



**HAYS**

# PREPARE FOR THE CHANGING FACE OF SKILLS

The Hays 2025 Skills Report

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## Welcome to the changing face of skills

**Shane Little**

Managing Director, APAC, Enterprise Solutions, Hays

Skills: The currency of the modern economy. Every professional possesses them and every organisation needs them, yet the pace at which the world shifts is outstripping our outdated systems for acquiring and evolving them. Welcome to the changing face of skills – a landscape where what you learned yesterday might not cut it tomorrow, and what skills your organisation has now, will not be needed tomorrow.

The problem is not just speed; it's our inability to keep up with change. The required skills of today are evolving before the ink on tomorrow's job descriptions has dried. Whether you're a CEO looking to future-proof your workforce or an employee clinging to relevance, the challenge is universal: how do we

keep up when our systems and frameworks for education and training are so outdated?

Technology is both culprit and catalyst. It's reshaping our work lives with unprecedented speed – augmenting processes, accelerating outcomes and drowning us in data. With every advance, the need for new skills emerges – and old ones become less relevant. The hard truth? Our current systems can't keep pace. Universities churn out graduates who are already behind, while corporate training programs lag behind industry needs.

The solution isn't just about acquiring new skills; it's about rethinking learning entirely. Continuous learning can't be optional anymore. Companies

*"If we're serious about closing the skills gap... we need a cultural shift – one that makes continuous learning a core part of our lives and our organisations."*

must embed it into their cultures. Workers must see it as a way of life, not a chore. And both must collaborate to create an environment where learning is as natural as logging into your email.

This report unpacks the state of the skills crisis in Australia and New Zealand. With input from over 5000 hiring managers and professionals across many different industries and

professions, we've uncovered where there are gaps, which strategies are being deployed to address them, and the skills that are urgently in demand across Australia and New Zealand. Spoiler alert: it's not pretty.

An alarming 85 per cent of respondents reported a skills gap in their organisation. Here's the breakdown of what's missing: Hard/technical skills (specific to job roles): 57 per cent; Critical thinking and problem-solving: 50 per cent; Leadership and management: 46 per cent; Communication: 41 per cent.

Yes, technical skills top the list. But what's striking is the prominence of what we call 'soft skills' – or as they should be called, human skills. These are

the skills that enable us to work together, solve complex problems, and lead with empathy. Calling them 'soft' undermines their value. In truth, these skills are anything but soft – they're essential.

Our focus on technology and efficiency has come at a cost: we've sidelined the skills that make us, well, human. Collaboration, communication, and critical thinking aren't nice-to-haves; they're the foundation of innovation. If we don't prioritise them, we'll very soon find ourselves in a workforce that's technically competent but fundamentally fractured.

The stakes couldn't be higher. This report offers a call to action for businesses and professionals alike. If we're serious about

closing the skills gap, it's going to take more than LinkedIn Learning courses and one-off workshops. We need a cultural shift – one that makes continuous learning a core part of our lives and our organisational cultures.

Because in the race between technology and humanity, we don't win by building faster machines. We win by being better humans, and understanding how we embrace technology to improve productivity and the world of work.

# Volatilities of the Labour Market



Skills play an integral role in supporting Australia and New Zealand’s long-term prosperity. They are key to driving productivity growth, improving international competitiveness and strengthening living standards. Lifting productivity growth from its current lacklustre rate will require the right skills, in the right place, at the right time.

The Hays 2025 Skills Report provides unique insights into the skills landscape that enable a more detailed analysis of the skills challenge facing Australian and New Zealand organisations. The survey highlights that underneath headline labour market conditions, many businesses are still facing significant workforce shortages. These shortages are most prevalent in roles exposed to strong public demand and

disruptions to the supply of graduates.

Looking forward, the changing nature of work, an ageing population and industrial shifts are expected to result in significant churn within the labour market. This will make it even harder to match supply and demand of skills, elevating the importance of reskilling and upskilling the current workforce. But as highlighted through the survey results, outside of formal education, training practices are not always delivering the skills uplift employers and employees are looking for.

Organisations will need to take a holistic view of their workforce planning that includes hiring and training to limit the risk of future skill shortages.

## An overview of labour market conditions

Australian labour market conditions remained resilient in 2024, softening slightly despite a significant deceleration in economic activity. The unemployment rate averaged 4.0% in 2024, ticking up 0.3 percentage points from the 2023 average. This is still well below the pre-COVID decade average of 5.5%, indicating that hiring conditions remain challenging. Employment growth slowed from an average of 3.4% in 2023 to 2.5% in 2024, and online job ads have also started to trend down. This slowing was driven by weakness in the private sector as public sector employment remained robust.

New Zealand’s labour market on the other hand has weakened substantially on the back of

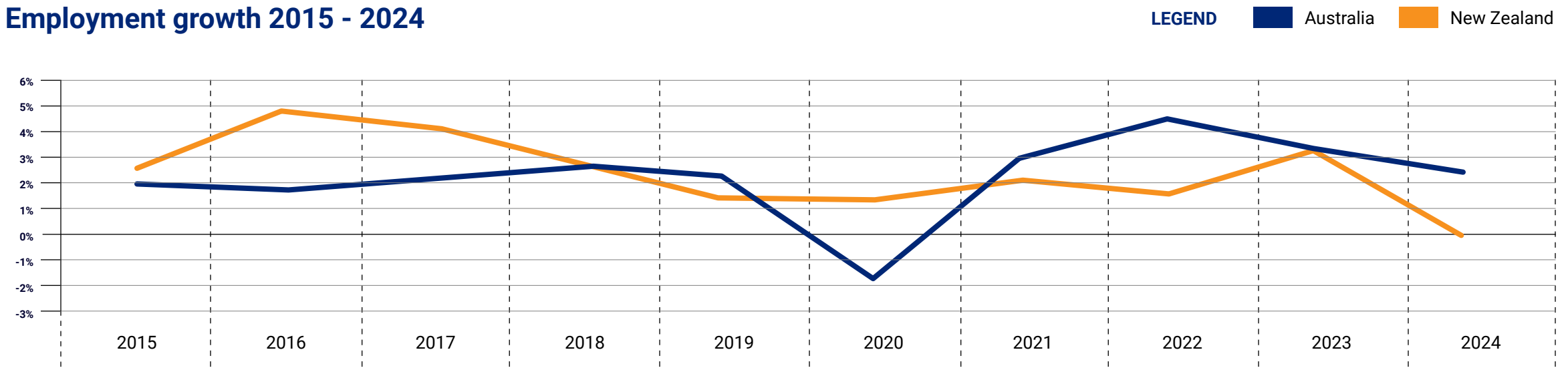
ongoing economic weakness and the considerable cuts to public-sector employment by the government. The unemployment rate reached 4.8% in the September quarter of 2024, the highest level outside the pandemic since 2017. Forward indicators have started to point to a tentative trough in labour market conditions, with the fall in job advertisements abating in recent months.

Looking forward to the year ahead, labour market conditions are expected to ease further. Australia’s unemployment rate is expected to creep slightly higher – reaching a peak of around 4.5% in 2025. Employment growth is expected to remain subdued as economic activity is constrained, with public sector continuing to account for the majority of new roles. Labour supply is also expected to moderate on the back

of easing migration, yet this will still outstrip employment growth to provide additional slack within the labour market.

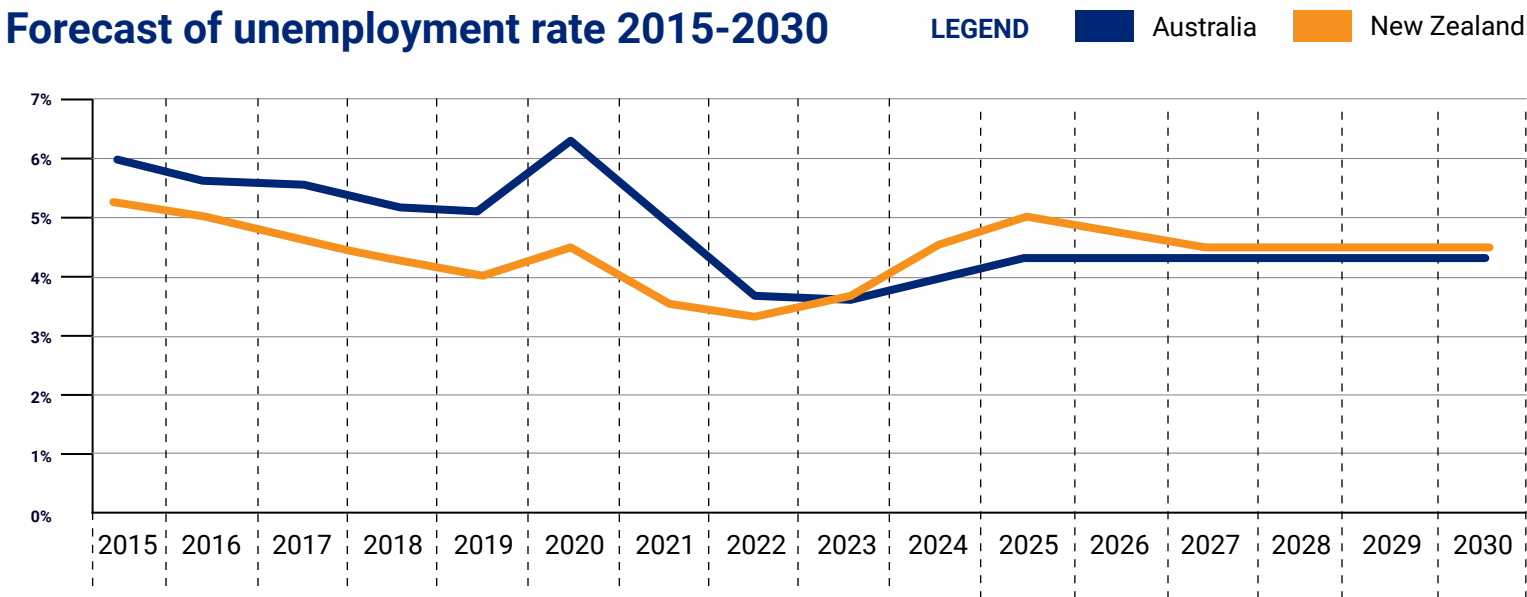
New Zealand is also expected to experience weaker demand for labour, with the unemployment rate peaking at 5.5% by mid-2025. However, with the economy approaching a trough in 2025, the end of the labour market downturn appears to be materialising.

Employment growth 2015 - 2024



Source: ABS, Statistics New Zealand, Oxford Economics Australia

Forecast of unemployment rate 2015-2030



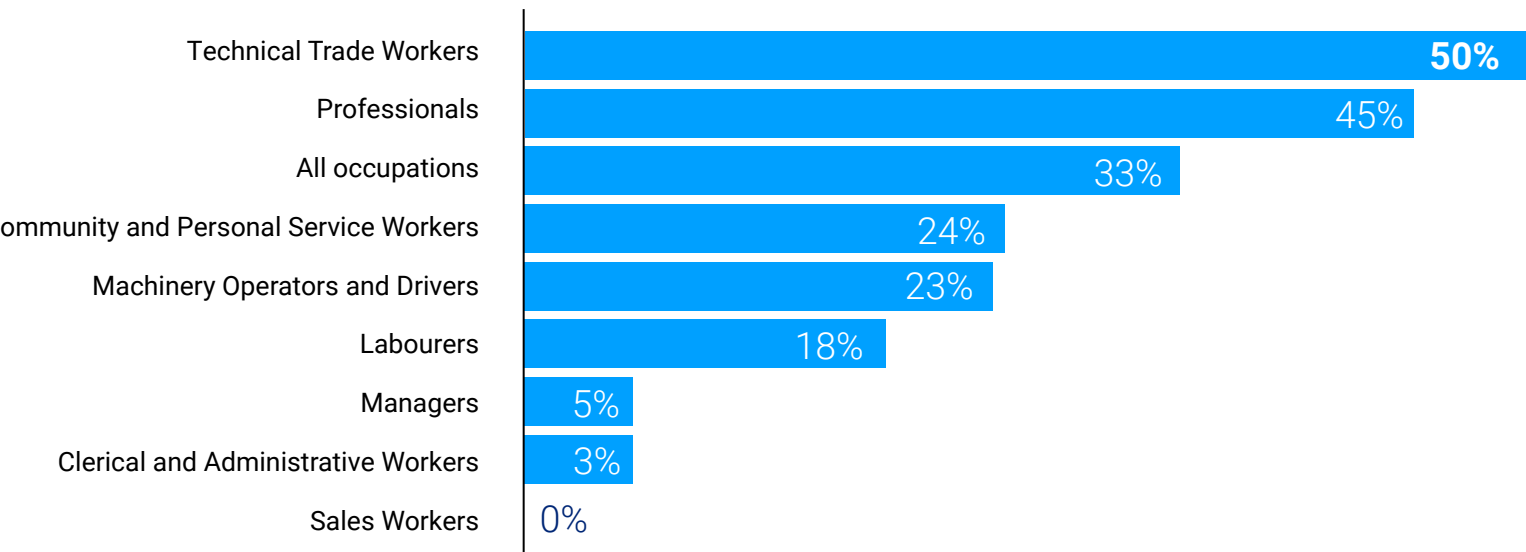
Skill shortages remain a challenge

There are still significant skill shortages affecting the labour market despite the easing in headline labour market measures.

In Australia, around one in three occupations faced a shortage in 2024 according to the JSA Occupation Shortage List. Skill shortages are predominantly in technical roles that require significant training. Professionals and technical trade workers experienced the most significant shortages in 2024. Technical trade workers not only experienced the most significant skills shortages, but also faced

more challenging conditions in 2024 compared to 2023. This is likely a combination of strong demand on the back of significant construction activity and weak supply coming through formal training channels.

Share of Australian occupations in shortage

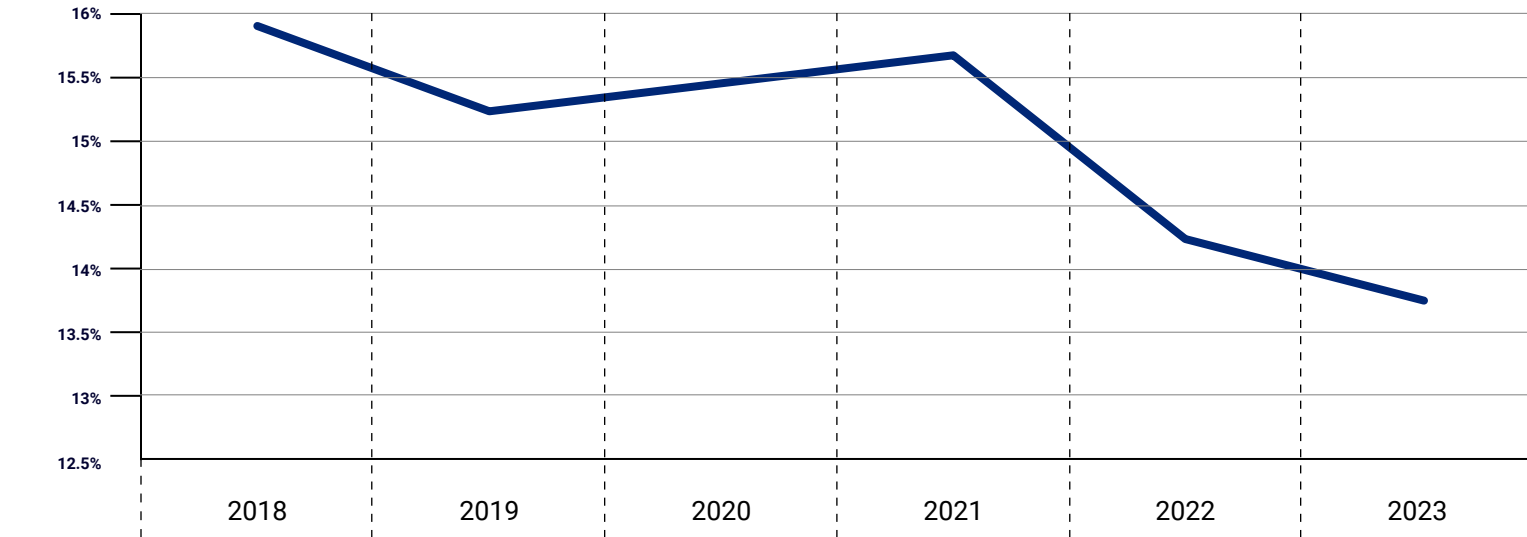


New Zealand also faces areas of shortage despite the substantial employment declines. While job advertisements for most occupations are well below pre-COVID levels, there are around 40 occupations that have experienced significant growth in job advertisements. This includes teachers and health practitioners, occupations that are also on the Long Term Skill Shortage List (LTSSL) which outlines the occupations that are in sustained shortage across New Zealand.

A softer education pipeline following the COVID-19 pandemic

is potentially exacerbating these skill shortages. University start rates in Australia have fallen from 15.2 commencements per 1000 working aged population in 2019 to 13.7 in 2024. The rate of completion has also fallen with many university students delaying or abandoning degrees. In New Zealand, bachelor participation increased during COVID but has fallen back to the lowest rate in over a decade. While these rates are likely to improve as the opportunity cost of education falls, the full impact of a weaker education pipeline will be felt for a number of years.

Australian bachelor commencement per 1000 of working aged population



The industrial structure of the Australian and New Zealand economies is changing the occupation and skill demands within the labour market. The green transition and a focus on increasing housing supply will likely drive demand for construction related roles over the coming years. Meanwhile, aging populations and high rates of female workforce participation are expected to drive demand for healthcare and social assistance roles for some time. Many of these occupations are already facing shortages and have long lead times when it comes to skills

development, which are likely to result in ongoing skills gaps and hiring challenges.

Aging populations also create broader training needs across the economy. Australia’s share of population aged over 65 is expected to increase from 17.1% in 2023 to 19.3% in 2030. In New Zealand this is even more severe, with the share of population aged over 65 expected to increase from 16.8% to 20.8% over the same period. Despite older workers staying in the labour market for longer, the number of these workers leaving the workforce is expected to dramatically increase over the coming decade. As these older workers exit, their roles will need to be filled, driving significant re-skilling and up-skilling activities across the workforce.



# The Skills Pipeline

## Vocational education and training outlook



Australia is embracing this dynamic moment in skills and training with the opportunity to position itself to drive economic growth and global competitiveness.

### The pace of change demands a workforce of lifelong learners

With workers expected to change professions at least [five times](#) throughout their careers, a single qualification is no longer enough. Continuous upskilling or reskilling is essential to remain employable and productive.

Our stakeholders highlight the importance of vendor-certified and just-in-time training to keep pace with industry needs and note the growing popularity of stackable micro credentials. However, current training frameworks are

often too rigid to meet these demands.

A standardised system to recognise ongoing skill development and experience – especially in relation to transferable skills across industries – is needed to support workforce mobility.

### Skills gaps will not be addressed unless learning and employment pathways are accessible

Stakeholders point out that entry level employment pathways are not well defined or understood, resulting in many qualifications lacking relevance. With the rising cost of living and growing demand for contextualised learning, pathways focusing on earning while learning are becoming more essential.

[By 2033](#), over 90 per cent of new jobs will require post-secondary qualifications, with 44 per cent of those having vocational education and training as the primary pathway to access.

However, training providers are concerned that the expectations for entry level positions are being raised as the skills landscape is evolving, making these roles less defined and harder to obtain without on-the-job-experience.

Defining pathways – especially for mid-career professionals with transferable skills – offers a chance to tap into a broader talent pool. Highlighting these pathways at the primary and secondary school levels also brings long-term benefits.

Collaboration between government, industry and training providers is crucial to ensure appropriate funding, skill standards and adaptable training. A closer partnership between universities and vocational education and training will further create accessible, clear career pathways for all learners. This is outlined in the [Australian Universities Accord](#) which aims to drive transformative reform in the tertiary education system.

### Skills are becoming more valuable than traditional qualifications, with a growing demand for generalist skills

Many employers have said they prioritise the recruitment of employees with skills and experience over accredited qualifications. They tell us that organisations that don't give

100% HUMAN  
AT WORK

### The 100% Human at Work initiatives

Virgin Unite, the non-profit foundation of the Virgin Group, launched the 100% Human at Work initiative to catalyse action for a better future of work. The initiative has brought together over 500 organisations around the world to test ideas and scale impact.

In 2024, 100% Human at Work launched its first Innovation Cluster to focus specifically on the future of skills. Hays, Future Skills Organisation and other global enterprise organisations are involved in this collaboration.

The objective of this cluster is to design an initiative that unites key stakeholders in both the co-creation and launch of a new framework about 'general employability skills'. The framework will help ensure that nobody is left behind in the rapidly changing skills landscape. Using data and research, the Innovation Cluster will work to define the key skills that industry identifies as most critical, with an aim to launch a pilot in 2025 as proof of concept.

non-degree-holding candidates a chance to demonstrate their skills are at risk of missing out on an untapped pool of talent.

People who have transferable generalist skills with a broad set of competencies are becoming increasingly important as job roles change quickly.

Industry feedback indicates that general digital capability skills,

including digital, AI, and cyber security literacy, are a requirement across most jobs and industries. There is an urgent need to uplift the digital capability of our nation to ensure everyone can thrive in our digital economy.

Future Skills Organisation is a Jobs and Skills Council funded by the Australian Government Department of Employment and Workplace Relations. Our role is to partner with industry and the vocational training sector to fast-track innovative training solutions which meet the demand for the most important finance, tech and business skills.

# About the Hays 2025 Skills Survey

The sheer scale of Hays' expertise is one of the reasons that our reports are the most respected in the recruitment industry and offer the most robust findings.

As a workforce solutions specialist, Hays has deep expertise in the changing face of Australia and New Zealand’s skills. For businesses and individuals looking to navigate the region's ongoing skills shortages, detailed data specific to industry and profession has been difficult to find. This report offers a deep dive into the strategies employed by hiring managers to acquire and develop the skills their organisations need, the challenges they have faced, and the strategies that have been most successful.

The Hays 2025 Skills Survey sought to understand the needs of organisations and individual professionals on how to prepare for the changing face of skills. The resulting Hays 2025 Skills Report

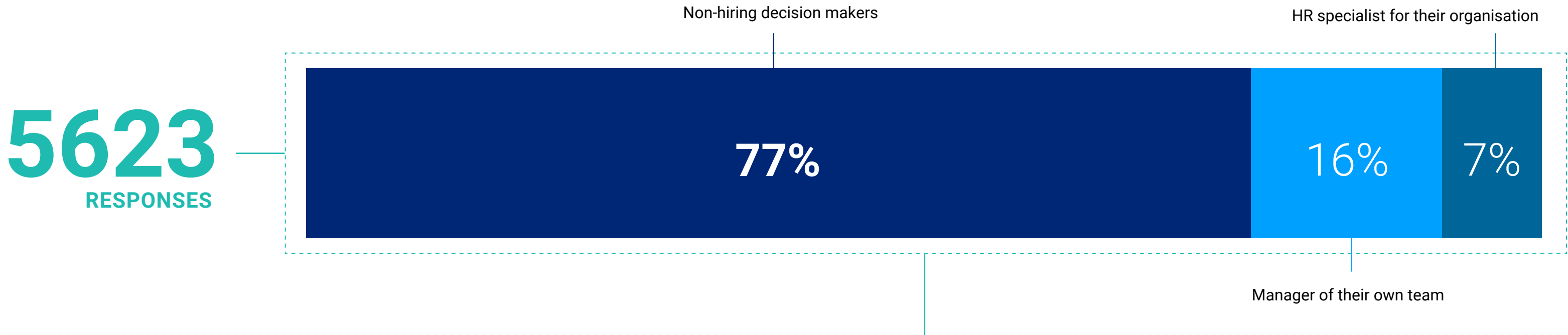
is a consolidated and accessible resource that delivers:

- A 360° viewpoint of both hiring managers and professionals across Australia and New Zealand.
- Findings at both a macro and profession level, enabling actionable insights specific to the needs of both hiring managers and individual professionals.
- Key findings at an industry level, for executive business leaders.

## Survey breakdown

The Hays 2025 Skills Survey was completed by 5623 active professionals across Australia and New Zealand, with 87 per cent of respondents (4898) based in Australia and 13 per cent (725) based in New Zealand.

### An overview of respondents



\* Services include: Advertising; Accounting; Architectural; IT/Tech System Design and related; Engineering; Legal; Market Research and Statistical; Management Consulting; Scientific Research; Technical; other.

~ To note, all values in tables throughout the report have been rounded, totals might not add up to 100

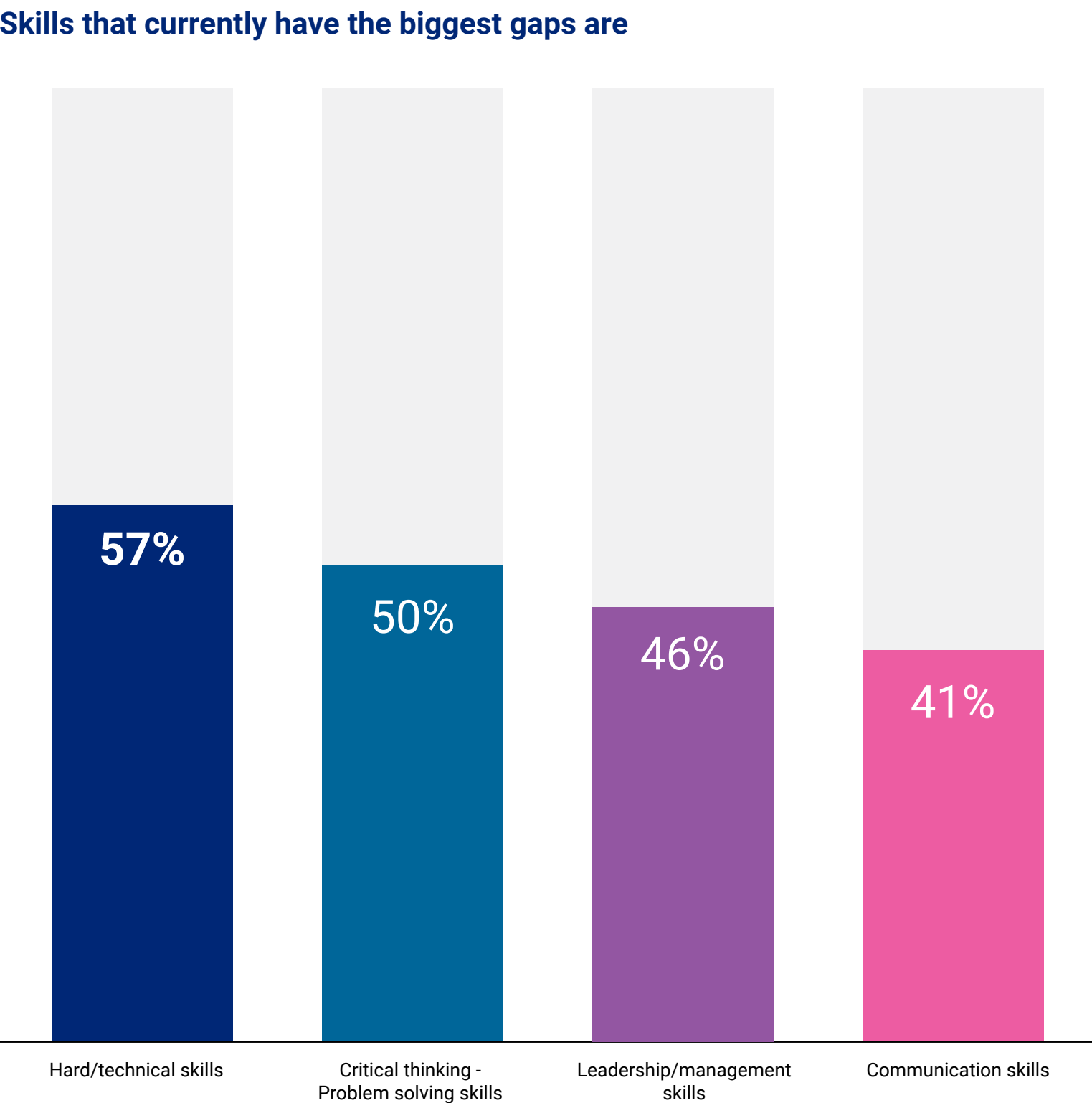
# Prepare for the changing face of skills

For 85 per cent of hiring managers in Australia and New Zealand the skills gap continues to impact the performance of their organisation. And most believe it's going to get worse...

Australia and New Zealand have been facing skills shortages for the best part of a decade, and rather than the gap closing, the shortage is only going to get more acute. An aging demographic, declining birth rate, changing employment arrangements increasing the demand for skilled workers, the changing of skill needs within occupations, and inadequate apprenticeship rates, are just some of the many reasons skills shortages persist.

In the Hays 2025 Skills Survey, 85 per cent of hiring managers in Australia and New Zealand reported a skills gap to some degree that was negatively impacting the performance of their organisation.

The industries reporting the most significant skills gaps include Public Safety and Administration (60%); Manufacturing (52%); Financial and Insurance Services (51%); Accommodation and Food Services (50%); Professional, Scientific and Technical Services (48%). And it seems that the larger the organisations, the more challenging it is to fill the gaps. The survey found that 48 per cent of organisations employing between 500-999 people were reporting a moderate or extreme skills gap, and 53 per cent of organisations employing more than 1000 people were similarly reporting that the skills gap they were experiencing was either moderate or extreme.



Scarcity of skills at 91 per cent and development of skills at 89 per cent, are the top two reasons given for being unable to secure the skills organisations require. While businesses are suffering these skill gaps now, they believe that this won't change any time soon with 60 per cent of respondents saying that the skills gap will stay the same or worsen over the next five years.

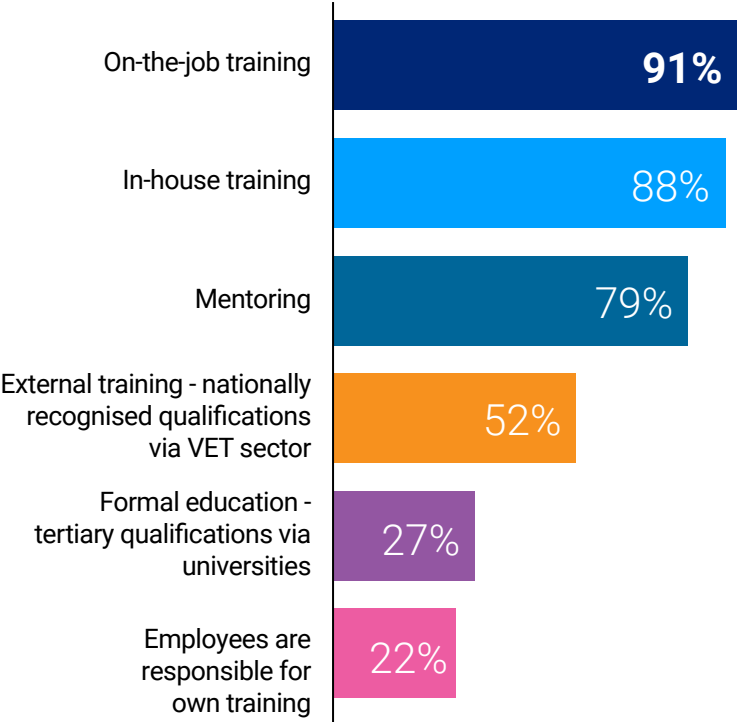
But the skills they will be seeking will change in the future. Hiring managers were asked what skills they believe would be most important in the next five years, and unsurprisingly, all the top skills they are seeking are human skills.





The pace of change means that learning, whether technical or human skills, will have to become a continuous pursuit for all members of society, and if organisations want a highly skilled workforce, they will need to play their part. The learning and development function will continue to play an even greater strategic role in an organisation’s future success. Currently most of the training reported to be taking place was through internal means.

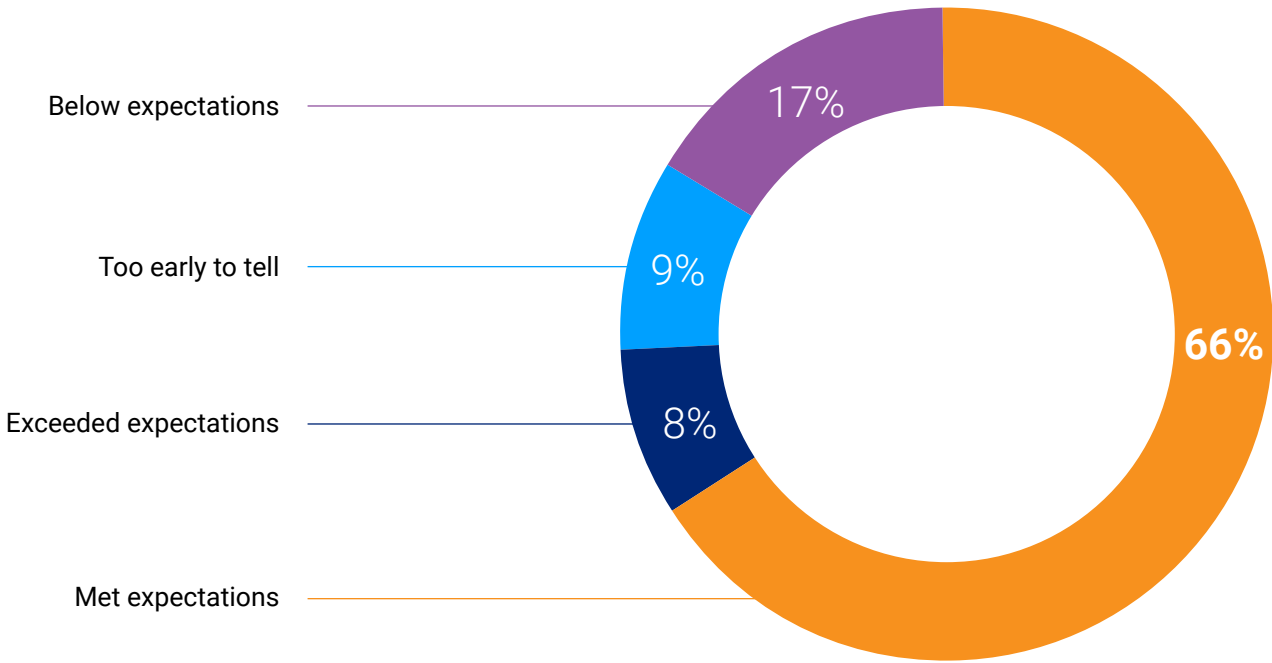
Methods for upskilling and reskilling



When the data was considered across all industries, one in five found that the outcomes fell below expectations when employees are responsible for their own training. The training methods where 68 per cent of respondents reported the outcomes did meet their expectations was tied between in-house training and on-the-job training. The method that scored the highest in exceeding expectations, however, was through formal education.

Organisations should consider mapping their current and future skills' needs against the business' strategic goals, and also the projected time it would take an individual to learn these skills while continuing their ongoing workload - and start planning now. Different skills can be best learnt by different appropriate methods, so tailor your learning program to optimise outcomes.

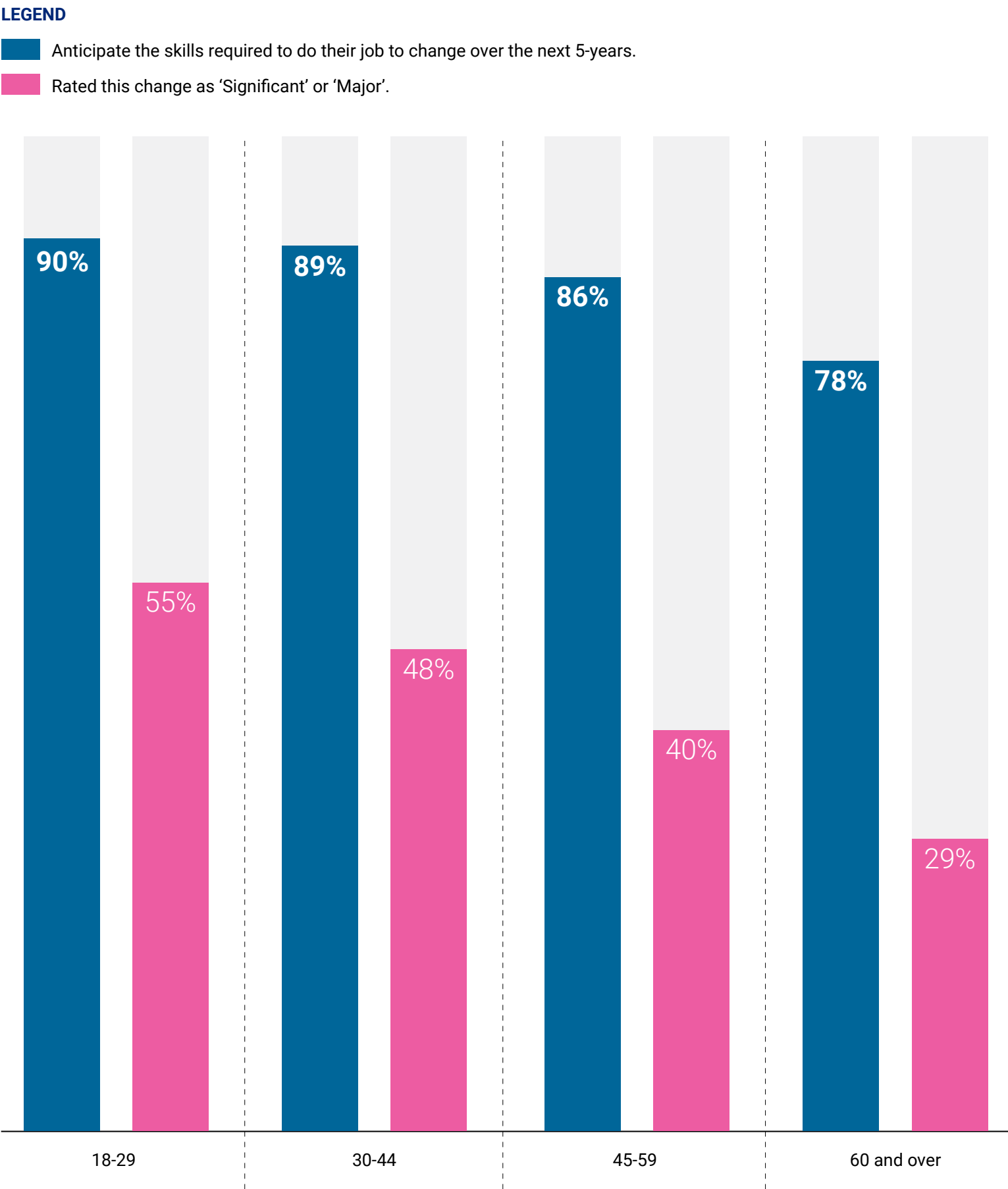
How would you rate the outcomes of your upskilling and reskilling strategies in meeting your talent requirements?



From a professional's point of view, they are also concerned about skills and their need to develop their skills for future career success. Almost 87 per cent of all respondents believe that in the next five years the skills required to carry out their role will change, and 43 per cent rated this change as significant or major.

When this question was considered through an age demographic, it painted an interesting picture.

Professionals believing the skills to do their role need to change





The younger the generation, the more they anticipate change, conversely, the older generation doesn't believe the changes will be so severe. As our workplaces have a more diverse generational split than ever before, older generations need to be aware of the need for constant learning as well, and not take their foot off the pedal in terms of continuous learning as they move towards their retirement.

The types of skills that professionals believe they'll need to acquire in the next five years are in total alignment with what hiring managers say that they will be looking for.

So, what can organisations, and professionals do to secure the skills they need to remain competitive?

The skills professionals believe they'll need in the next five years



Build / Buy / Borrow – what's the right method, and how to do it

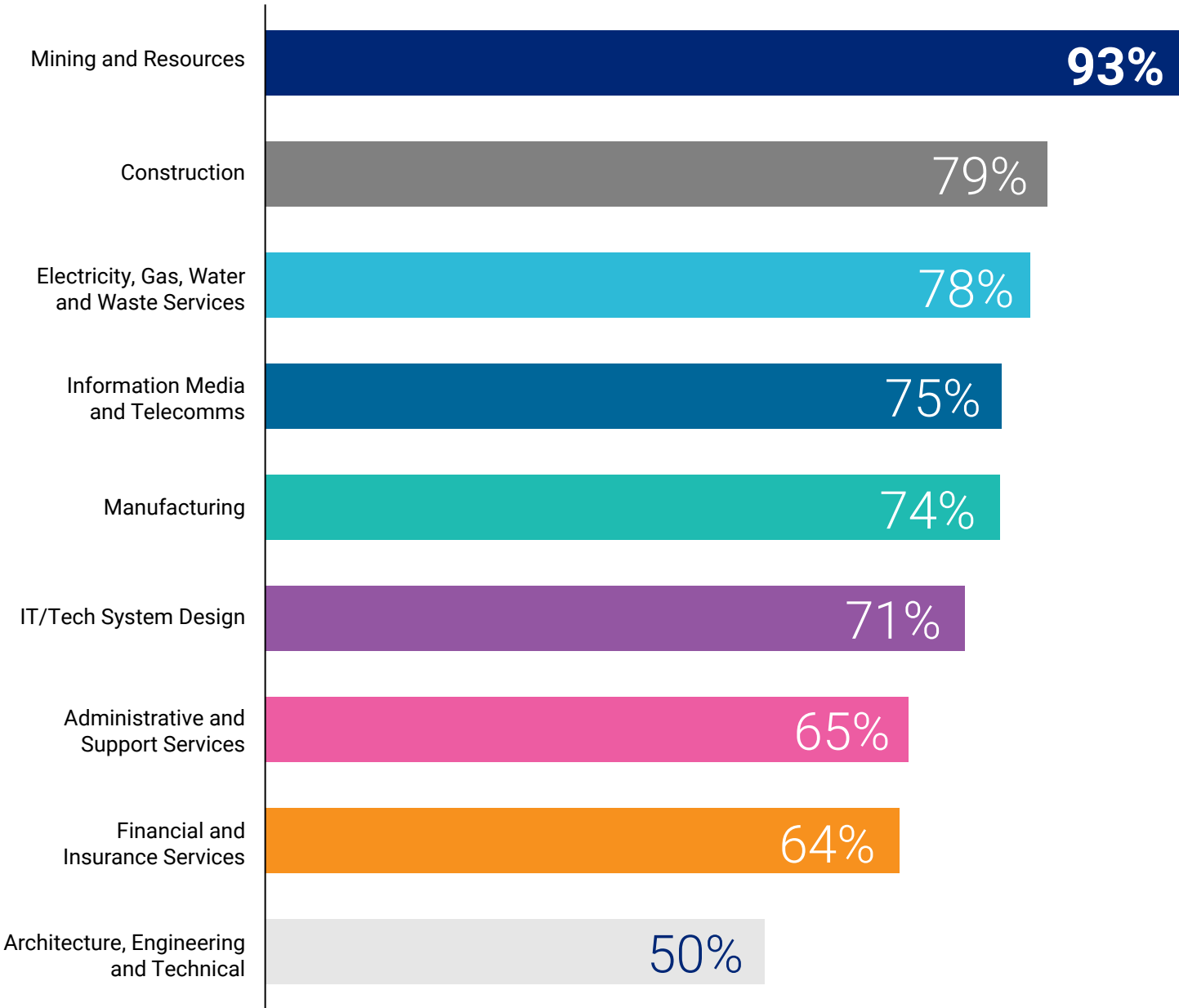
While there are disparities across different industries and professions, 86 per cent of hiring managers are looking to skills-based hiring methods to gain the skills they are looking for. But this strategy does require a very different way of thinking about how to attract and acquire talent.

