

Case Study: Upskilling for Career Mobility at PepsiCo

August 2023

Introduction

As one of the largest food and beverage companies in the world, PepsiCo is a more than \$85 billion organization whose products are consumed more than a billion times each day.

With more than 300,000 employees globally and 100,000 US-based employees – many of whom are in front-line roles responsible for making, moving, and selling its products – PepsiCo is committed to creating meaningful jobs and growth opportunities. The company has developed a suite of upskilling initiatives that provide end-to-end opportunities. Employees have access to everything from high school diplomas to basic digital training to earning a bachelor's degree, all at no cost to them.

“At PepsiCo, we encourage our associates to embrace a ‘learn it all’ mentality,” said Ronald Schellekens, PepsiCo’s chief human resources officer. “We’ve put associates at the center of our training design, delivering resources in formats that resonate with them and are digestible within timeframes that can be integrated into daily operations. Learning takes place through various methods, and our goal is to ensure we are providing the tools to help our associates fulfill their career aspirations.”

A Comprehensive Suite

PepsiCo operates multiple distinct but connected upskilling programs designed to prepare employees for an increasingly digital future and to help them build the skills they need to advance.

The company leverages these upskilling investments to create lasting value for the business and the overall career mobility for workers. “Everyone has a different ‘why’ that motivates them to learn,” PepsiCo’s Chief Learning Officer Molly Nagler said. “We offer a portfolio that meets both employee and business needs. There’s something for everyone.”

Digital Academy: No-Cost Digital Learning for All

PepsiCo’s Digital Academy includes more than 11,000 learning assets designed to help any employee in the company acquire the digital skills they need. The Academy’s curriculum is multilevel. It offers content tailored for employees who are already in technical roles and want to keep learning, as well as other courses and programs built for those who are not in technical roles, but regularly use digital tools in their work. Additional options are available for those who are simply learning the basics. Employees can access a variety of resources,

from short how-to videos to more in-depth boot camps on technology topics and competencies.

The Academy offers both on-demand courses, which employees can access and complete at no cost for professional development and ongoing learning, as well as pathways to credentials and certifications. Launched in 2022, more than 11,000 employees participated in 140,000 self-paced learning modules within the first year, earning 600 certifications in areas including Cloud Azure, Data Scientist, DevOps, Site Reliability Engineers, and Power BI for Data Analytics.

myeducation: Improving Access to Credentials

PepsiCo’s myeducation benefit launched in 2022 for full-time US-based employees, providing them with access to more than 100 diploma, certificate, and degree options in a variety of fields at no cost to them. The catalog prioritizes programs in high-demand skills, such as data analytics, the trades, and supply chain, as well as high school completion and English language learning.

myeducation also supports employees with opportunities to earn credentials, including commercial driver's licenses (CDL), which are required for high-demand roles transporting products. Available to all eligible employees after six months of continuous work without manager approval, the benefit removes potential bias and barriers from access to programs and empowers employees to drive their own development. Moreover, PepsiCo pays 100% of the cost for tuition, books, and fees up front, eliminating financial barriers to participation.

In partnership with [Guild](#), 160 Academy, and Ancora, myeducation offers access to highly reputable schools and universities as part of the 100+ programs in the catalog – all tied to business needs and internal career pathways.

"This is not just about graduations, it's about mobility post-completion," said Dewey Torres, senior director of PepsiCo's Global Learning Center of Excellence, who is responsible for driving the company's upskilling and reskilling solutions. "We're building an internal talent pipeline."

Building a Talent Marketplace

The Global Learning team, as part of the HR function's holistic talent strategy, is working to connect individual programs into learning journeys that build robust talent pipelines for hard-to-fill roles.

PepsiCo has implemented an internal talent marketplace that is not only the access point for these learning journeys, but also a means for employees to have visibility into the array of opportunities available to them.

Employees can learn about roles where their skills might be a good fit, as well as the learning paths needed to advance into roles. "The ultimate goal is to create a space for every employee, no matter their role or position, to build skills and advance their career, knowing that we're moving into a digital future," said Maly Scott, senior manager and global learning lead for digital skills at scale. "That's a broad mission, but it's important to create a personal and tailored journey for everyone by bringing more transparency to what is possible and access to clear pathways."

