



University of Phoenix
Workforce Solutions



Bridging the Skills Gap with AI and Scenario-Based Learning



Today's rapid pace of innovation has ushered in a new business benchmark — move over optimization, we've entered the era of adaptability. As technological advancements, global events, and evolving consumer behaviors reshape industries, the labor market faces predictions of millions of jobs displaced, as new roles emerge. As the types of available jobs shift, so do the skills needed to perform them. Maintaining a skilled workforce is essential for both immediate business success and long-term sustainability. Organizations can address the skill gap by leveraging AI technologies and scenario-based learning, helping equip their workforce to keep pace with evolving challenges.

A culture of continuous learning can help organizations thrive in times of constant change. However, traditional one-size-fits-all training programs are not agile enough to keep pace with the rate of technological innovation. Instead, AI and scenario-based learning programs offer the flexibility and efficiency to keep workers skilled for today's fast-paced environment — and prepared for tomorrow.



Preparing Your Workforce for Constant Change

Peek inside any boardroom worldwide, and you'll see leaders deliberating the same pressing question: How can my organization stay relevant in this era of unprecedented disruption? It seems time-tested business models are pivoting faster than the latest TikTok dance trend. Thanks to accelerated technological advancements, significant global events, and evolving consumer behaviors, the **labor market** is forecasted to experience dramatic changes over the next few years, displacing 83 million jobs while creating 69 million new roles. Then, consider COVID-19's lasting impact on remote work, e-commerce, and automation — the role of leaders in anticipating what's coming next has never been more important.

In an era where change is the only constant, organizational success increasingly relies on adaptability — a quality driven by the skills and engagement of its people. However, a **widening skill gap** is a natural consequence of rapid technological change. **Research** shows that 37% of the top requested skills for the average U.S. job have changed since 2016, with industries experiencing the greatest disruption seeing that number rise to 76%!

Thus, maintaining a skilled and adaptable workforce is fundamental to succeeding in today's rapidly evolving business environment. Organizations can effectively bridge the skills gap by adopting a culture of continuous learning and leveraging AI and scenario-based learning strategically.

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Source: [How Skills Are Disrupting Work: The Transformational Power of Fast Growing, In-Demand Skills, 2022](#)



The Case for Continuous Learning

With 44% of workers' skills projected to be disrupted in the next five years, many organizations recognize the need to evolve beyond their traditional workplace training models. By fostering a culture of continuous learning, companies are seeing the benefits of preparing their teams to meet future demands and adapt to whatever might be coming next.

Companies that prioritize their people and performance achieve

30%

higher revenue growth

than those concentrating on performance alone.

Source: [McKinsey.com](https://www.mckinsey.com)

Continuous learning:

More than a series of training programs – **continuous learning** requires a fundamental shift where learning and development are woven into every aspect of an organization, empowering employees to upgrade their skills while encouraging innovation.

AI-Driven and Scenario-Based Learning

Traditional workforce development models (i.e., one-size-fits-all) **struggle** to keep pace with the rapid changes driven by advancing technology. With employees, on average, only having **1%** of their work week available for training and development, it's critical that the learning available is both efficient and effective. By implementing innovative approaches with AI and scenario-based learning, training can be woven into an employee's daily workflow alongside their regular tasks. Of course, no two learners are alike, and AI-driven programs are specifically designed to address these individual needs – a huge advantage over the traditional one-size-fits-all model.

Scenario-based learning further enhances the tailored approach by immersing employees in realistic, interactive environments where they can practice the skills they need to develop. When merged with AI technologies, data from scenario-based learning can be analyzed to determine the learner's strengths and weaknesses and refine future training.



10 Competitive Advantages of an AI-Driven Continuous Learning Culture

Fostering a continuous learning culture can help organization unlock numerous opportunities – from improved financial performance to enhanced talent attraction and retention.

- 1. Cost savings of employee retention:** Investing in continuous learning helps keep valuable talent. Employees who are provided opportunities for professional growth and development **are more likely** to stay.
- 2. Learning their way right away:** AI-driven learning offers **personalized approaches**, including virtual coaching, interactive scenario-based simulations, and gamification. Since the programs can be customized in real-time, they're available when and where workers need them.
- 3. Boost engagement, productivity skyrockets:** Workplace learning fosters employee **connection** – and when employees are engaged, studies have shown companies are **more productive**.
- 4. Drive innovation from within:** Companies that prioritize learning are **46%** more likely to be first to market with new products and services.
- 5. Attract top talent:** Companies that want to attract top talent, particularly **Gen Z workers**, should tap into their passion for progress by offering expanded learning and development opportunities.
- 6. Stand out in the market:** Companies investing in continuous learning are **17%** more likely to be a market share leader.
- 7. More skills mean higher revenue:** A **study by McKinsey** found that companies that prioritize both their people and performance achieve 30% higher revenue growth than companies solely driven by performance.
- 8. Onboarding in record time:** By implementing AI into their onboarding processes, organizations can ease HR's workload by automating progress tracking, personalized training, and feedback collection.
- 9. Data-powered decision-making:** AI-driven learning platforms provide real-time data to help guide **decisions about workforce** development and performance.
- 10. Adaptability to technological change:** As workplace technology evolves, so must worker skills – by 2027, **6 in 10** workers will need upskilling to keep pace with evolving technologies.

Working with Continuous Learning Platform Providers

As technology evolves and organizations feel increasing pressure to keep their workforce current, many are turning to internal AI-driven learning platforms. These programs offer built-in data analytics tools for monitoring progress, identifying skill gaps, and refining learning strategies. Building similar capabilities in-house may require significant investment in data science and analytics, but leveraging external expertise can achieve a faster implementation rate. These time savings are particularly valuable in a time of rapidly widening skill gaps and can help organizations avoid costly implementation mistakes.

As technology continues to evolve industries, the pressure is on leaders to keep their organizations relevant – and it starts with a foundation of continuously upskilled workers. However, the rapid pace of change requires both an adaptable workforce and leaders who are equally committed to their growth and learning. Successful leaders are likely to recognize the value of AI-driven technologies and continue building their own competencies in areas like data analytics, ethics, and cybersecurity. While the future presents significant challenges across industries, the benefits to workforce development are clear: more adaptable and engaged employees, improved decision-making, more efficient onboarding procedures, and so on. Ultimately, a leader's ability to anticipate what's next is key to staying ahead, and a culture of continuous learning is the answer to building an adaptable, future-ready workforce – from new hires to the boardroom.

**Explore how University of Phoenix
works with your organization to support
workforce upskilling with
AI-powered skills intelligence.**



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