Leaving behind experience or university degrees as a form of trust, or certification, that a potential employee will have the skills to be able to perform the role, can be challenging for some hiring managers. More than half said the biggest challenge when using skills-based hiring is identifying and assessing the skills of a candidate, followed by complexities/time in redefining roles and processes (49%) and the time and cost involved in training hiring managers (49%). For those who persevered, 64 per

cent reported that this form of hiring met their expectations. Only 37 per cent of hiring managers reported using skilled migration as a way to secure the talent that they need. Of those who did, they cited length of time to hire and costs involved as the biggest challenges to using this strategy. Using skilled migration met 49 per cent of hiring managers expectations, while another 23 per cent reported that the outcomes fell below their expectations.

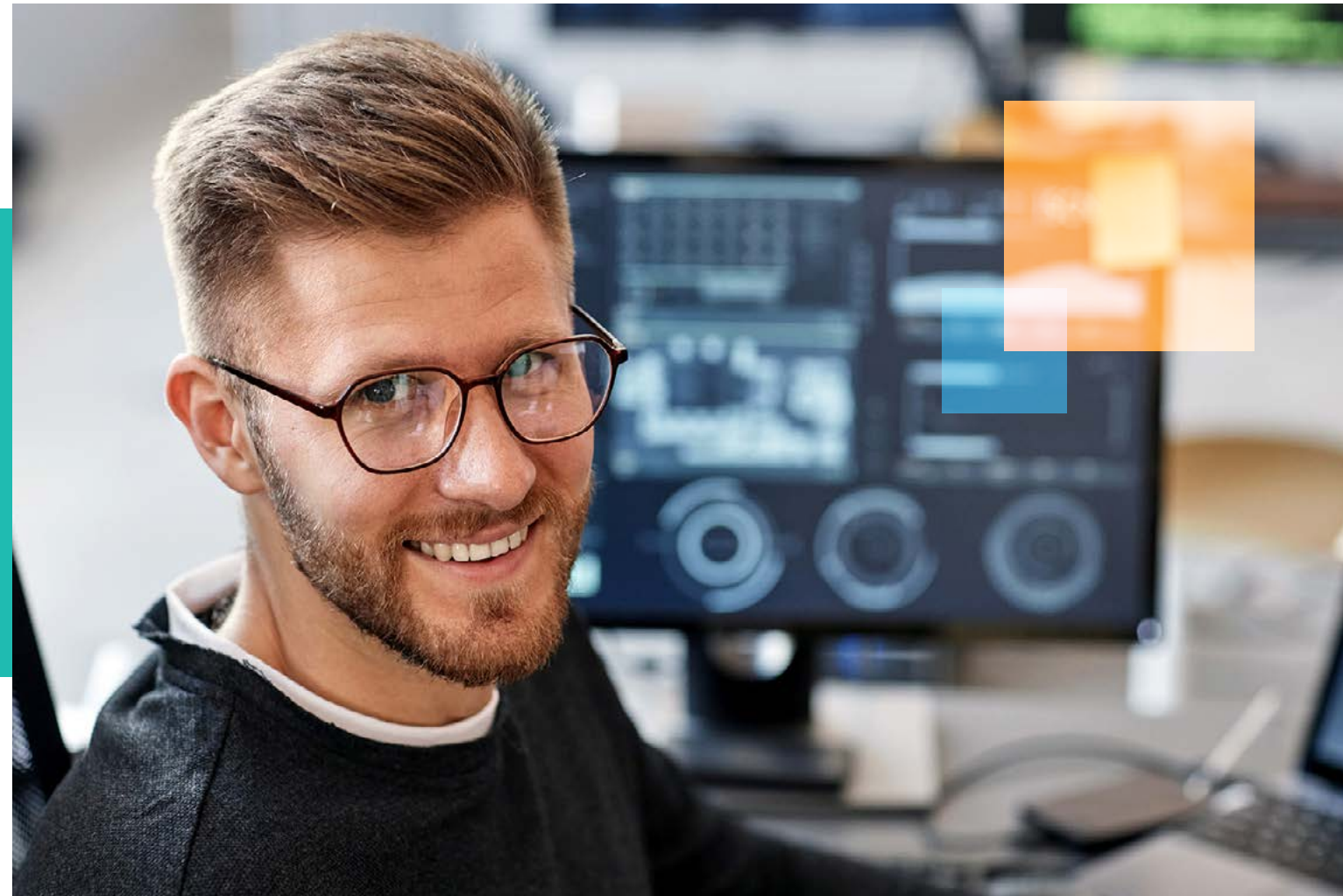
73 per cent of respondents turned to hiring temporary or contract workers in order to secure the skills and talent needed – however some specific industries are deploying this tactic far more than others.

Industries that do, or intend to, use temp/contractor workers to fill the gap



The most successful strategy in gaining the skills required was through upskilling and reskilling, with 67 per cent reporting that this method met their expectations. The most utilised method of upskilling and reskilling was on-the-job training, yet the method that recorded the best outcomes was in-house training. Formal training exceeded expectations the most when it was used, at 12 per cent, while employee-directed training was the worst performing, with 22 per cent reporting that the outcomes were below expectations.





## Can tech increase productivity to offset skills shortages?

Many organisations looking for ways to offset skills shortages turn towards technology to increase the productivity of their workforce, rather than adding more skills. We found that 67 per cent of respondents reported using technology for productivity gains to offset skills shortages.

However, with almost one in five reporting that it's too soon to tell how effective the technology

has been, it's evident that this technology rollout is a recent addition. The most popular technology implemented was cloud-based collaborative tools (55%), followed by data analytics tools (50%) and generative AI (47%). Data analytics was reported as the most successful technology implemented, with 64 per cent saying that it exceeded their expectations. Robotics was polarising, as it reported the highest score for exceeding expectations at 19 per cent, but was also the most disappointing, with 14 per cent reporting that

it delivered outcomes that were below expectations.

The implementation of new technologies is likely leading to an increase in the appetite for new IT/technology skills in the near future as professionals are required to use the technology, sometimes without proper training. For example, for employees a relatively small percentage (31%) report to be using generative AI at work, with 33 per cent reporting a lack of training in how to use it effectively as a negative aspect to using it. The majority of professionals believe that to acquire new technology and IT skills, 62 per cent will use self-directed learning as a means to gain these skills.

The growing complexity in modern technology platforms means that using self-directed learning could lead to organisations' teams all using the same technology in a different and specific way that suits them, meaning the

productivity gains could be lost, as cross-team or cross-functional collaboration is lost. If introducing a new technology into a team, more structured in-house training will help realise the benefits of the tech, and achieve the productivity gains being sought.

## Human vs Machine

In the next five years, the skills that hiring managers believe will be most important are human skills, with respondents identifying the top three as:

- Communication, and teamwork and collaboration (both at 84%)
- Critical thinking and problem solving (81%)
- Adaptability and flexibility (71%)
- Generative AI was at the bottom of the list with only 30 per cent of respondents reporting that they think these skills will be necessary for their roles.

However, when professionals were asked what skills they believe they will need in the next five years, the

list of skills they want to acquire looks very different:

- New IT/Tech skills (58%)
- Leadership/Management skills (43%)
- New technical skills and human skills (both at 40%)

There is a clear difference here in what employees feel they need to be better at, versus what employers feel they need more of.

Our new hybrid working system has seen a lot of new technology deployed throughout our workforces, and technology continues to be rolled out through teams at speed. Organisations are continuing to move through digital transformations – technology, and the ability to use it properly, is a constantly moving target that some workers don't feel they have a proper handle on.

And yet, it's the human skills that hiring managers are most focussed on. As AI and

automation increasingly change the process and nature of the work we do, the focus now should be on the skills that humans have always relied upon so teams can come together to solve increasingly complex challenges. We need to relearn how to work together again.

Strong human skills are irreplaceable, and highly transferrable across roles and jobs. If professionals focus on developing strong human skills, they can open up a future career path that they might never have considered. Organisations that can build teams with excellent human skills, will not only have a much more convivial workplace, and more effective teams.

While human skills are inherently harder to screen for in the recruitment process they can be easily taught.



# How to get the skills you need

These are the four main methods employed by hiring managers, to varying degrees, when looking for ways to find the skills their organisations need.

Even though the labour market is growing, organisations are going to face continued skills shortages. The softer education pipeline, that generally delivers professionals, and technical trades to the workplace means there will be a particular ongoing shortage of these skills. Organisations need to expand their planning horizons, taking into account the greater macro-economic environment, and deploy every tactic at their disposal to start to narrow the gaps. And professionals looking to stay relevant and get ahead of the competition need to adjust their approaches to how they gain and present their skills.

## 1. Skills-based hiring

Moving away from using certifications, degrees and experience as a measure of an applicant's suitability requires more than just a different set of questions to ask during an interview. To successfully pivot to a skills-based hiring method, organisations need to first take stock of the skills they have in their teams, retrain their hiring managers, redefine job roles and design new ways to assess the skills an applicant is professing to have. Essentially a complete overhaul of how they have been hiring to date. Organisations need to prepare their HR/TA/P&C teams to focus on their skills development, to adjust to the skills-based hiring methods before they can deploy this strategy.

For professionals, this means adjusting your CV to focus on your skills – learn how to by clicking on the links [AU](#) | [NZ](#).

## 2. Skilled migration

Red tape, costs and time to hire are all barriers that organisations are facing when attempting to fill skills gaps with this strategy. The federal government has been making changes to the program to allow organisations to bring in the skills they need, with the latest amendment in December 2024 being the Skills in Demand visa replacing the Temporary Skills Shortage visa. Organisations that have previously been put off by the challenges of this strategy are encouraged to explore the possibilities the new visa offers. Streamlined processes also now help to make it easier to bring in these skills. However, once overseas professionals are in place, businesses need to optimise their onboarding and culture to ensure these hires are set up for success from the get go. Our global recruitment network [AU](#) | [NZ](#) means we're perfectly positioned to help you attract and recruit from overseas.

## 3. Temporary and contract workers

The use of temporary and contract workers is an increasingly important tactic for businesses. These types of workers can offer highly specialised skills, agility to scale up and down, and bring fresh thinking into teams, quickly. However, using temporary and contract workers can add a greater admin burden on talent acquisition teams. Attraction strategies are required to be tweaked, onboarding methods must be streamlined and additional administration work around payroll and regulatory compliance will add additional pressure on already stretched teams. Our temporary and contract services can help ease the burden [AU](#) | [NZ](#).

## 4. Upskilling and reskilling

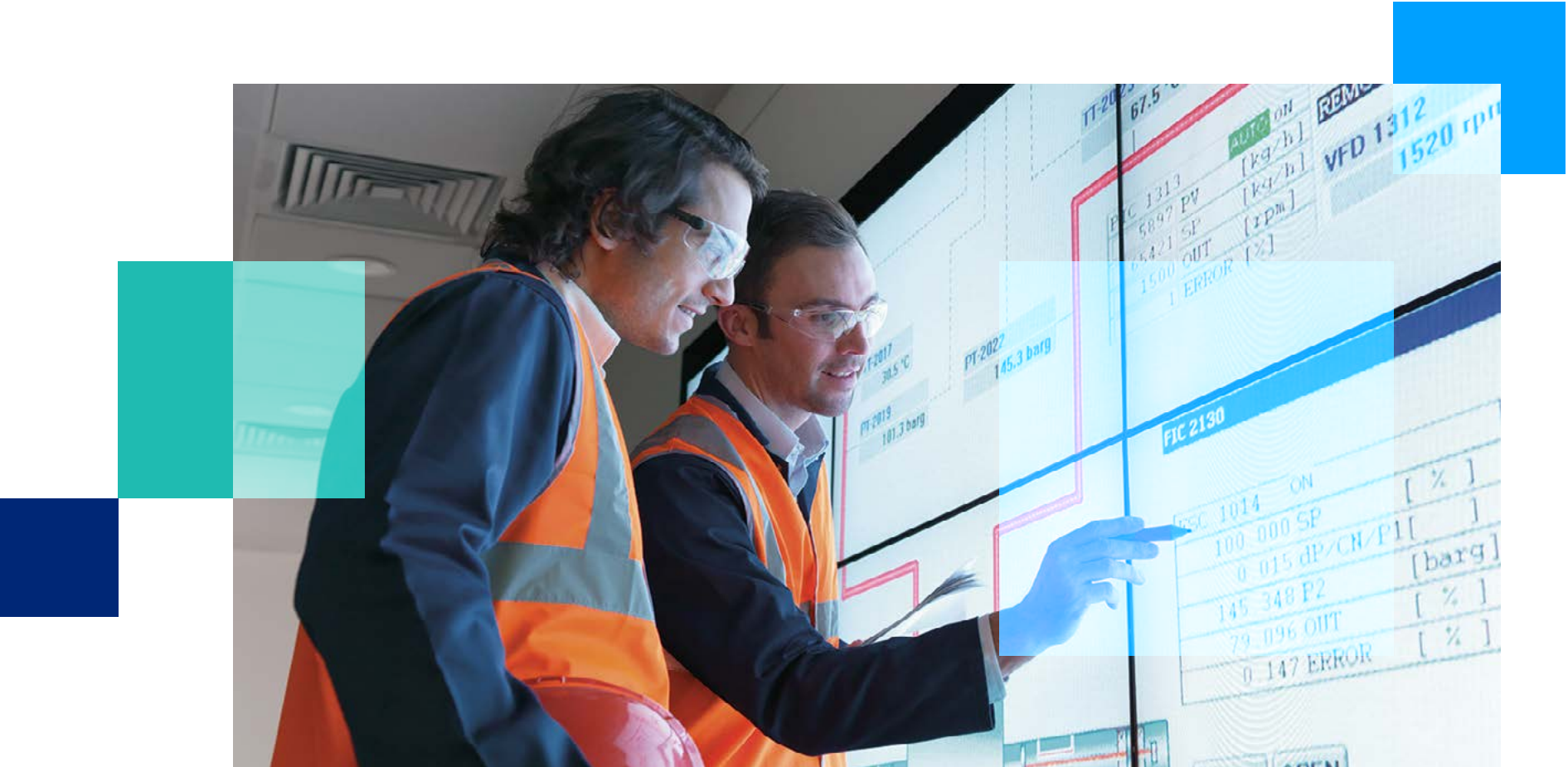
As costs and budgetary constraints continue to hamper the ambitions of training and development teams, by far the most popular method for acquiring the skills is through upskilling or reskilling established employees. But success varies widely, as does the best methods for learning different skills and then using them within the team environment. Some skills are easy to learn through mentoring, in-house training and on-the-job training; whereas others need to be taught in more formal settings or through accredited training systems. When budgets are tight, interrogate how these skills are best learnt and their priority – you can also explore our free online training courses on offer at Hays Thrive [AU](#) | [NZ](#).

For professionals, don't wait for your employer, take the initiative for the future of your career. If you need guidance ask your manager what the main business priorities are.



### How tech can offset skill gaps

Technology continues to shape and reshape work, and we must find a way to exploit its power in a way that’s efficient and effective, without losing sight of what’s really important – the people that can harness and deploy its power.



### The promise, and perils, of new technologies

While technology offers the shiny promise to optimise processes and increase productivity to offset skills gaps, it is the teams – and the humans within them – that are driving it. And they need training in how to use it. Organisations have made big investments in technology expecting to see quick ROIs but haven’t yet adjusted processes or given proper training to the people using it. Introducing new technology needs to be managed as a change process and given the time – and the training – to realise the promised benefits, or the permission to explore and experiment with it. Professionals have made it clear that they are looking to increase their IT/Tech skills so are clearly feeling the need for additional support in using the technology they have access to.

**For professionals,** seek out guidance from your managers on how best to find training on any technology that you’ve been asked to use in the workplace.

### Humanity at the heart

While IT/Tech skills were the top skills professionals want to be gaining in the near future, for hiring managers the skills they are seeking are very different. Topping almost all of the lists were very human skills.

From communication to problem solving, the skills that make us innately human are the ones that organisations are seeking right now and in the foreseeable future. As our workplaces have moved to hybrid patterns, we’ve had to adjust our technology. As these new technologies were introduced there was a strong focus on learning how to best use them.

Now these are well and truly embedded into our lives, the time has come to refocus our attention on the humanity of our teams and how they can now work better, together.

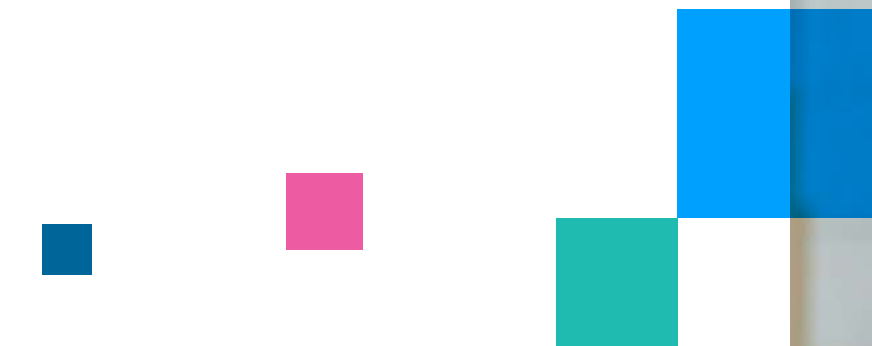
**For professionals,** while it’s important to know how to use the technology you’ve been given, don’t lose sight of your personal development as well.

### Generative AI

Despite all the hype about generative AI and how it will revolutionise the workplace, many still haven’t even started exploring the benefits it could offer. For those that have though, they record a highly positive experience with it. For many the hesitation is from lack of understanding or training in the potential uses of the technology. Help your teams realise the benefits of generative AI by offering training and education. You can even establish workshops for specific roles and how they might incorporate AI into their workflows. Clear expectations should be set on what types of tasks, or data can be inputted into this technology, to ensure data security and protect from potentially incorrect outcomes. Be sure to temper expectations on just how much the technology can increase productivity – generative AI is not a panacea for all skills shortages.

**For professionals,** as the saying goes, it won’t be AI that takes over your job, but the person who can use AI in your role. Generative AI will only increase as a presence in our lives, and you will have to learn how to use it. Start small, experiment at home and have some fun with it.





## How to acquire the skills you need and how Hays can help

### Recruitment Process Outsourcing

Recruitment Process Outsourcing (RPO) providers are equipped with a team of recruitment professionals with in-depth knowledge and expertise across industries, geographies and job functions. They stay abreast of the trends, sourcing and recruiting technologies, and best talent acquisition and management practices. With their extensive experience in skills-based hiring, and wide and diverse talent networks, Hays' RPO can quickly and effectively identify and attract high-quality candidates. This ensures that your organisation has access to the skills that align with your business needs, as

and when needed. What you can expect from outsourcing your recruitment:

- Expertise at skills-based hiring which allows us to widen the talent pool by identifying and accessing talent with skills from adjacent industries or occupations.
- The management of candidates from multiple channels: internal, referral, speculative, direct, agency – within a single process.
- One or more steps of the employee or recruitment lifecycle: research and planning, attraction, recruitment

and selection, onboarding, engagement and exit.

- Processes underpinned by an applicant tracking system (ATS).
- More sophisticated services may also include workforce planning, employer branding and employee engagement.

[Hays Recruitment Process Outsourcing](#) (RPO) service provides access to this expert recruitment capability in a scalable and cost-effective way, enabling you to transfer all or part of your permanent recruitment and staffing supplier management to us.

### Temp and Contract Recruitment

Access highly skilled talent, fast. With temporary and contract recruitment you can unlock the flexibility you need in your workforce.

Whether you need to scale up to deliver a key project, or looking to fill a temporary vacancy, Hays has Australia and New Zealand's largest network of temporary and contract workers with expertise in 30 different industries. Our expert recruitment consultants are ready to find you the right people, with the right skills, right where you need them.

Are you ready to unlock qualified and highly skilled talent? [AU](#) | [NZ](#).

### Insights, guidance and resources to help you find the role you want

From how to write a skills-based resume, to guidance on job hunting and interview techniques, Hays' career advice and insights hub is where you can browse popular articles on what you need to know to have a successful career. Get started today [AU](#) | [NZ](#).



# INSIGHTS BY INDUSTRY

■ Administrative and Support Services  
■ Architecture, Engineering and Technical  
■ Construction  
■ Electricity, Gas, Water and Waste Services  
■ Financial and Insurance Services

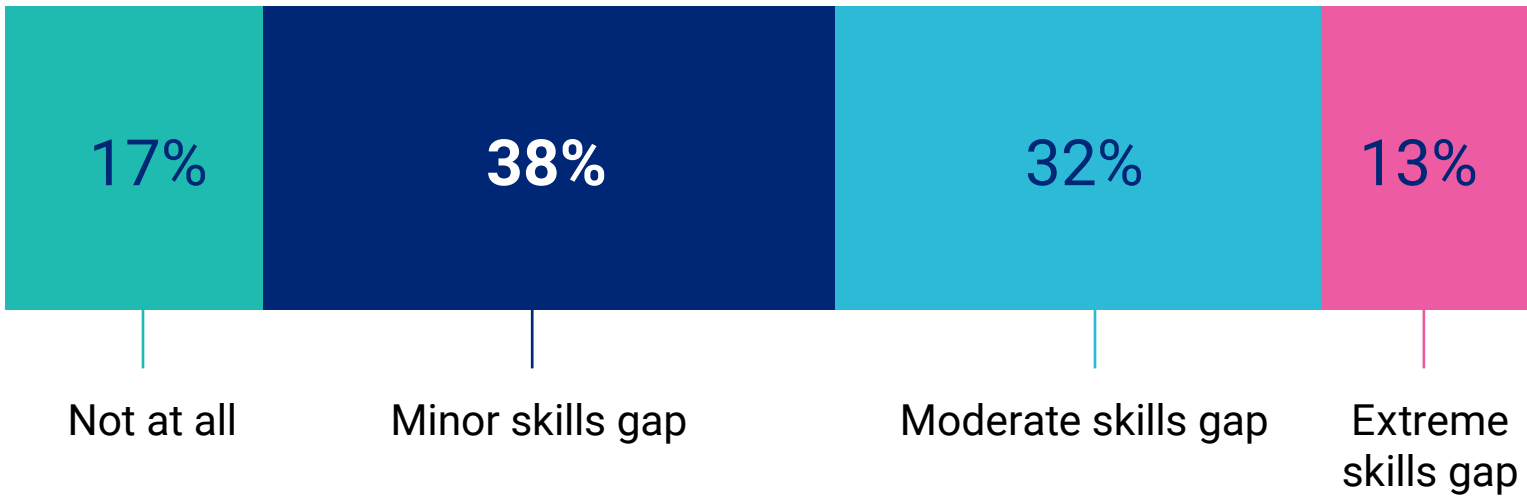
■ Information, Media and Telecomms  
■ IT/Tech System Design  
■ Manufacturing  
■ Mining and Resources  
■ Public Administration and Safety



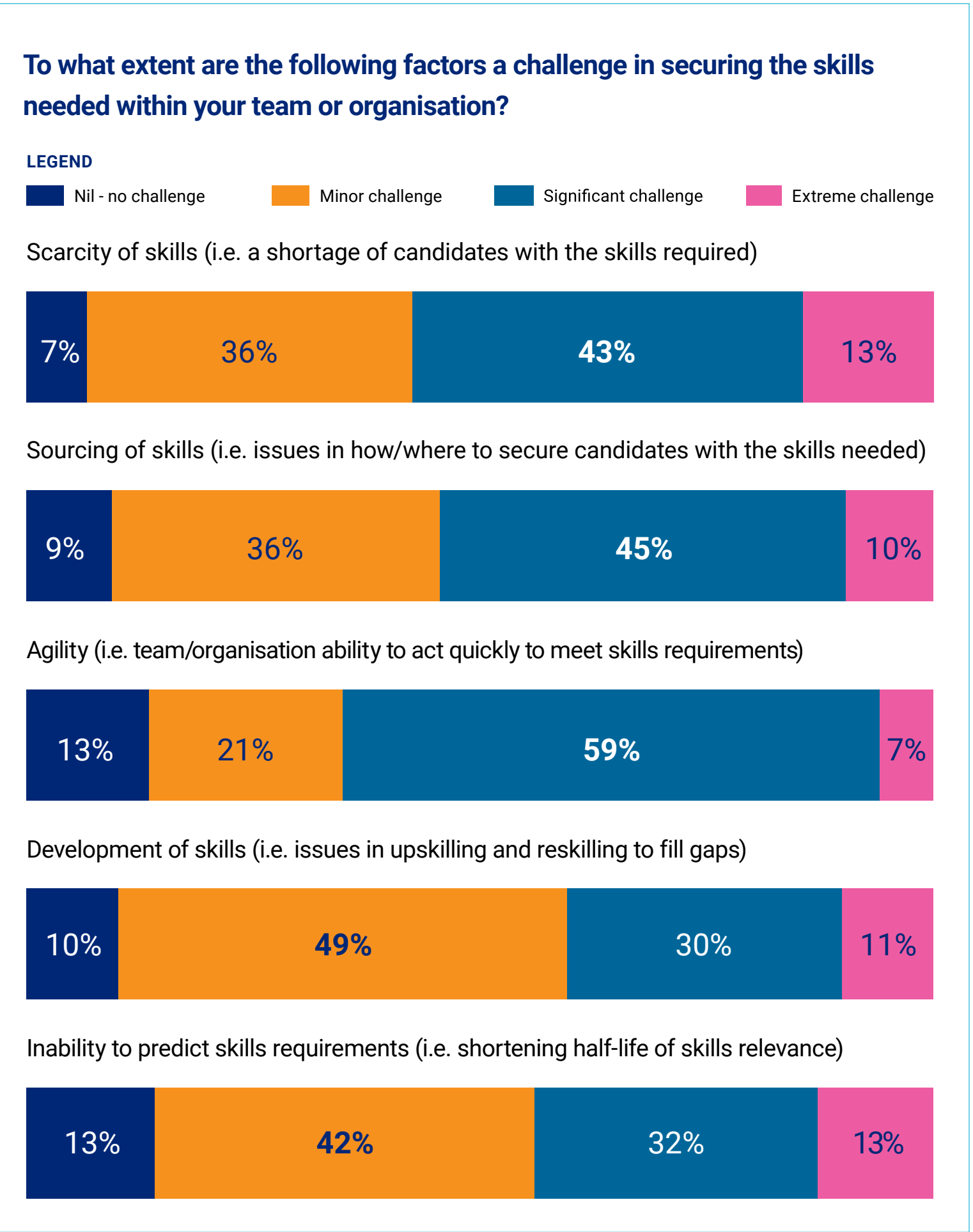
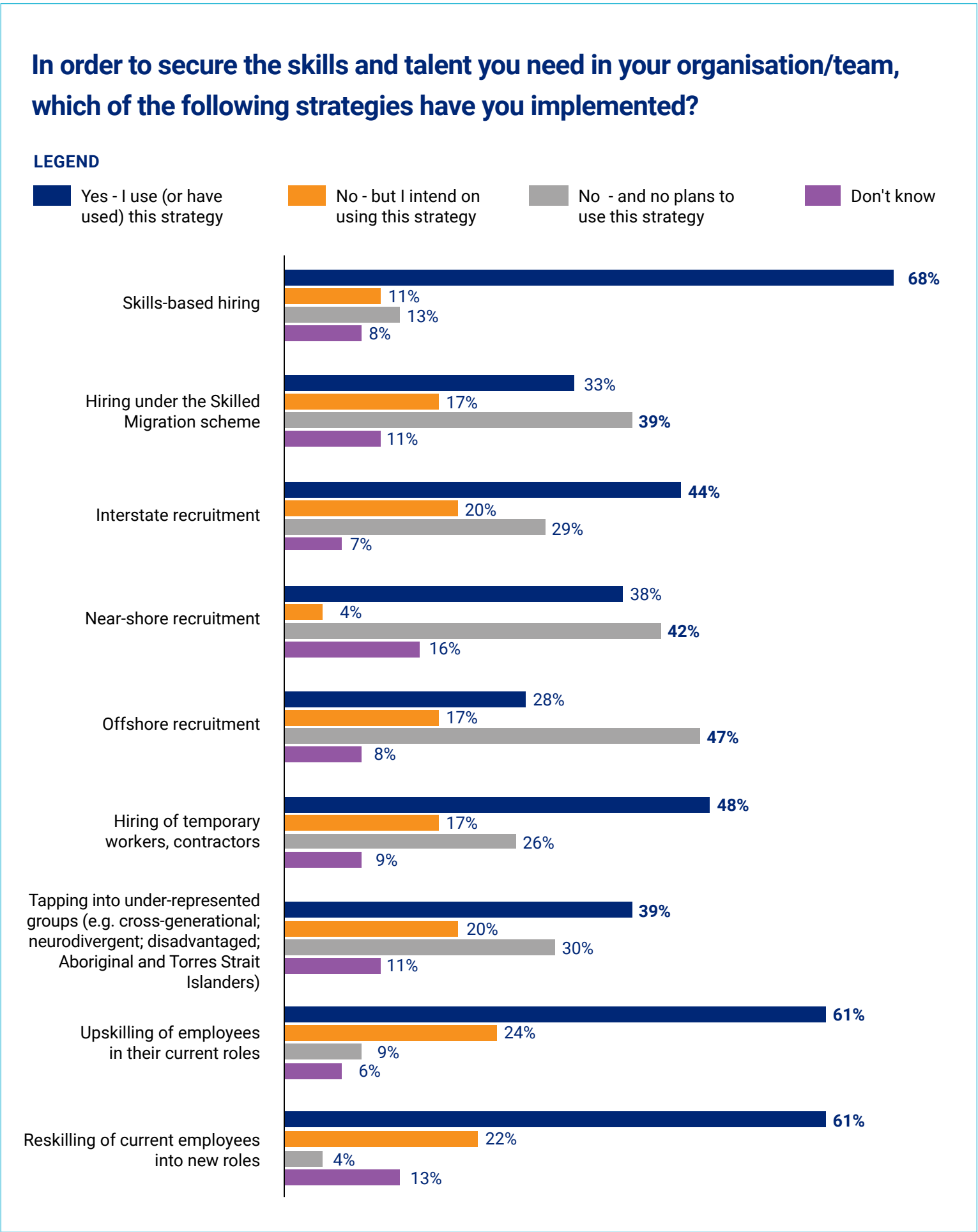
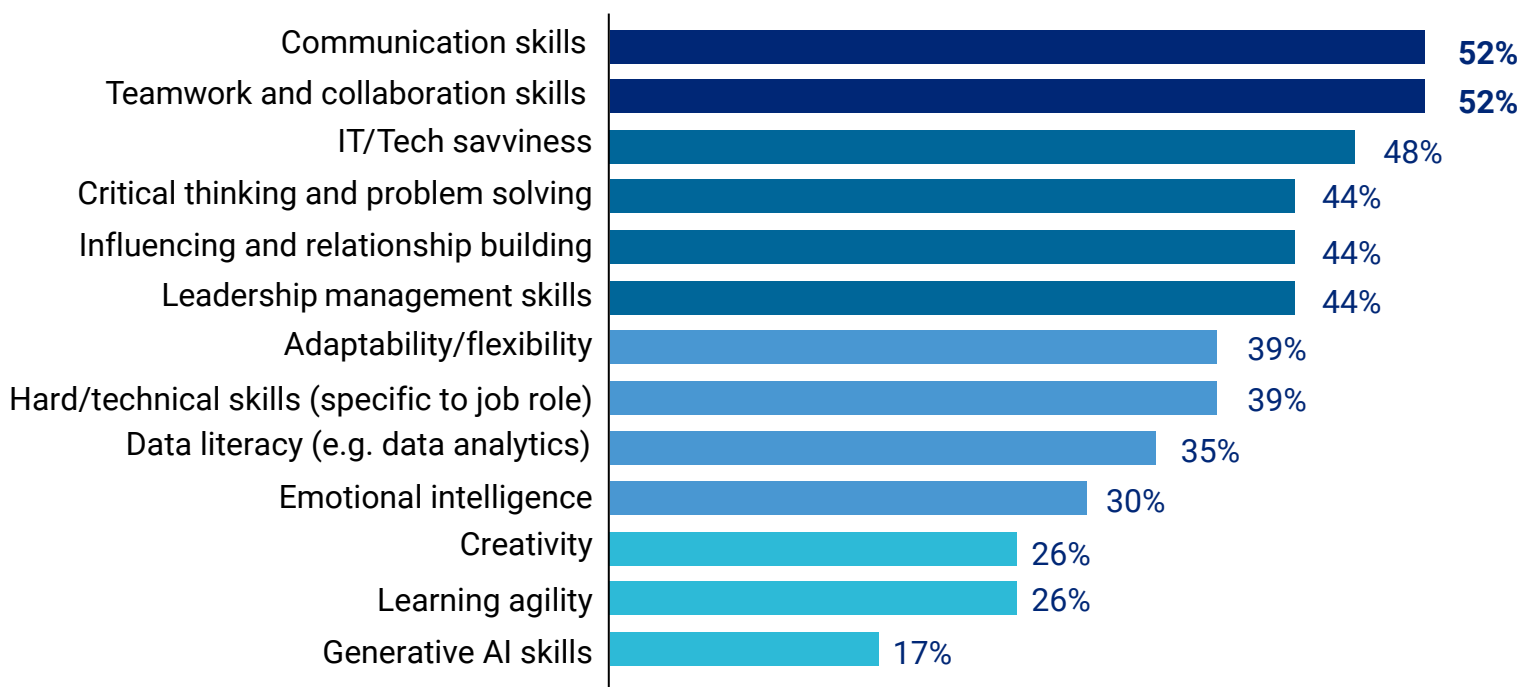
# Administrative and Support Services

While the skills gap is relatively small within the industry, communication and teamwork skills need to be improved.

To what extent is your organisation/team currently experiencing a skills gap that is impacting performance?



Which of the following skills have a gap in your organisation/team that is impacting performance?

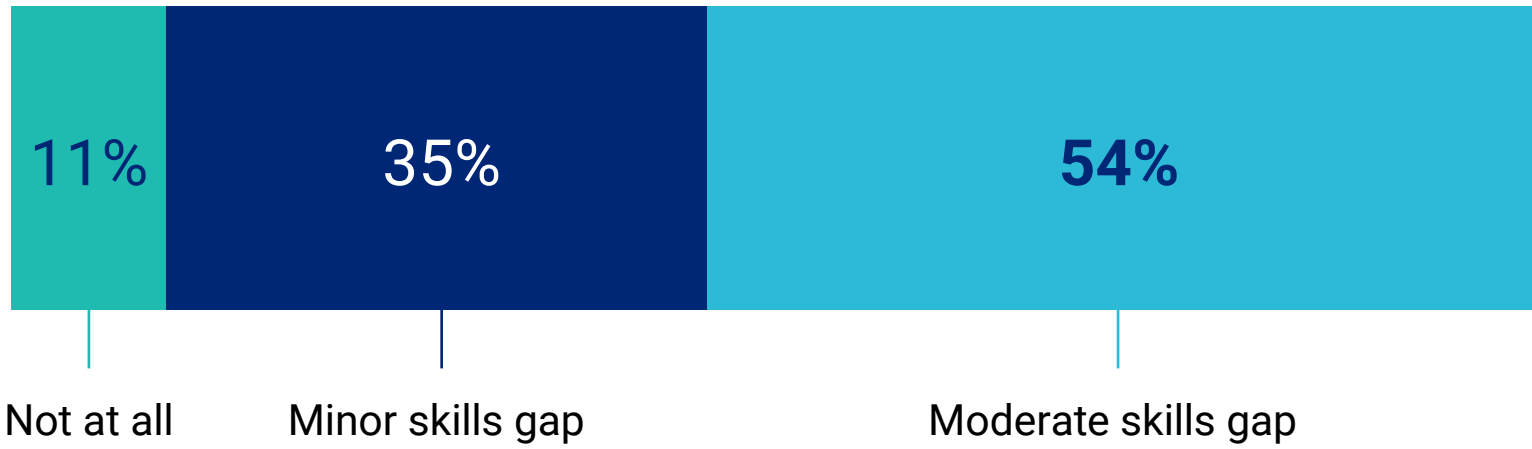




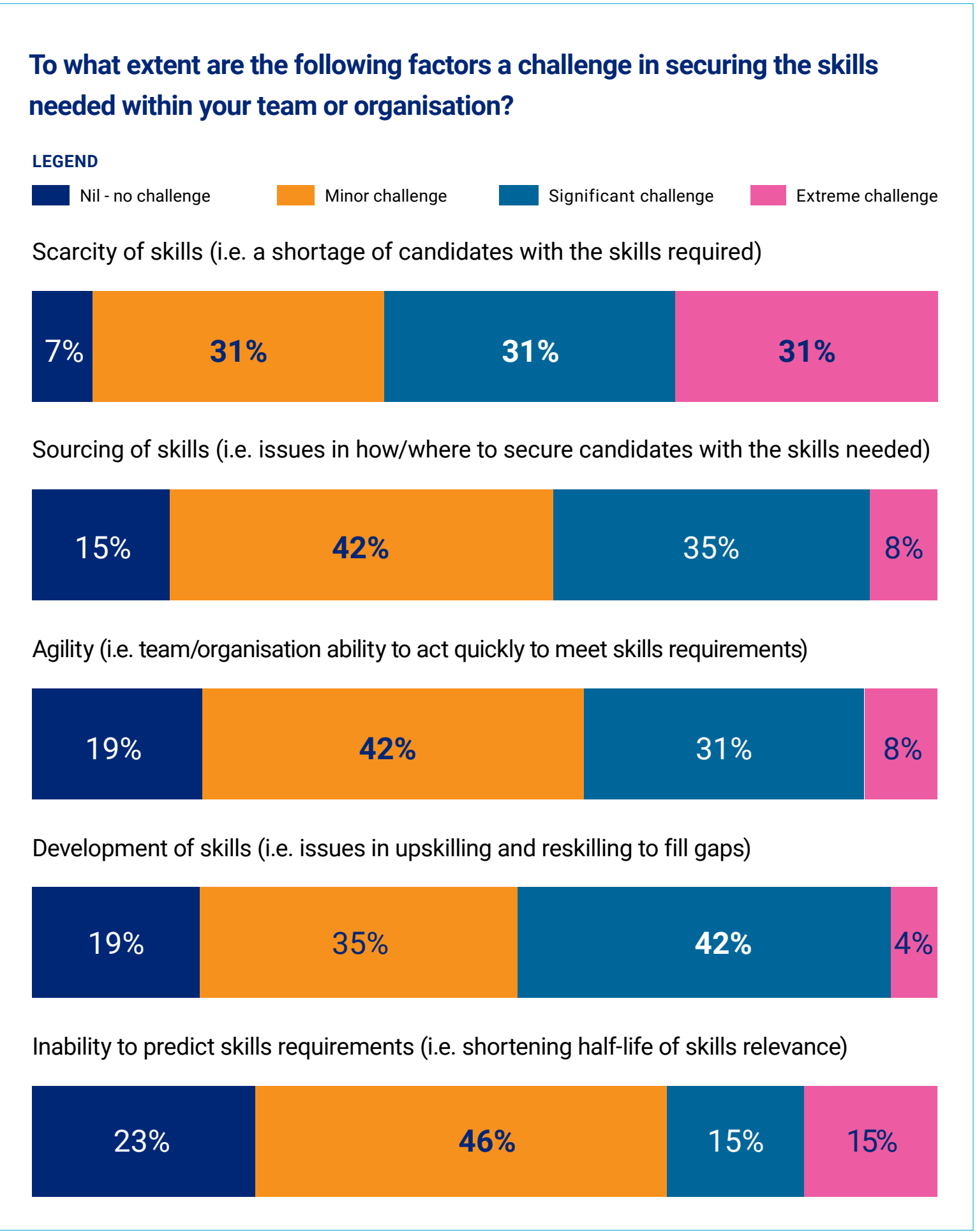
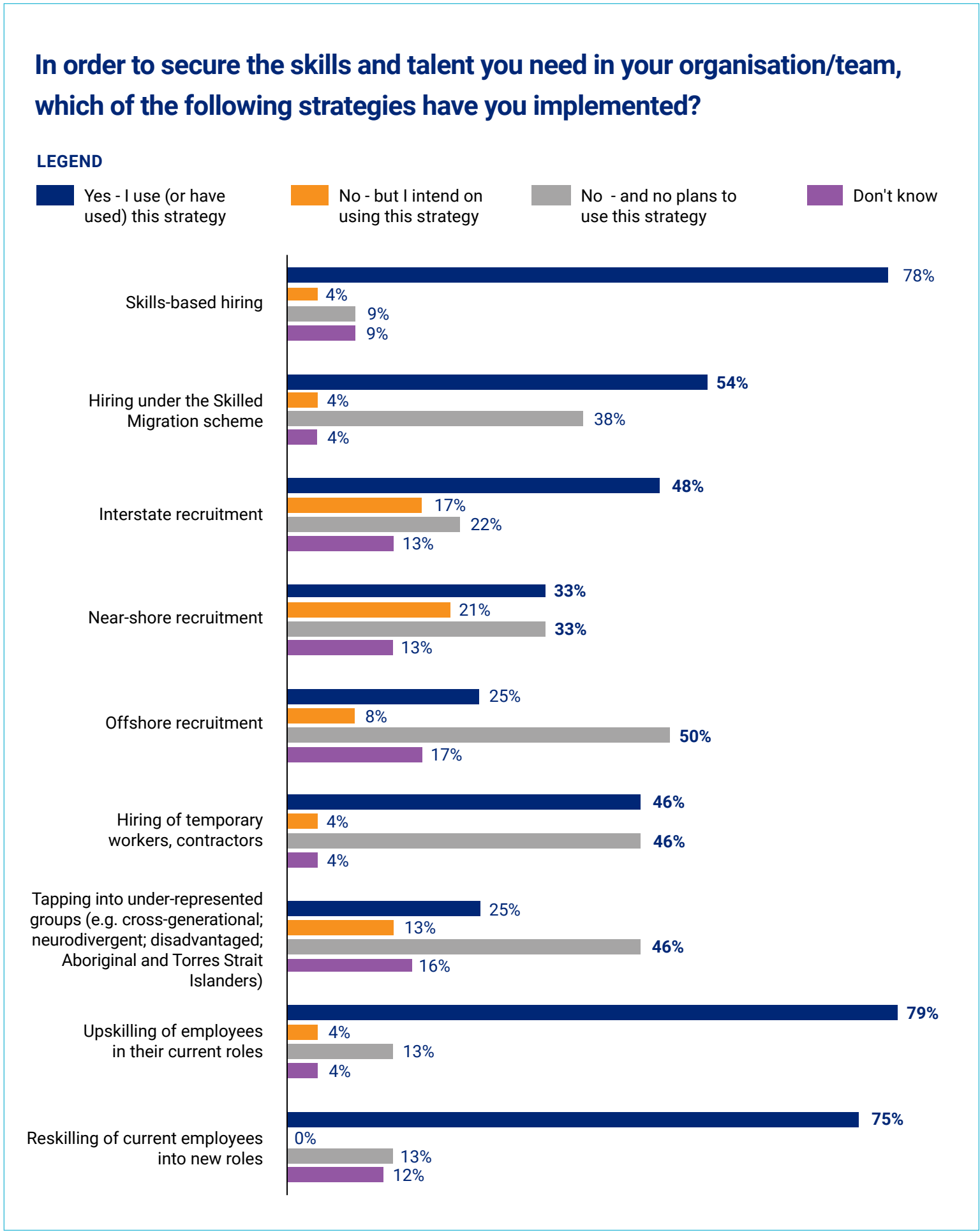
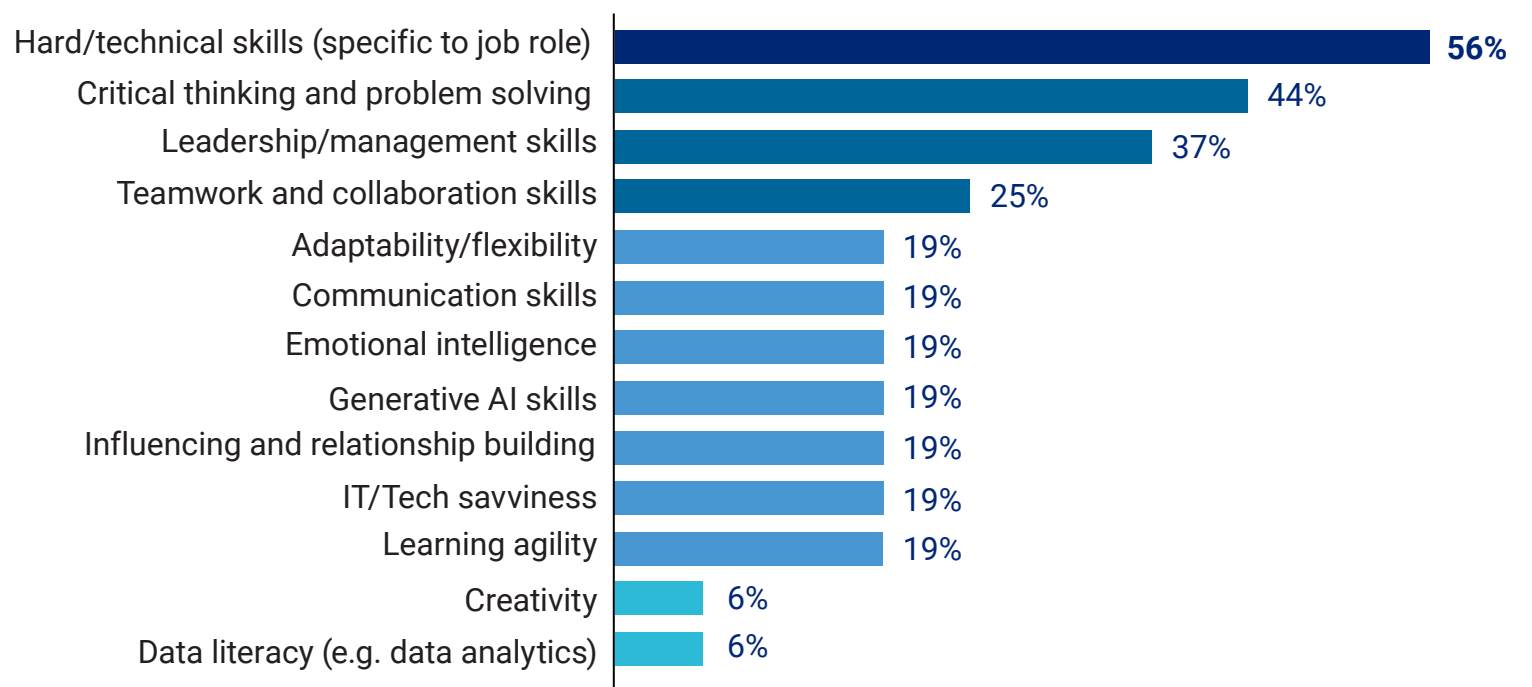
# Architecture, Engineering and Technical

Unlike many other industries in the report, it is technical skills that are most lacking rather than human ones.