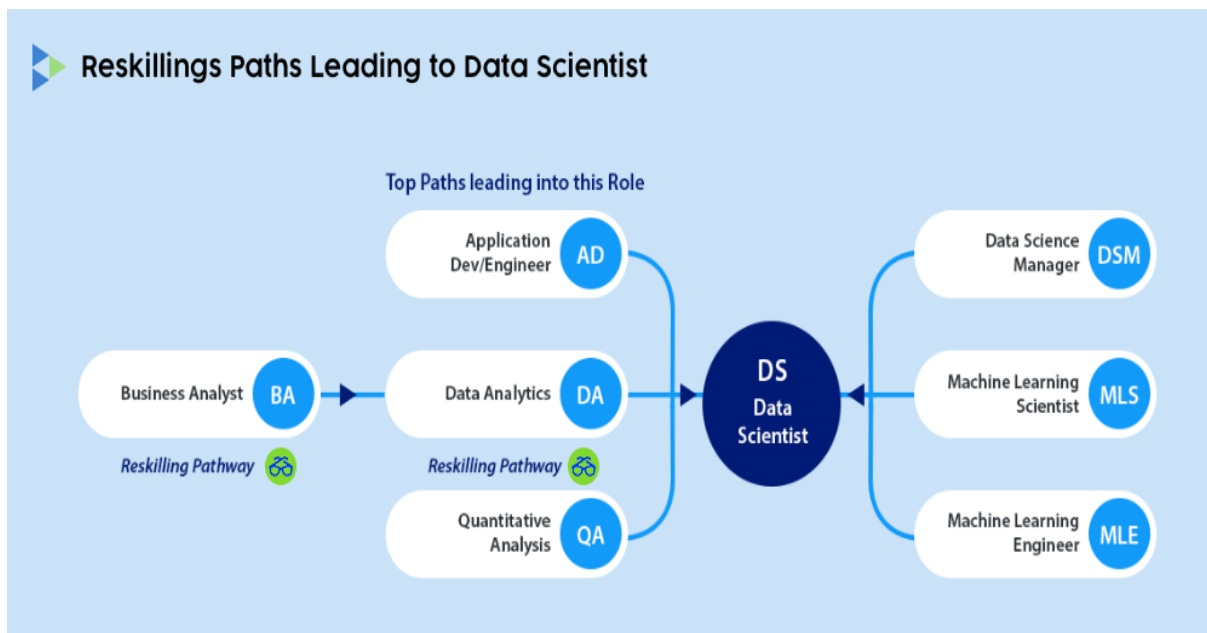
A Deeper Look: myDevelopment

myDevelopment, an internal talent marketplace powered by Gloat, integrates project and experiential learning alongside academic programming. Most roles require some experience, which can be a barrier for a full-time worker in their current role. Through myDevelopment, employees can apply for one of more than 500 "stretch projects" to develop new skills and build competency. Additionally, the platform enables employees to find and apply for 90-day, short-term assignments. These short-term assignments enable associates and managers to try out positions in new functional skill areas in a low-stakes way before deciding on a potential new career path.

Through this approach, PepsiCo helps to level the playing field for incumbent employees, who can access entry-level roles in new areas and compete with applicants who have internship and other job readiness experiences. Each project requires only a modest amount of time outside work hours to complete, and project outcomes are logged internally through an employee profile, which can be easily shared for internal job applications and interviews.

To support employees' use of myDevelopment, PepsiCo utilizes Draup, an AI talent analytics platform, to identify the technical and durable skills required in a role and to construct meaningful career pathways. Using a data system that combs through millions of job postings each day, Draup enables PepsiCo to understand where there are roles with high alignment across five criteria (all of which can be weighted based on company priorities), including technical skills, soft skills, compensation, median experience required, and data on common role transitions.

With the intelligence from this platform, PepsiCo can show employees how the skills they have in a current role align with other roles within the company, as well as the upskilling or reskilling required to get there. "We take this information for high-growth areas, and we use it to define a career path so folks can see a trajectory," said Torres. This can be particularly helpful when comparing two roles and functional areas that are emerging or newly defined, versus career paths that are better known within PepsiCo.



