

EMPLOYER OPPORTUNITIES AND CHALLENGES IN THE DIGITAL ECONOMY

Executive Summary

In the current era of Zoom meetings, data visualizations, online retail, and more, digitalization is the common and inevitable thread that ties an increasing share of our workplaces together. While the world of work undergoes this digital transformation, the demand for digital skills in the workplace has never been greater.

As this demand continues to develop and transform in the years to come, it is essential that both employers and employees are equipped with the right tools to succeed in this digital economy so that no one gets left behind. However, data shows that Latino workers are the segment of the workforce most at risk of job displacement due to automation and digitalization.¹ With Latinos representing 18% of the US workforce and estimations that they will account for 78% of net new workers between 2020 and 2030², ensuring that Latino workers have adequate access to relevant digital skills development programs is of the utmost importance for the future competitiveness and resilience of the US economy.

Given the critical need for a workforce equipped with the right digital skills and the unique challenges faced by the Latino community in this digital age, SHRM Research and the Aspen Institute surveyed

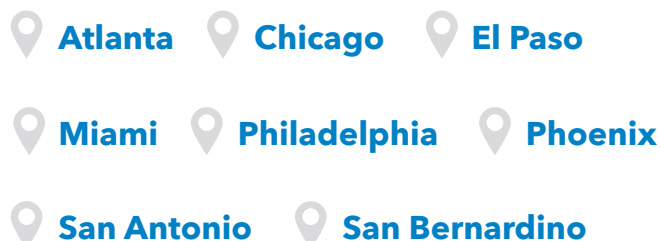
844 HR professionals across eight U.S. cities with notable Latino populations: Atlanta, Chicago, El Paso, Miami, Philadelphia, Phoenix, San Antonio, and San Bernardino, to identify the digital skills organizations need both now and in the future, to understand what challenges organizations face in the digital world, and to provide pathways to develop these needed skills and enhance workers' participation in the digital economy. This survey was conducted as part of the "Latino communities and the challenges of the Digital Economy" research project, which aims at documenting the specific challenges and opportunities that different local Latino communities face to thrive in an increasingly digital economy and society. The Aspen Latinos & Society Program, in collaboration with local data partners, will publish 6 case studies with the main takeaways of the project in early 2023.

Latinos represent 18% of the US workforce and will account for 78% of the net new workers between 2020 and 2030.²

¹ *The Future of Work in America, McKinsey & Company, July 2019*

² *Hispanics in the Labor Force: 5 Facts, Kevin Dubina, September 2021*

SHRM Research and the Aspen Institute surveyed 844 HR professionals across eight U.S. cities with notable Latino populations to identify the digital skills organizations need both now and in the future.



Current and Future Needs

Many organizations are trying to keep up with the fast pace of digitalization, but this reactionary approach will not suffice in the long term. Organizations will need to start thinking proactively about the digital skills of the future and prepare their workforce for potential shifts.

- According to HR professionals, some of the digital skills most in-demand right now are the basic essentials: computer literacy (56%), data entry (54%), and word processing (42%).
- HR professionals anticipate a rise in the demand for more technical digital skills over the next five years and a change in the types of skills needed. For example, they anticipate a rise in demand for skills related to data analytics (49%), social media (48%), cybersecurity (41%), digital design, and data visualization (40%).

In-Demand Digital Skills

RIGHT NOW	OVER THE NEXT 5 YEARS
56% computer literacy	49% data analytics
54% data entry	48% social media skills
46% data analytics	48% computer literacy
42% word processing	41% information security/ cybersecurity
39% social media skills	40% digital design and data visualization

Many organizations are struggling to:

53%

Find qualified individuals

45%

Upskill their existing workforce for positions that require digital skills

37%

Train employees on new tools and technologies

Challenges

Despite the high demand for digital skills, organizations are struggling to find workers who possess these skills. They're also having trouble training and reskilling their existing workforce to meet these needs. To address the skills gap, organizations might need to take a different approach when it comes to identifying employees with the interest, capability, and capacity for digital skills development. It is equally important for organizations to recognize that certain segments of their workforce may have unique needs and that a "one size fits all" approach may not be the most effective when it comes to digital skills training.