To what extent is your organisation/team currently experiencing a skills gap that is impacting performance?



Which of the following skills have a gap in your organisation/team that is impacting performance?

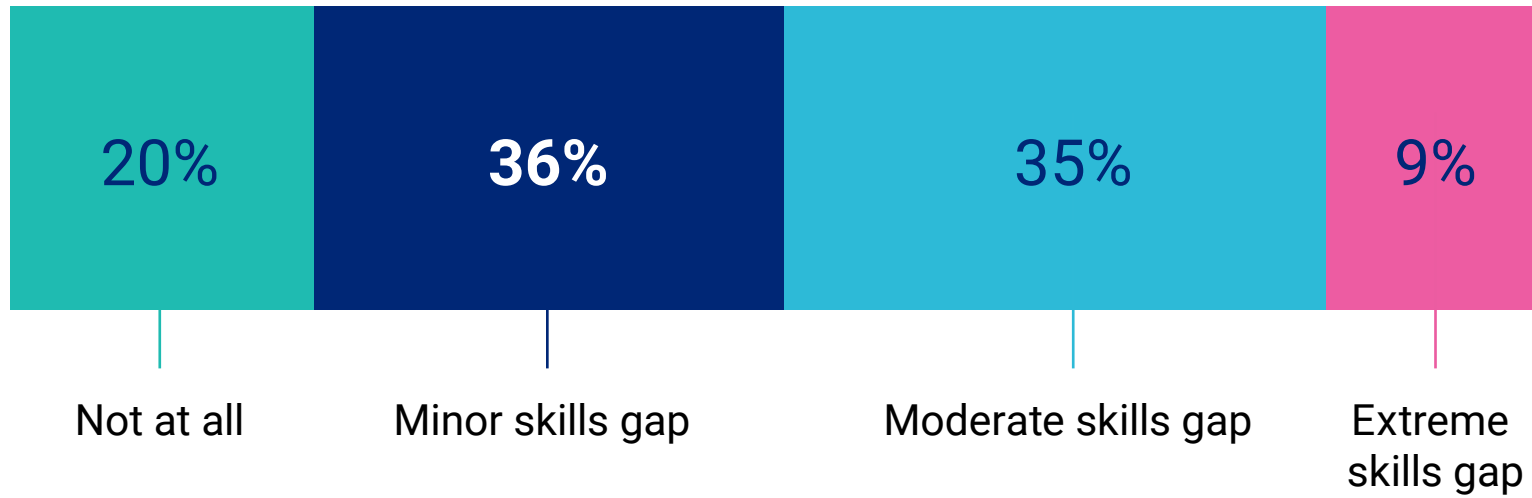




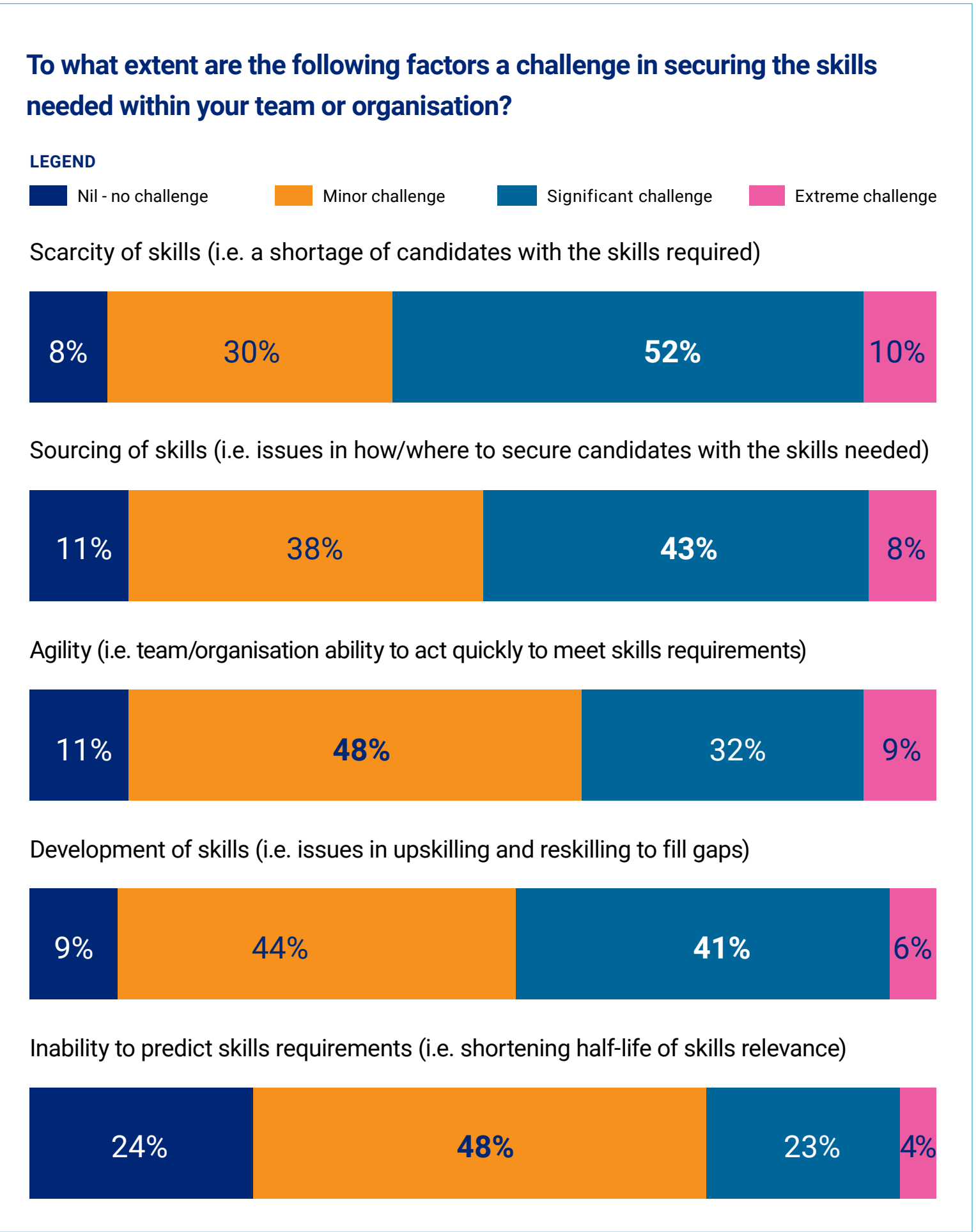
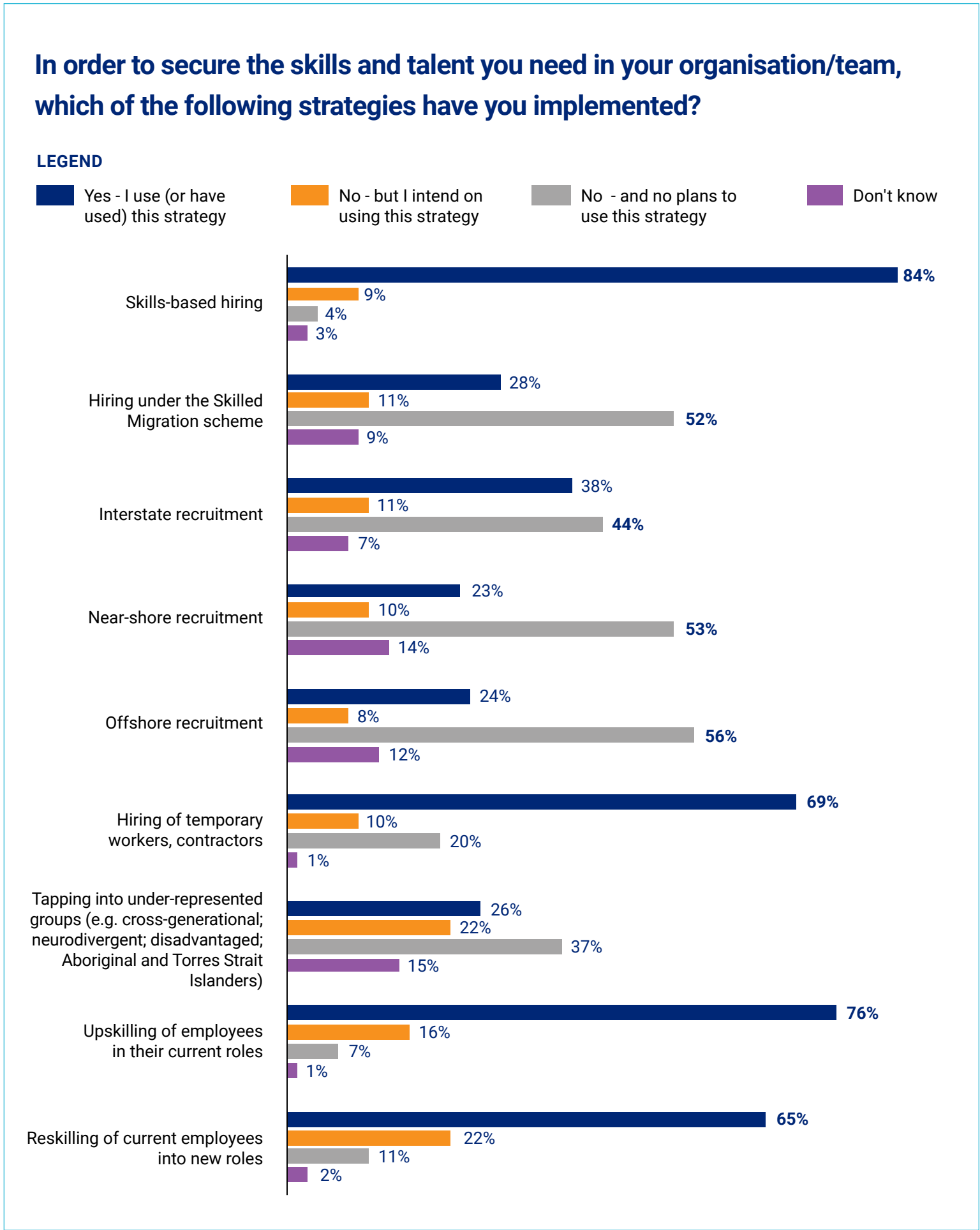
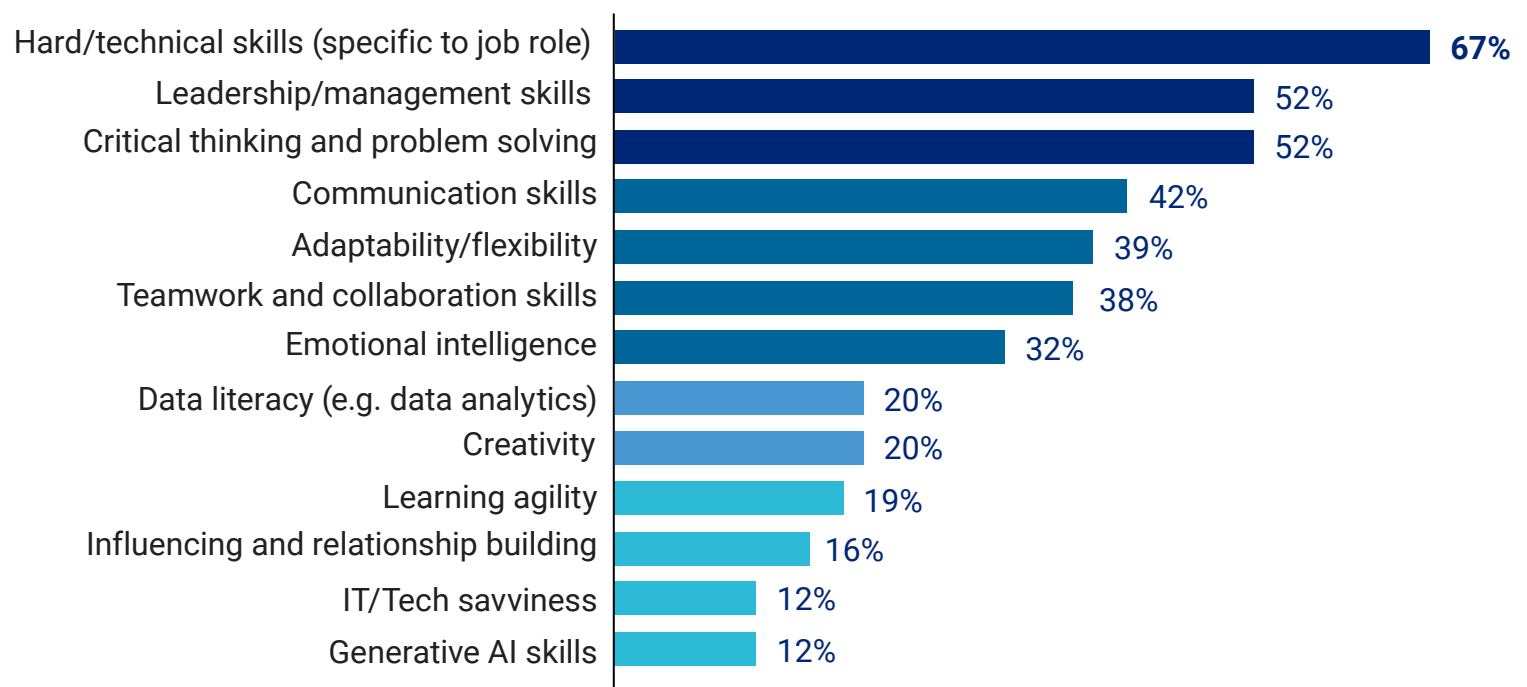
# Construction

A scarcity of workers with good technical knowledge and the ability to manage is impacting the construction industry.

To what extent is your organisation/team currently experiencing a skills gap that is impacting performance?



Which of the following skills have a gap in your organisation/team that is impacting performance?

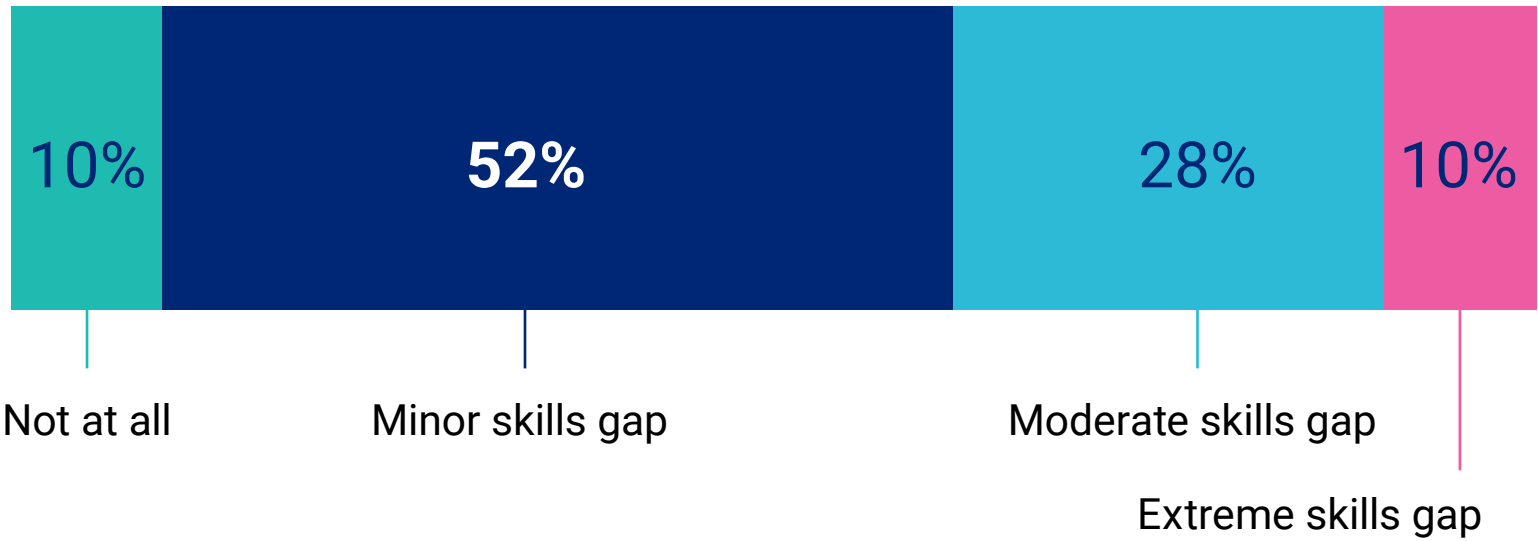




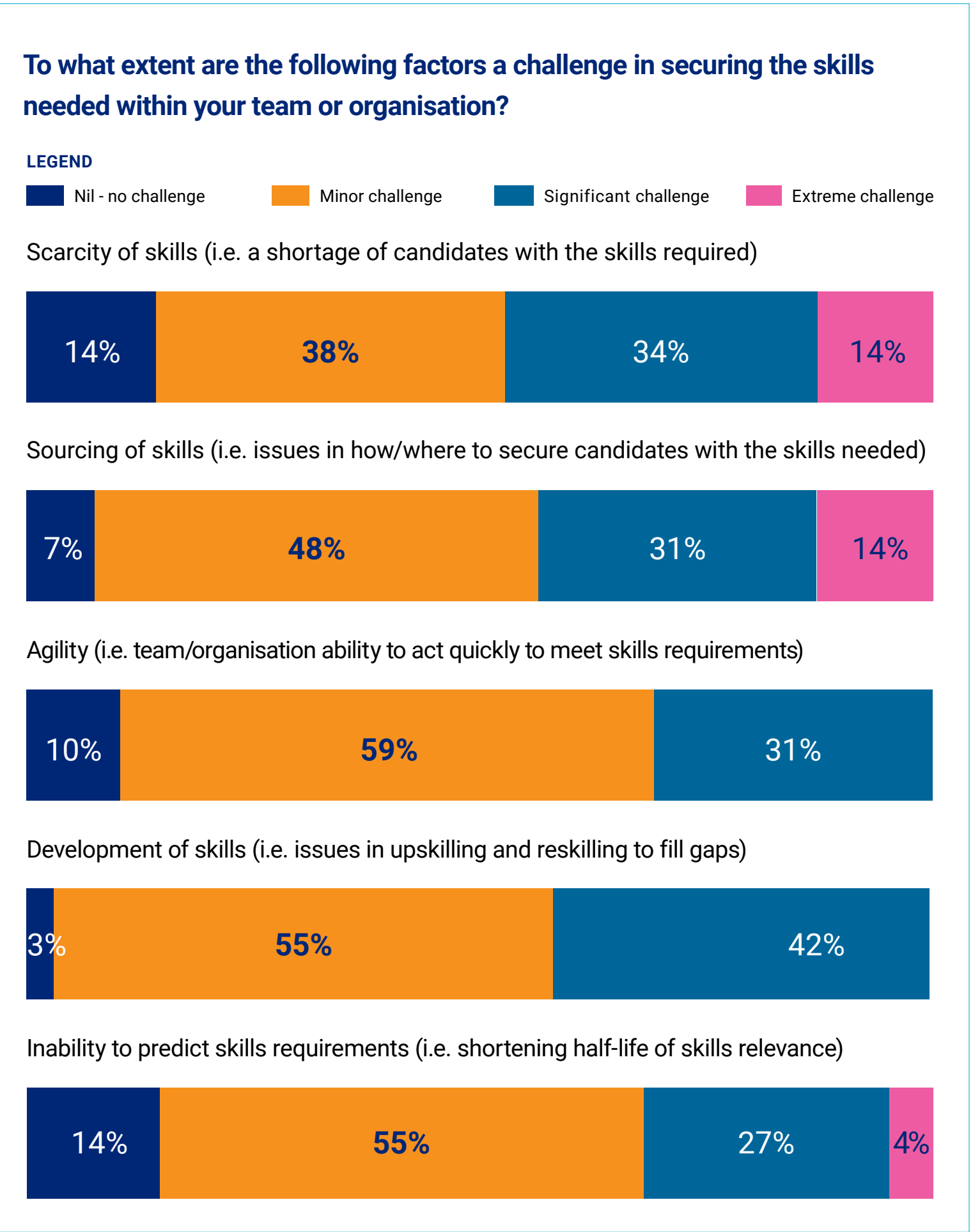
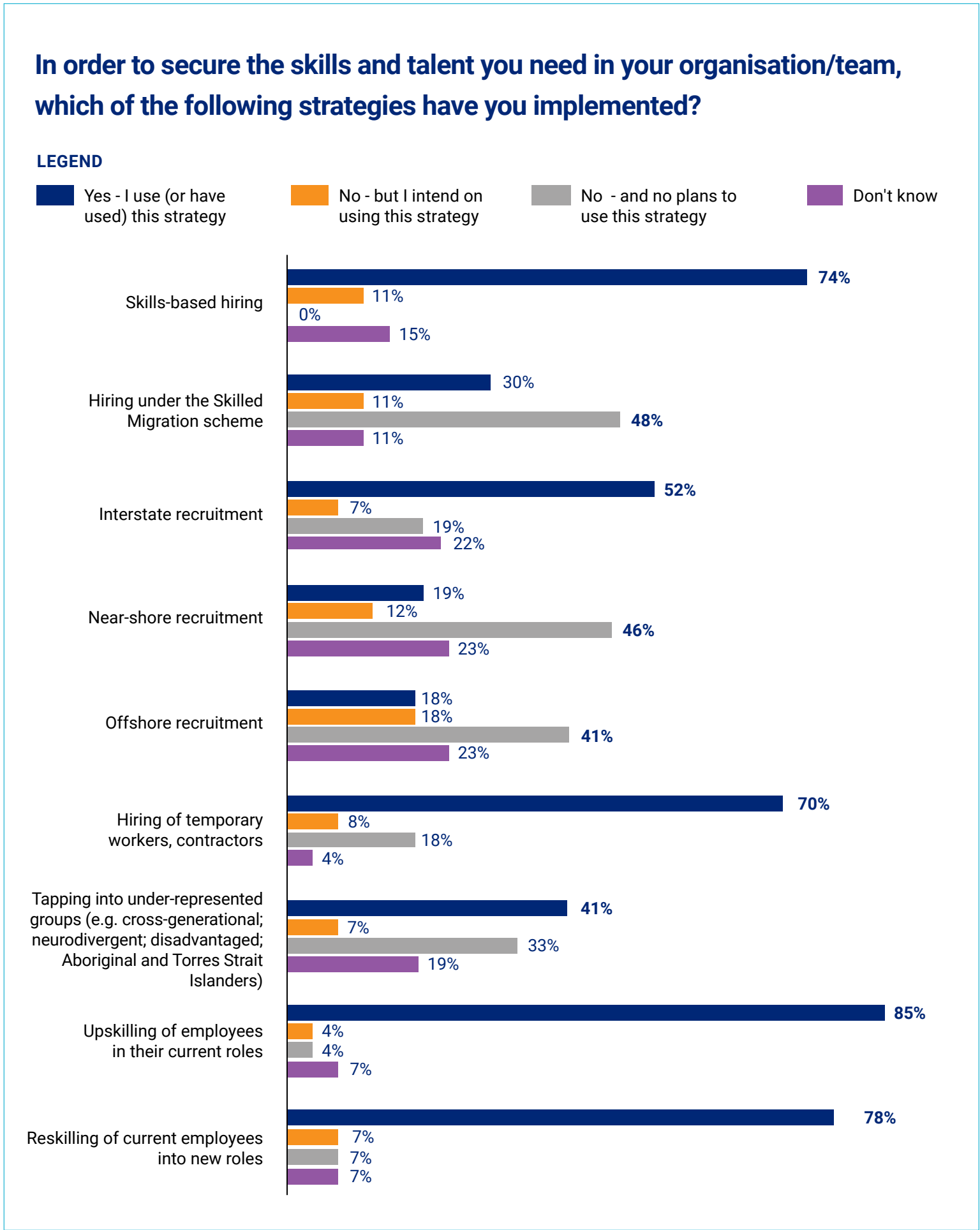
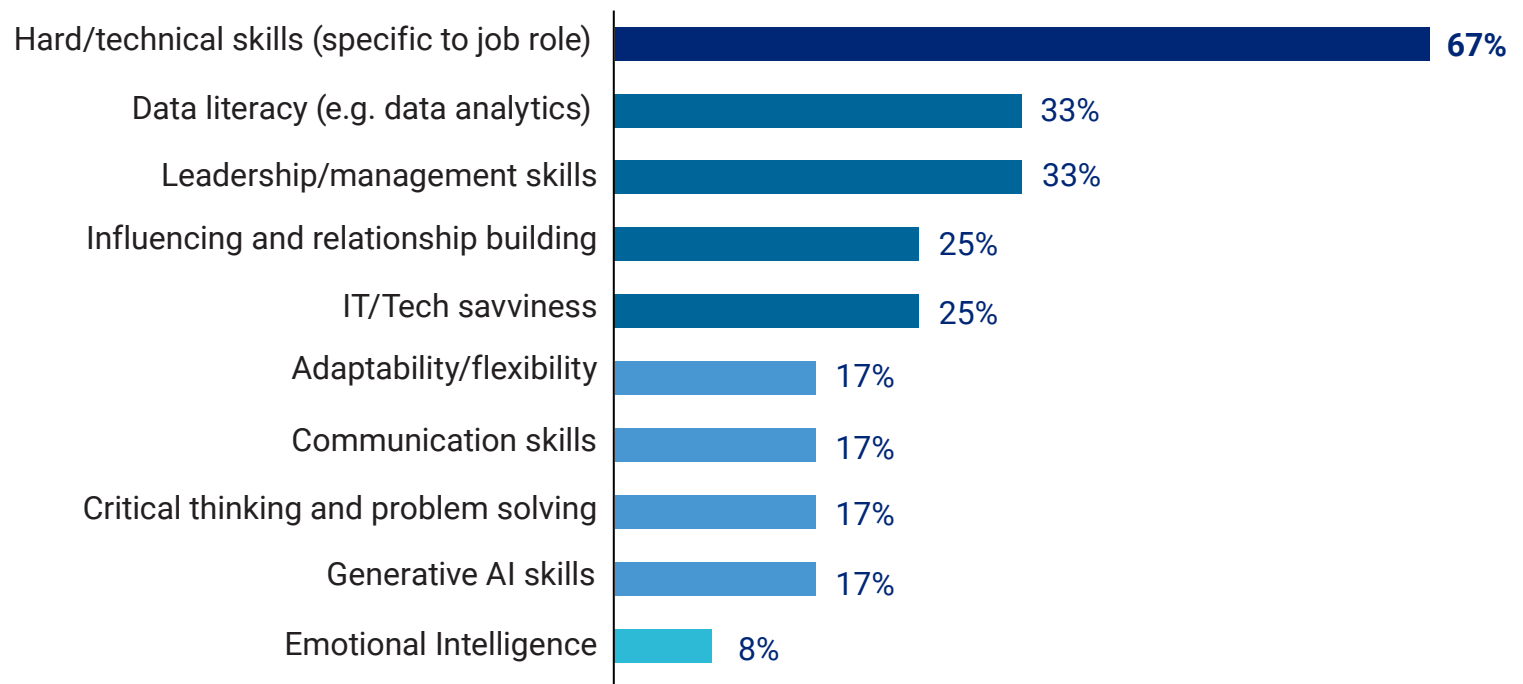
# Electricity, Gas, Water and Waste Services

Utilities currently has one of the smallest skills gaps in the report, but a lack of technical skills is still affecting it.

To what extent is your organisation/team currently experiencing a skills gap that is impacting performance?



Which of the following skills have a gap in your organisation/team that is impacting performance?

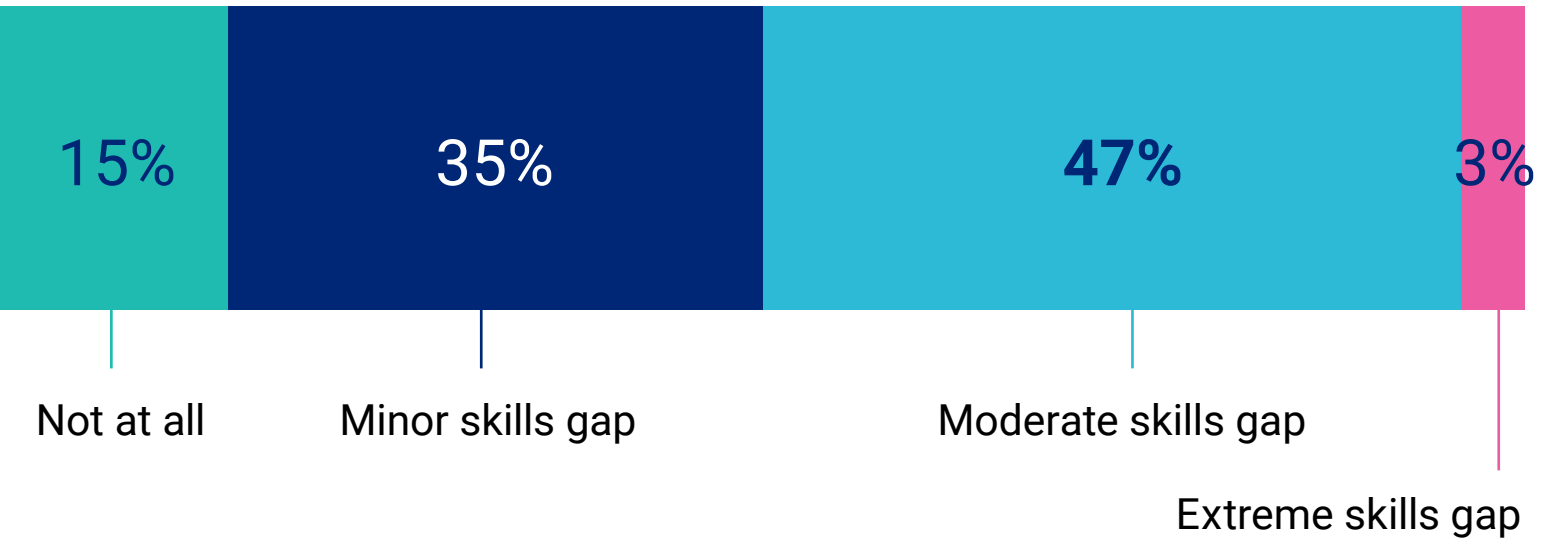




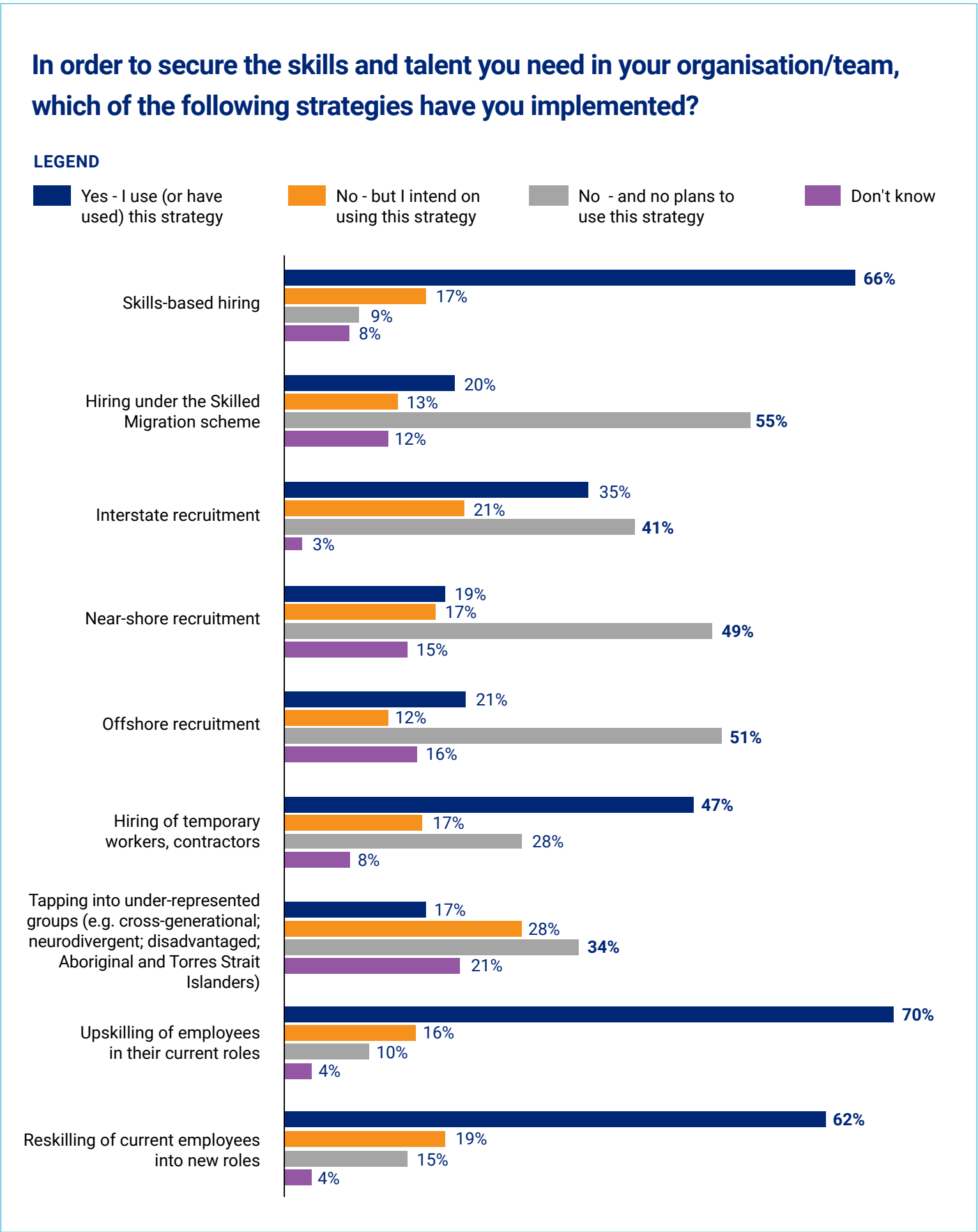
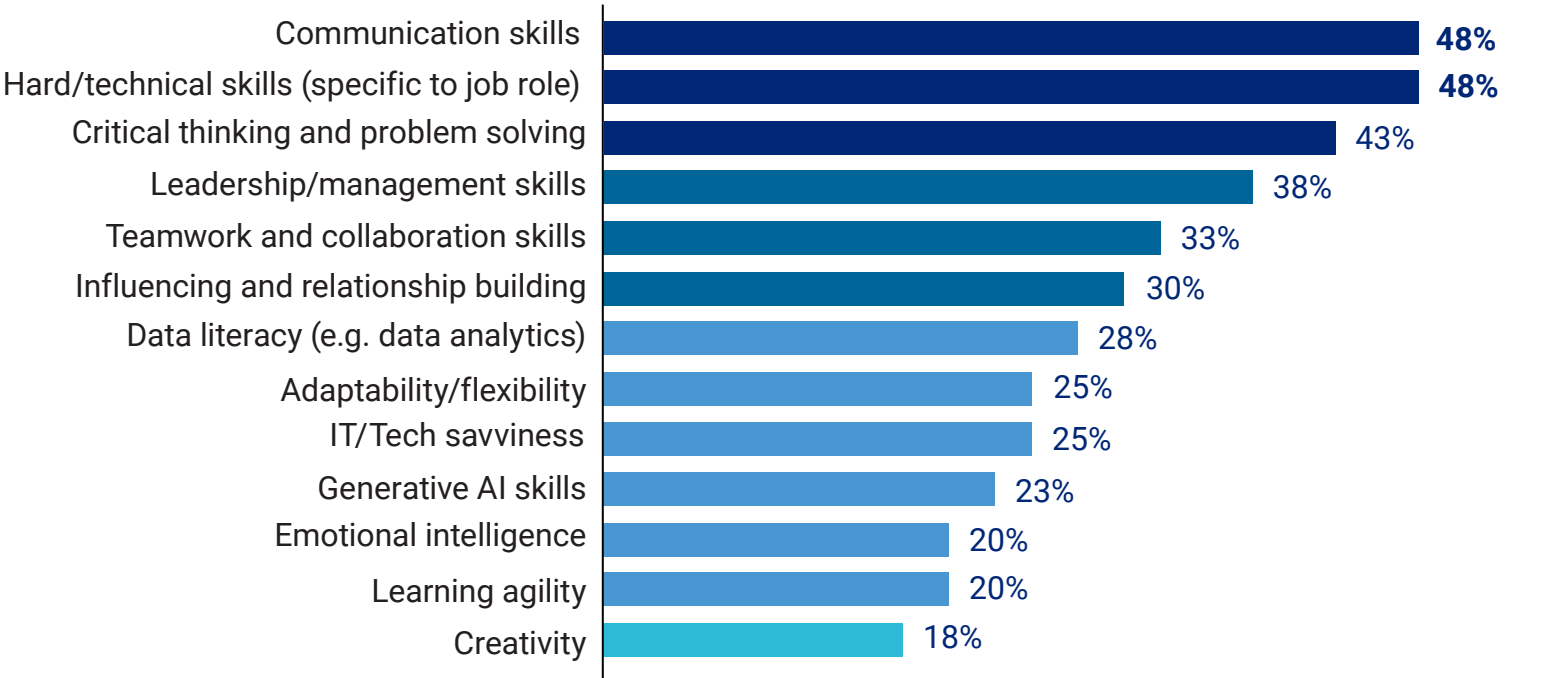
# Financial and Insurance Services

For the finance and insurance industries, technical skills and human skills are needed in equal measure.

To what extent is your organisation/team currently experiencing a skills gap that is impacting performance?



Which of the following skills have a gap in your organisation/team that is impacting performance?



To what extent are the following factors a challenge in securing the skills needed within your team or organisation?