Skills are a common language across programs, platforms, and solutions that power PepsiCo's talent marketplace, making this a practical and strategic effort.

Practically, orienting on a common skills taxonomy enables human resources to "harmonize" the process of creating an improved learner experience. The employee user experience is

vitaly important to PepsiCo. “There is so much underneath each of these programs,” said Scott. “We have to remove friction for people.”

Focusing on skills is a significant value-add for talent at PepsiCo. For instance, across its North America food and beverage businesses – PepsiCo Foods North America and PepsiCo Beverages North America – business leaders work with HR to identify the skills required for particular roles. The team analyzes training program outcomes against required job skills and shows the program outcomes. If there are gaps, the team returns to the provider to close them. “But first, we need to have that discussion with the HR business partners,” said Torres. “We want them to be able to offer the upskilling programs to our current front-line talent and see this benefit as an internal talent pipeline.”

The company’s focus on skills is also a strategic choice that allows corporate learning efforts to impact the entire organization. With a deeper understanding of employees’ skills, corporate learning and development activities can be tailored to personal career journeys and aggregated across departments and the organization to show areas for future learning and development. “We are looking at everything across the entire talent lifecycle and showing people what is possible,” said Torres.

Organizing the company’s learning and development efforts around skills enables the Global Learning team to prove its value.

Upskilling as a Strategic Investment

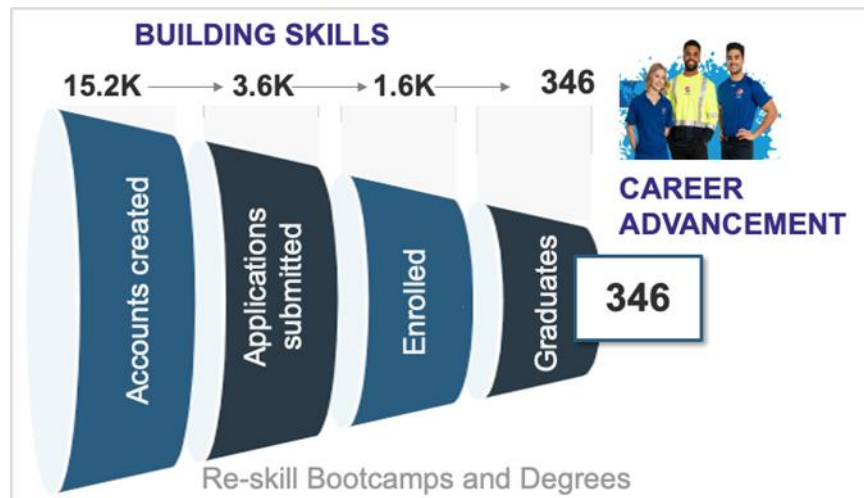
Along with the various business units, the Global Learning Center of Excellence is committed to showing upskilling and learning efforts in a different light, a strategy that is vital to the future of the company and its people.

PepsiCo is working proactively to educate incumbent employees to consider open roles that are hard to fill. For example, there is significant skill shortage for maintenance mechanics and CDL delivery drivers. Upskilling programs enable front-line employees to go through a certified program to move into these high-growth roles. Not only do maintenance technicians/drivers earn a competitive salary, but the company also currently has many open positions for these roles, which costs PepsiCo in overtime and lost productivity when they cannot fill them externally.

PepsiCo also tracks the outcomes of its education and training programs. Since launching in March 2022:

- More than 15,000 US-based employees have created a myeducation profile, and more than 1,600 have enrolled.
 - 40% of those enrolled are pursuing credentials in high-demand digital fields at PepsiCo, including data analytics and cybersecurity.