- Many organizations are struggling both to find qualified individuals (53%) and to upskill their existing workforce (45%) for positions that require digital skills.
- Almost 2 in 5 HR professionals (37%) say that training employees on new tools and technologies has been a major challenge for their organization.
 - Organizations with a larger percentage of Latino workers (45%) are more likely to say that training employees on new tools and technologies has been a major challenge for their organization than organizations with a smaller percentage of Latino workers (32%) or a medium percentage of Latino workers (34%).

- Time (52%) and budget (43%) constraints are the largest barriers organizations face when it comes to supporting their employee's digital skills development, followed by employees' unwillingness to learn new digital skills (38%).
- Organizations with a larger percentage of Latino workers were more likely than others to report that employees' lack of access to digital resources and a lack of training software/programs in languages other than English make it more difficult for them to support their employees' digital skills development.

Opportunities for Development

Despite the challenges organizations face to support the digital skills development of their workforce, many are taking steps in the right direction—such as prioritizing new technology and digital tools or providing employees with training opportunities.

- While 58% of HR professionals said adopting new technology or digital tools became more of a priority during COVID-19, the same percent (58%) said their budget for digital upskilling did not change. Organizations should consider adjusting their budgets accordingly to realize the benefits of new technologies and digital skills.
- The majority of organizations already provide programs to support their employees' digital skills development such as on-the-job training (75%), informal training by supervisors or coworkers (73%), and occupation-specific training (59%). However, only around half of those who offer these programs (45%-52%) say that these forms of training have been very effective.

What Can Organizations Do to Support Employees' Digital Skills Development?

Nearly 4 in 5 HR professionals in the cities surveyed (77%) say that Latino workers' participation in voluntary digital skills development programs is the same as other workers. Yet 14% say that their participation is lower than other workers. To better engage this critical segment of the workforce, organizations can consider a number of options, such as partnering with local or community-based organizations, providing training in languages other than English, and building rapport with workers, among others.

To address the skills gap, organizations might need to take a different approach when it comes to identifying employees with the interest, capability, and capacity for digital skills development...a “one size fits all” approach may not be the most effective when it comes to digital skills training.

Programs provided to support digital skills development

The majority of organizations already provide programs to support their employees' digital skills development such as:



75%
on-the-job
training



73%
informal training
by supervisors
or coworkers



59%
occupation-
specific training

Some organizations rely on partnerships to support the digital skills development of their workforce. The top 3 groups or providers that organizations work with include:

1. Online-only education or training providers (36%)
2. Four-year colleges or universities (20%)
3. Community colleges (18%)

In terms of additional supports that would help organizations upskill or reskill their Latino workforce, HR professionals prioritized the following:

1. Tools to guide the development of in-house digital skills training programs (36%)
2. Information about online digital skills certificate programs (36%)
3. Tools to support partnership development with local training providers (30%)

Organizations with a larger percentage of Latino workers are more likely to say that customized and community-based resources and training—such as tools to support partnerships with local training providers, information about government-funded training programs, and training on how to build trust and rapport with trainees—would help them upskill/reskill their Latino workforce.

Methodology

A sample of 844 HR professionals were surveyed through SHRM membership and a third-party online panel in the following 8 cities: Atlanta, Chicago, El Paso, Miami, Philadelphia, Phoenix, San Antonio, and San Bernardino. The survey was administered Thursday, August 25, 2022, to Wednesday, September 28, 2022. Only HR professionals who were currently working for an organization in the cities above were eligible to participate in this survey.