LEGEND

- Nil - no challenge
- Minor challenge
- Significant challenge
- Extreme challenge

Scarcity of skills (i.e. a shortage of candidates with the skills required)



Sourcing of skills (i.e. issues in how/where to secure candidates with the skills needed)



Agility (i.e. team/organisation ability to act quickly to meet skills requirements)



Development of skills (i.e. issues in upskilling and reskilling to fill gaps)



Inability to predict skills requirements (i.e. shortening half-life of skills relevance)

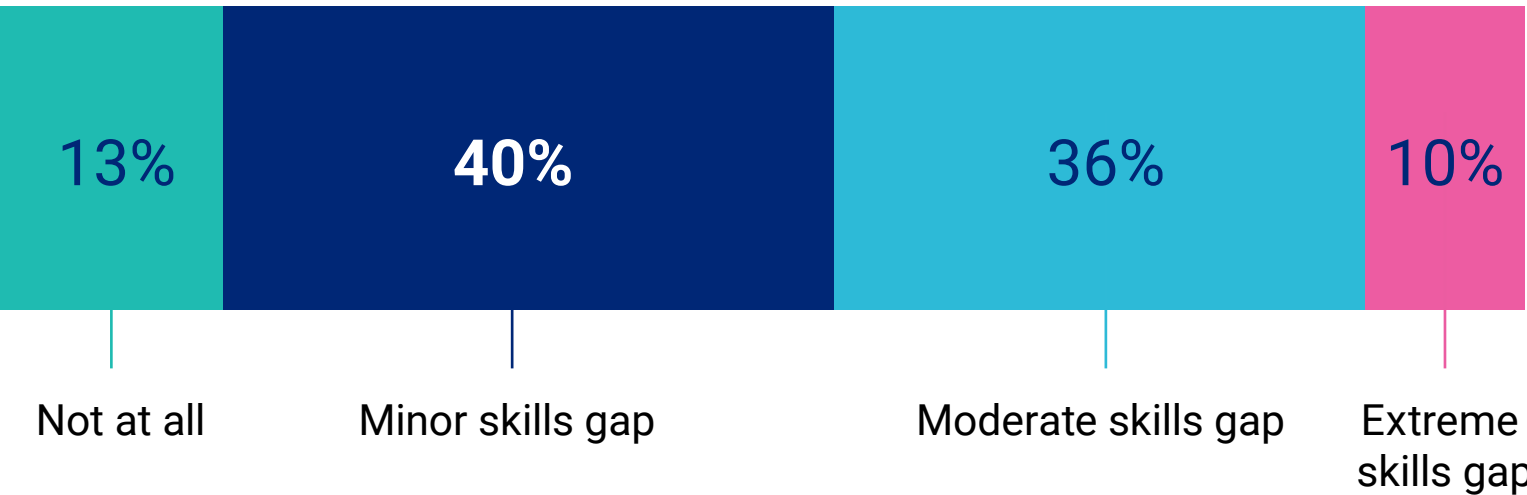




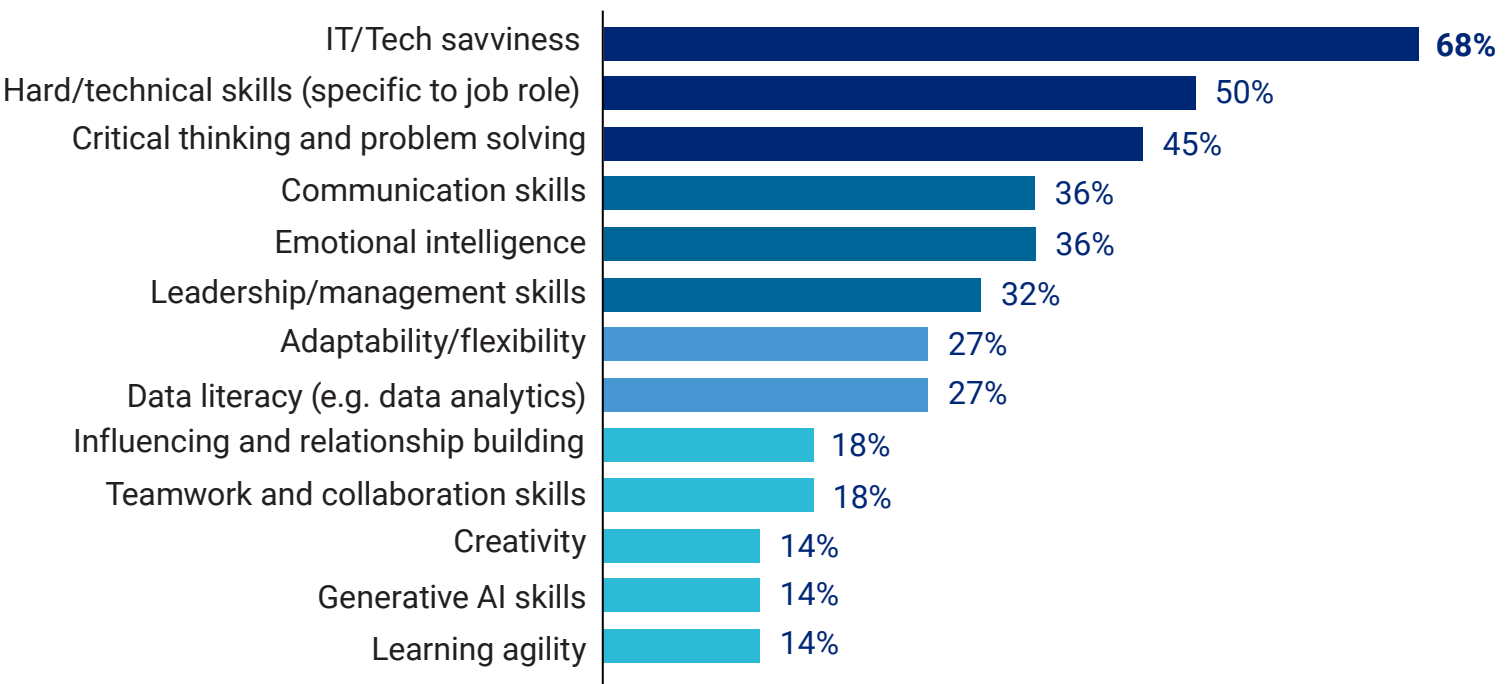
# Information, Media and Telecomms

The ability to keep up with the new IT skills required is clearly having an effect on these industries.

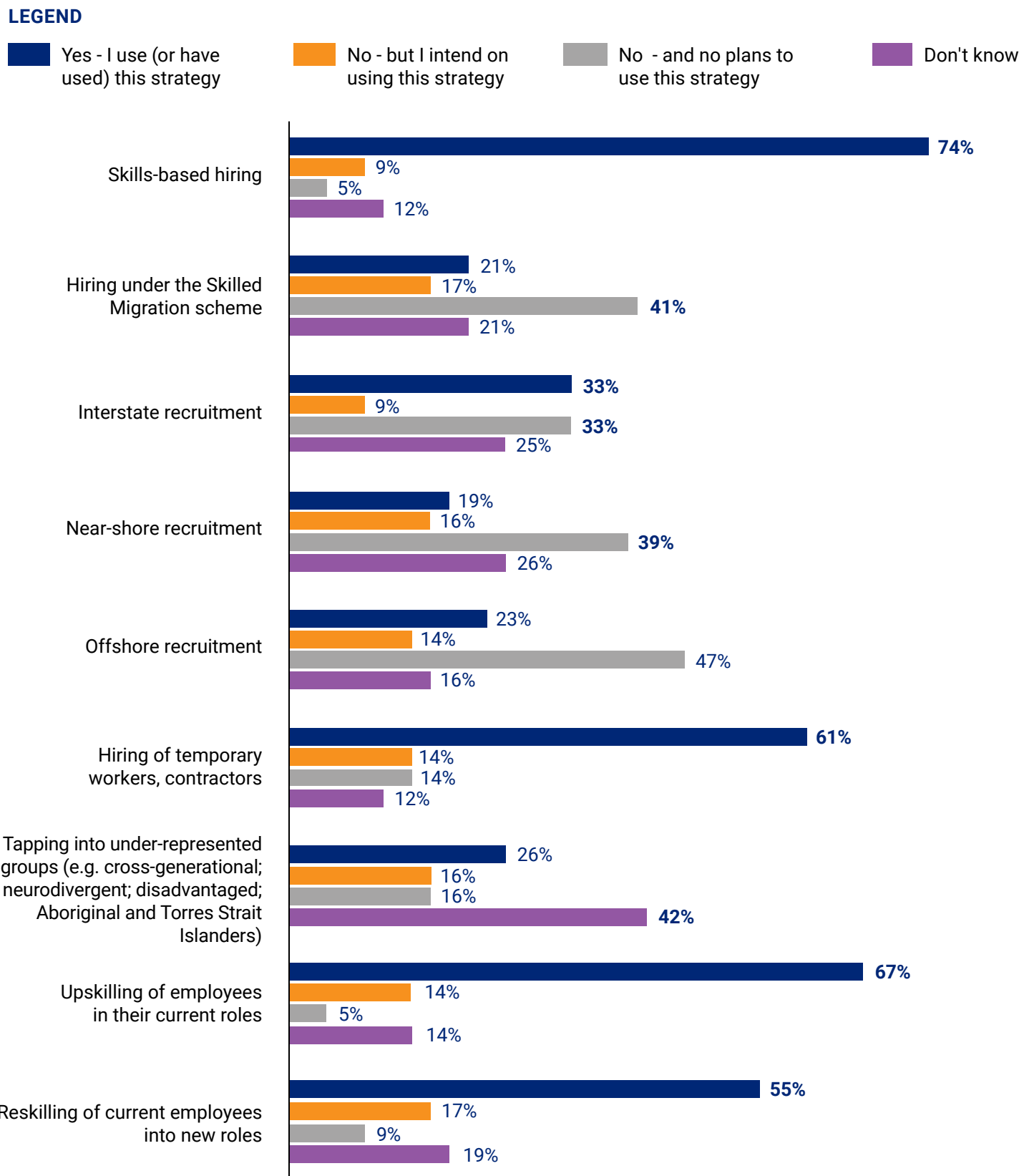
To what extent is your organisation/team currently experiencing a skills gap that is impacting performance?



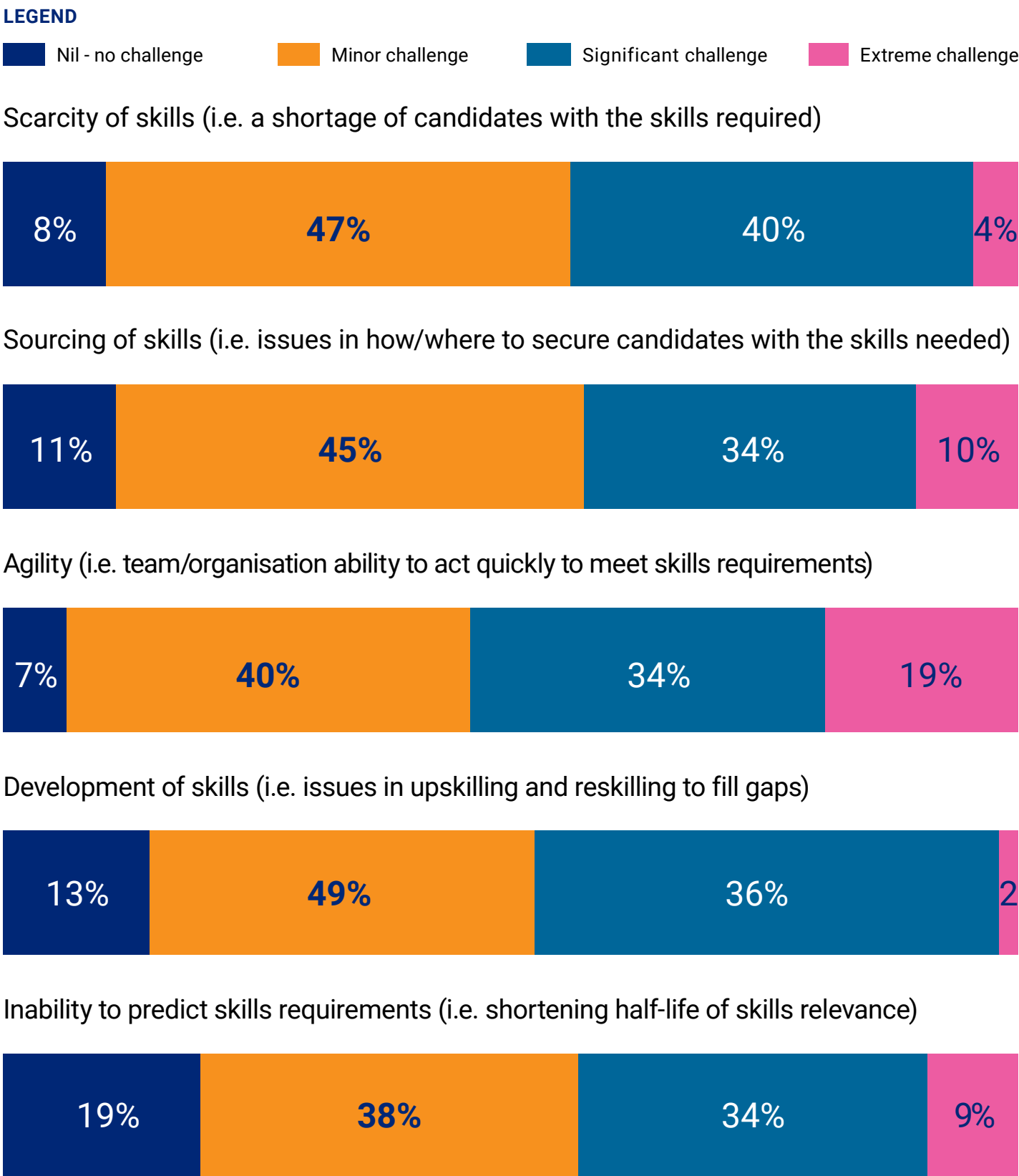
Which of the following skills have a gap in your organisation/team that is impacting performance?



In order to secure the skills and talent you need in your organisation/team, which of the following strategies have you implemented?



To what extent are the following factors a challenge in securing the skills needed within your team or organisation?

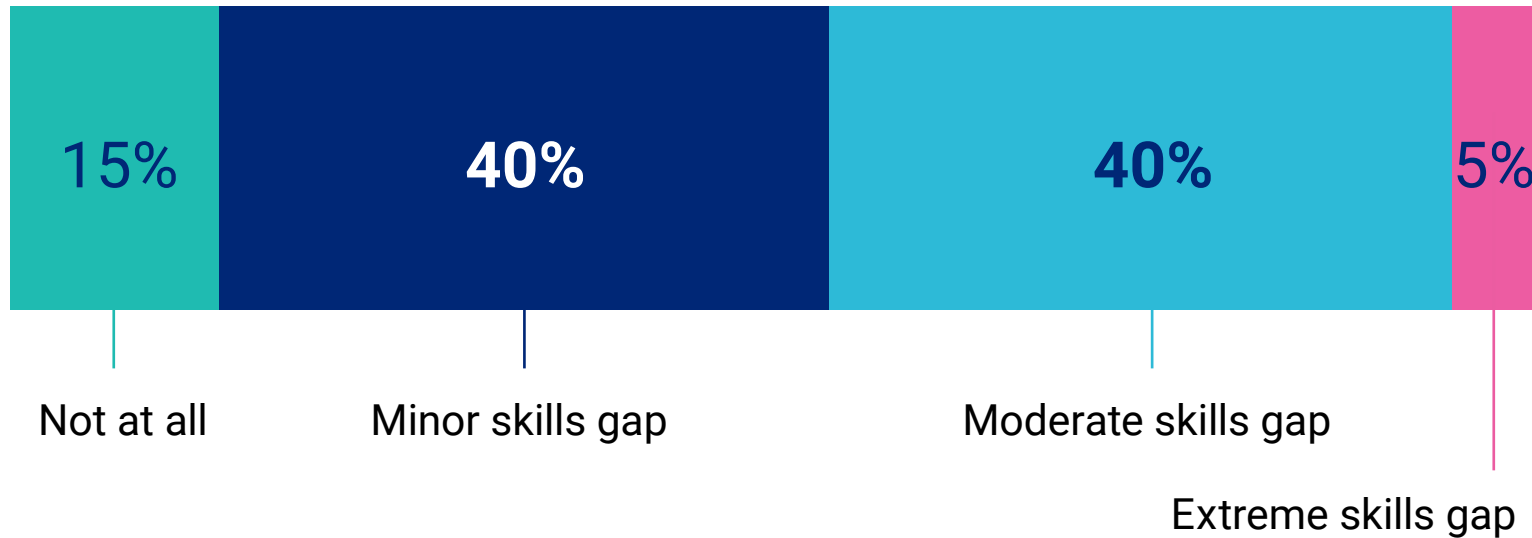




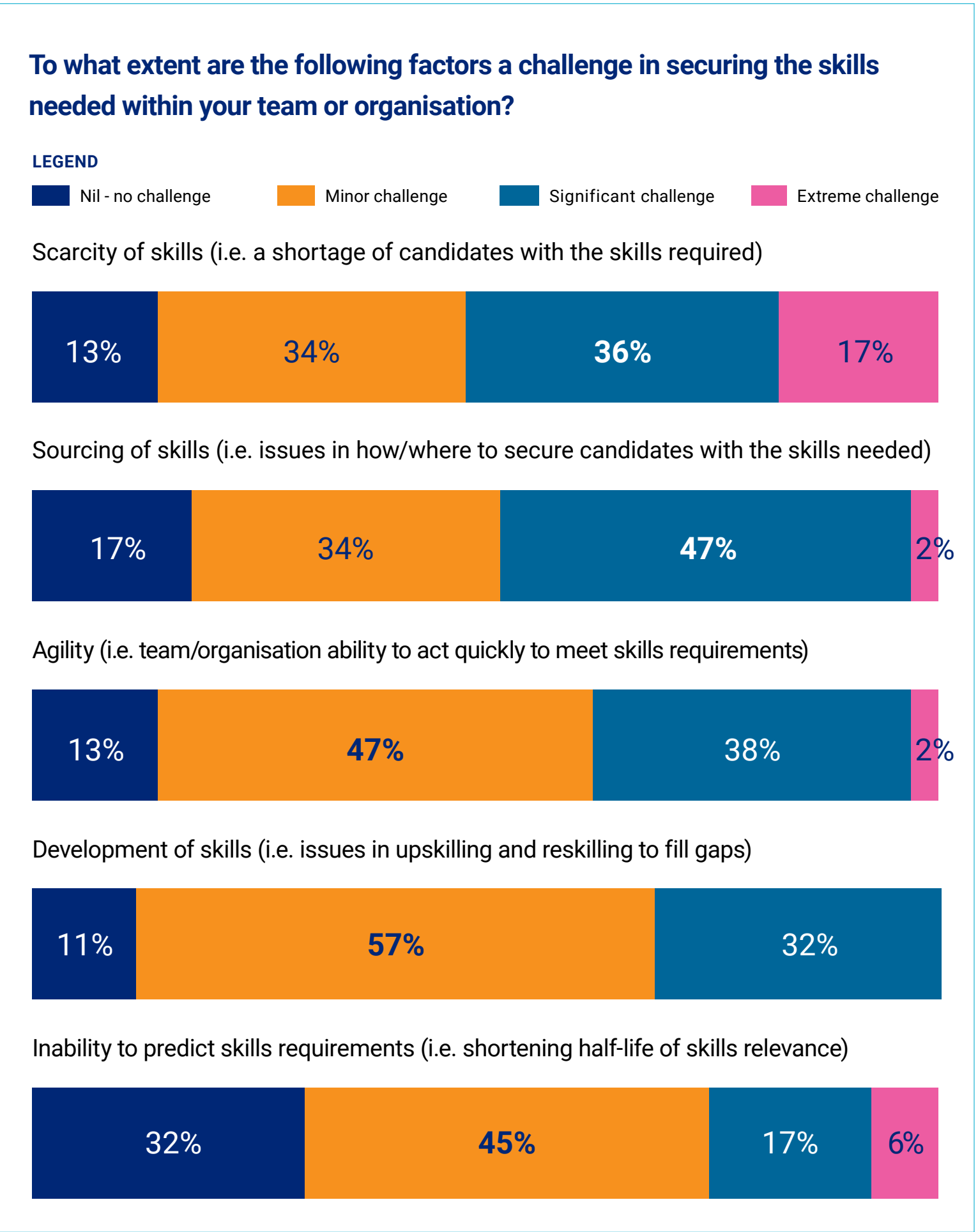
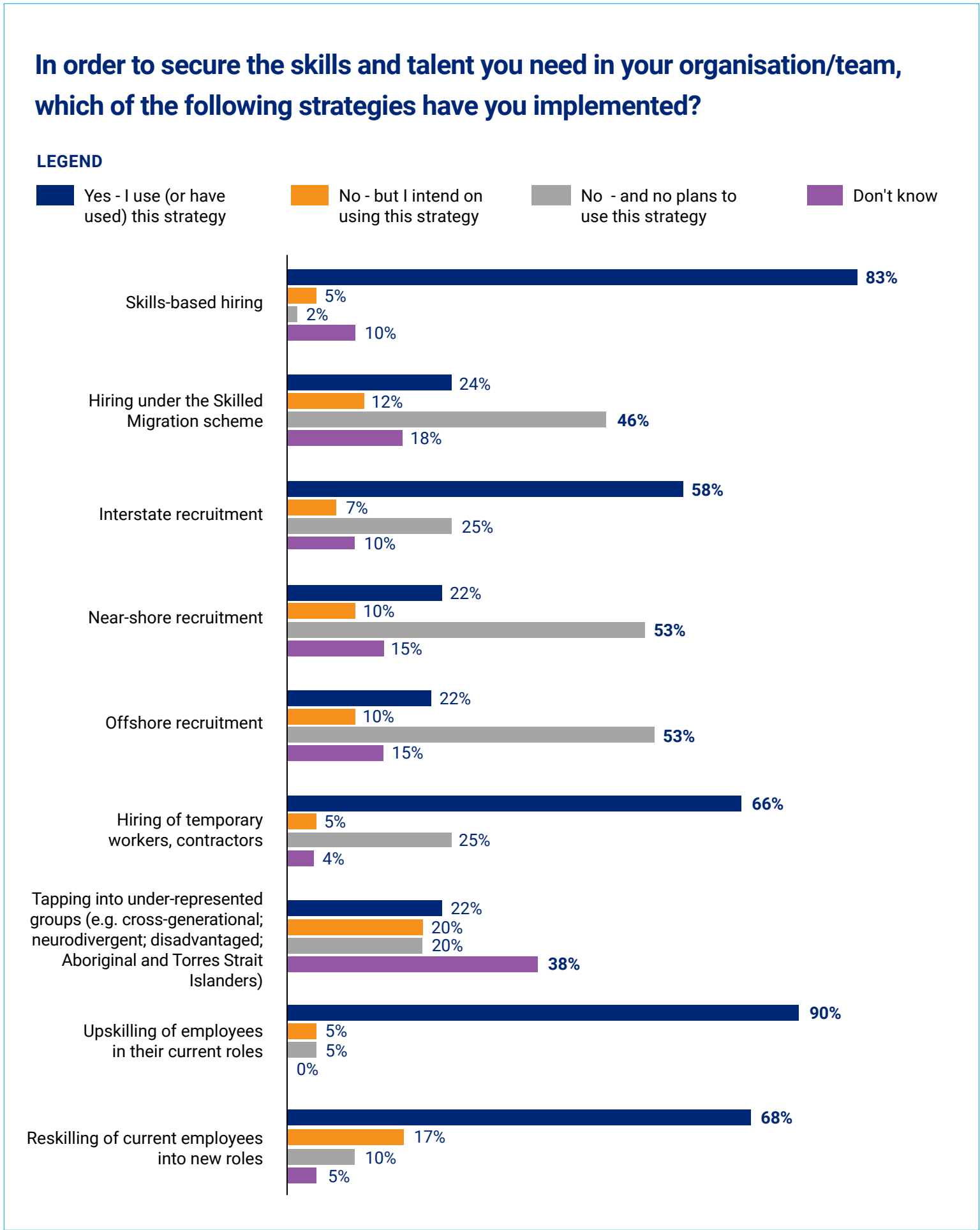
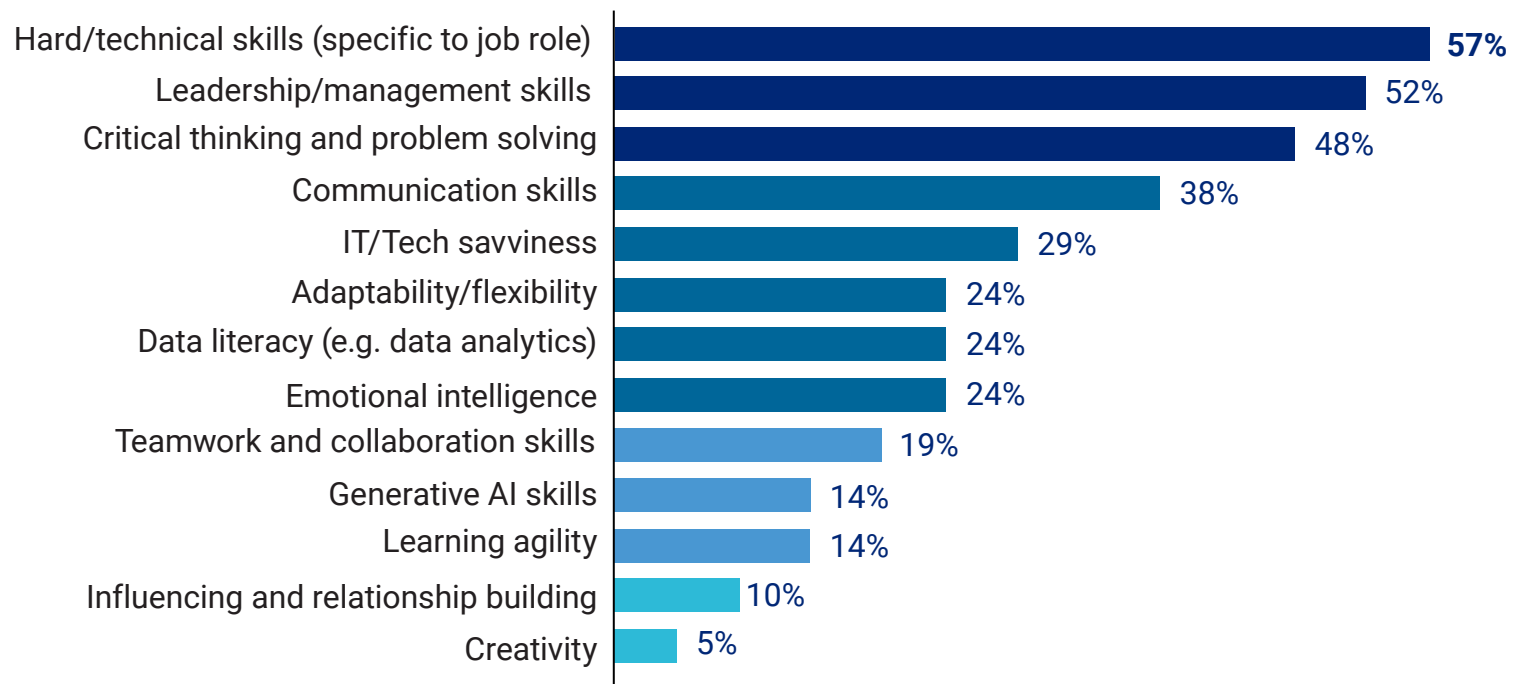
# IT/Tech System Design

While technical skills related to the job are needed in IT, so are leadership and management skills.

To what extent is your organisation/team currently experiencing a skills gap that is impacting performance?



Which of the following skills have a gap in your organisation/team that is impacting performance?

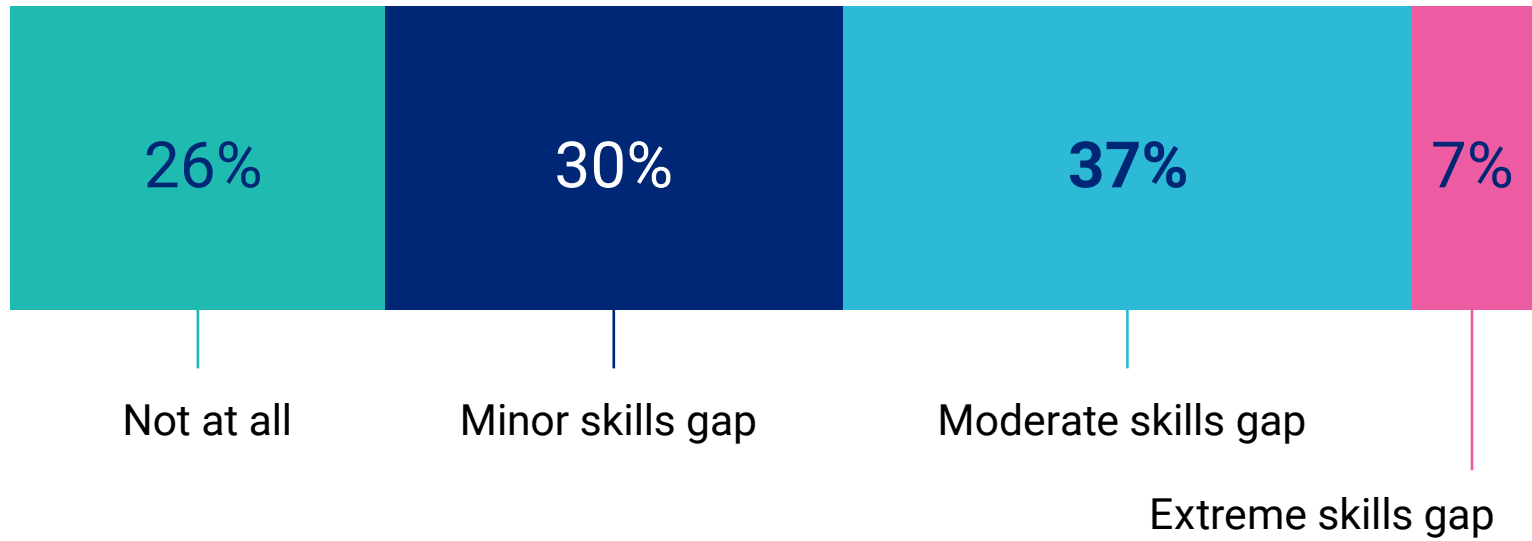




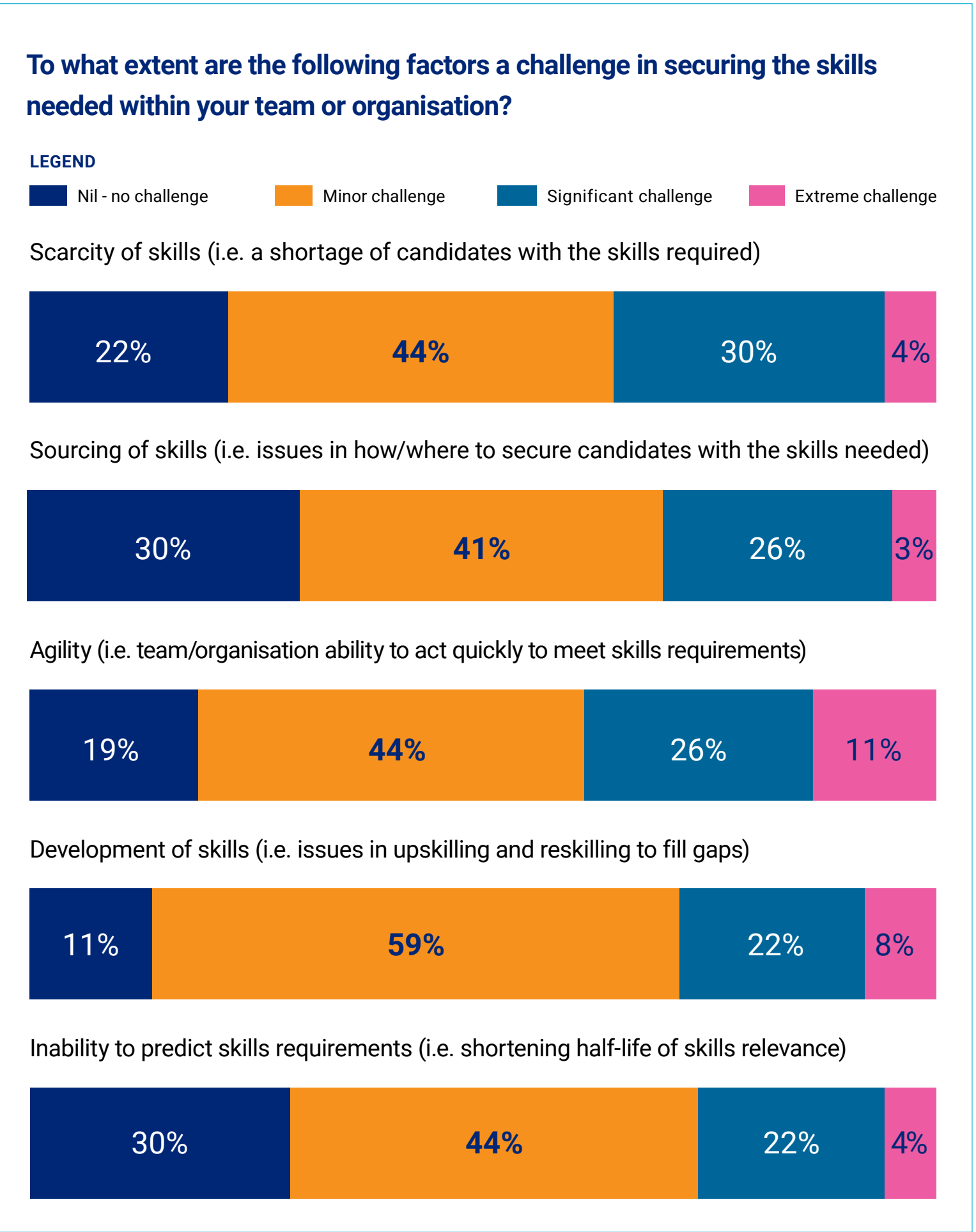
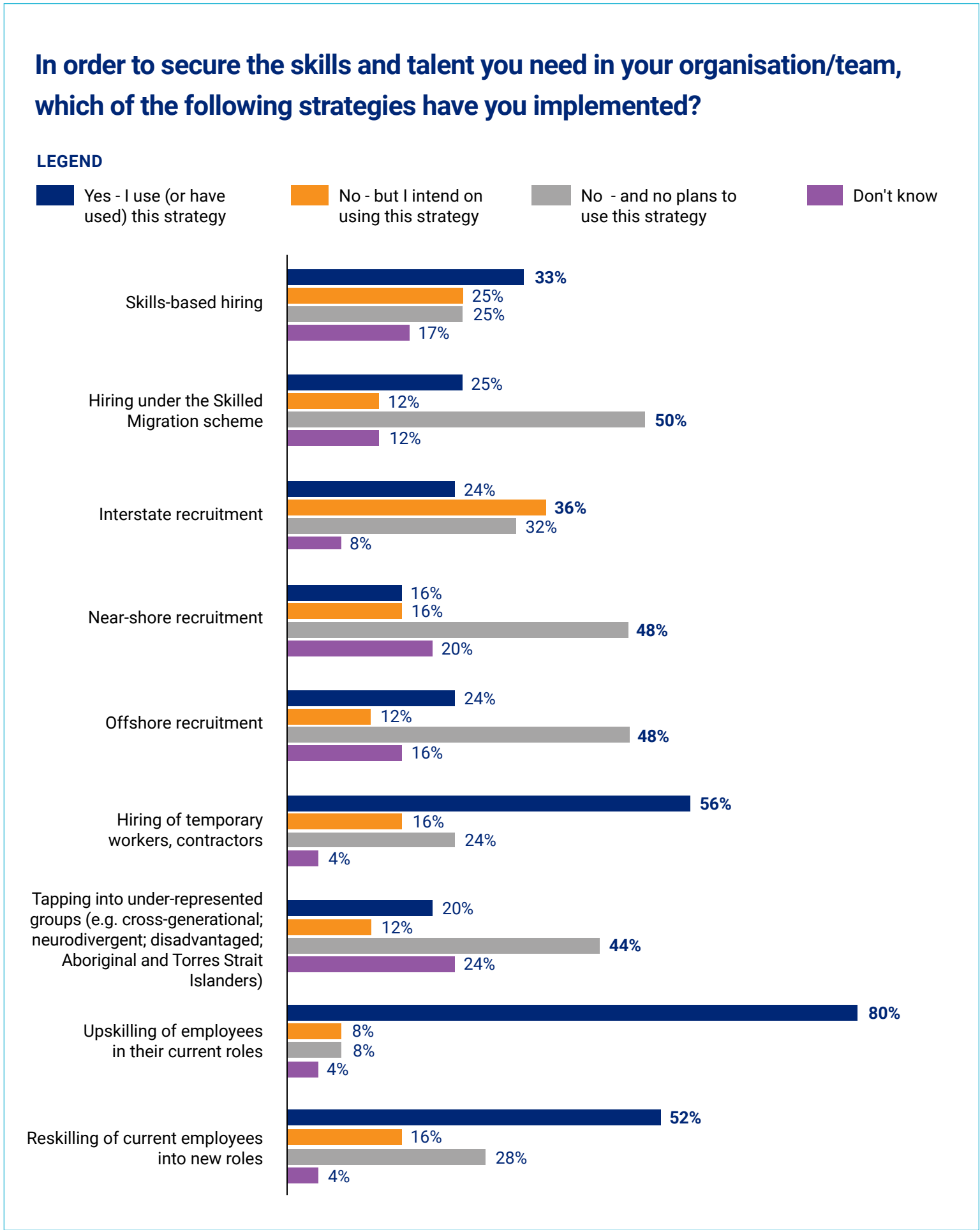
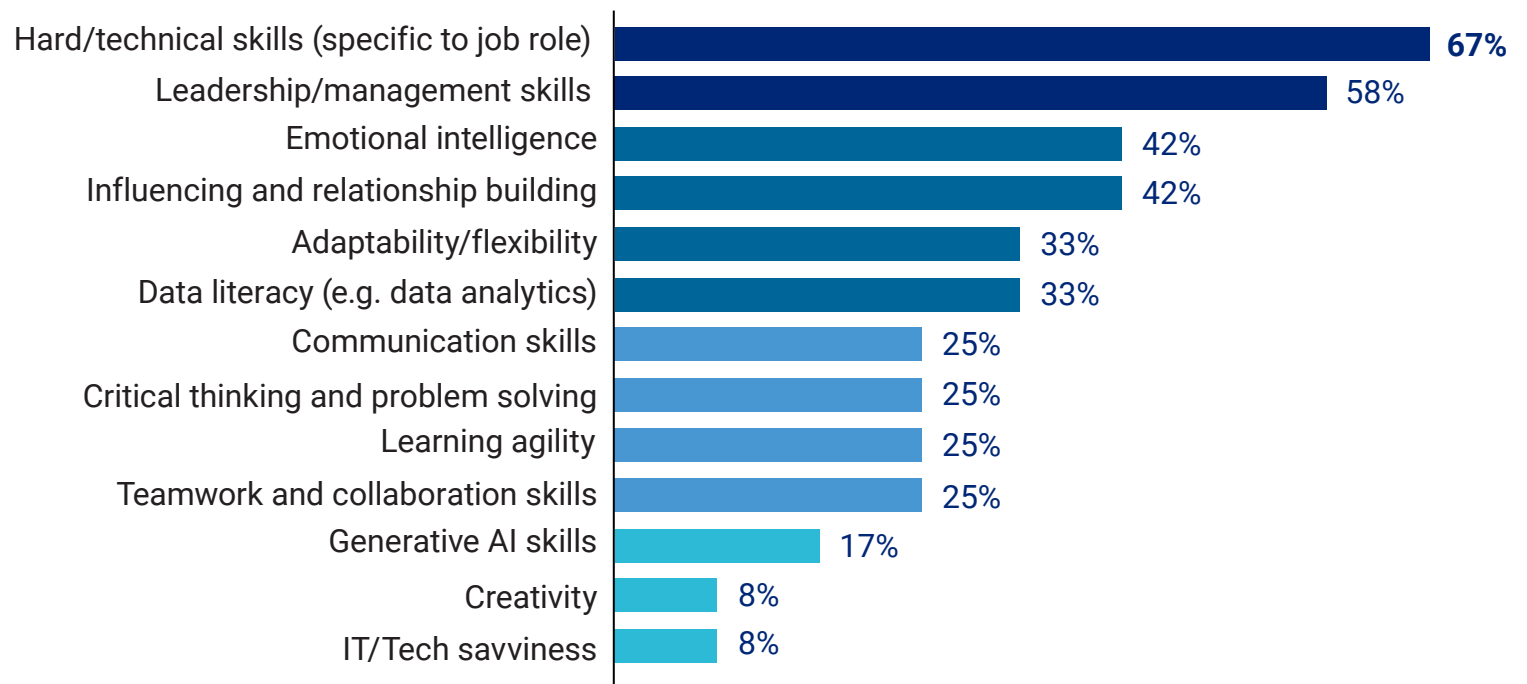
# Manufacturing

Very similar to the IT industry, manufacturing is lacking the leadership and technical skills needed for progress.

To what extent is your organisation/team currently experiencing a skills gap that is impacting performance?