- 346 employees have already completed credentials through the program, including high school diplomas, CDLs, and even several bachelor's degrees.
- The program is driving retention, especially among early-tenure front-line employees. Attrition is 18% lower for myeducation participants versus non-participants.
- PepsiCo leadership is excited by early evidence for career mobility.
 - myeducation participants are 1.7 times more likely to experience a job level or role change.
 - 311 program participants (including active students and graduates) changed roles in 2022, with 125 "meaningful promotions" involving a level change and 13 placements into priority job roles.
 - 60 employees have earned their CDL and now fill the high-demand driver role in the company.
- myeducation is creating opportunities for PepsiCo's diverse workforce.
 - 58% of myeducation participants represent diverse backgrounds, while 46% of the company's workforce identify as diverse.
 - Black women are 1.9 times more likely to enroll than other demographic groups.
- New testimonials are captured every month.
 - Amanda Bradshaw: "I thought that I might be an administrative assistant for my entire career. But thanks to myeducation, I was able to complete a certificate in data analytics, and at the end of the program, I was promoted to a food service sales analyst."
 - Danny Rodriguez: "I used to be an operator on the lines. After the certificate in myeducation, I became a mechanic and I fix the machines. And I actually love my job."



Transforming Roles

The learning efforts and offerings at PepsiCo continue to evolve with the demand across its workforce. The company's overall goal is to invest in an employees' employability and prepare them for current and future roles.

For example, within plants, PepsiCo is using Autostore technology, an automated system that identifies and retrieves products for distribution. This innovation requires employees to learn a new skill, while also saving time and energy during the day. This enables the company to help an employee build a new skill while improving how their time is spent.

PepsiCo's upskilling solutions are tailor-made for employees in transforming roles and are designed to cultivate the full array of the skills they need to thrive. "This is intentional from the digital perspective, but we are looking at the holistic picture of what employees need to develop in their roles," Scott said.

PepsiCo's digital transformation initiative is helping to improve the employee experience on the job, while investing in building skills that will prepare them for the future.

"Our priority is to keep humans at the center of our digital transformation," said Athina Kanioura, chief strategy and transformation officer at PepsiCo. "When I joined PepsiCo, we conducted an assessment of the maturity of our technology platforms and training for all levels, including our front-line employees, associates, and executives. As a result, we launched Digital Academy, which is inclusive to all employees and leverages the power of AI to recommend the best training courses and degrees based on an employee's role and experience and future career aspirations. We've seen tremendous results with the program so far. Overall, we hold firm to the belief that continuous learning and progress in one's career are vital at every stage. It's not just about filling in the gaps; it's also about advancing their careers. Increasing digital knowledge – not just on my team, but across the organization – can have a positive impact across the entire company."

What We Learned

In just over a year, PepsiCo has started to transform its upskilling operations, creating significant value for the business and its workers. Other employers making these changes can learn from PepsiCo's experience.

Reducing Friction, Creating Meaning

The Global Learning team at PepsiCo uses the word "expose" frequently, both in the context of exposing employees to upskilling opportunities and in the context of bringing to light things that were previously hidden or complicated. A major component of PepsiCo's upskilling success has been its commitment to reducing friction, increasing transparency, and

creating meaning for employees. The company's approach is learner- and employee-centered, prioritizing messaging, platform design, and information that build employee confidence and eliminate confusion.

"PepsiCo had to bring all these disparate programs together and mask that complexity by describing what employees can actually accomplish through their programs – take on a stretch opportunity, pursue a degree, etc. – all through the lens of the employee. Most big companies have similar solutions and programs, but the top layer is the learning experience where companies have to piece it all together for the learner," Torres said.

Beyond eliminating confusion and intimidation around what programs offer, PepsiCo also committed to increasing transparency in what employees could see. For the Global Learning team, that meant not only showing what skills employees could gain through the Digital Academy, but also how those skills align with our ongoing transformation. It meant that employees could understand which postsecondary credential programs were available and how those credentials would contribute to a new career path. And it meant those who needed extra experience and a venue to demonstrate their skills could do that without leaving the company or sacrificing significant off-work hours.

The increased transparency and strategic integration of upskilling programs with business needs does not come at the cost of employee choice or self-determination. PepsiCo's Global Learning team hypothesized that employees who ran into barriers finding programs, understanding their purpose, and envisioning themselves participating would become discouraged and not participate. Further, the team knew that employees needed a full array of upskilling options that would meet employees where they are and fit into their complex lives. "You have to deliver the message and the learning in a way that feels approachable and like it was built for you personally," Scott said. "So, we build digestible, consistent stories, helping our employees understand that we're working to set them up for success – not leave them behind."

