develop a hiring plan to fill the remaining gaps.

Salary.com's **CompAnalyst Skills Model** provides organizations with a central hub for accessing and managing their frameworks. It features the industry's most comprehensive AI-powered software and data collection of Skills & Competency Frameworks that enable HR teams to hire, evaluate, and develop top talent. Customers can view job-specific and core skills mapped to more than 15,000 job titles across 18 industries and 26 job families. It manages the measurement of proficiency levels for each skill and provides employees incentives for advancement in their competencies. A dedicated team of data science experts continuously monitor and update the data.