12 Which of the following skills have a gap in your organisation/team that is impacting performance?

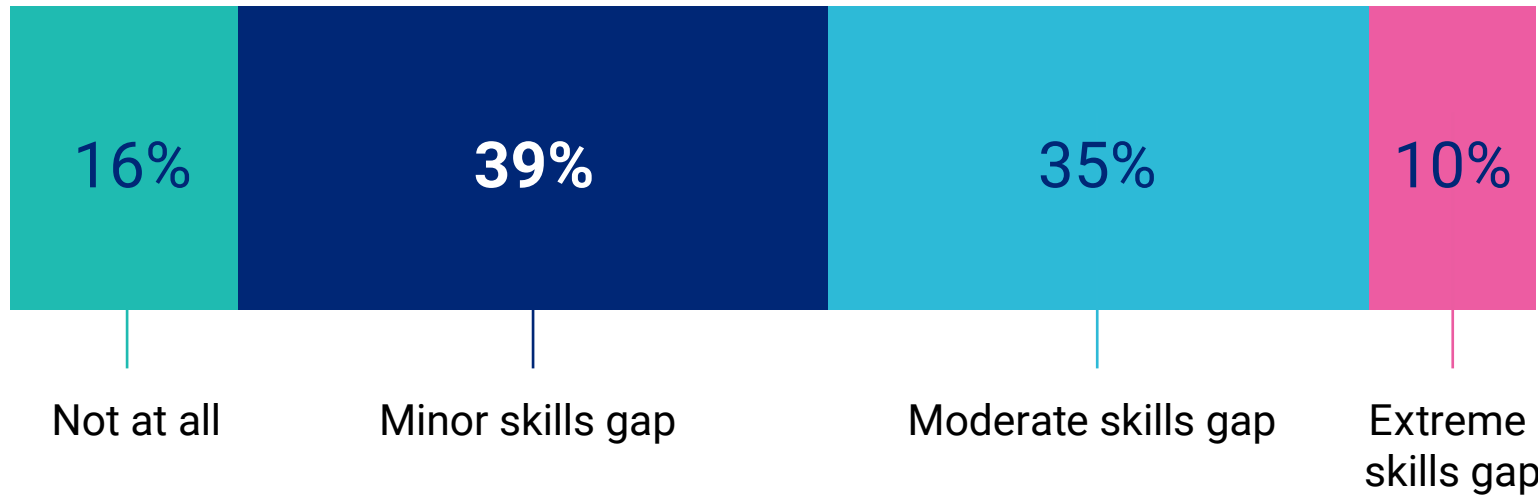




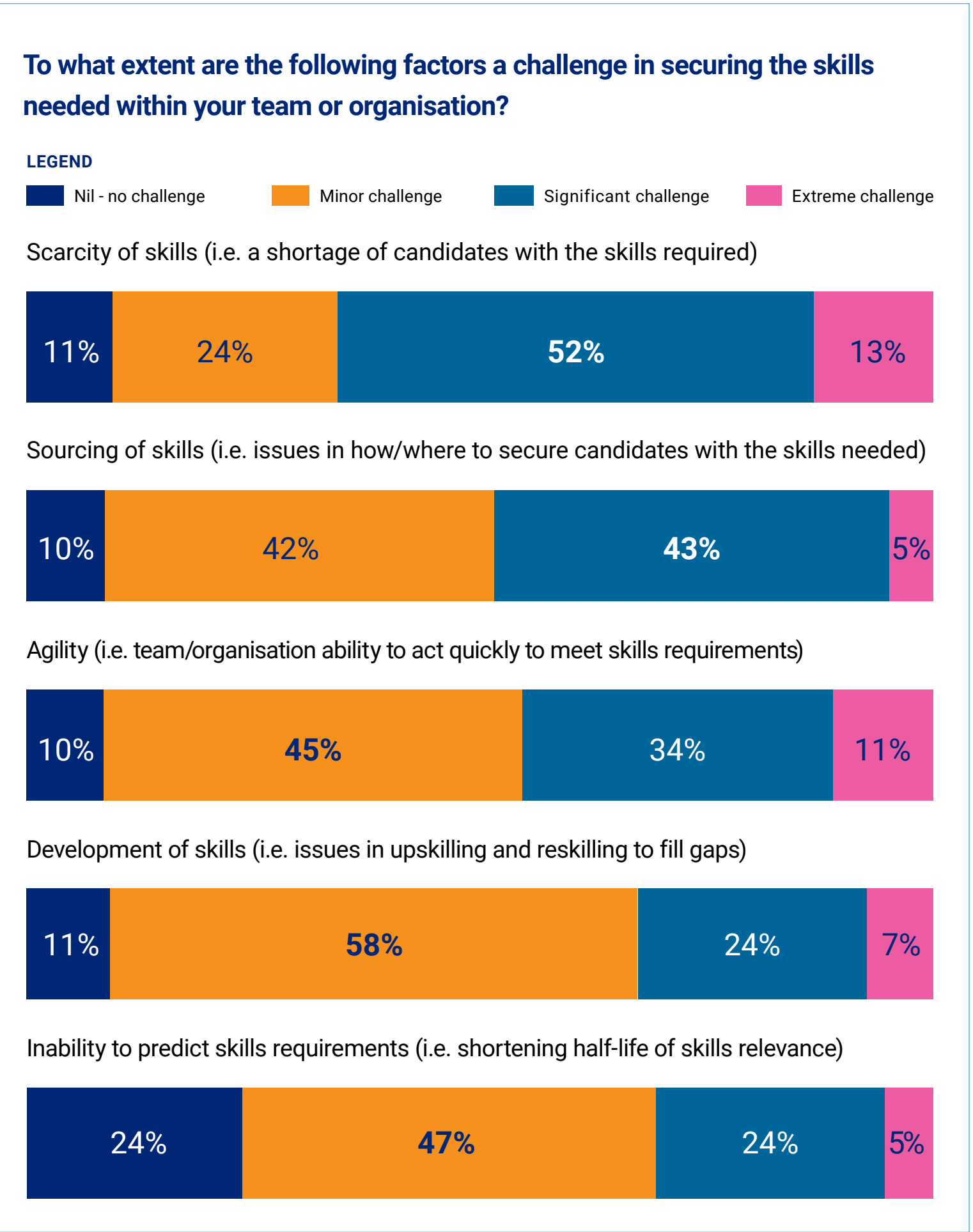
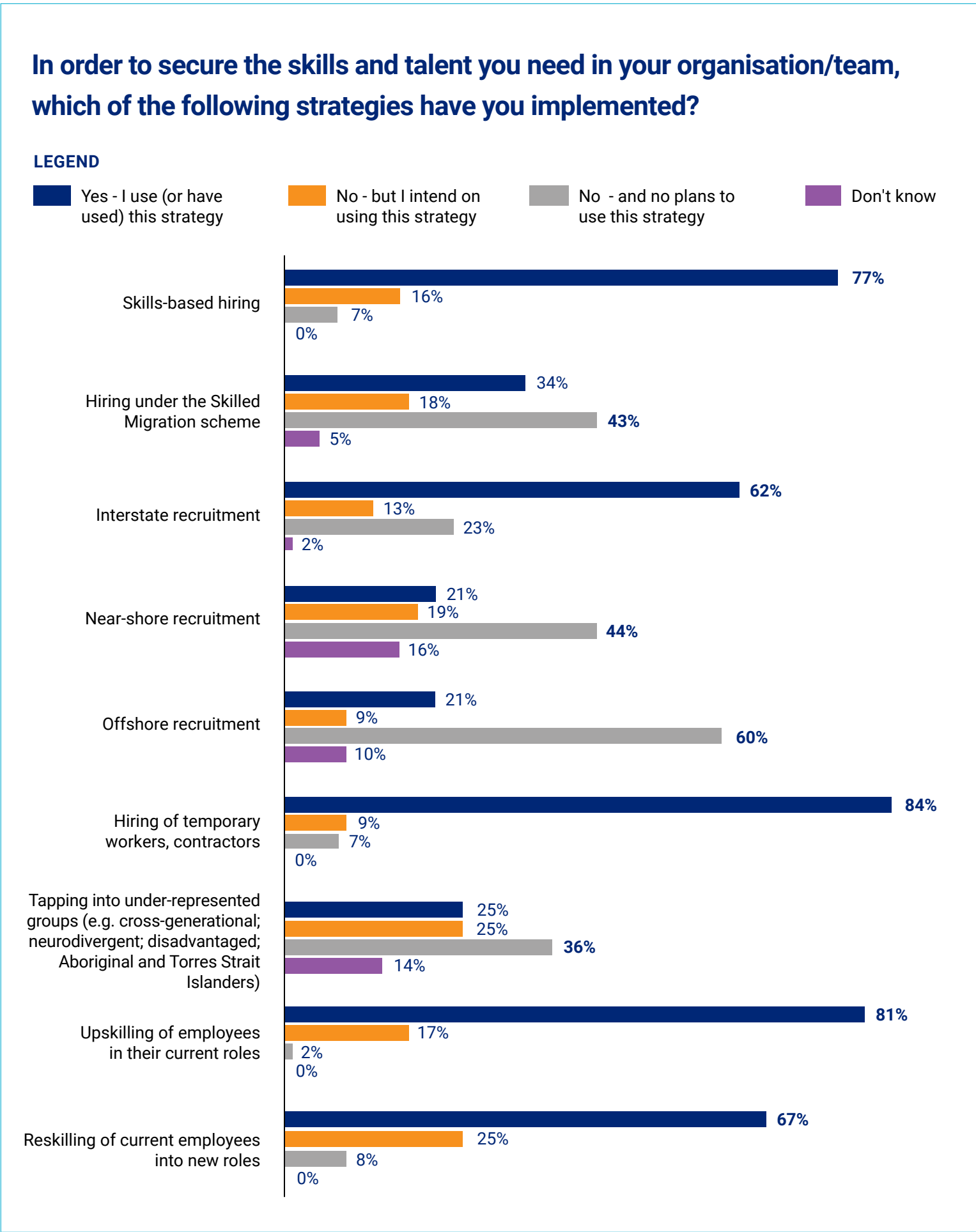
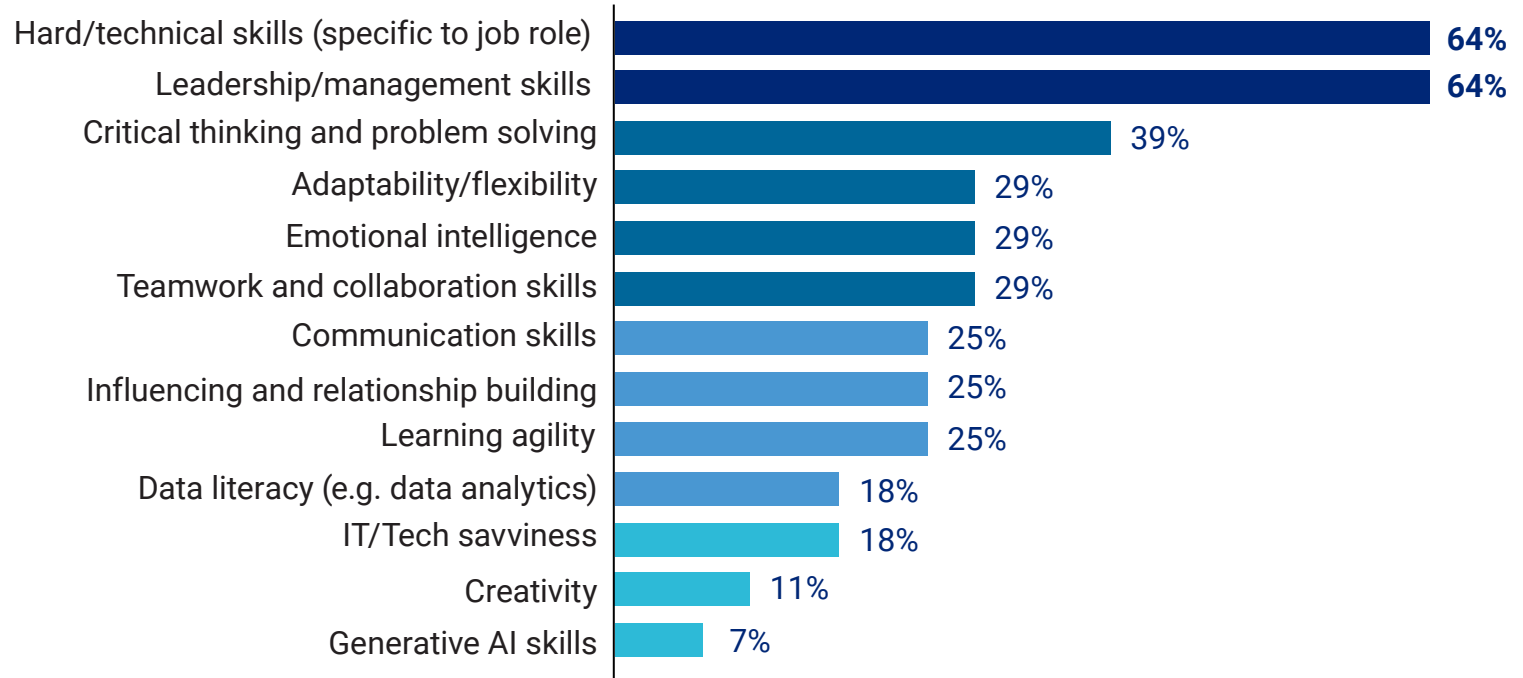
# Mining and Resources

The mining industry is clear about what skills are required to do the job, but there is a scarcity of people with them.

To what extent is your organisation/team currently experiencing a skills gap that is impacting performance?



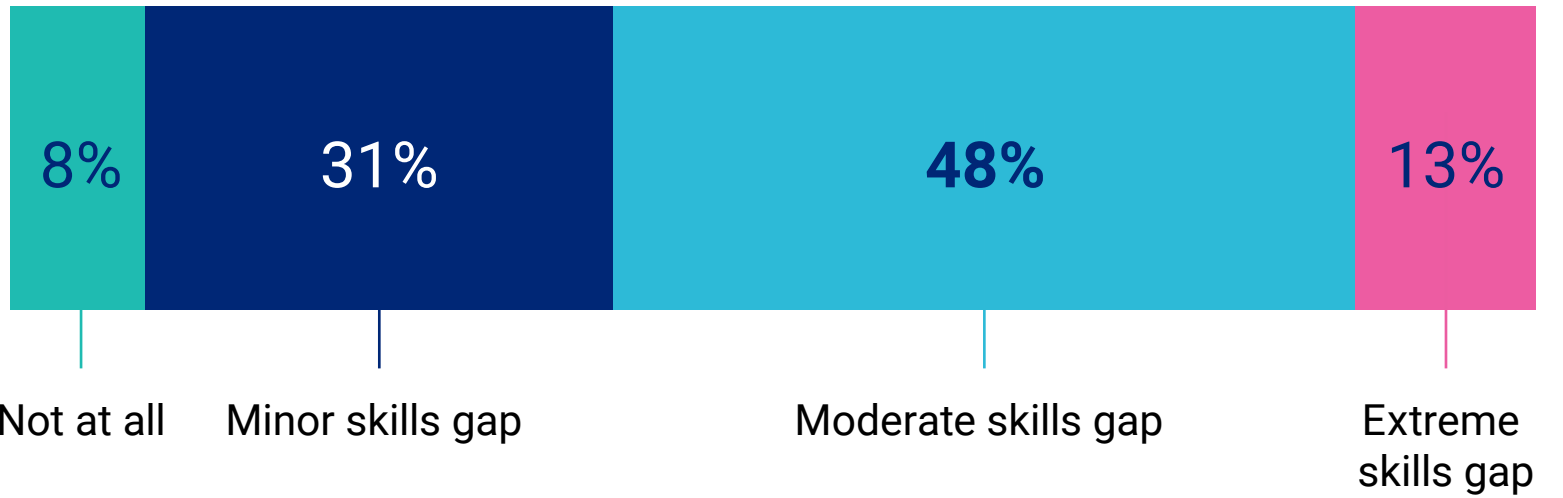
Which of the following skills have a gap in your organisation/team that is impacting performance?



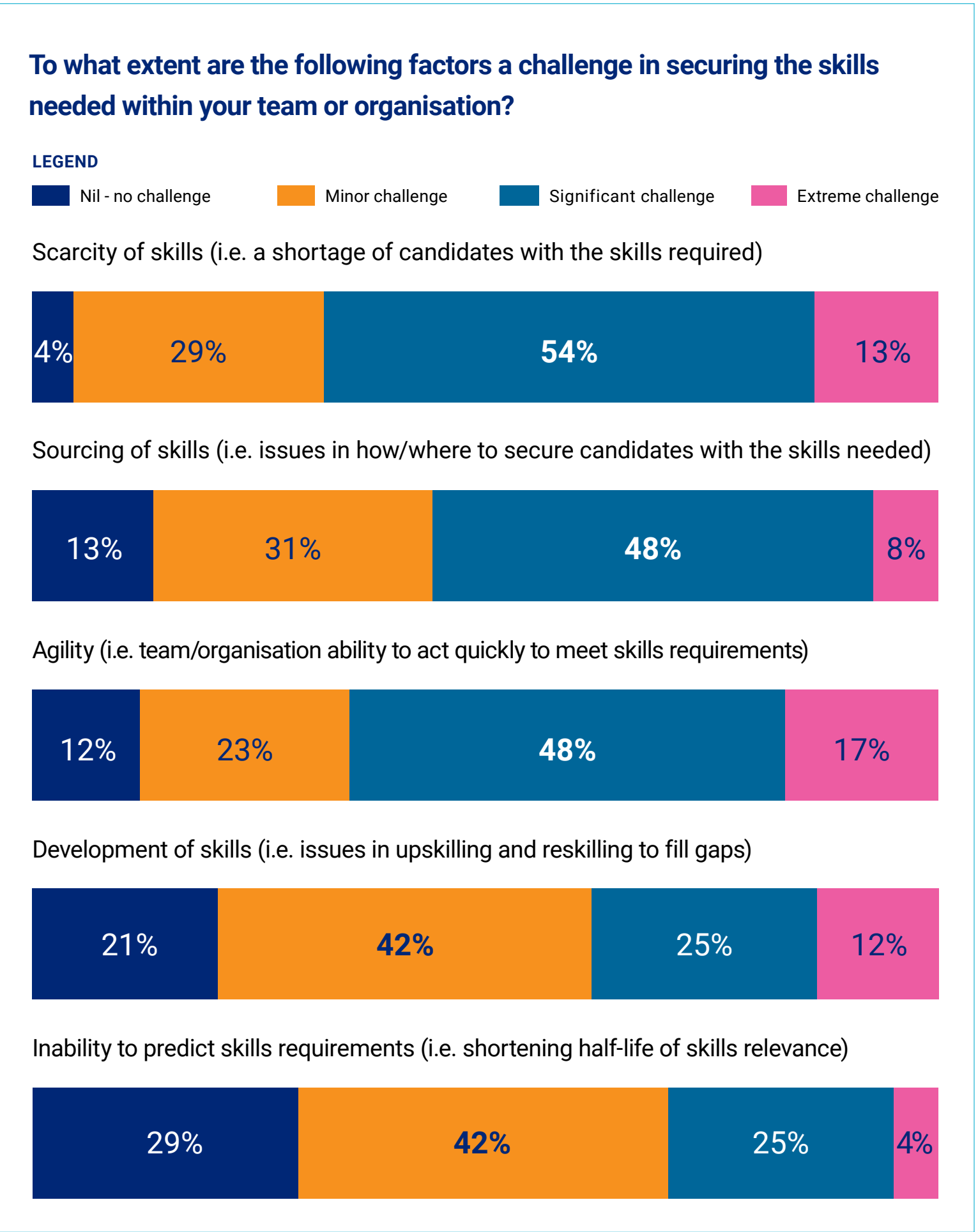
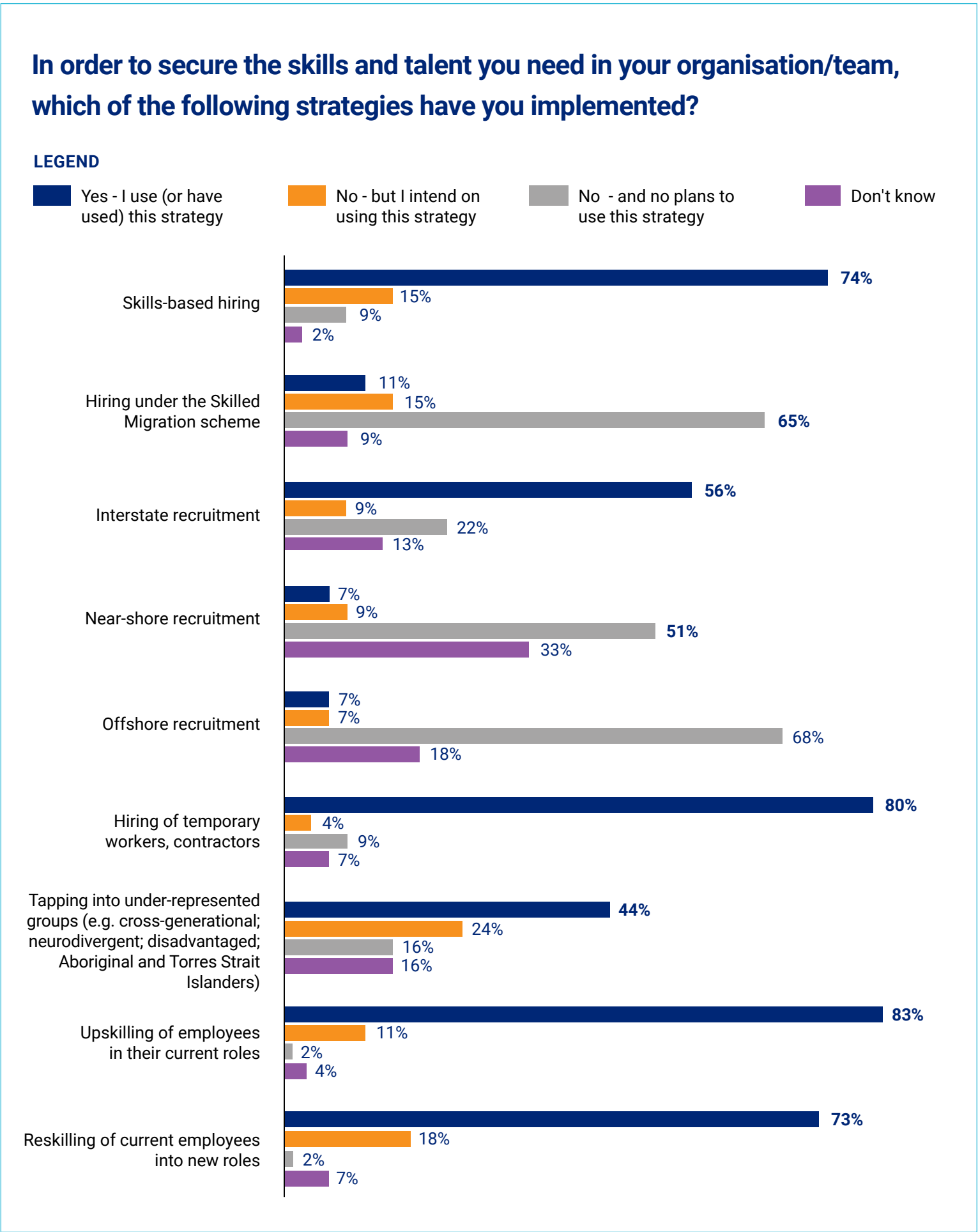
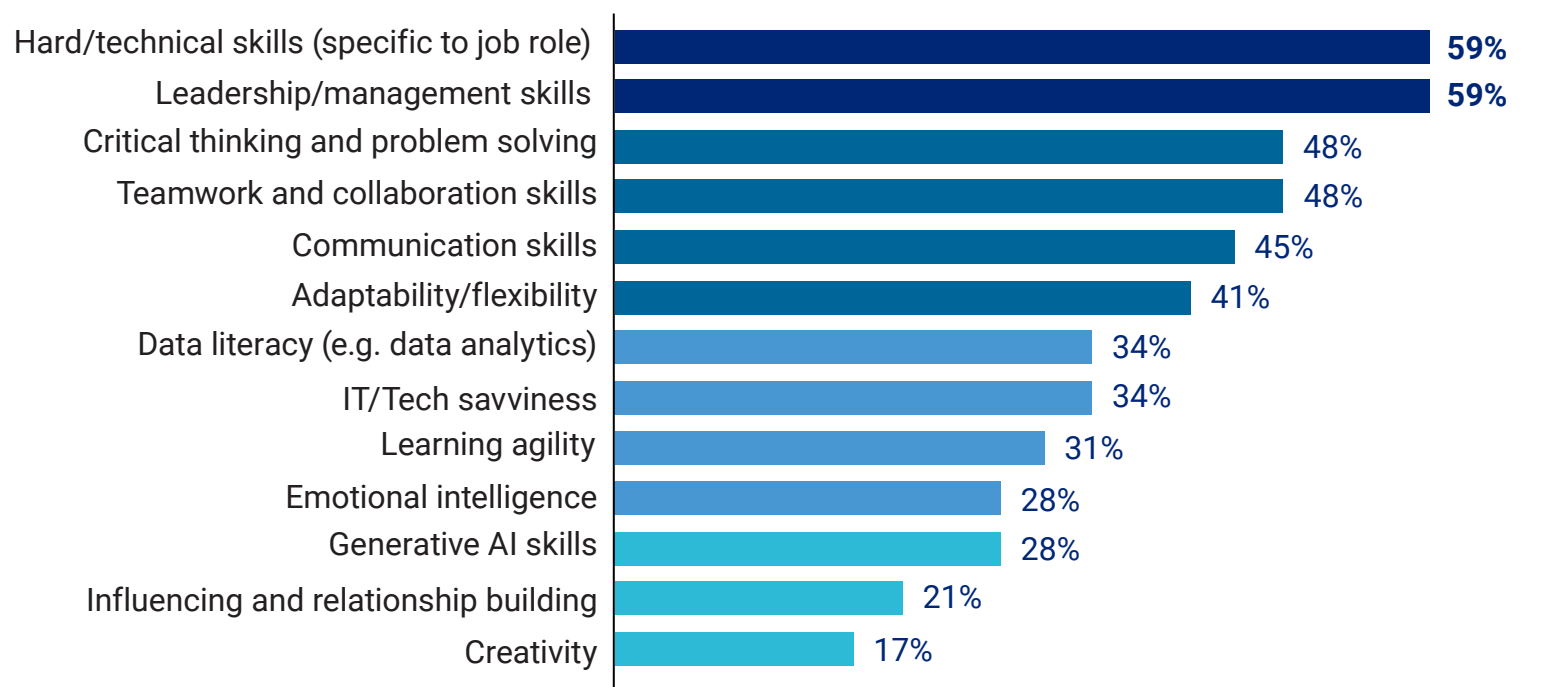
# Public Administration and Safety

With one of the largest skills gaps reported, public admin and safety is looking to upskill and reskill workers.

To what extent is your organisation/team currently experiencing a skills gap that is impacting performance?



Which of the following skills have a gap in your organisation/team that is impacting performance?







# INSIGHTS BY PROFESSION

- Accountancy and Finance skills
- Architecture, Construction, Engineering and Manufacturing skills
- Customer Service and Sales Assistance skills
- Human Resources skills
- ICT Profession skills
- Labourers skills
- Procurement and Logistics skills
- Sales and Marketing skills
- Technical and Trade skills
- General Managers and CEOs skills



# Accountancy and Finance skills

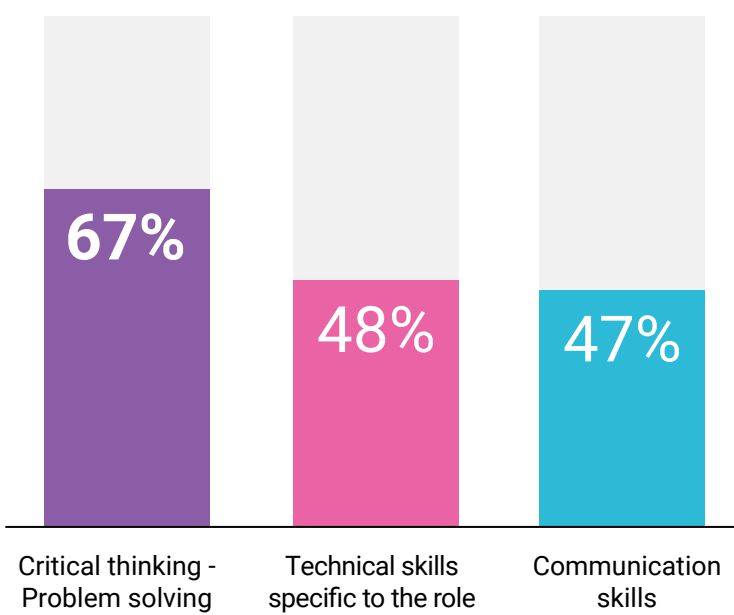
Technical skills and IT skills are on the agenda, but it is human skills that are most in demand within the world of accounting and finance.

## Current situation

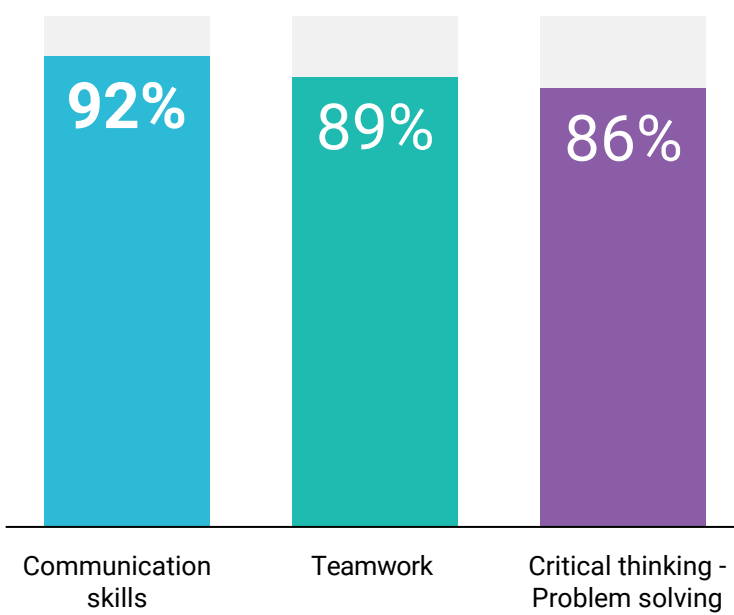
The accountancy and finance profession are reporting a skills gap which is very much indicative of the overall report average. Of those surveyed, 86 per cent are reporting a skills gap (against an overall average of 85 per cent), with 44 per cent reporting that the skills gaps are moderate or extreme (against an overall average of 46 per cent).

Of employees in the profession, 92 per cent believe they need to change their skills to be able to do their job, with 40 per cent saying that the change needed is significant.

The top three skills hiring managers are currently lacking



The top three skills professionals believe they need to improve



**SUMMARY** – The results in our survey for accountancy and finance were not a surprise as they very much mirrored the results of our CFO Viewpoint report [AU](#) | [NZ](#) – human skills are needed in the world of finance more than ever. On the part of both hiring managers and professionals that included communication skills and critical thinking or problem solving. Professionals also believed teamwork was lacking.

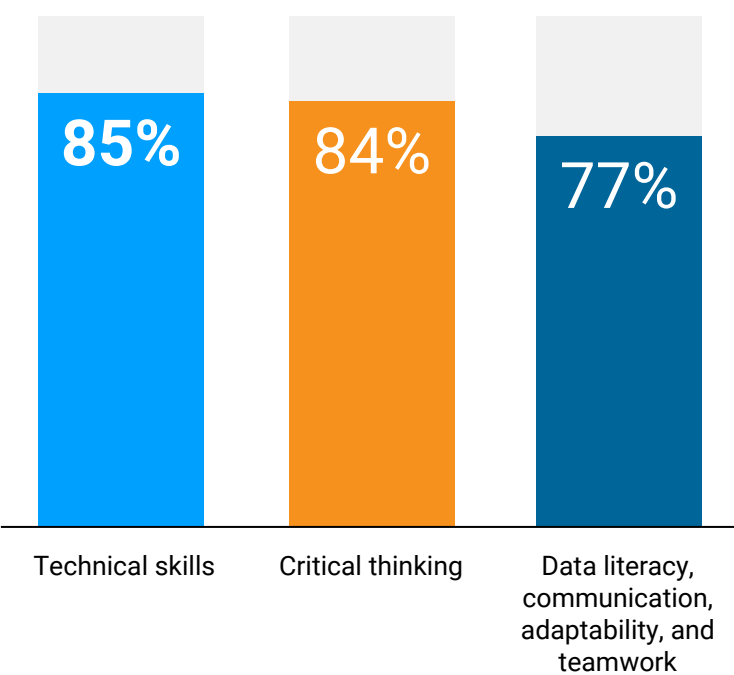
What is interesting is that employers highlighted technical skills specific to the job, when that has tended to be a given and not something thought to be lacking in this field of work. A warning perhaps to employees never to take their eye off the ball.

## Planning for the future

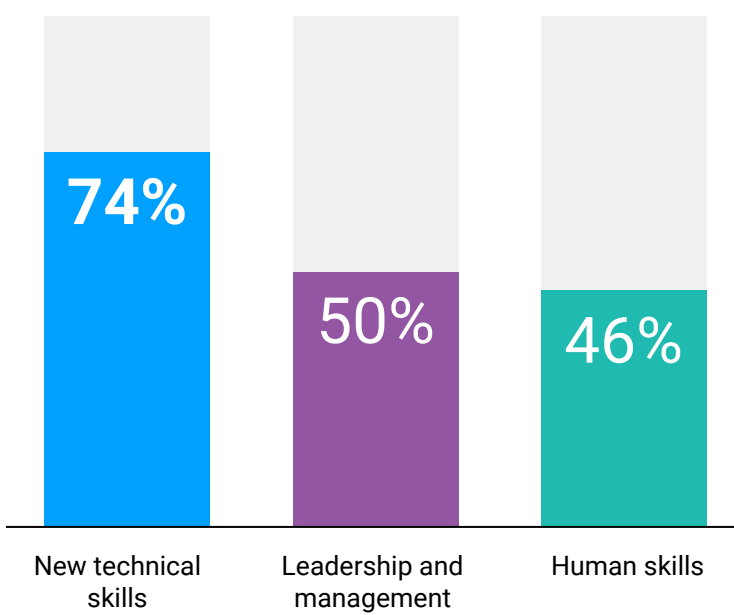
While a majority expect that this skills shortage will get better with time, almost a third believe it will worsen – although that remains low compared to other professions. Almost half, at 46 per cent, report that the development of skills (for example issues in upskilling and reskilling to fill gaps) is the biggest challenge in securing the skills that they need.

When planning for future talent needs, more than a third of organisations report that they work with a six to 12 month planning horizon, while 23 per cent report hiring on an as-needed basis.

The top three skills hiring managers highlight will be needed in future



The top three skills professionals believe they will need in future



**SUMMARY** – The difference between the skills identified by hiring managers and those who work in the profession is like no others seen in the survey. Putting hard technical skills as the most important shows that change is coming for the industry with several regulations likely to require extra knowledge. Human skills are to the fore, but there is a lack of clarity on which human skills those actually are, with a five-way tie for the third most important skill after critical thinking.

On the part of professionals, leadership and management are seen as being important, but seemingly there are a lot more skills to be refreshed before that becomes necessary.



## Strategies to secure skills

A vast majority of 90 per cent, do, or intend to, use upskilling of employees in their current roles as the key strategy to build the skills that they need. Whereas only 23 per cent of respondents intend to use offshore recruitment. This might be due to the nature of the role and the requirements for professionals to comply with complex local regulations.

Of the 87 per cent of hiring managers who have implemented skills-based hiring, 54 per cent found identifying/assessing the skills of candidates as the biggest barrier to success in using this method. This was followed by 51 per cent reporting that workplace integration was the main issue.

For those who have looked to skilled migration as a strategy to close the skills gap red tape, costs and length of time were all seen as moderate to significant difficulties to overcome.

**SUMMARY** — Like many other industries upskilling is overwhelmingly the favoured way within the world of accountancy and finance to attain the skills they are lacking. Despite some teething problems, skills-based hiring is also very common, but very few employers are using offshore hiring or the skilled migration scheme as they offer too many complications.

### Upskilling/reskilling strategies

To acquire the skills that are suffering from a scarcity gap, almost 70 per cent of professionals said it will be through self-directed learning, or structured learning at work. They also expect formal learning pathways paid for by the employer. When it comes to the upskilling methods used, in-house training (92%) and on-the-job training (87%) are by far the most common offered by accounting and finance organisations.

*A vast majority, 90 per cent, do, or intend to, use upskilling of employees in their current roles as the key strategy to build the skills that they need.*

These compare to the overall averages of 88 per cent and 91 per cent respectively. Mentoring is third on 80 per cent, with all other strategies following a long way behind. A majority, 75 per cent, said that the methods of training met their expectations.

As for satisfaction within the profession with methods used for learning and development, it was on-the-job training that most met requirements at 68 per cent, but external nationally-recognised training that most exceeded expectations at 13 per

cent – a relatively low percentage, but higher than other exceeded scores. Employees taking responsibility for their own training was the least popular, however, with more than one in five, 21 per cent, reporting the results were below expectations.

**SUMMARY** — Budget constraints are an issue for this profession with the majority leaning on internal measures for upskilling. But there is a high proportion of training done in a formal setting, which shows a commitment to structured development.





Tech impacts

Some 65 per cent of hiring managers have implemented new technology to help with productivity, although only 10 per cent have utilised it to a major extent. Of the technology that has been brought in, cloud-based collaborative tools have been by far the most common at 85 per cent. Generative AI is actually second with over half of organisations using it at 54 per cent, which is much higher than the overall average of 31 per cent.

Although from an employee point of view a majority (66 per cent) say they have not used generative AI at work. Of those that have, however, 68 per cent report a positive experience using AI at work, with those using it saying that it's helping them increase productivity and getting things done faster, therefore giving them the time to focus on more important work.

**SUMMARY** — It's interesting that the use of generative AI figures quite significantly in the accounting and finance profession, but that there is a difference between what employers and employees are reporting about how widespread it is. In accounting and finance more employers are claiming it is used than employees, which is the reverse position to most other professions. Either finance professionals are resistant to its use, or organisations are overestimating its usage.

Your skills roadmap

What next for hiring managers?

1. Learn how to embrace new systems and upskill your workforce on how to use them. Accounting and finance is often at the forefront of automation – from automating processes such as accounts payable, accounting systems when used correctly are very powerful. With the addition of PowerBI reporting tools, if you focus on embracing AI and automation, you'll be able to use your accounting team for even more valuable functions across the entire business.
2. Building succession plans into your teams has a huge impact on efficiencies, and business performance. With finance having greater impacts than just the finance function, commercial knowledge is kept inhouse when you are able to promote within, which affects the whole of the business.
3. Increasing investment in graduate programs will help with future talent shortages. This is particularly evident in public practice which is facing extreme talent shortages. With accountants often moving into non-accounting roles once qualified it's important to continue to invest in people entering the profession. [Graduate recruitment](#) needs a deeper understanding broader skills, experiences, motivations and cultural factors. This is an integral part of Hays assessment process to improve your chances of employing successful graduates or interns.

What's next for professionals?

1. Human skills, especially communication, are key. As automation is used more frequently within finance, being able to hold a financial conversation in a non-financial or technical way is really important. It's a key to success when engaging with and adding value to the broader business. Make sure you can have those conversations.
2. Learning how to maximise new technologies and existing systems is an ongoing but important challenge. With technology moving so quickly, learning how to maximise systems will help you with future employability, with organisations always seeking talent who have proven experience in delivering tangible outcomes and improvements.
3. Don't leave your professional development solely to your employer. Take the lead and proactively engage with professional associations and upskill on what appeals to you, not just what is statutorily required or outlined in your Continuing Professional Development (CDP). To help you stay ahead of the curve, we designed Hays Learning a central spot for all things upskilling, start learning today [AU](#) | [NZ](#).



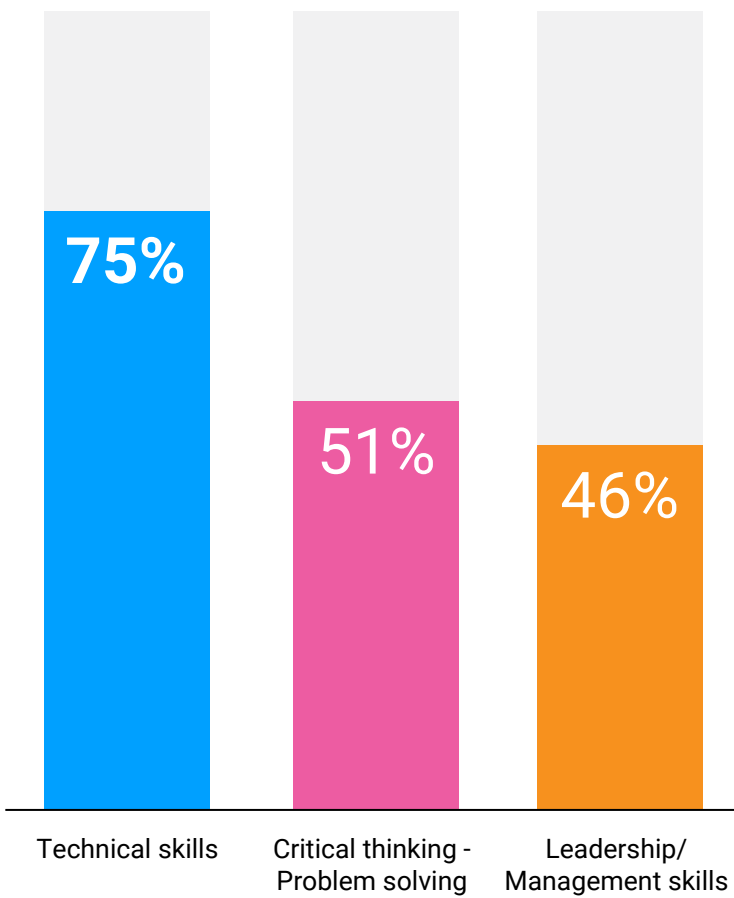
# Architecture, Construction, Engineering and Manufacturing skills

These are professions that buck some of the trends seen in the report, with formal education still playing an important role in people's development.

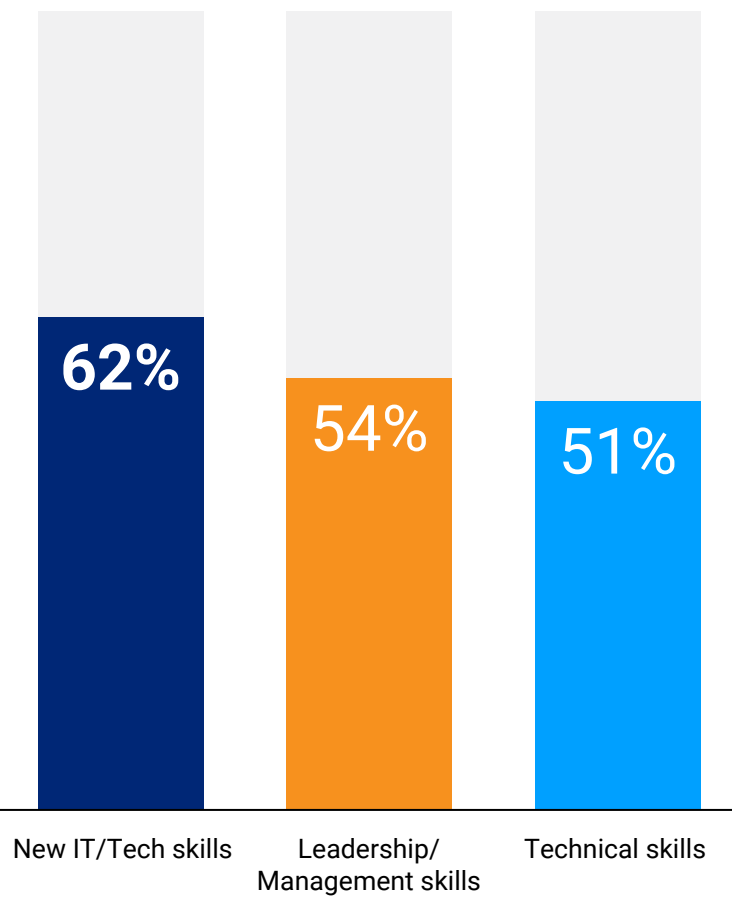
## Current situation

While 81 per cent of respondents to our survey are reporting a skills gap, which is just below the overall average of 85 per cent, 50 per cent of those respondents recorded that it is a moderate or extreme one, which is higher than the overall average of 46 per cent.

The top three skills hiring managers are currently lacking



The top three skills professionals believe they need to improve



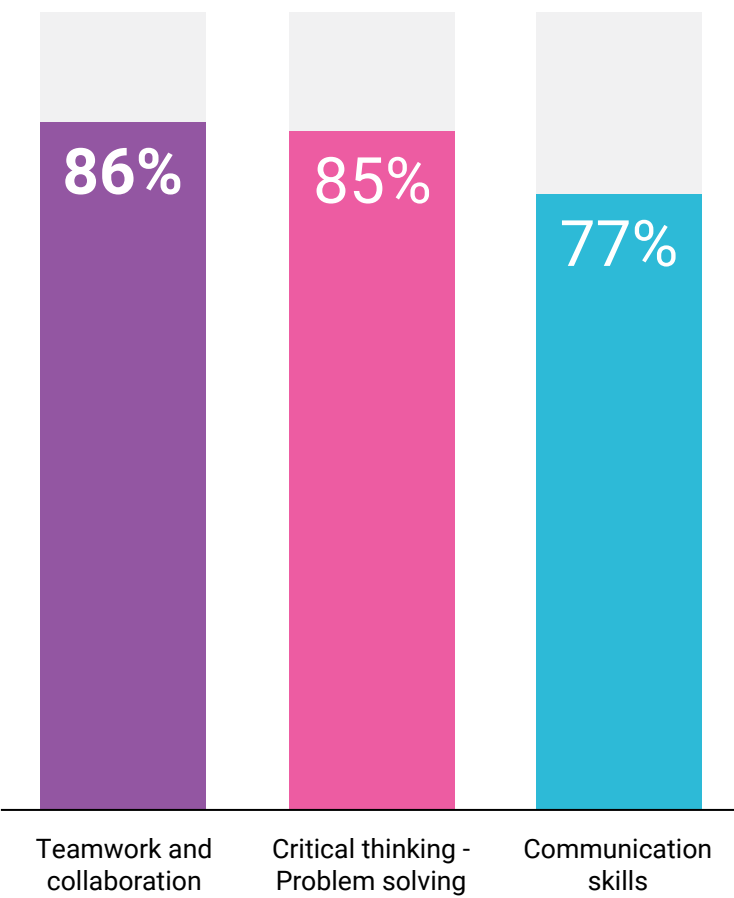
**SUMMARY** — There seems strong alignment between employers needs and employee understanding of the skills required, with specific technical skills and leadership and management skills both in the top three for both groups.