The personalized approach extends beyond the front line. PepsiCo's platforms also focus and tailor learning content to executives and managers. The content is at the right level, curated for roles with the right content for them.

An End-to-End Responsibility

PepsiCo is intentionally connecting its upskilling and learning programs across multiple dimensions that exemplify best practices, including:

- **Learning Program Array** – PepsiCo employees can earn credentials from high school diplomas and short-term certifications to bachelor's degrees, or learn through self-paced programs, meeting all employees where they are on their upskilling journeys.
- **Application** – PepsiCo has created venues for employees to access and apply their learning, both in short-term "stretch projects" that allow for demonstration of skills and in advancing roles. PepsiCo's learning programs are engines for employee mobility.

- **Internal Impact** – Working across the entire talent lifecycle, PepsiCo’s learning programs are designed to address and solve business problems. Learning programs are not standalone or partitioned benefits – they are integrated solutions with company-wide impact.

PepsiCo’s learning leaders take this comprehensive approach and its impacts personally. “I feel like it’s our responsibility to build skills for our employees, but it doesn’t stop there,” Torres said. “We need to guide people along in their journey, rather than wait to see how many can connect the dots and figure it out by themselves.”

Getting to Core Issues

The level and impact of change proposed by PepsiCo’s Global Learning team and the need for compelling reasons to do things differently meant the team needed to get specific with their objective. They built use cases for their work, demonstrating how the proposed shifts would solve problems and how systems would work. They also met company leaders with compelling data and evidence, showing precisely how learning programs were addressing pain points and driving results.

Beyond solving problems, though, the team worked to transform the system. PepsiCo had many individual solutions in place that provided value. However, by helping connect the dots from the center, employees are getting much more value from those solutions working in harmony.

Centering Learning Leadership

While most large organizations have learning programs that support and advance upskilling and development for employees, the quality and investment vary greatly. PepsiCo’s Global Learning team has significant programming opportunities, as well as a budget, to advance their goals, but the larger body of work is connecting the dots internally and making the case for change.

“The company has been around for a long time, and we’ve done things very well historically, so there has to be a compelling reason to do things differently,” Scott said. “We’ve focused on being the translator and connector of all these people and initiatives... there are pockets everywhere, but no one previously helped drive those pieces together and help surface and challenge those silos.”

The Global Learning team also centered business strategy and bottom-line value in its approach, working at every stage to solve problems for stakeholders throughout the company and the talent lifecycle.

Conclusion

PepsiCo is on a journey – one the company anticipates will increase meaningful opportunities for employees and enable the business to operate even faster, stronger, and better. With a focus on digital upskilling, high-quality credentialing opportunities that align with in-demand roles, and the infrastructure to enable internal candidates to demonstrate skill mastery, PepsiCo is creating the conditions for career mobility.

Focusing on the end user, such as the front-line employee, PepsiCo also drives efficiency and effectiveness, creating learning experiences that are easy for employees to understand and have transparent outcomes for employees and the company.

Thousands of PepsiCo employees have engaged with learning opportunities within just one year of full implementation. Hundreds have been promoted into new roles. These early results are encouraging, especially when coupled with the strategic connections and value across the talent lifecycle generated throughout the company by the Global Learning team. PepsiCo is taking a proactive, strategic approach to upskilling that will improve economic mobility for employees and drive lasting value for the company and beyond.

Acknowledgements

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About

UpSkill America

UpSkill America, an initiative of the Aspen Institute Economic Opportunities Program, supports employers and workforce organizations to expand and improve high-quality educational and career advancement opportunities for America's front-line workers. We seek to create a movement of employers, civic organizations, workforce intermediaries, and policymakers working collaboratively to implement education, training, and development strategies that result in better jobs and opportunities for front-line workers, more competitive businesses, and stronger communities. Follow us on [LinkedIn](#) and learn more at upskillamerica.org.



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