Where things differ is the similarity seen in many other industries with employees believing they need to step up their IT skills, but employers feeling that some human skills are lacking – in this case critical thinking and problem solving. Like many other industries there is perhaps a focus on technology that is leading to people being complacent about some of the more fundamental skills they require for their role.

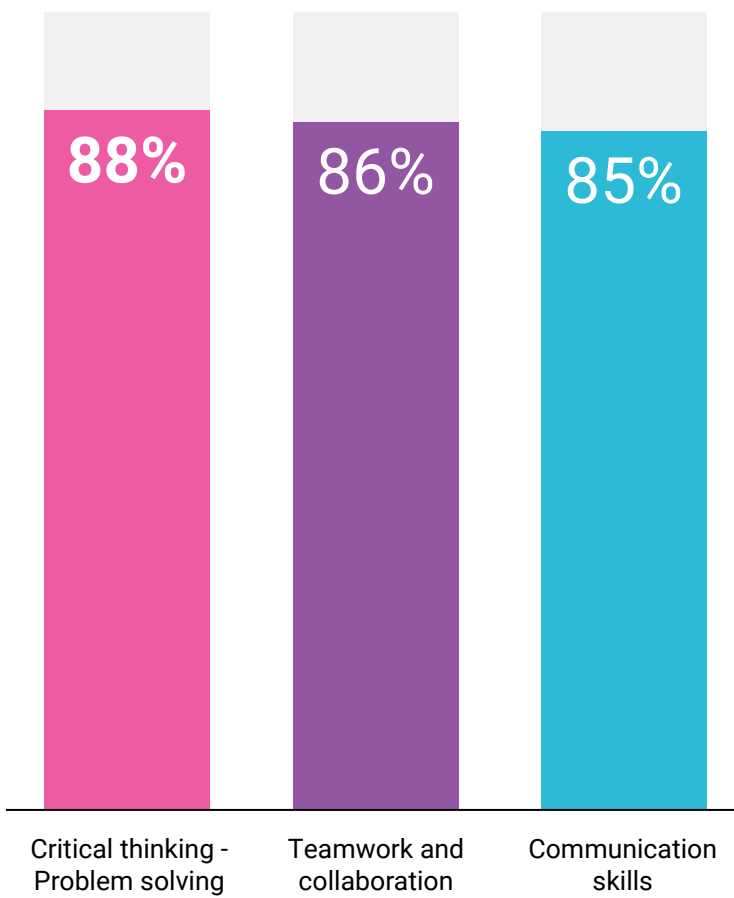
## Planning for the future

In the next five years, 60 per cent of hiring managers believe the gap will stay the same or get worse, exactly the overall average. The challenge they face in securing skills include, the scarcity of the skills (63%), the development of skills (53%) and sourcing the skills (51%).

The top three skills hiring managers highlight will be needed in future



The top three skills professionals believe they will need in future



**SUMMARY** — This is one of the strongest alignments seen across all the professions that were surveyed. Clearly all agree that human skills will be more important than ever, which is perhaps surprising given the structured and scientific nature of manufacturing, engineering and architecture. Despite the affects technology will have on those professions all parties agree that communication, critical thinking and teamwork are what will be needed going forward. This echoes the problem seen now and suggests that people think it will grow as an issue.



Strategies to secure skills

A survey-wide high of 95 per cent have used skills-based hiring to try to acquire the skills needed, with 92 per cent upskilling employees in their current roles, and 85 per cent reskilling of current employees into new roles.

Their biggest challenge in moving towards skills-based hiring is identifying/assessing the skills of candidates (52%) but 59 per cent reported that the outcomes met their expectations. Red tape and administration are the biggest challenge when using the skilled migration scheme.

**SUMMARY** — More than any other profession skills-based hiring has been utilised in acquiring the skills needed by organisations going forward, with very few respondents not using the method. Possibly the very specific skills needed for technical projects makes it a clearer process than for some other industries.

The lack of using skilled migration seems an opportunity for these professions, as numbers of overseas professionals have previously been high. As a result the levels of skilling and upskilling current workforces are very high.

**Upskilling/reskilling strategies**  
On the job training is the most favoured way to upskill and reskill with 94 per cent reporting that they do this, followed by in-house training and mentoring.

The biggest challenge in their training is budgetary constraints, but efforts to retrain either met or exceeded expectations (72%).

Technical skills will be obtained through self-directed learning (54%), or formal training paid for by the employer (52%). New IT/ Tech skills will be gained through self-directed learning (63%), as will leadership skills (50%) and human skills (52%).

*"Currently up to 60 per cent of hiring managers surveyed plan less than 12 months in advance."*

For 63 per cent these upskilling methods are positive and meeting expectations, but while nine per cent said they were exceeding expectations, twice as many said they were falling below expectations (18%).

Drilling down deeper into those scores, these professions differ from many of the others as formal education still plays a bigger role than most other professions. At 64 per cent formal education met expectations better than any other form of training. It also exceeded expectations more than any other at 11 per cent.

Unlike most of the other professions surveyed, in-house training and on-the-job training did not figure as strongly in terms of the numbers reported. Also, for those organisations that left training to employees to self direct fell the furthest below expectations at 33 per cent.



**SUMMARY** — For three in five, training methods are meeting expectations, for one in five they are falling below expected levels. Enough to warrant investigation.

These are very technical professions where learning and development are paramount, there may be a need to seek outside training support. Additionally,

internal L&D efforts need to align with planning horizons. Currently up to 60 per cent of hiring managers surveyed plan less than 12 months in advance.



60%

believe that the move to net zero will impact the future skills they will need.

Tech impacts

Of those surveyed, 52 per cent reported that they implemented new technology to increase productivity to offset skills gaps, with most reporting that they implemented project management software (63%) or cloud-based collaboration tools (43%). At 55 per cent, over half surveyed report that the technology installed met expectations.

Almost 40 per cent of employees have used generative AI at work, with 65 per cent reporting the experience to be positive, using it to speed up tedious job tasks and increasing productivity, however 67 per cent report that employer expectations for increased productivity was unrealistic, and they had been insufficiently trained in how to use it.

In addition, 60 per cent believe that the move to net zero will impact the future skills they will need, with 27 per cent reporting that the impact will be moderate.

**SUMMARY** — Project management software and collaboration tools are being used to increase productivity and should really be in place

for all organisations. There is also a need to increase training in generative AI, to better align organisational expectations and professional's skills set. While net zero is likely to have an effect on these professions.

Your skills roadmap

What's next for hiring managers?

1. The skills gap is not going to go away, so you need to get serious about addressing gaps and working on future planning. You can address these skills gaps with an [RPO](#) solution, to attract and engage the best talent.
2. Whether you plan on buying or building the skills that you need, consider the strategies that are working the hardest and delivering the most value.
3. Enhancing productivity with technology is an appealing solution to narrowing the skills gap, however your organisation needs to ensure there is adequate training for this to be a truly effective solution.

What's next for professionals?

1. There's a huge skills gap in your profession, well beyond what other industries are facing. By upskilling, and continuous learning you can take advantage of this. Hays Learning [AU | NZ](#) offers hundreds of free online courses so you can stay ahead.
2. The emphasis on human skills indicates that these are being left behind in the favour of technology and 'future' skills. You need to make sure you're not complacent in the area of human skills and upskill where deemed necessary.
3. On-the-job training and mentoring are valuable and cost effective ways to keep evolving your skills set, but don't wait for your boss to set this up, seek these opportunities proactively.



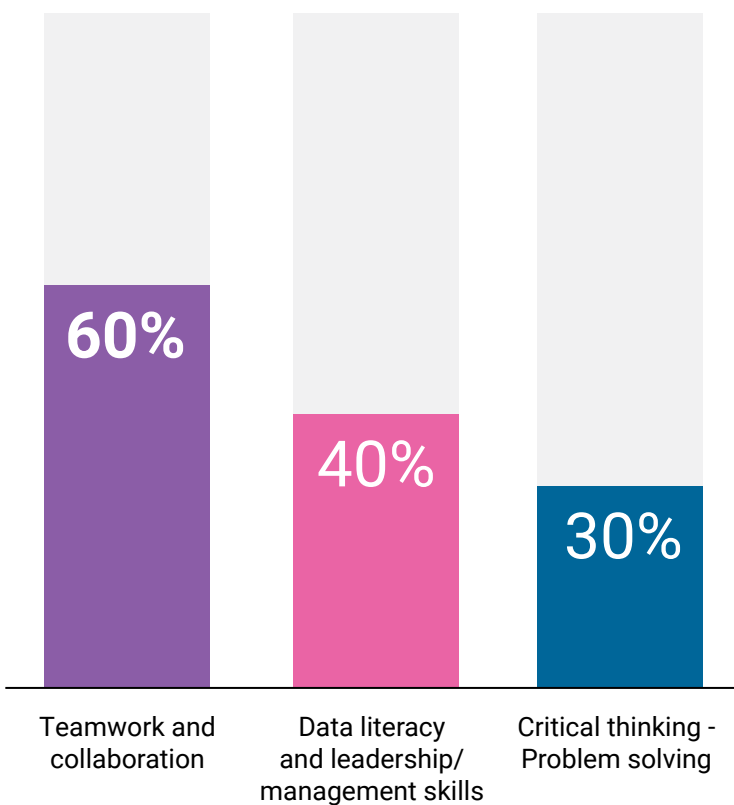
# Customer Service and Sales Assistance skills

Experiencing less of a skills gap than others, and benefitting from internal training, the profession is in a good place, but still has room for growth.

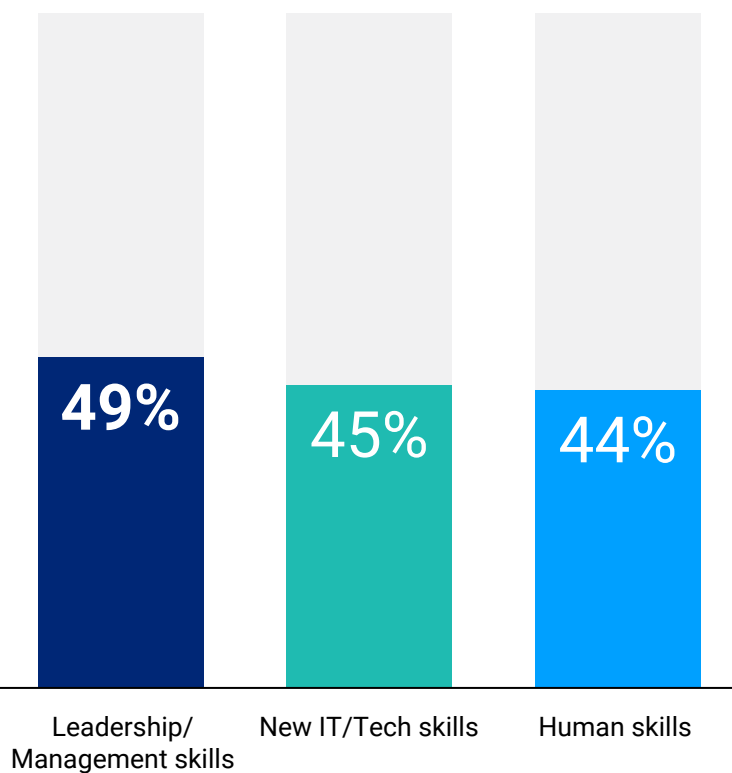
## Current situation

Some 80 per cent of respondents to our survey report a skills gap, which is below the overall average of 85 per cent. In addition, a third reported that the gap is moderate or extreme, which is almost half the overall average of 60 per cent. Despite these relatively low figures, 84 per cent of professionals in the sector believe the skills they need to carry out their current roles need to change.

The top three skills hiring managers are currently lacking



The top three skills professionals believe they need to improve

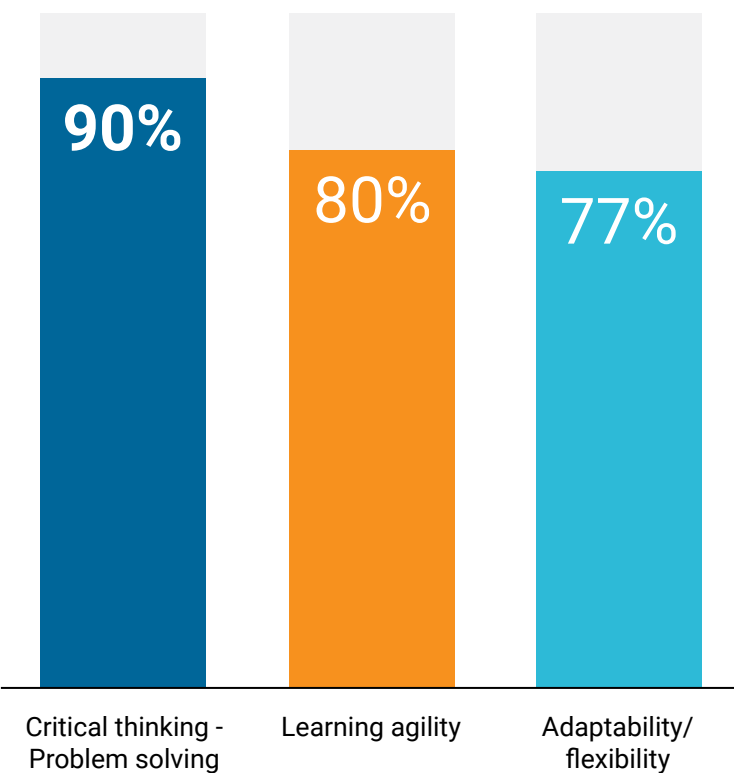


**SUMMARY** — This discrepancy of opinions on which skills are most needed between hiring managers and professionals is one of the widest seen across all professions reported on here. There is agreement on both sides that leadership and management skills will be needed in the future state, but there is a lack of alignment on other skills expectations.

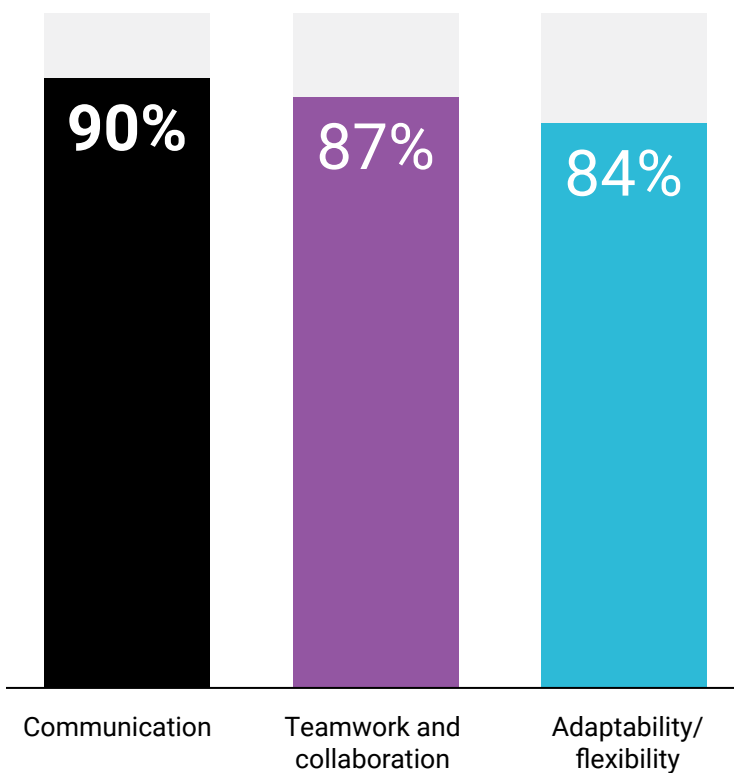
## Planning for the future

The survey found that 47 per cent believe the skills gap will stay the same or worsen over the next five years, which again is below the national average of 60 per cent. The main challenge they face in securing the skills they need is developing the skills (60%), followed by sourcing the skills they need and the team’s ability to act quickly to meet the skills required (both 47%).

The top three skills hiring managers highlight will be needed in future



The top three skills professionals believe they will need in future



**SUMMARY** — There seems to be less anxiety around future skills gaps for customer service and sales assistance roles, perhaps because it’s a profession that requires fewer specific technical skills than others covered in this survey, and those skills can be developed relatively quickly.

There is very much a need for human skills for people working in the sector though, and that seems the area that both employers and employees think need developing further – although they differ in exactly how that plays out. Both agree that adaptability and flexibility will be needed going forward as the profession continues to evolve.



Strategies to secure skills

To gain the new skills that respondents need, they will look towards reskilling current employees (90%), skills-based hiring (77%) and interstate recruitment (73%).

The respondents feel confident that they can adapt to the evolving skills requirements, with 94 per cent reporting they feel moderately or highly confident and 81 per cent reporting that they would feel positively towards any employer offering learning and development programs.

When respondents look to skills-based hiring, the biggest challenge they face in implementing this strategy is the complexity and time in redefining roles. This was 58 per cent, followed by 53 per cent who struggled with the time and cost in training hiring managers and finally the time and cost involved in developing proper assessment tools. Even so, 95 per

cent of respondents report that their efforts met or exceeded their expectations.

**SUMMARY** – Of all the industries surveyed, customer service and sales assistance hiring managers have had the most success with skills-based hiring; at 95 per cent, almost everyone has had their expectations met or exceeded. If organisations aren't yet using it, then they should get on board.

In terms of reskilling, hiring managers and professionals are on the same page, with 90 per cent of employers looking to reskill, and 94 per cent of professionals confident they can adapt as a result.

**Upskilling/reskilling strategies**  
When looking to build skills through upskilling or reskilling employees, 81 per cent report using on-the-job training, with 71 per cent using in-house

training. However, 62 per cent cite budgetary constraints as the biggest challenge followed by 57 per cent reporting that the quality or relevance of training on offer is a challenge. Despite these challenges, 86 per cent report the outcomes of their efforts met or exceeded their expectations.

To acquire any new technical, leadership/management or IT/tech skills they might need, professionals believe they need structured on-the-job training to

achieve these whereas soft skills will be attained through self-directed learning method.

On-the-job training at 81 per cent, in-house training at 71 per cent and mentoring at 67 per cent are the most used methods for reskilling and upskilling team members, but external nationally recognised training was not far behind on 57 per cent.

Over 87 per cent said that these methods either met or exceeded

their expectations, with one in five saying that it delivered better outcomes than they expected.

When you get deeper into the data, on-the-job training most met expectations at 77 per cent whereas formal education was seen as the form of learning and development that least delivered on expectations, with 13 per cent saying it was below expectations. Interestingly mentoring exceeded expectations at 21 per cent.

**SUMMARY** – Customer service and sales assistance is a profession that very much reskills from within but does look to nationally-recognised external training in a fairly large volume when needed. Also, as a role that can often be completed remotely, managers who can find ways to bring their team together in person could benefit positively from the natural sharing of knowledge which follows when people work together in teams.





Tech impacts

To offset skills gaps, 77 per cent have looked to new technologies to increase productivity, mostly through data analytics tools and almost everyone who did found it met or exceeded their expectations (96%).

Only 21 per cent report using AI in their current work, however of those that do, 74 per cent report a positive experience. Increased productivity and less time spent on tedious tasks are the two main benefits of using generative AI.

**SUMMARY** – More than any other industry surveyed, data analytics shone through as the number one tool being used – this further highlights that data literacy was the second biggest skill they found lacking in the current talent network. Interestingly, generative AI has not seemingly had a large impact on the industry to date, but where it has the employees have had a satisfying experience.

21%

report using AI in their current work, however of those who do, 74 per cent report a positive experience.

Your skills roadmap

What next for hiring managers?

1. Plan how to design training programs to reskill your current workforce, in a way which suits the skills they require – often as a result of AI and Technology. Resources such as Hays Thrive [AU](#) | [NZ](#) offers thousands of online courses.
2. Seek out the right assessment tools to help streamline your recruitment processes. This will help to identify new talent coming into the workforce with the right skills needed for the future.
3. Consider expanding your talent search criteria beyond standard customer service and sales backgrounds, to other industries, to attract the human skills required such as excellent communication, flexibility, adaptability, learning agility and problem solving.

What's next for professionals?

1. Focus on how to develop your management and leadership skills. This was highlighted as being high on the list of skills hiring managers required. Get on the front foot and put yourself ahead of the competition. Take control of your learning by looking for opportunities for self-directed learning to upskill in leadership and management, don't just wait for employers to offer this. Resources such as Hays Learning [AU](#) | [NZ](#) offers thousands of online courses.
2. With the results showing that AI and technology improvements have produced positive results for the sector, and with both adaptability and flexibility being listed in the top three skills needed, it is very important that you focus on developing these skills. The world of work is only going to continue to progress in this space and learning these skills now will put you a step ahead. Develop a mindset of continuous improvement for a successful career.
3. If you are looking to update your resume, be very considerate in how you can showcase your skills in communication, flexibility, adaptability, learning agility and problem solving. For more tips and tricks when writing your resume, check out our guides for [AU](#) | [NZ](#).



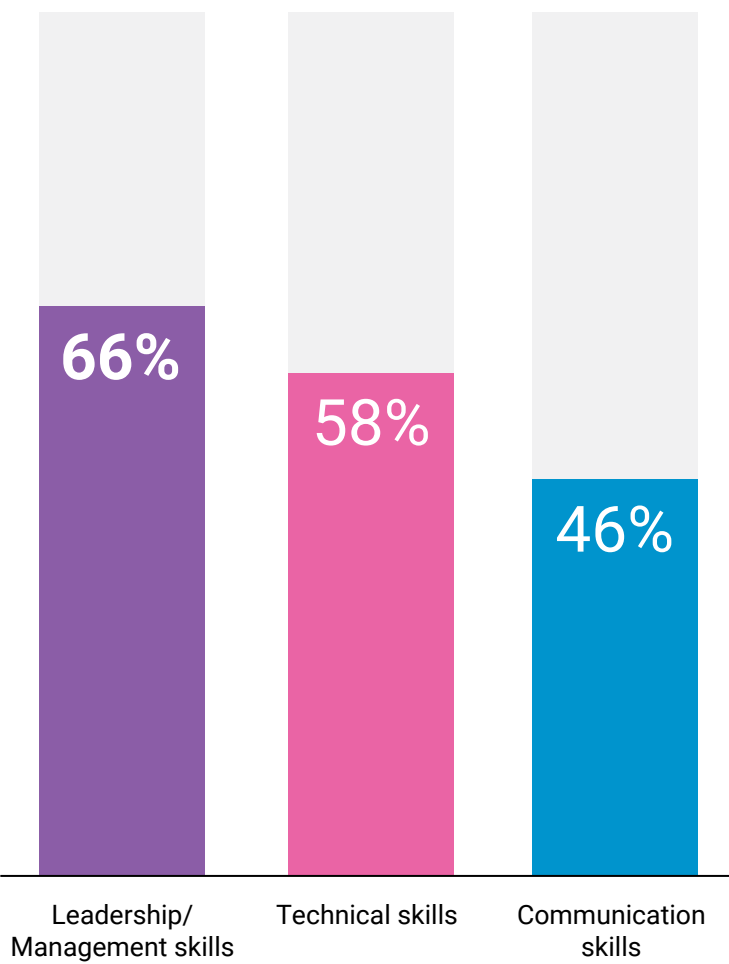
# Human Resources skills

Human skills are needed for human resources professionals far more than new technology, and training methods tend to land on the profession's own doorstep.

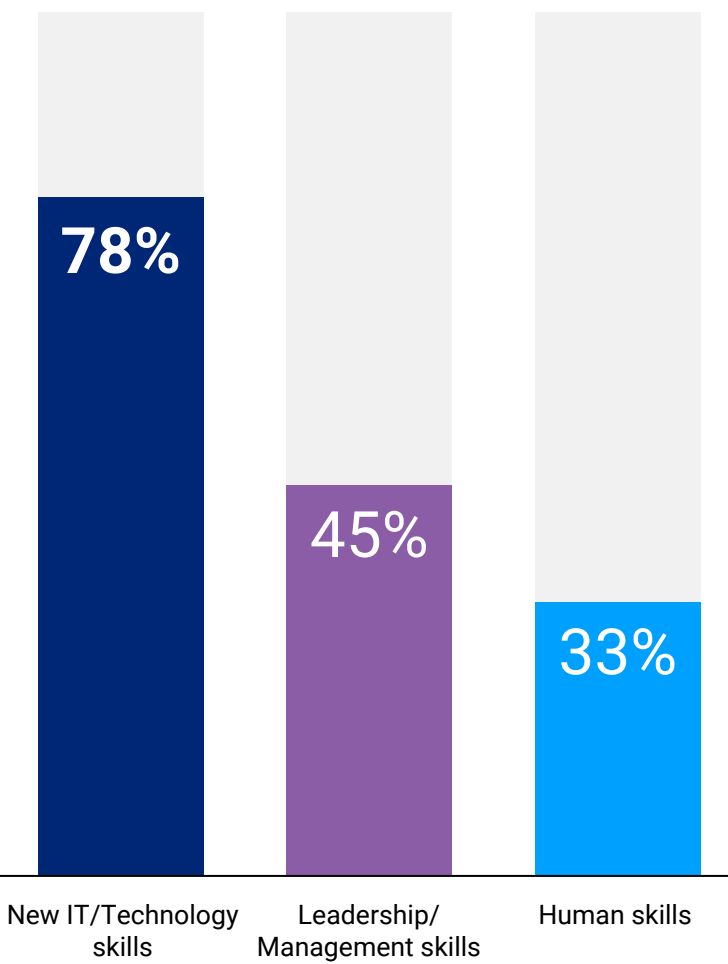
## Current situation

In our survey 88 per cent of HR hiring managers are reporting a skills-gap, as compared to the overall average of 85 percent, with 47 per cent reporting that the gap is moderate or extreme, compared to the overall average of 46 per cent.

The top three skills hiring managers are currently lacking



The top three skills professionals believe they need to improve



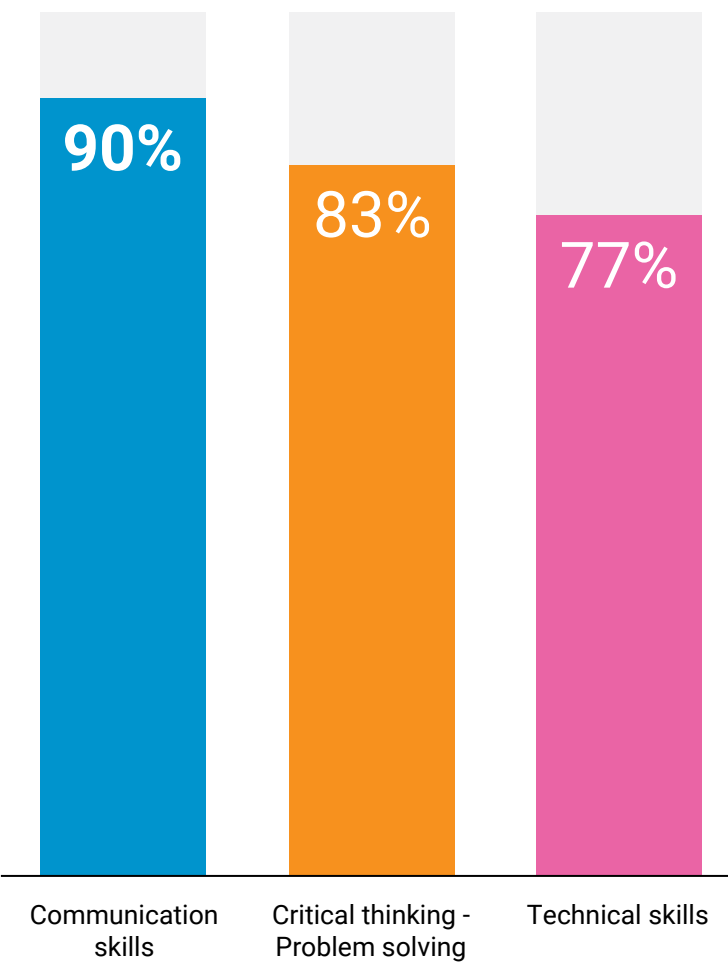
**SUMMARY** — As you would expect, there is largely alignment here, with hiring managers and professionals very close to the jobs market and what is required from people. While leadership and management skills are at the top for both, and communication is also considered a human skill, hiring mangers consider that technical skills are lacking in the HR profession, whereas professionals believe that new IT and technology skills are most needed.

Interestingly communication and teamwork don’t register as highly as in other industries, suggesting these skills are already well established in the majority of people who work within the human resources profession.

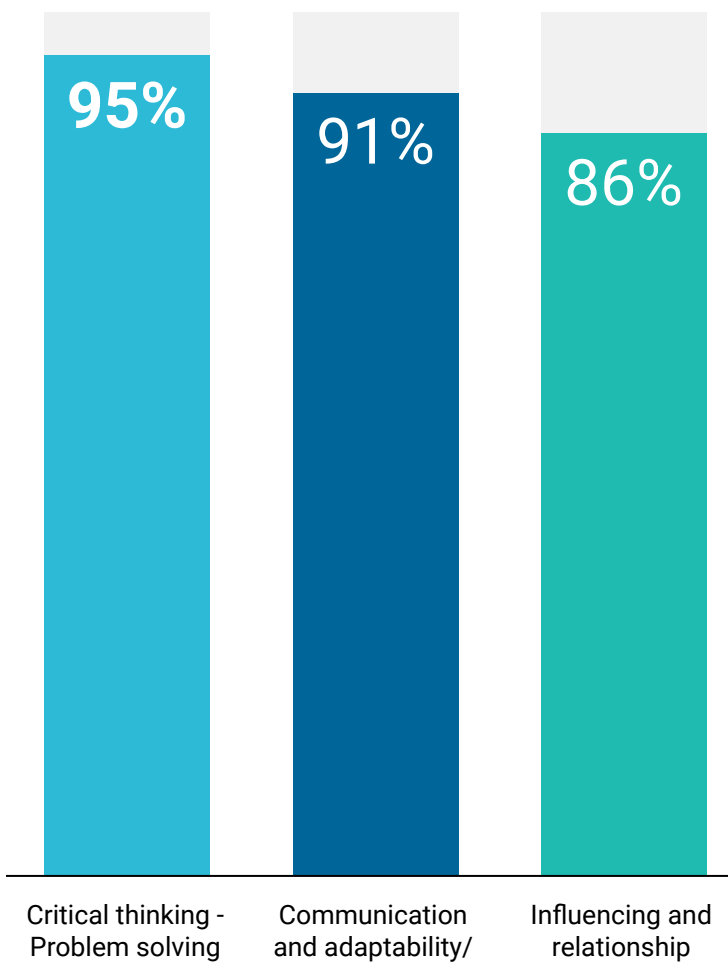
## Planning for the future

In the next five years, 61 per cent believe that the skills gaps will stay the same or worsen, which is on par with the overall average with 58 per cent believing that scarcity of skills is the main reason for the skills shortage and sourcing the skills coming in second at 43 per cent.

The top three skills hiring managers highlight will be needed in future



The top three skills professionals believe they will need in future



**SUMMARY** — Again there is alignment between organisations and professionals on what skills will be required in the future, and the fact these are different to the skills people believe are required right now shows that the industry is very much in tune with where it is heading. Communication, critical thinking and problem solving are all to the fore – human skills that will become even more necessary as technology expands.

Where things differ is that organisations believe more technical skills will be needed to do the job, whereas professionals believe relationship building will be more important. This may be because HR professionals can see their remit expanding.



96%

of hiring managers will rely on upskilling employees in their current roles to get the skills they need.

### Strategies to secure skills

To secure the skills that they need, 96 per cent of hiring managers report that they will rely on upskilling employees in their current roles, 89 per cent will aim to reskill employees into new roles and 88 per cent will adopt skills-based hiring methods.

Of those who have, or intend to, implement skills-based hiring (88%), nearly half report the time/cost in training hiring managers as a challenge to implement this strategy, and 46 per cent report identifying and assessing the skills of the candidates as a challenge but 70 per cent report that the outcomes of their skills-based hiring met expectations.

The employees felt confident in adapting to a skills-based hiring strategy with 92 per cent feeling moderately or highly confident that they will be able to provide evidence for the skills presented, 90 per cent felt confident that they

understood the skill set sought by hiring managers and 88 per cent felt they could write a resume that was skills based.

When using the skilled migration scheme to bring in the skills that are needed, most (74%) report the length of time it takes to hire this way as the biggest challenge, with costs coming in second (70%). And 68 per cent believed that the results met their requirements, however 17 per cent reported that the outcomes achieved were below expectations.

**SUMMARY** — Again as you'd expect from the department at the heart of training and recruitment there are very high percentages in terms of methods used for improving or bringing in new skills, and the confidence in using them. Right across the board percentages were higher than other industries, although when it came to the skilled migration

scheme, HR professionals meet the same challenges as others – costs and length of time casting a shadow over the overall process.

### Upskilling/reskilling strategies

To build the skills that they need respondents used on-the-job training (94%) and in-house training (91%) as key strategies, however mentoring and external training came in third and fourth.

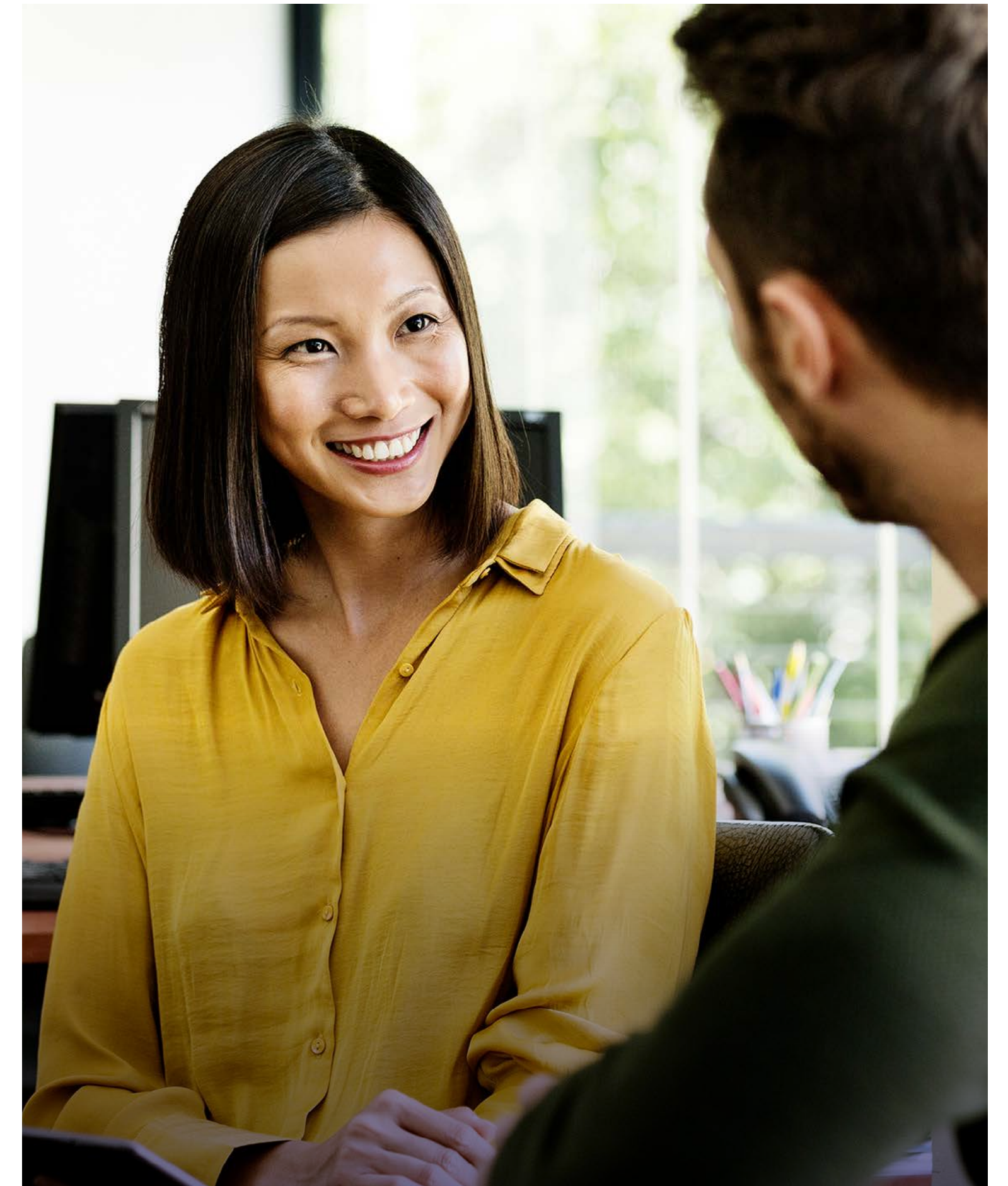
While much of the training is being done informally and by the business, the biggest challenge hiring managers reported in implementing an upskilling/reskilling initiative was budgetary constraints with more than half saying this was their major challenge to varying training.

At 94 per cent on-the-job training within HR departments means it is pretty much standard across the board as the preferred method, followed by in-house training

which at 91 per cent is also used in nine out of 10 instances. At 75 per cent mentoring is common, but not quite as prevalent as some other professions.

For most organisations these methods met expectations at 70 per cent, but there was a tiny percentage for whom it exceeded, with less than five per cent. Another 13 per cent said it fell below expectations, while 12 per cent said it was too early to tell how effective the training was.

Looking at the numbers in more detail, mentoring is the method that most met the expectations of HR professionals with 71 per cent, but formal education was actually the method that most exceeded expectations at 7.3 per cent. The method that was least effective was when employees looked after their own training, with 19 per cent saying outcomes achieved were below expectations.



**SUMMARY** — HR is a profession that very much reskills from within but does look to nationally-recognised external training sometimes. Budgetary constraints are often a barrier to doing more external training, with

organisations likely to believe that of all departments, HR should be capable of their own training. When external training was used however it exceeded expectations among the small numbers who took part.



90%

of professionals felt confident that they understood the skill set sought by hiring managers.

Tech impacts

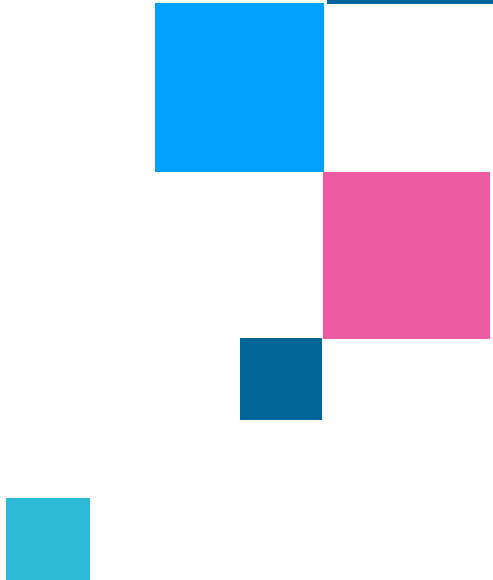
The benefits that new technology could offer in so far as offsetting any skills gaps by increasing productivity through new technology is done to a minor extent by 46 per cent of respondents. More than half are using cloud-based collaborative tools and generative AI, while data analytics rounds out the top three. And more than half reported that

the use of new technologies met their expectations in addressing the skills gap.

While many employees report that they aren't using AI at work yet, with just 26 per cent saying that they are using it, almost 30 per cent rate their experience as positive, with 13 per cent reporting that it's been highly positive. For

the most part it's allowing them to increase their productivity and spend less time on tedious tasks with 36 per cent saying that it's easier to get started on projects as they aren't starting with a blank sheet. As is the case with many professions that we surveyed, it's very possible that HR professionals are using generative AI on their own initiative.

**SUMMARY** — Technology solutions don't seem to have become as widespread in HR as in other industries and maybe the very fact that it's human resources would further cement the implicit message that human skills remain most in demand. Where technology has been used though, it's been positive and has reduced monotonous tasks.



Your skills roadmap

What next for hiring managers?

- 1. Hiring processes will need to be based on capability and competencies rather than qualification and existing ability, this will also offer greater flexibility to include newly migrated talent. Make sure you utilise AI tools to assist, or consider an [RPO](#) to access to the skills you need.
- 2. Continued investment will be required in learning and development to ensure engagement and retention. Ensure cost effective learning such as mentorship and on-the-job training is also deployed with some effectiveness, to help combat diminishing budgets.
- 3. Look to create [new career pathways](#) with a focus on upskilling to attract talent. Ensure that talent you want to attract can see you offer a clear progression and have the leadership training they need to reach their potential.

What's next for professionals?

- 1. Invest in researching roles of interest and the key competencies required to demonstrate how existing abilities align with them. This includes internal position descriptions.
- 2. Take accountability for your own learning including self-learning, both in and out of work. To help you get ahead of the curve, we designed Hays Learning [AU](#) | [NZ](#), our central spot for all things upskilling, giving you free, access to hundreds of courses to develop new skills.
- 3. Communicate effectively and ensure that performance reviews are properly utilised to highlight your motivations and areas of interest.



# ICT Profession skills

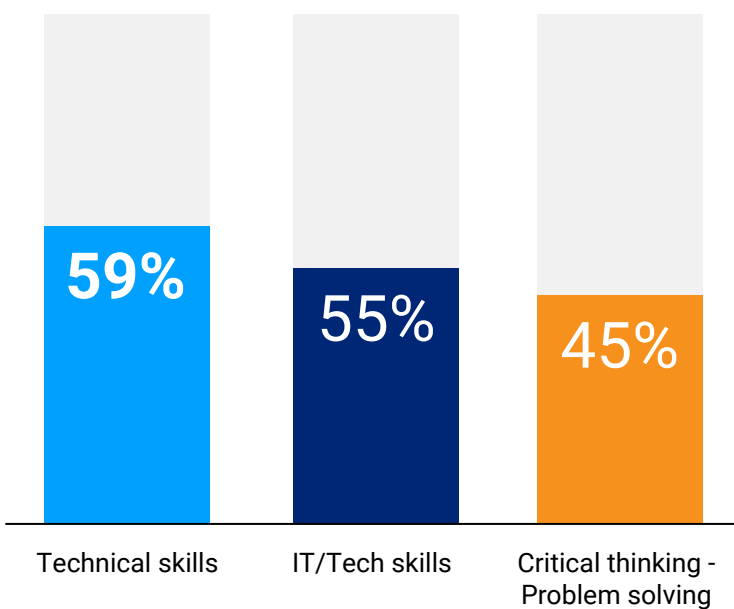
While the skills gap is largely in line with the overall average it is expected to get worse, and formal education is falling well below expectations in the profession.

## Current situation

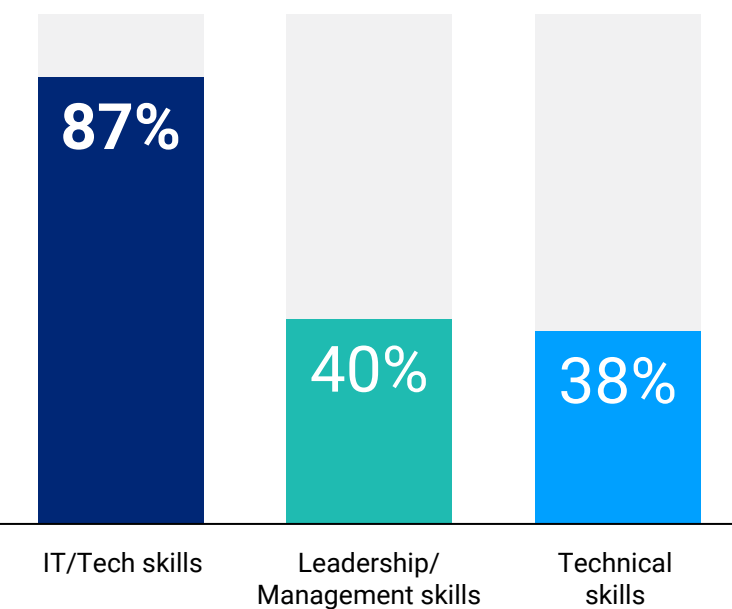
86 per cent of ICT professionals reported a skills gap, which is very much in line with the overall average of 85 per cent. Almost half rated the gap as moderate or extreme, which again compares almost identically to the overall average of 46 per cent.

ICT professionals are among the highest when it comes to expectations on new skills they need to aquire, with 93 per cent saying that they need to learn new skills, and 51 per cent citing that this change is a significant to major one.

The top three skills hiring managers are currently lacking



The top three skills professionals believe they need to improve



**SUMMARY** — Not surprisingly in this sector, tech skills feature highly in terms of what both organisations and professionals believe they need. While there are differing levels on importance, all agree that technical skills and IT skills are high on the agenda. Where things differ is in terms of human skills.

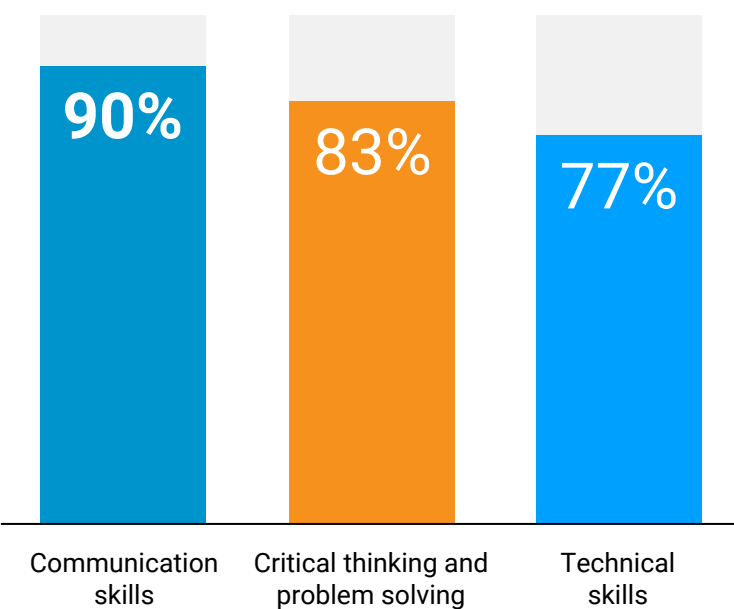
Hiring managers believe that critical thinking and problem solving is required, professionals believe they need leadership and management training. This may simply mean that individuals feel they are more ready for progression than the hiring managers they work with believe.

## Planning for the future

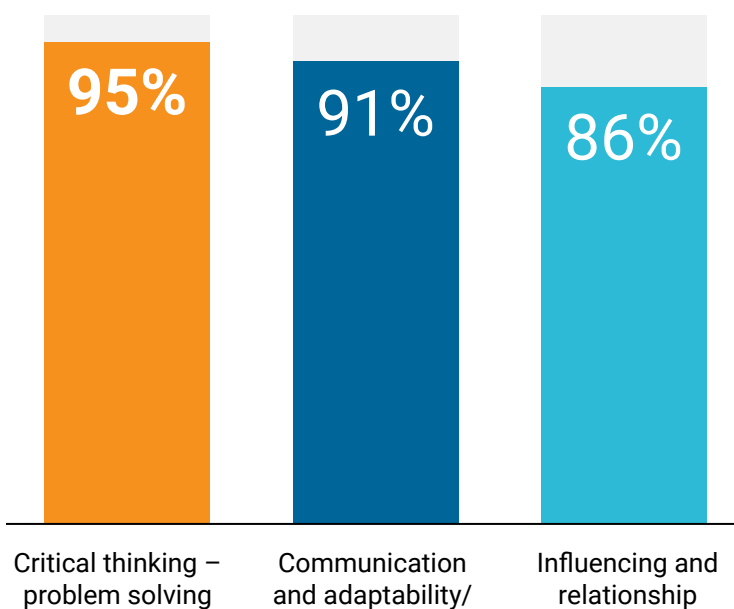
The future isn't looking too bright with 65 per cent reporting that in the next five years, the skills gap will either stay to same or worsen.

The biggest challenge for professionals in closing this skills gap is that there is a shortage of candidates with the skills required (45%), followed by the ability to act quickly to meet skills required (41%). The planning horizon is shorter than many industries: up to six months (30%); or conversely much longer – 12 months to under three years (30%), with hiring on an immediate basis at only 10 per cent of the respondents.

The top three skills hiring managers highlight will be needed in future



The top three skills professionals believe they will need in future



**SUMMARY** — The long and short planning horizons are interesting, and this is probably down to the maturity of the temporary and contract market for IT professionals. The ability to find professionals for specific projects is understood and happens regularly. But for more senior positions there is a need to plan further in advance in what can be a competitive permanent market.

As for the skills that will be required in the future, there seems to be a dialling back of the technical skills and far more focus on the human skills of communication, critical thinking and problem solving. There seems to be a sense that these will be even more important in the future.



Strategies to secure skills

In order to secure the skills and talent they need, professionals in ICT relied on, skills-based hiring (90%), upskilling employees in their current roles (89%) and reskilling current employees into new roles (77%).

For those who implemented skills-based hiring, the biggest challenge lies in the complexities and time needed to redefine roles and processes to effectively use this method (54%) with being able to effectively identify and assess the skills of the candidate also causing some concern (49%). While 61 per cent rated the outcome of their skills-based hiring as positive, more than one in five said it was below expectations.

When hiring under the skilled migration scheme, 77 per cent said that the red tape/administration of this approach was a challenge, while 69 per

cent said it took too long. When asked to rate the outcomes of skilled migration, the results are more evenly spilt, with 31 per cent saying it was below expectations, 39 per cent saying it met expectations and 23 per cent saying it exceeded their expectations.

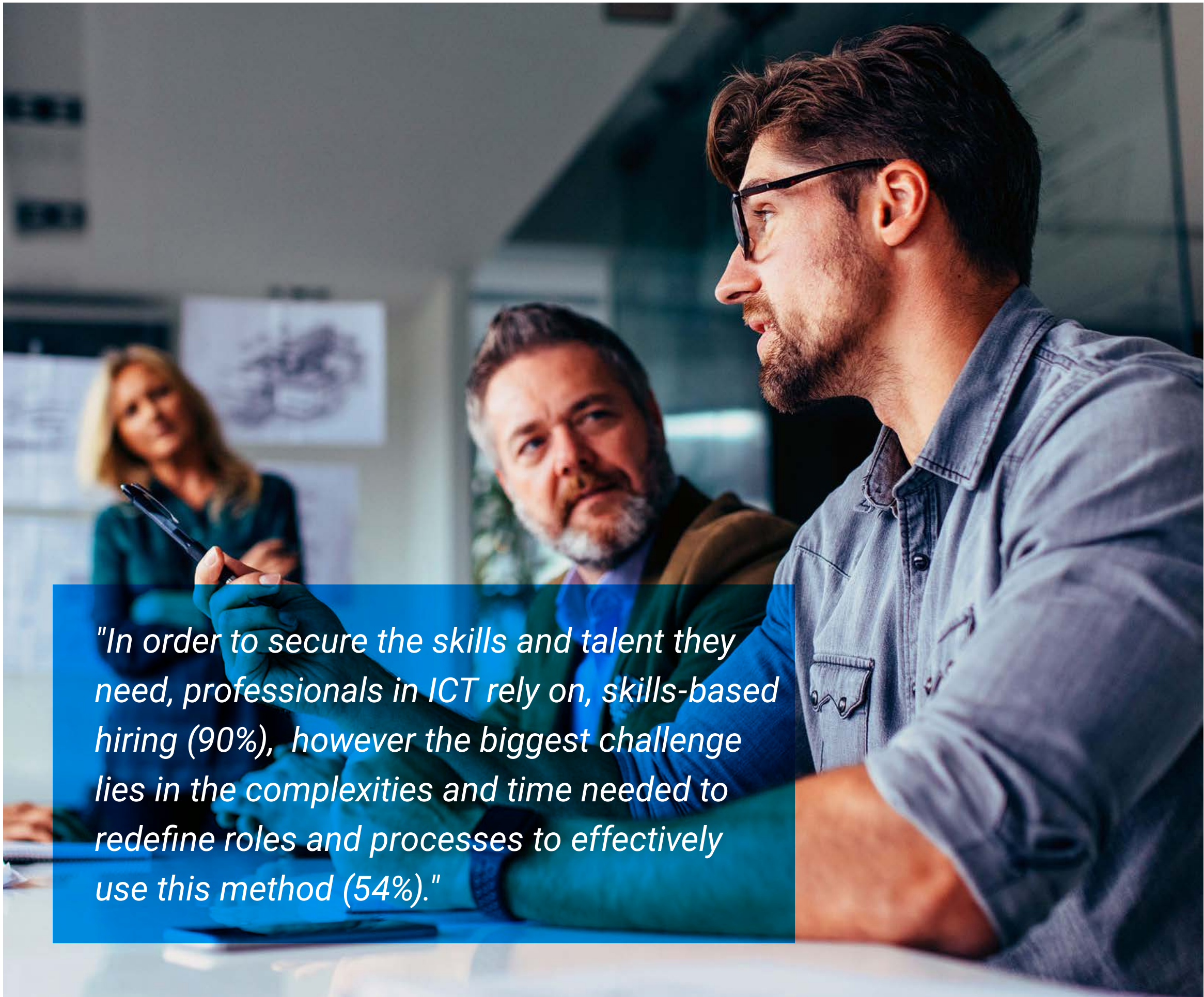
**SUMMARY** — Skills-based hiring rated extremely highly in the IT sector when compared with other industries, with 90 per cent of employers having used it. This is expected as very specific skills are required for projects, making the process easier. The same was seen with manufacturing and engineering.

The fact that the skilled migration scheme is not being utilised widely would seem a huge opportunity given the number of overseas workers previously seen in the sector. Again this is similar to engineering and manufacturing.

Upskilling/reskilling strategies

When looking for strategies to try to help close the skills gaps through upskilling and reskilling, ICT professionals used on-the-job training (90%), mentoring (86%) and in-house training (83%), with formal education being deployed the least at 14 per cent. Many responded that vendor or partner accredited training was also of use in training their teams. While budgetary constraints were the biggest hurdle to implementing learning initiatives, the good news is that in-house training, mentoring and on-the-job training were the most effective in delivering outcomes, with employee self-directed learning offering the worst outcomes.

In terms of what methods in particular that points to, formal education fell the most below expectations at 40 per cent – one of the survey's largest. In-house training most met expectations,



*"In order to secure the skills and talent they need, professionals in ICT rely on, skills-based hiring (90%), however the biggest challenge lies in the complexities and time needed to redefine roles and processes to effectively use this method (54%)."*

although at 58 per cent it wasn't an overwhelmingly high score. External nationally recognised qualifications most exceeded expectations at 13 per cent.

**SUMMARY** — Methods of training might need a closer look. When one in four believe training is below expectations, alarm bells should ring. Given the fact that it is such a cutting-edge area,

a reliance on internal training may need further investigation. The fact that formal education is falling below expectations is a surprise, but perhaps it cannot keep pace with technologies.



Tech impacts

Surprisingly for this profession, almost a half have sought to increase productivity through the implementation of new technology to a minor extent, with 27 per cent reporting they haven't done this at all. However more than half (57%) report that the introduction of new tech has met their expectations.

A number of technologies have been introduced not surprisingly with generative AI being added by 60 per cent of organisations. Perhaps relatively low given the profession.

What is surprising is that less than half of respondents said they had used AI in their role. Of those that did, exactly 80 per cent said they had a positive experience.

**SUMMARY** – The low levels of technology that seem to have been adopted by the ICT professions seems very strange – especially the level of generative AI that employees appear to not be using. Perhaps there is a blurring of lines in terms of what is actually seen as above-the-line technology verses business-as-usual technology.

93%

of ICT professionals believe they will need to acquire new skills – the highest out of all professions.

Your skills roadmap

What next for hiring managers?

1. Skills-based hiring will continue to be an important strategy and using it across shorter timeframes will be crucial. Skills migration and the use of overseas talent also has huge potential. Consider ways you can speed up your recruitment in a way that focusses on skills. Temporary or contract hires can unlock highly skilled talent, fast. Hays temporary and contract recruitment services could be an ideal solution for your needs [AU](#) | [NZ](#).
2. Human skills such as critical thinking and communication are going to be even more important for your workforce, so how can you start embedding these skills in your teams now? Plan your learning and development programs around the skills that are most needed and create a structure pathway to ensure each team member is taken along for the journey.
3. The fact that AI is still not being taken up by ICT professionals is interesting to note. While many are still at the very beginning of their AI journey, those who haven't even started will be left behind. Encourage it's use at all levels of your organisation, if even just to speed up basic tasks. When given permission to try, most will begin to embrace and experiment with the technology and find ways that it can work for them.

What's next for professionals?

1. Identify the technical skills you feel you need to further your career and start to close your knowledge gap. Waiting to start until the perfect course or teacher comes along just delays your development. Start somewhere small, such as an online course or podcasts, and build from there. Hays Learning [AU](#) | [NZ](#), our central spot for all things upskilling, giving you free, access to thousands of new skills.
2. Generative AI is not going away any time soon, so start to get familiar with it. Experiment with your choice of model, asking questions, asking it to write small articles or reports, or writing and checking code. Once you start to discover it's benefits, you can apply to tasks within your role.
3. With upskilling through formal training seen as more valuable than self-directed learning – how can you stay ahead of the curve? In the ICT profession there are so many formal ways you can increase your skills, without having to pay. Many organisations (think Google, AWS, Microsoft) offer free certifications and learning courses, and fee-free TAFE also covers many courses that could be beneficial to your role. Don't just think coding or development – what about a communications course? Think outside the technical skills your role does, or could, require.



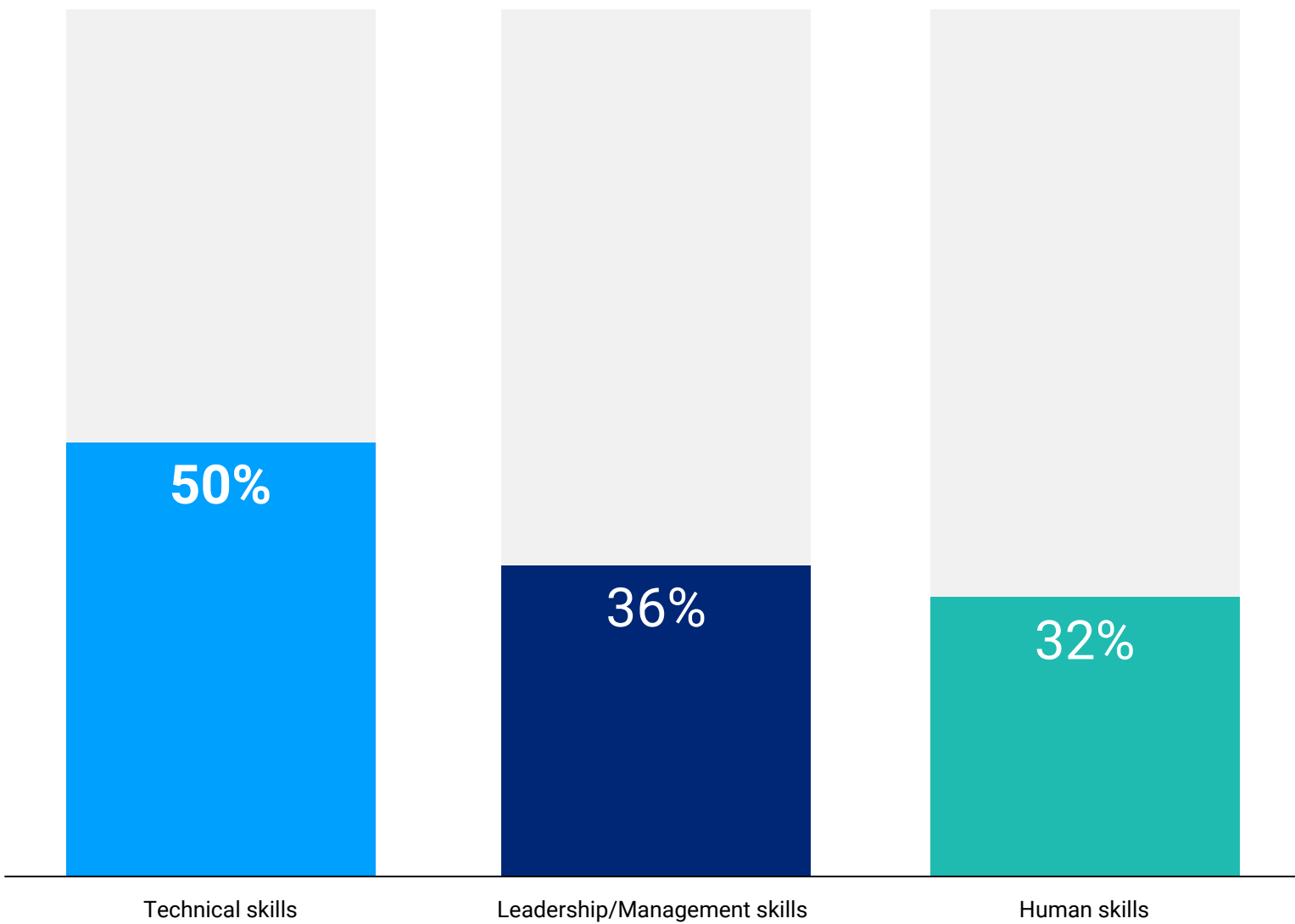
# Labourers skills

In many ways labourers differ from some of the other professions surveyed for the report and these pages reflect that, but there are still upskilling similarities with other professions.

## Current skills

The survey found 77 per cent of professional labourers expect a change in the skills they need to carry out their role.

The top three skills labourers believe they need to acquire

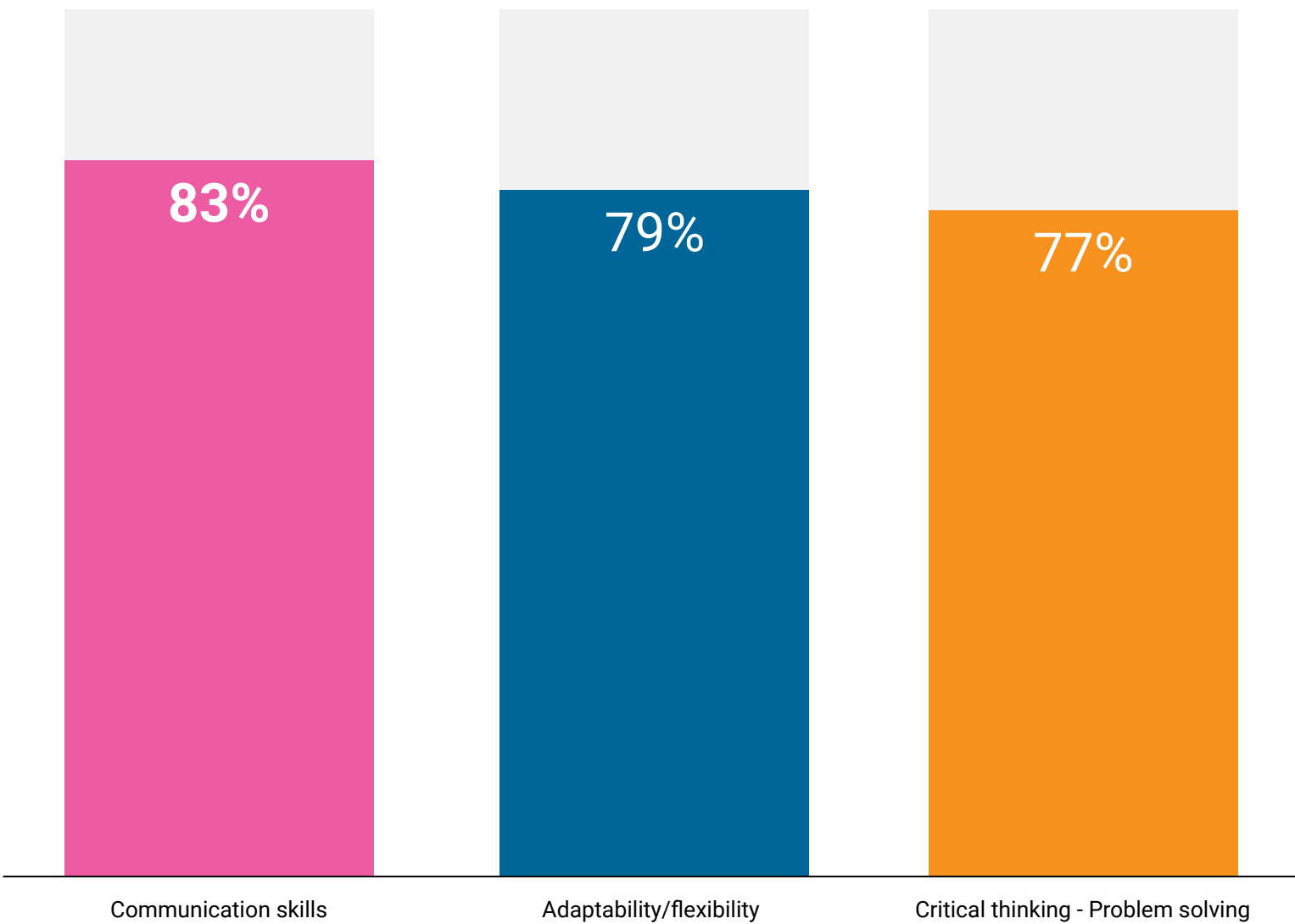


**SUMMARY** — A labouring role can be a go-to job for those who haven’t gained more complex technical skills, yet in this reporting we can see that there is a desire to upskill and move up the career ladder. Gaining additional technical and leadership skills would allow these professionals to find new and more challenging roles to progress their careers.

## Future skills

Looking further ahead for upskilling, there was a more granular take on the sorts of human skills that will be needed.

Over the next five years, labourers believe they will need these skills



**SUMMARY** — It's interesting to see that there is a focus from this cohort on gaining human skills for the workplace. But then many of these typically quite physical jobs are least in danger of being overtaken by technology such as AI, so focussing on the human skills is important for career success.



Strategies to secure skills

88 per cent of these professionals have a moderate to high level of confidence to adapt to evolving skills requirements. However, as with all workforce participants, labourers have different plans to acquire the skills that they will need. To acquire technical skills they need, a majority (57%) will look for on-the-job structured training, to gain IT/Tech skills 59 per cent will look towards self-directed learning, which is also their preferred approach for gaining leadership and management skills and more human skills.

**SUMMARY** – This level of confidence is encouraging, as is their self-starting nature to go ahead and find ways to gain most of these skills through their own initiative.

Tech impacts

Unsurprisingly for this cohort, 78 per cent have not used generative AI at work, but for the 22 per cent who have, 56 per cent have reported on a positive experience. It has allowed them to increase their productivity (71%), get started on projects (50%) and focus on more important work (45%). However 67 per cent have reported that they haven't yet had training to use the technology effectively.

**SUMMARY** – While technology can't do the heavy lifting, some in this group have been able to realise the benefits of AI in other areas of their role.

Your skills roadmap

What next for hiring managers?

1. You might be unaware of the technology that your staff are already using, and potentially what vulnerabilities that might cause your business. Consider hosting an audit of who is using what within your teams and ensure your security parameters are up to scratch. Additionally, consider training your teams more formally on the use of certain technology.
2. This cohort of workers are keen to upskill themselves, therefore organisations that offer formal, or informal, learning and development programs should highlight this in their employer value proposition (EVP), as a key leverage point in their attraction strategies. Make sure this is integral to your [EVP](#).
3. This sector will be impacted by net zero strategies and you should already be considering ways to keep your teams ahead of the impacts and the skills needed, with clear and communicated routes towards a much greener future.

What's next for professionals?

1. Technical skills can be acquired in many ways and not all cost money. Look for opportunities to learn from others, explore fee-free TAFE courses and consider free online courses. Ask your employer what skills they need for the future, to ensure your learning matches your career path with the business' ambitions.
2. Many organisations offer formal learning pathways so if you're looking for that next step in your role, consider their offerings, or dig deeper on what might be on offer elsewhere when assessing roles.
3. The value of human skills is increasingly obvious. Keep leaning into these skills and looking for ways to keep improving, to stay relevant and highly employable. Hays Learning [AU](#) | [NZ](#) offers free online courses, including ones that focus on teamwork and communication.

# Procurement and Logistics skills

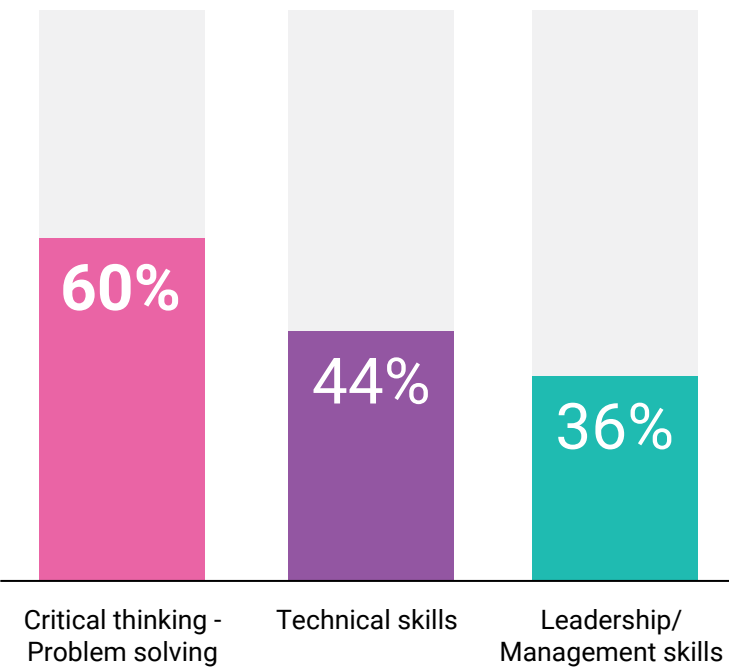
Hiring managers and employers in procurement and logisitics are very much aligned on what skills are lacking in their profession, and what the solutions are.

## Current situation

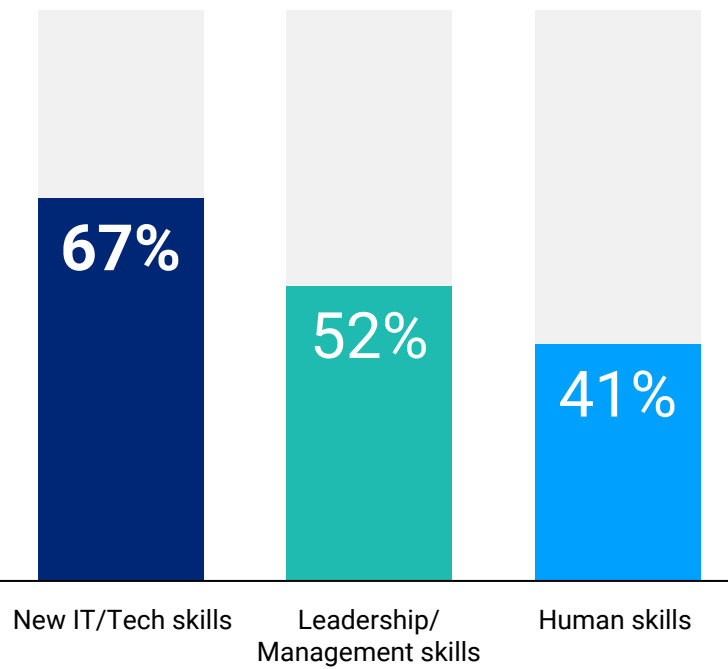
For procurement hiring managers, 88 per cent reported a skills gap, which was above the overall average of 85 per cent, and 51 per cent reported that the gap was moderate or extreme – again above the overall average of 46 per cent.

Currently 90 per cent of professionals in this space believe their skills will need to change, with 43 per cent believing they will need to change significantly or majorly.

The top three skills hiring managers are currently lacking



The top three skills professionals believe they need to improve



**SUMMARY** — As a profession with a quite specific set of skills, procurement is experiencing a higher skills gap than average, with over half of our survey's respondents finding the gap moderate to extreme.

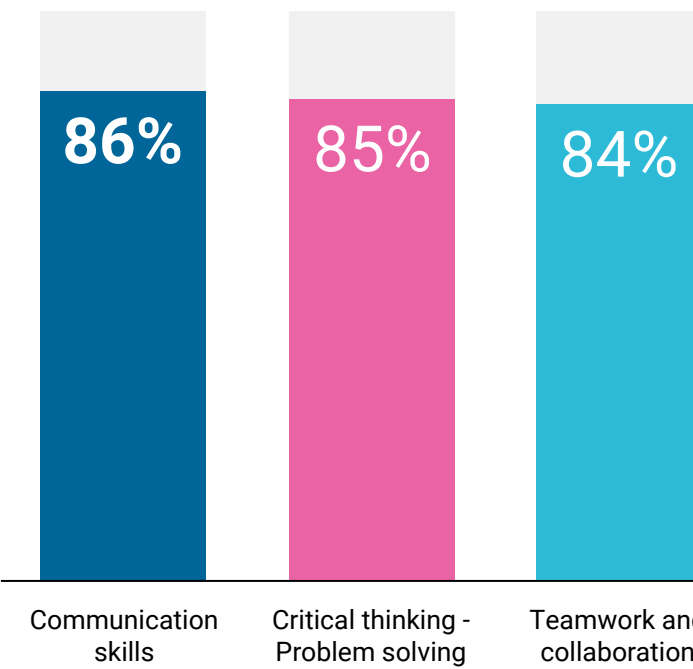
Organisations and professionals both agree that new skills are needed and there is some alignment on that. Both believe leadership and management and human skills are needed. The only discrepancy is that while organisations believe technical skills are needed, professionals are very much focussed on IT and tech skills, suggesting they expect tech to do some heavy lifting for them.

## Planning for the future

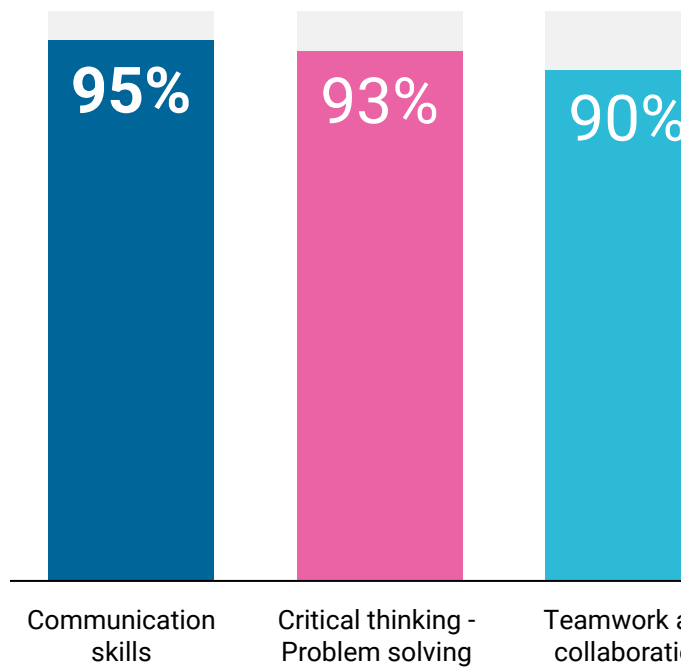
In the next five years, 59 per cent of respondents in the procurement and logistics profession expect this gap to stay the same or worsen, which is slightly below the national average of 60 per cent.

The main challenges in securing the skills they need is a scarcity of skills, as in there is a shortage of applicants with the skills that they need to do the job, and the sourcing of skills and the challenges attracting the skills that they need are also lacking.

The top three skills hiring managers highlight will be needed in future



The top three skills professionals believe they will need in future



**SUMMARY** — No other profession in the survey is in such complete alignment about future requirements as the procurement and logistics respondents, with technology and technical skills not actually making the top three of either employer or employee responses. Everyone agrees that communication, critical thinking and teamwork will become more important than ever, even placing them in the same order of priority and with similar weighting. This differs from the current picture which might suggest that while there is some flux around IT at the moment, all professionals can see that human skills are the way of the future when tech requirements are properly embedded.



Strategies to secure skills

At 93 per cent the upskilling of employees in their current roles is by far the most popular way of improving the skillset of workforces in the procurement industry, with a steep drop to the next two strategies. As alternatives, 79 per cent have used reskilling of employees into new roles to try to close the skills gap, 77 per cent have been using skills-based hiring to achieve their goals.

The biggest challenges they have faced in using skills-based hiring is identifying the skills of applicants or misjudging the skills. Yet 64 per cent believe that their skills-based hiring initiatives have met their expectations, with 28 per cent saying that the outcomes were below their expectations.

For those who have sought to use the skilled migration scheme the ability to assess the skills of candidates has been challenging as has the red tape and admin.

**SUMMARY** — A direct approach of upskilling their current workforce in their current roles has been the go-to for employers in the procurement industry, which perhaps demonstrates a fairly conservative and traditional approach. Skills-based hiring has been used extensively though and results have been satisfying for those taking that approach – showing that new methods can be embraced with success.

**Upskilling/reskilling strategies** Strategies used to upskill or reskill their teams include in-house training (87%), on-the-job training (84%) and mentoring (79%). To achieve the technical skills required, they will be using self-directed learning, same for new IT/Tech skills, leadership skills and any soft skills. And 96 per cent feel a moderate or high level of confidence to be able to achieve these skills. This cohort of professionals report the highest

*"The biggest challenges they have faced in using skills-based hiring is identifying the skills of applicants or misjudging the skill."*

levels of confidence in being able to adapt to skills-based hiring techniques and would look very positively on organisations that offer them learning and development programs.

The biggest challenge they face in implementing upskilling and reskilling initiatives is budgetary constraints with 63 per cent citing this as a key concern, followed by quality and relevance of training.

On a positive note, 74 per cent report that the outcomes of their upskilling and reskilling strategies



either met or exceeded their expectations. It was external training that pushed those scores. At 78 per cent, it was external nationally recognised training that most met expectations. On the job training was the method

that exceeded most people's expectations at 13 per cent. But mentoring fell below expectations at 17 per cent.

**SUMMARY** — Procurement and logistics professionals do

most of their training internally either through on-the-job training, in-house formal sessions or mentoring, and for the majority that works, with three in four feeling it meets or exceeds expectations.



71%

said they haven't, or only to a minor extent, implemented new technologies to offset skills gap.

Tech impacts

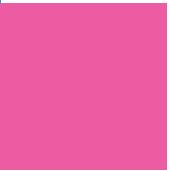
The most commonly implemented technology for this profession was data analytics tools (67%), followed by project management software (49%), with 64 per cent reporting that the outcomes achieved by doing this met their expectations.

71 per cent said they haven't, or only to a minor extent, implemented new technologies to off-set skills gaps, with only 29 per cent reporting they have to a moderate or major extent.

A third of employees have used generative AI at work, with 73 per cent reporting a positive experience in doing so. The top benefits they see are increased productivity, less time spent on tedious job tasks, ease of starting a task without a 'blank page' and less time on tedious job tasks.

In addition, 39 per cent report that the move to net zero will have a moderate or major impact on the future skills they'll require.

**SUMMARY** — A large array of different technologies are being implemented into the procurement industry, which is helping with productivity in many areas, and yet going back to the skills that will be required in the future they all relate to human skills. This could indicate that while technology is helping to alleviate some tedious tasks, it is simultaneously magnifying the areas that human skills will always be needed.



Your skills roadmap

What next for hiring managers?

1. Look to invest in transferrable skills within your procurement teams and upskill those who demonstrate potential.
2. Interview carefully. Communication and human skills are often the key differentiator between applicants you may be considering internally or externally.
3. Value those within your procurement and logistics teams with strong commercial, communication and technical skills, and encourage or incentivise them to act as mentors to others.

What's next for professionals?

1. Look for opportunities for broader technology exposure, whether that is the systems or better understanding technology as a procurement spend category.
2. Prioritise development of your human skills, those who display competency beyond the ability to simply deliver procurement transaction outcomes will stand out.
3. Seek formal training to close any skill set gaps, for example Chartered Institute of Procurement and Supply (CIPS) qualifications.



# Sales and Marketing skills

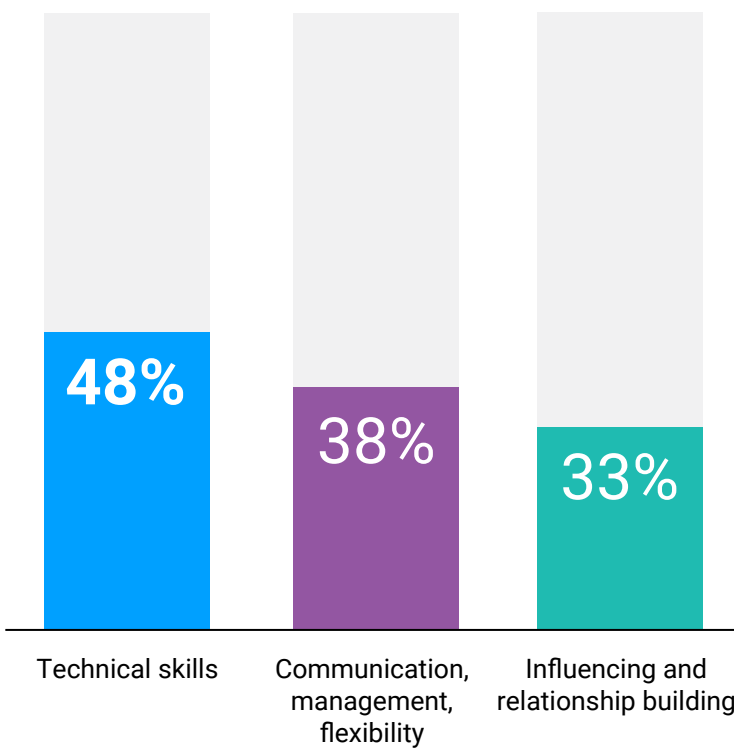
The skills gap is smaller than most other industries, and while many employees believe that they need leadership and management skills, their employers think otherwise.

## Current situation

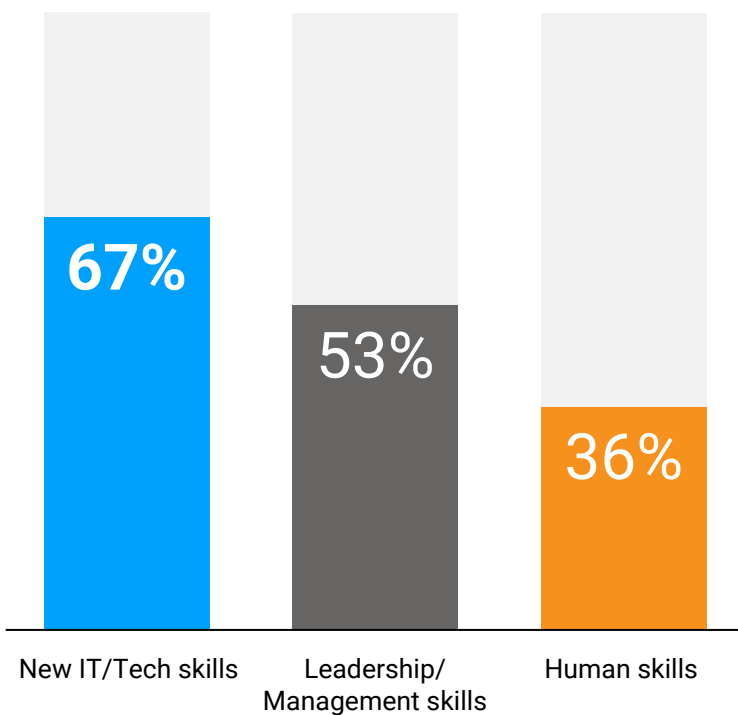
There were 78 per cent of hiring managers who reported a skills gap, as compared to the overall average of 85 per cent, with 32 per cent reporting that it’s moderate or extreme (overall average 46%). In that respect sales and marketing seems less affected than many others.

On the professionals side 92 per cent of respondents believe that their skills need to change to carry out their role.

The top three skills hiring managers are currently lacking



The top three skills professionals believe they need to improve



Respondents believe they’ll gain new technical, IT/Tech and soft skills through self-directed learning, but will gain new leadership skills through structured on the job training. A vast majority of 95 per cent are moderately or highly confident that they will adapt to the evolving skills requirements.

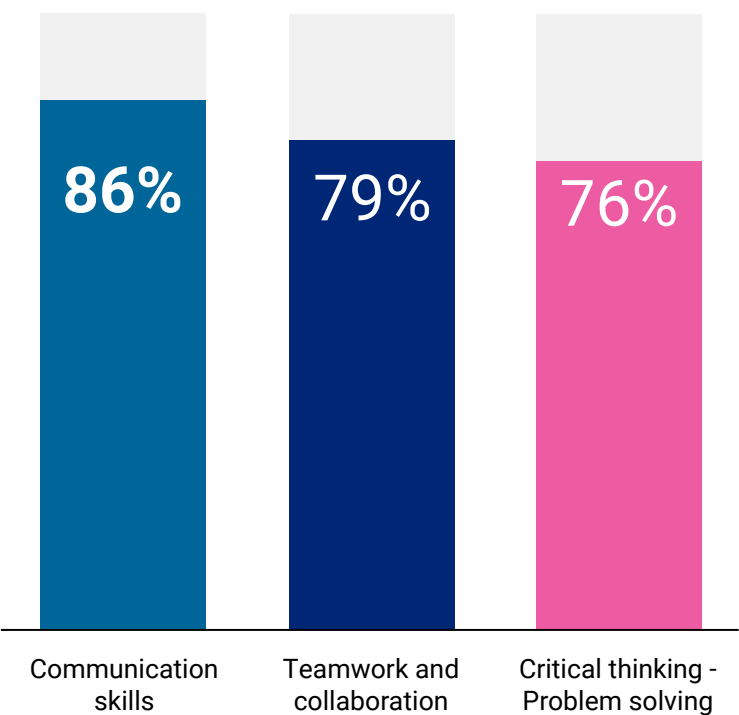
**SUMMARY** — There is generally alignment between what organisations and professionals believe they need in terms of upskilling. The only discrepancy seems to be that far more professionals believe they require leadership and management skills than on the part of organisations. Most employers believe human skills are needed first.

## Planning for the future

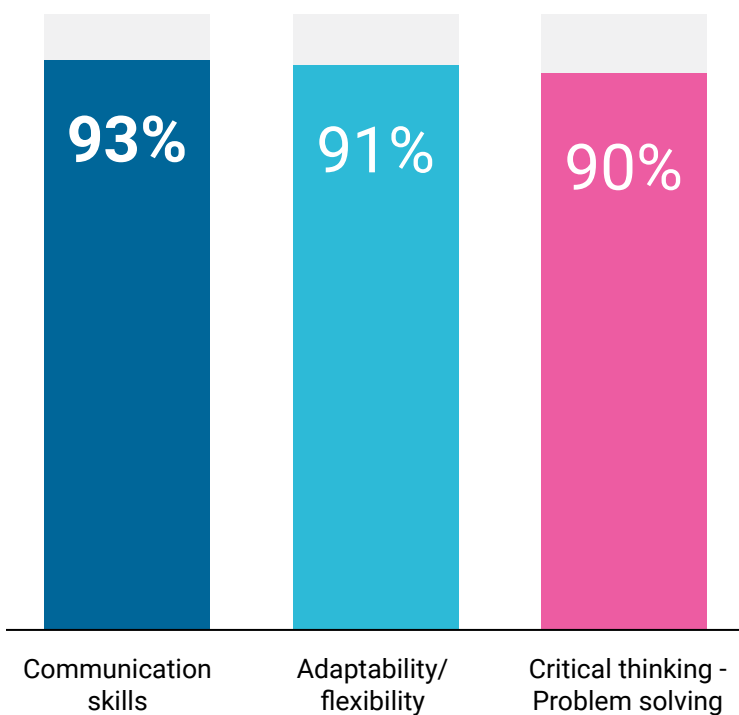
In the next five years, 62 per cent believe that the skills gap will stay the same or worsen, which is just above the overall average of 60 per cent.

The biggest challenges in securing the skills that are needed include agility in acting quickly to meet skills requirements (40%), the shortage of candidates with the skills required (38%) and the development of new skills required (32%).

The top three skills hiring managers highlight will be needed in future



The top three skills professionals believe they will need in future



**SUMMARY** — Both sides of the employment equation are aware that communication is the skill that needs to see improvement, and this may largely be due to the change in working circumstances over the last few years. With hybrid working likely to stay in place, there will clearly be a need to better tailor skills to that situation. The only real difference comes in the fact that organisations believe teamwork will be important, whereas professionals focus on flexibility. This may also play into the hybrid scenario with different sides seeing different ways to improve that way of working.



## Strategies to secure skills

To gain the skills that are needed, organisations are upskilling current employees (92%), or reskilling employees into new roles (91%), followed by skills-based hiring (72%). By far, the biggest challenge they are facing with skills-based hiring is the complexities and time needed in redefining roles and processes with more than half reporting this as their main challenge. However, 69 per cent reported that this method of gaining new skills met or exceeded their expectations.

For those who looked to skilled migration to fill the skills gap, they faced challenges in identifying/assessing the skills of candidates (71%), and integration into the workplace (also 71%). Those that persevered rated an 86 per cent in meeting or exceeding expectations.

**SUMMARY** — It's clear that in the world of sales and marketing,

skills-based hiring is not just a theoretical concept to be talked about but is very much in place and is working for over two thirds of respondents. Unlike many other professions a very impressive 86 per cent of respondents were happy with results from skilled migration, and there are perhaps some lessons for other professions to be had in the area.

### Upskilling/reskilling strategies

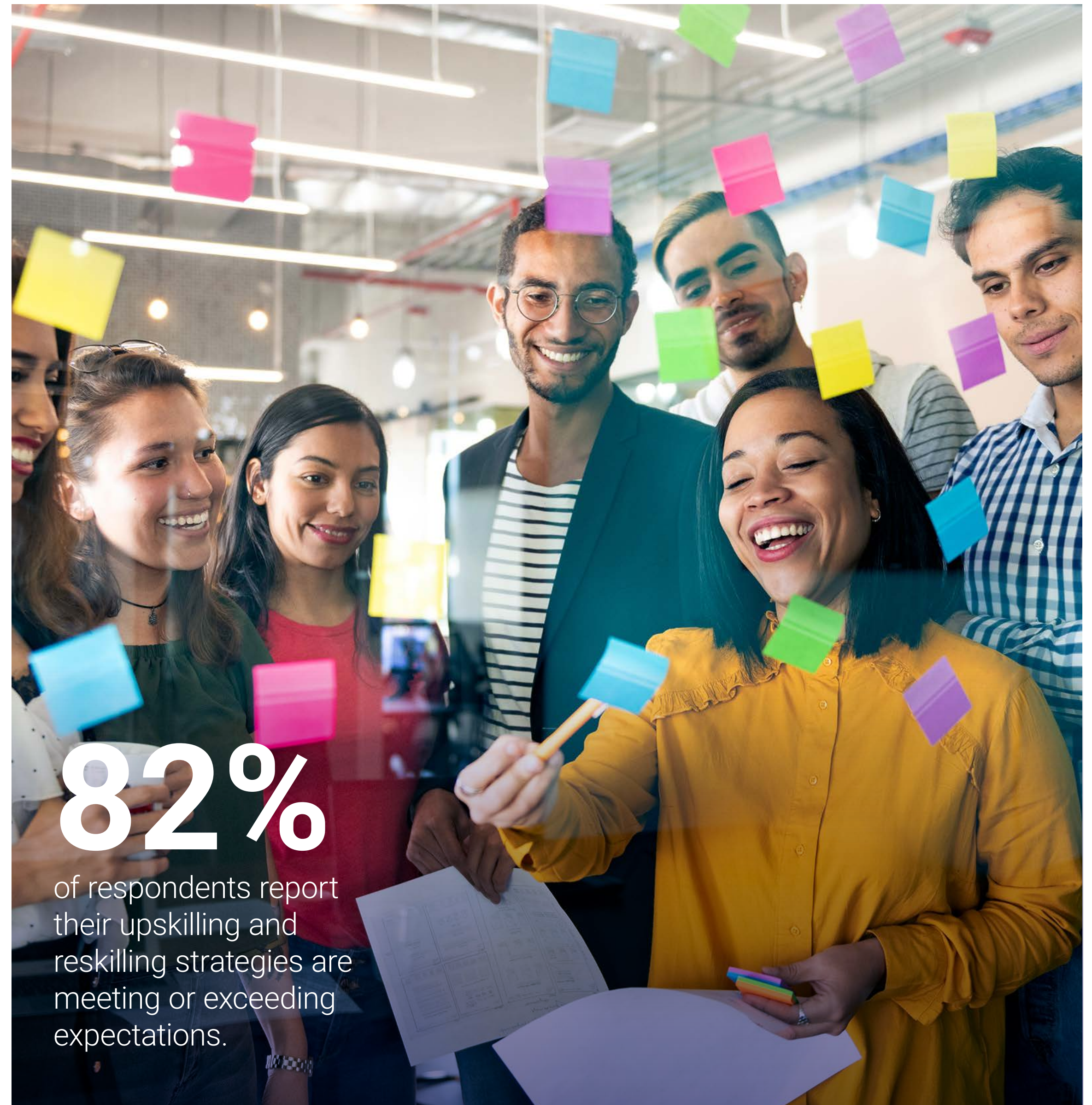
Where those who looked to build the skills they needed, hiring managers used on the job training (87%) and in-house training (84%). Their biggest challenges in implementing upskilling and reskilling initiatives include budgetary constraints (56%) and quality and relevance of training (53%) with employee participation being of the least concern (15%). But when asked to rate the outcomes of their upskilling and reskilling strategies, 82 per cent

report that they either met or, in fact, exceeded expectations.

It seems to be working for the sales and marketing world with 82 per cent of respondents either saying training meets or exceeds their expectations.

Drilling deeper it was in-house training that most met expectations at a very high 78 per cent, showing strong satisfaction levels. Mentoring was the method that most exceeded expectations at 12 per cent, while leaving employees to look after their own training needs fell most below expectations at 13 per cent.

**SUMMARY** — Sales and marketing seem to have their house in order in terms of learning and development with a high satisfaction rate for their internal ways of upskilling. In particular mentoring was very highly rated as a method in the profession.





Tech impacts

A large majority of employers (71 per cent) report introducing new technologies to increase productivity and offset some skill challenges, with cloud-based collaboration tools and generative AI (both 64%) being the top technology chosen and 76 per cent report that they have met or exceeded their expectations here.

At an employee level, 59 per cent are already using generative AI at work, with 73 per cent reporting that their experience has been positive using it.

**SUMMARY** – For sales and marketing investment in technology seems down on some other industries at an organisational level and yet slightly higher at a professional level – this may mean that some employees are utilising technologies such as AI on a personal level to make their role easier.

MARKETING

Your skills roadmap

What next for hiring managers?

- 1. Communication, teamwork and collaboration have appeared in the top three for many professions – key human skills that are potentially most impacted by the new hybrid working conditions. Hybrid working may now be forever embedded into our ways of working, so you need to need to focus on closing the gaps for these essential skills within your organisation.
- 2. You need to be prepared to invest in continuously upskilling your marketing teams as technology evolves at an unprecedented pace. The rapid rate of technological advancement demands new skills and your marketing team will need help with that. Commit to ongoing learning and development. Online training platforms such as our Thrive platform [AU](#) | [NZ](#) can help your organisation become prepared and equipped with the skills they need.

What's next for professionals?

- 1. If you have concerns about the need for new IT and tech skills, then ask your organisation for help in using the technology or even preparing for it. When you feel you require additional training, your organisation should be prepared to support this – especially in the area of technology.
- 2. If you also perceive human skills and, leadership and management development as an area of concern, particularly due to remote working arrangements, then look for training internally or externally. Flexible working is undoubtedly here to stay, but it's essential to ensure your development as a potential future leader isn't overlooked. Look at whether there are gaps in your communication and collaboration skills, which flexible working may be causing. Resources such as Hays Learning [AU](#) | [NZ](#) offers thousands of online courses.

SALES

Your skills roadmap

What next for hiring managers?

- 1. Understand your company's needs: Determine whether your organisation needs more focus on business development, account management, or both. Having clear objectives will help you bring in the right talent with the proper skills.
- 2. Cultural fit: Ensure that candidates align with your company culture. A good cultural fit can enhance team cohesion and overall productivity.
- 3. Data-driven candidates: Look for candidates who base their decisions on data. Sometimes sales candidates tend to talk more than act, so ensure they can back up their claims with data.
- 4. Strategic thinking: Hire candidates who are strategic and can contribute to the long-term goals of the company.

What's next for professionals?

- 1. Effective communication: This includes a strong customer service approach. Making sure you can clearly convey your message and understand customer needs is crucial.
- 2. Resilience and adaptability: Sales can be challenging, so it's important you stay resilient and adaptable. Learn from setbacks and continuously strive to improve.
- 3. Continuous learning: Stay updated with industry trends and new sales techniques. This will help you adapt to changing market conditions and improve your sales strategies.
- 4. Understanding competitors: Knowing your competitors and staying updated on market trends or changes is essential. In niche industries, it's important to know the key players well.



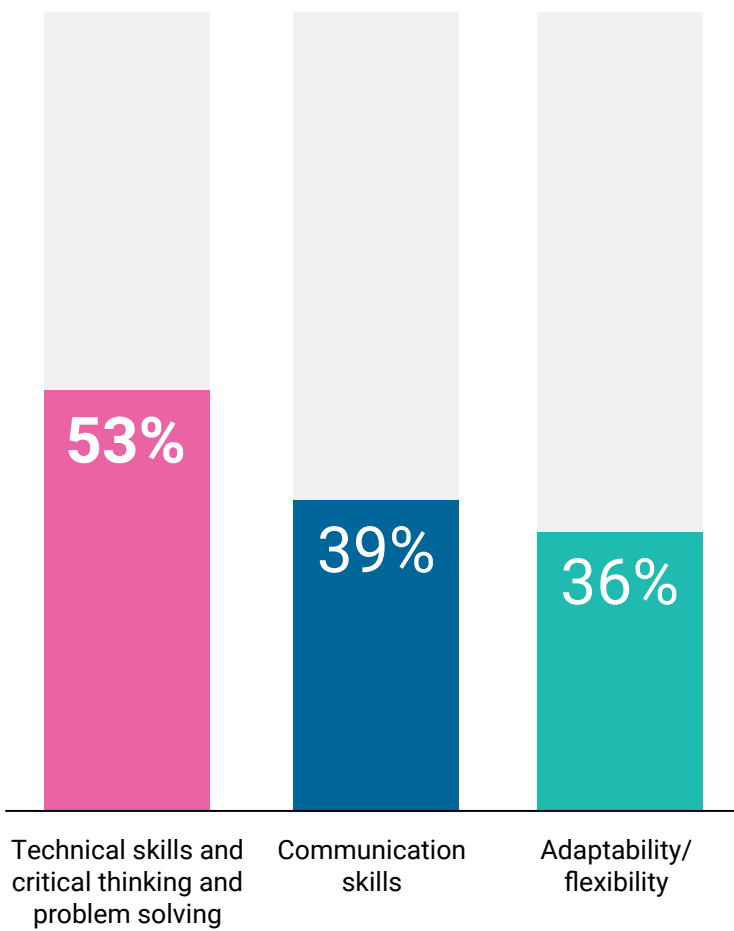
# Technical and Trade skills

The skills gap becomes quite acute within this profession, planning horizons are therefore quite limited and there is also a disconnect in how professionals want to be trained.

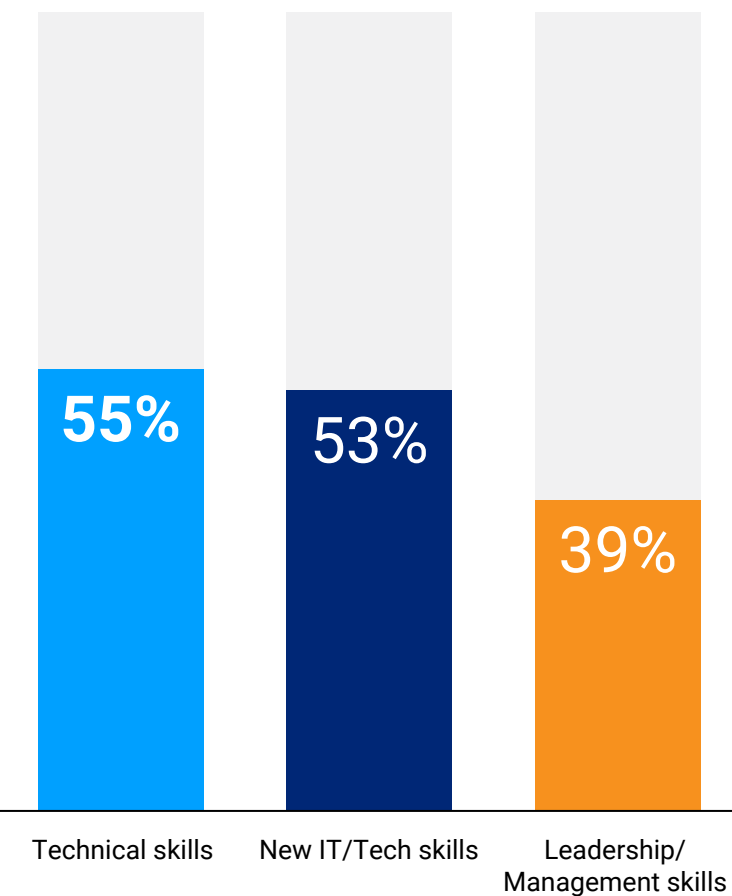
## Current situation

The survey found that 87 per cent of hiring managers report a skills gap in this profession, as compared to the overall average of 85 per cent, with more than half reporting that the gap is moderate or extreme, as compared to the overall average of 46 per cent.

The top three skills hiring managers are currently lacking



The top three skills professionals believe they need to improve



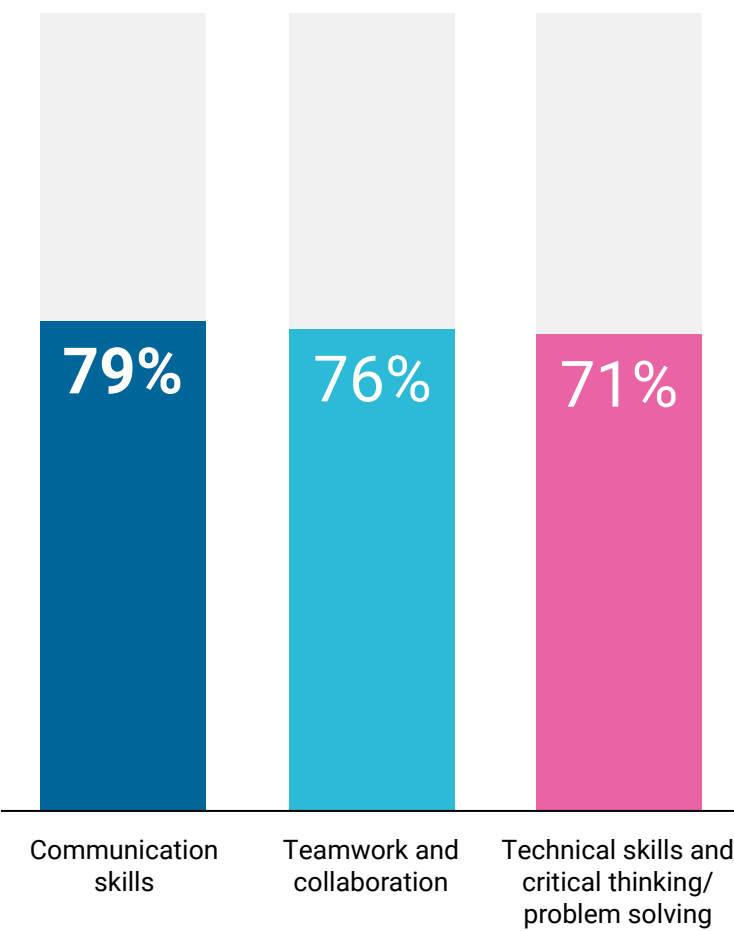
**SUMMARY** — While there is some alignment in what organisations want versus what professionals think they need, there is a difference when it comes to leadership and management skills. This perhaps demonstrates that workers are looking to step up in their careers, while hiring managers are concerned that some of the fundamental building blocks of their skills are still missing, and most probably would need to be filled before being considered for a promotion.

The biggest challenge hiring managers are finding when trying to secure the skills that they need include scarcity of candidates with the necessary skills (58%) and the sourcing of the skills (43%) needed at the top two reasons.

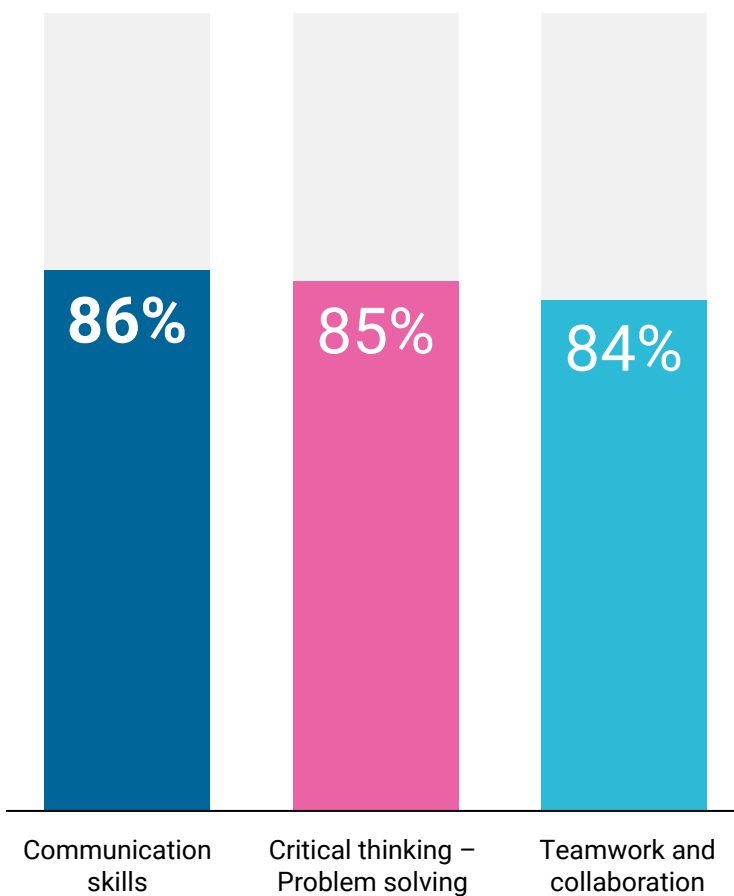
## Planning for the future

In the next five years, 60 per cent of hiring managers expect the skills gap to stay the same or worsen. Planning ahead, a third of hiring managers worked between six months and a year, and 27 per cent between one and three years.

The top three skills hiring managers highlight will be needed in future



The top three skills professionals believe they will need in future



**SUMMARY** — Both sides of the equation are seeing the same challenges, and therefore the need for the same skills in the future. However, hiring managers are only working to a 12-month horizon, and some of these skills can require longer training windows. If you can consider the skills that you need in the next five years, planning horizons should be lengthened to consider learning and development timeframes.



Strategies to secure skills

To secure these skills, hiring managers are looking to upskill employees in their current roles (83%), reskill current employees or use skills-based hiring (both 80%), or hire temporary and contract workers (79%).

Where organisations have utilised skills-based hiring to find the talent, they report that identifying/ assessing the skills of candidates (60%), and the time/cost involved in developing assessment tools (55%), and complexities/time in redefining roles and processes (52%) as their biggest challenges.

53 per cent of respondents reported that they have, or intend to, hire under the skilled migration scheme. However, 66 per cent found that the costs involved in utilising skilled migration a challenge, with length of time and the process itself also top challenges to using this strategy. Despite these challenges, 67 per

*"For employees looking to acquire new technical skills, they expect that employers will pay for formal training programs."*

cent reported that the outcomes of using skilled migration met or exceeded expectations.

Upskilling/reskilling strategies

In their attempt to close the skills gap through upskilling or reskilling, the most popular method is on-the-job training (84% as compared to 91% as the average), in-house training (81% vs 88% as the average) and external training with nationally recognised qualifications (63% vs 52% as the average). The biggest challenge they face with their training is the quality and/or relevance of that training (40% as compared to 47% of the overall average).



The most successful strategies in upskilling and reskilling for this cohort is mentoring, with 78 per cent reporting that the results met their expectations, the least successful was external training through nationally recognised qualifications via VET sector with 15 per cent reporting that the results did not meet their expectations, however this form

of upskilling was also rated most highly in exceeding expectations at 11 per cent.

For employees looking to acquire new technical skills, they expect that employers will pay for formal training programs, to attain new IT/Tech skills they will self-direct their learning, and when it comes to leadership skills, they believe

this should be provided by their employer through short courses or formal training programs (100%).

**SUMMARY** — There is a disconnect in how professionals want to be trained versus what organisations are offering. While budgetary constraints may dictate what employers are able to offer, some specific skills are

best learnt through structured and formal learning pathways. Consider evolving your learning and development program (and budget) to the specific skills you're looking to embed, and the ways those skills are best learnt. Then creating a strategy that highlights a unique development program could help attract top talent.



### Tech Impacts

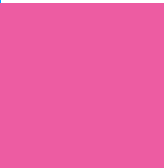
80 per cent have utilised new technologies to increase productivity, but 41 per cent of those report using it only in a minor way. Project management software and data analytics tools are the two most popular technologies adopted. Over half of the respondents said that

the new technologies met their expectations, however one in five reported that it was too early to tell. 69 per cent have not yet used generative AI at work, but of the 31 per cent who have, 70 per cent report a positive or highly positive experience and are mostly using it to increase productivity at work.

Those that have had negative experiences, cite unreliable outputs as the main reason, however 27 per cent report insufficient training.

**SUMMARY** — New technologies have great potential to increase productivity, however proper

training on the tech is imperative for it to be most effective. While self-directed learning can work, the use of new technologies at times needs to be uniform across teams, and this can only be achieved through more formal learning pathways conducted by the organisation.



### Your skills roadmap

#### What next for hiring managers

1. For this profession, you face challenges finding candidates with skills. Look at new ways of sourcing and upskilling. Hays Temp and Contract Recruitment is an ideal solution for your fast recruitment needs [AU](#) | [NZ](#).
2. In the case of upskilling, you should be extending your planning horizons to align with the time required for effective training and development.
3. Create learning and development programs that are aligned with the specific skills required in your industry. This way the skills being built align with your business strategies.

#### What next for professionals?

1. You should take initiative in your career growth by engaging in self-directed learning methods. Online platforms such as Hays Learning [AU](#) | [NZ](#) offer thousands of free courses for you to choose from.
2. Proactive skills development can take many shapes and pathways, so reach out to a manager to better understand the business strategies moving forward, and align your learning journey with where you want to be in the future.
3. Mentoring is highlighted as an effective upskilling strategy, providing personalised guidance for the career that you want. Identify a colleague who is where you want to be, and set up regular meetings to gather insights and knowledge that they can share.



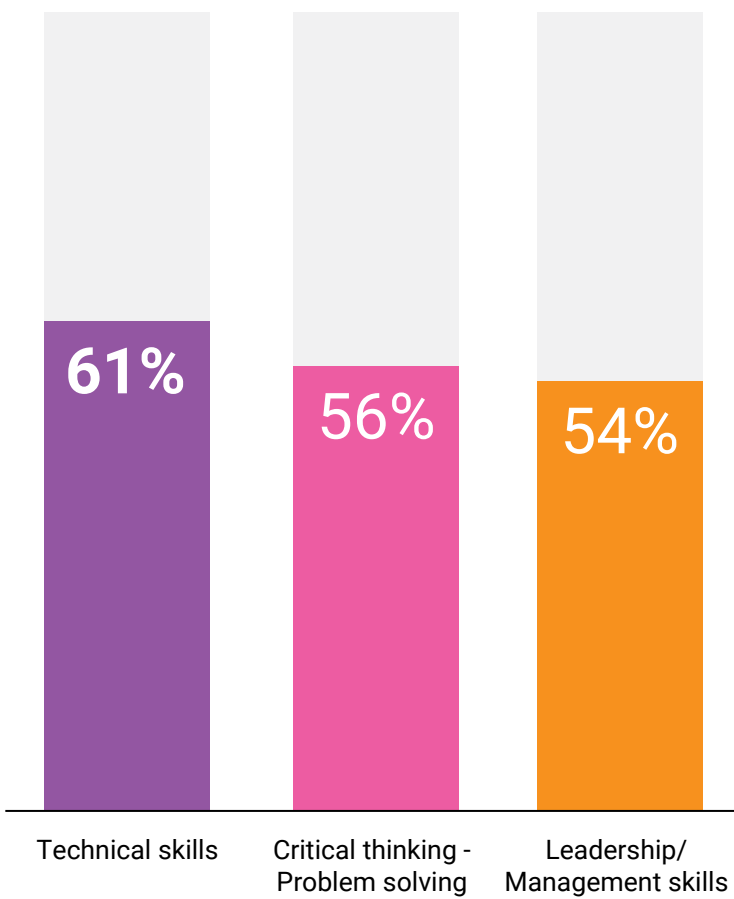
# General Managers and CEOs skills

General managers and CEOs were the most pessimistic about how wide the skills gap is likely to become over the coming years, and technology is not yet helping their situation.

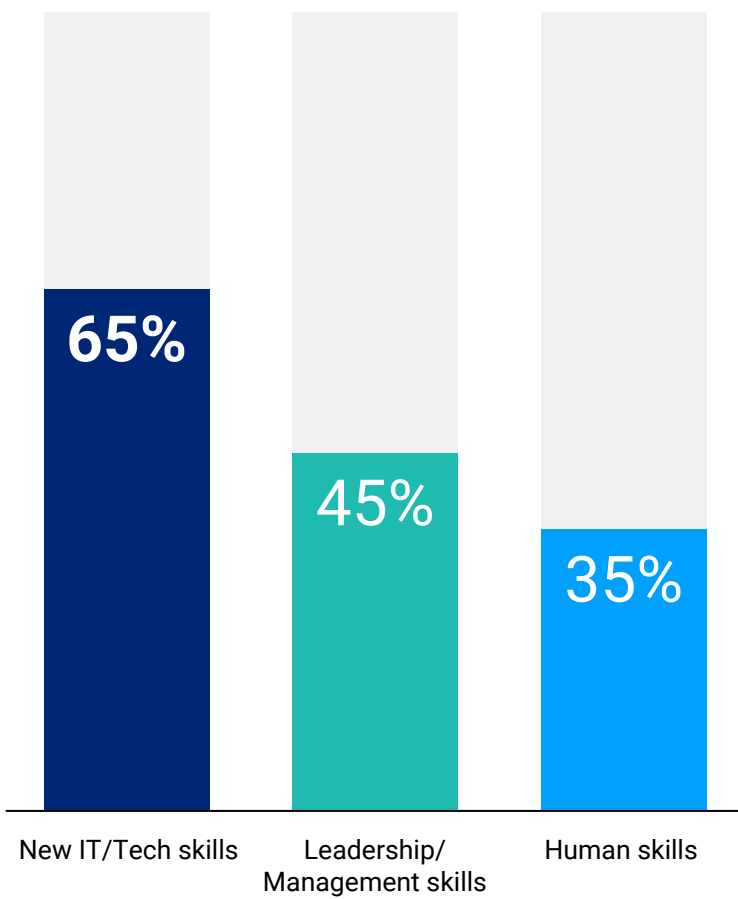
## Current situation

The survey found 82 per cent of general managers and CEOs are reporting a skills shortage, with 45 per cent reporting that it's moderate or extreme, these are both very slightly below the overall average of 85 per cent and 46 per cent respectively.

The top three skills hiring managers are currently lacking



The top three skills professionals believe they need to improve



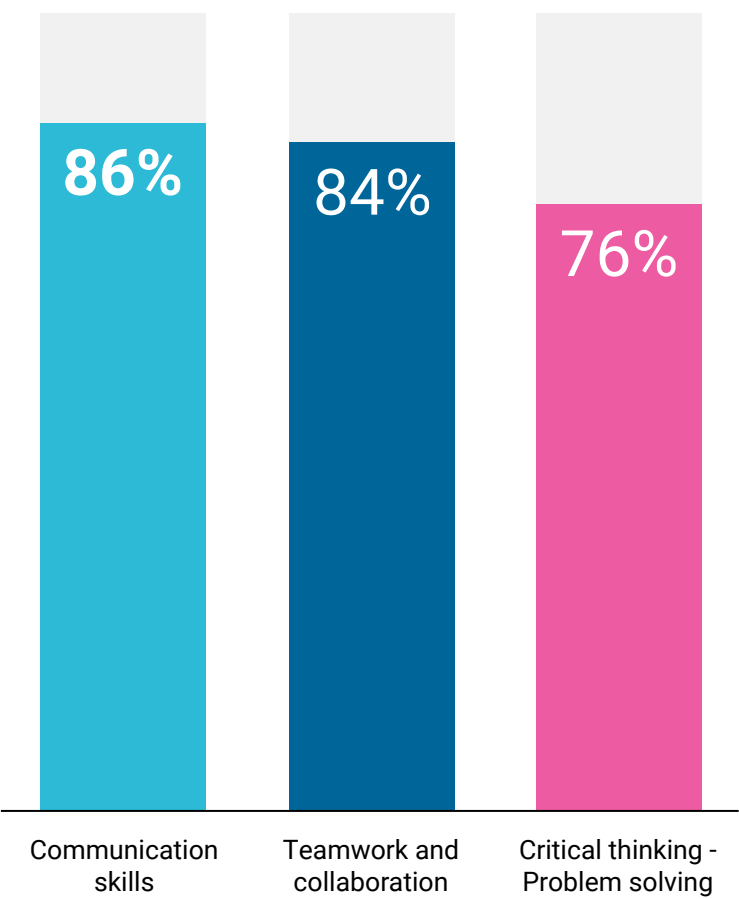
**SUMMARY** — Both organisations and professionals see the need to improve leadership and management skills further. And human skills figure to some degree in both of their lists. But interestingly while hiring managers believe that job-specific technical skills are most important, professionals rate new IT skills as most important, perhaps assuming that tech can be of more help to them with their role.

*"71 per cent report that the skills gap will stay to the same or worsen in the next five years."*

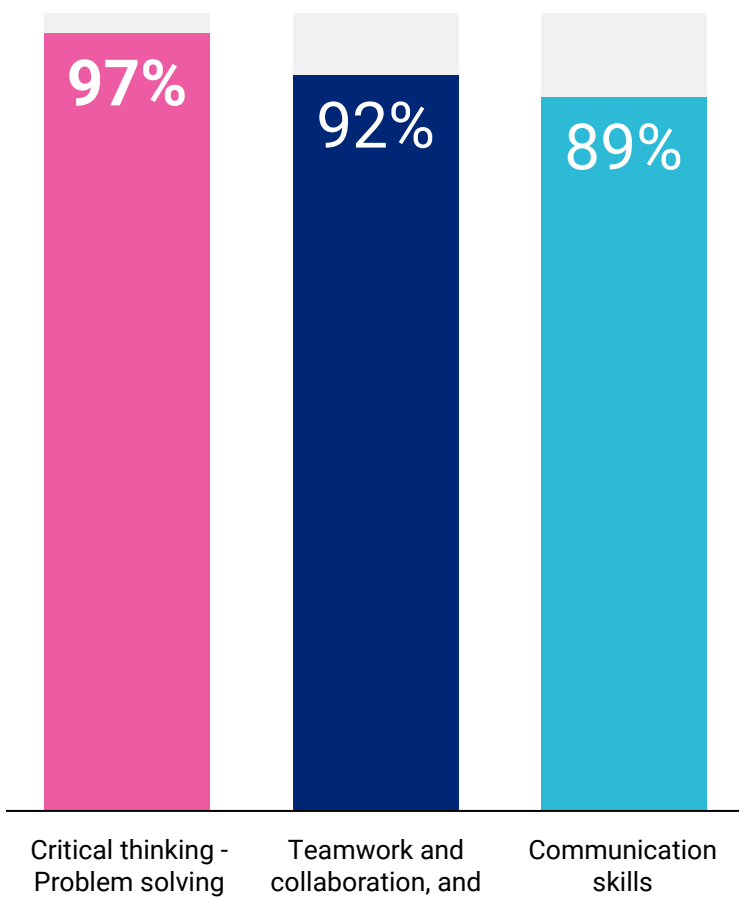
## Planning for the future

Of those who responded to the survey, 71 per cent report that the skills gap will stay the same or worsen in the next five years, well above the overall average of 60 per cent. Two thirds plan less than a year in advance, perhaps because of this pessimism around this fact.

The top three skills hiring managers highlight will be needed in future



The top three skills professionals believe they will need in future



**SUMMARY** — What shines through for both hiring managers and professionals within this role are a whole host of human skills they believe will become even more necessary than ever – ranging from critical thinking, teamwork and emotional intelligence through to communication. With the fractured way people get together – or don't – in the workplace and the use of technology, for the people managing there is a greater need than ever to have awareness and a whole range of human skills.



Strategies to secure skills

To build the skills they need in their workforces, this cohort plan to upskill employees in their current role (93%) and reskill current employees into new roles (90%) and skills-based hiring rounding out the top three with 89 per cent reporting its use. As a way to build skills, hiring under the skilled migration scheme was the least popular with 33 per cent reporting that they will use this.

For those who use skills-based hiring, they report identifying and assessing the skills of the candidate as the top challenge, followed by the complexities and time needed to redefine roles.

And while 67 per cent reported the outcomes of their skills-based hiring to meet expectations, 22 per cent said it was not delivering.

For those who used the skilled migration scheme as a way to secure the skills that they were after, 76 per cent report that the

red tape/admin was a challenge (76%) and recruitment process and time to hire (both at 70%) as the biggest challenges. While 39 per cent reported that the skilled migration scheme allowed them to meet their talent requirements, almost one in three reported that it was below expectations.

Upskilling/reskilling strategies

For those looking to build skills in their teams, on-the-job training and in-house training are the two most used methods (97% and 92% respectively) with mentoring a close third at 82 per cent. The least used method is employees responsible for their own training.

The biggest challenge most face when trying to implement an upskilling or reskilling initiative is budgetary constraints with more than half (55%) reporting it as the top challenge, this is closely followed by quality or relevance of training at 42 per cent.



While 66 per cent report that their upskilling and reskilling strategies met expectations, 19 per cent said that they were below expectations.

**SUMMARY** — The thread of the GM and senior exec profession is that the people leaders manage will use more technology, but the skills needed to manage

those people will be more human than ever. Training tends to be internal – on the job, in-house and mentoring, and two thirds are happy with this approach, but

almost 20 per cent aren't. Budget is the biggest barrier, but money might need to be found if the right training environments can't be created in house.



Tech impacts

There were 69 per cent of respondents who reported that they have implemented new technology to offset skills gaps, but almost a third said that tech has not helped at all.

The most commonly used technology is cloud-based collaborative tools (63%),

followed by generative AI (52%), and data analytics tools and automation (both at 46%). Using these methods generally met expectations (59%), but 18 per cent said it was still below expectations.

Only 21 per cent said they had actually used generative AI in their

role, although 86 per cent that had found the experience positive or highly positive.

**SUMMARY** — The lack of AI usage puts into context some of the expectations around what skills these professionals believe they will need in the future. While they possibly recognise the usefulness

it will have to the business, it won't be at a management level in their eyes. It will save their workers valuable time but managing them will require an even greater improvement in human skills. General managers can see it will benefit the business, but they'll need to manage that using even greater human skills.

Your skills roadmap

What next for hiring managers?

1. These professionals are demonstrating the highest levels of pessimism for future skills challenges. Ensure your [succession planning](#) is up to date to guard against future skills gaps.
2. When training your workforces on tech, don't forget your senior management. Just because they have more experience doesn't mean they have used the new platforms that are being rolled out.
3. Continue to look to human skills development for this level of professional. When leading teams, or even companies, these skills become even more important.

What's next for professionals?

1. Just because you've reached the higher levels of the career ladder, the fundamentals of being a good leader continue to need priority. Keep your human skills sharp.
2. Don't be afraid of AI. Experiment with it to understand its capabilities and consider ways it can make you more productive at work.
3. If you control the purse strings, you might need to consider loosening them a little more for the learning and development function. Continuous skills development will be the way future leaders gain competitive advantage.



# About Hays

At Hays, we invest in lifelong partnerships that empower people and businesses to succeed. With over 50 years’ experience and a workforce of more than 10,000 people across 33 countries, we collectively strive to put you, our customer, at the heart of everything we do.

Drawing on knowledge that’s unique to our scale, our commitment to understanding your needs and our ability to meaningfully innovate, we are far more than a specialist recruitment business. We provide advice, insights and expertise on issues you face in today’s fast paced world of work, and we help you make the right decisions for tomorrow.

Offering an unrivalled suite of recruitment and workforce solutions, we’ll help you get to where you want to go.

*"We help you make the right decisions for tomorrow."*

Hays has the scale and unmatched expertise to support your recruitment needs.





# Our services

## Permanent Recruitment

To help you meet ever-changing workforce demands, we bring the people, the technology and the partnership you need to achieve your goals, now and in the future.

We make it easy for you to find solutions for the complex talent and recruitment issues you need to solve, we have the scale, knowledge and insights to help you make the right decisions.

Whether you have a single vacancy to fill or multiple roles, or even jobs in more than one location or country, we can support you with bespoke solutions to address your unique needs now and in the future.

Register a vacancy or submit a workforce enquiry here. [AU](#) | [NZ](#)

## Temporary and Contract Recruitment

Access highly skilled talent, fast. With temporary and contract recruitment you can unlock the flexibility you need in your workforce.

Whether you need to scale up to deliver a key project, or looking to fill a temporary vacancy, Hays has Australia and New Zealand's largest network of temporary and contract workers with expertise in 30 different industries. Our expert recruitment consultants are ready to find you the right people, with the right skills, right where you need them.

Unlock qualified and highly skilled talent, fast with Hays' temporary and contract recruitment. [AU](#) | [NZ](#)

## Outsourcing your contractor management

Your contingent workforce helps you stay agile, scale when required and access specialist skills when needed. However, complex and ever evolving Industrial Relations (IR) laws, sourcing specialised skills you need quickly and changing worker expectations can make it hard to maintain control and visibility of the workforce. Hays Contractor Management Outsourcing offering is an end-to-end solution designed to simplify the process. It offers:

- Speed and efficiency
- Visibility and control
- Proven risk mitigation
- Enhance contractor experience
- Scalable solutions for business growth
- Efficiency and compliance

Find out more about our CMO service. [AU](#) | [NZ](#)

## Managed Services Provider

Hays provides MSP services to manage contractor usage for many of the Australia and New Zealand's largest employers. Having access to current contractor market pay rates is an essential component of what we do in an MSP, as pay rates form by far the largest component of the total cost. The pay data we generate is loaded into the VMS platform, and can be used by hiring managers, in either a mandatory or advisory capacity, to ensure contractors are paid an appropriate and competitive rate for the job they've been engaged for. This information also helps support your organisation's compliance to the new Australian 'Same Job Same Pay' legislation.

To find out more about our MSP service please download our latest [MSP guide](#) or email [enterprisesolutions@hays.com.au](mailto:enterprisesolutions@hays.com.au)

## Recruitment Process Outsourcing (RPO)

Recruitment Process Outsourcing (RPO) providers are equipped with a team of recruitment professionals with in-depth knowledge and expertise across industries, geographies and job functions. They stay abreast of the trends, sourcing and recruiting technologies, and best talent acquisition and management practices. With their extensive experience in skills-based hiring, and wide and diverse talent networks, RPO providers can quickly and effectively identify and attract high-quality candidates. This ensures that your organisation has access to the skills that align with your business needs, as and when needed. What you can expect from outsourcing your recruitment:

Find out more about our Hays [Recruitment Process Outsourcing \(RPO\)](#) service.

## EMPOSO

Emposo, Hays' sister company is a global customer-driven consultancy and professional services provider offering clear and simple solutions that enable organisations to achieve digital transformation. We can take on any complex large-scale change project to deliver solutions that meet the individual needs of every customer. We achieve this through a range of offerings, including advisory, programme and project services and technology-enabled change and delivery. Our team of experts is committed to delivering solutions with passion and care, ensuring each customer's transformation journey is productive and successful.

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