Top 3 groups or providers that organizations work with to support the digital skills development of their workforce:

36% Online-only education or training providers

20% Four-year colleges or universities

18% Community colleges

HR professionals prioritized the following as additional supports that would help upskill or reskill their Latino workforce:

36% Tools to guide the development of in-house digital skills training programs

36% Information about online digital skills certificate programs

30% Tools to support partnership development with local training providers

LATINO DIGITAL SUCCESS

Atlanta Quick Facts

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& SOCIETY**
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Top 5 In-Demand Digital Skills

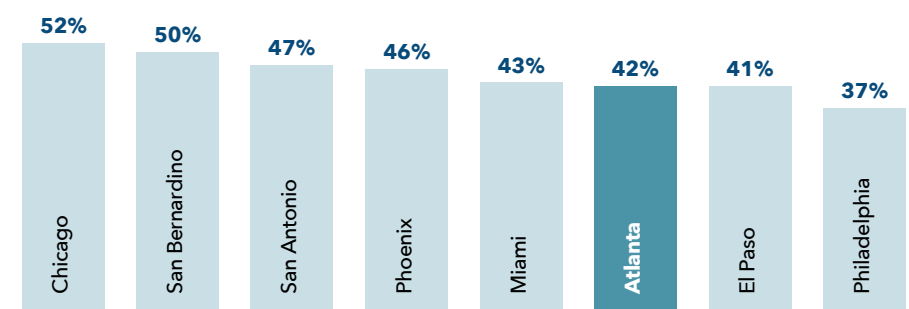
RIGHT NOW

- 52%**
Data analytics
- 51%**
Computer literacy
- 49%**
Information security / Cybersecurity
- 48%**
Data entry
- 41%**
Digital design and data visualization

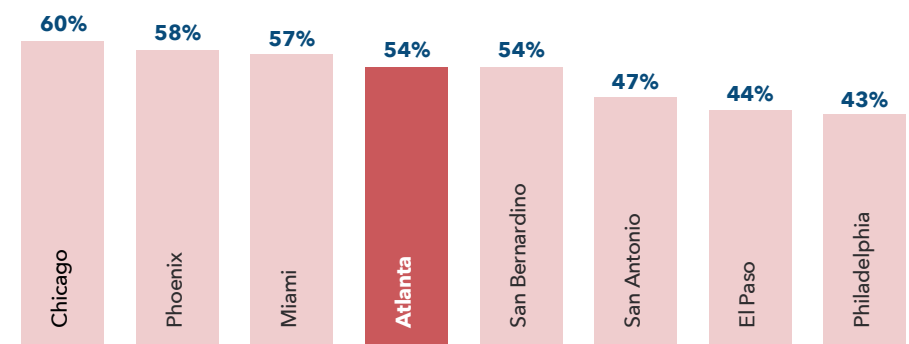
OVER THE NEXT 5 YEARS

- 52%**
Digital design and data visualization
- 49%**
Information security / Cybersecurity
- 46%**
Data analytics
- 45%**
Digital product management / Digital marketing and content creation
- 42%**
Computer literacy

Difficulty in upskilling/reskilling individuals for positions that require the digital skills needed by organizations in the last 12 months



Difficulty in finding qualified individuals for positions that require the digital skills needed by organizations in the last 12 months



Types of digital skills assessments organizations use to assess job applicants

HR professionals in Atlanta assess the digital skills of applicants through:



57%
self-assessments



49%
work samples
or work
simulation tests



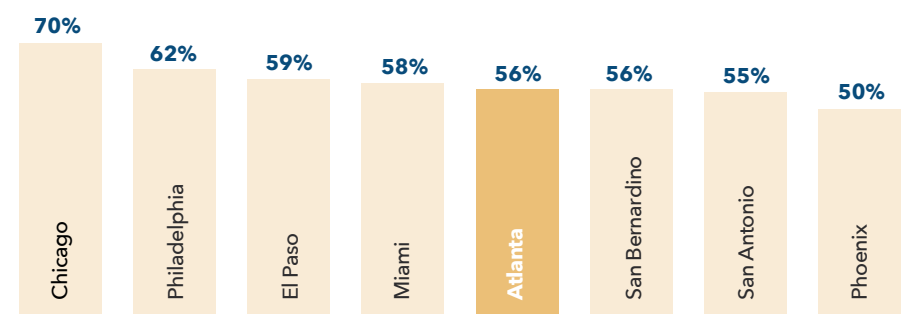
41%
knowledge tests

PRE-COVID

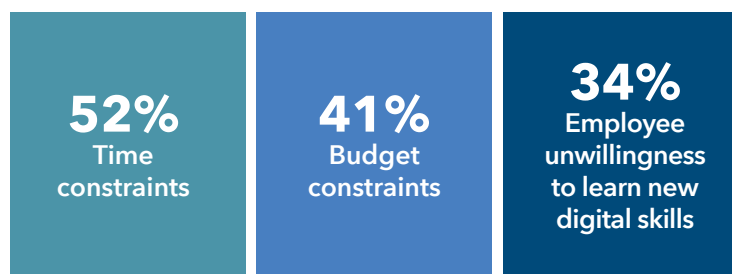
Only 43% of HR professionals in Atlanta say that adopting new technology or digital tools is a high/essential priority for their organization.

POST-COVID

However, 56% of HR professionals in Atlanta say that **adopting new technology or digital tools became more of a priority** for their organization during COVID-19.



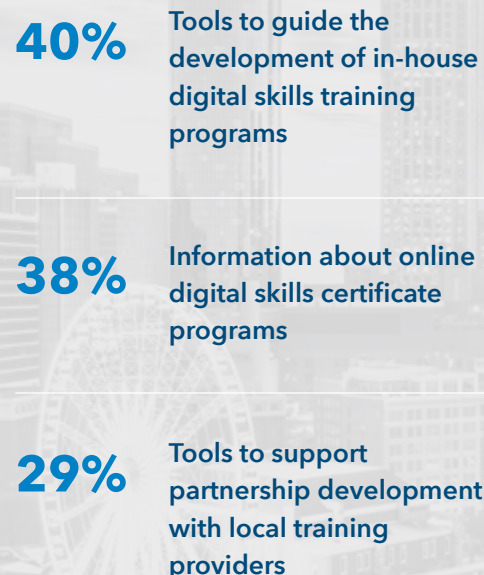
Biggest challenges organizations face when it comes to supporting employees' digital skills development



Organizations' preferred partners to develop their workforce's digital skills



Top tools and resources that would help organizations upskill/reskill their Latino workforce



LATINO DIGITAL SUCCESS

Chicago Quick Facts

Top 5 In-Demand Digital Skills

RIGHT NOW

49%

Data analytics

48%

Computer
literacy

38%

Data entry

36%

Information
security /
Cybersecurity

36%

Technology
troubleshooting

OVER THE NEXT 5 YEARS

56%

Data analytics

50%

Information
security /
Cybersecurity

43%

Computer
literacy

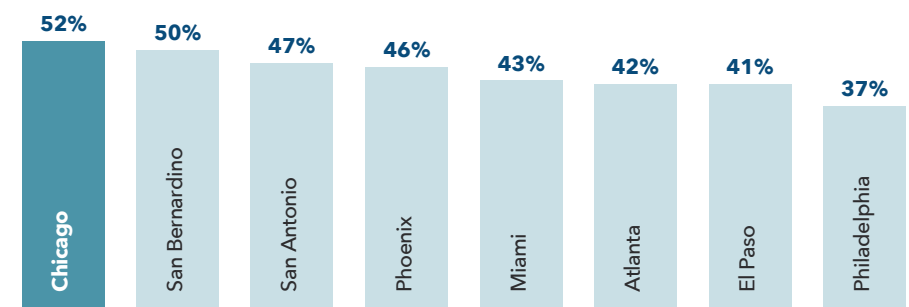
42%

Social media
skills

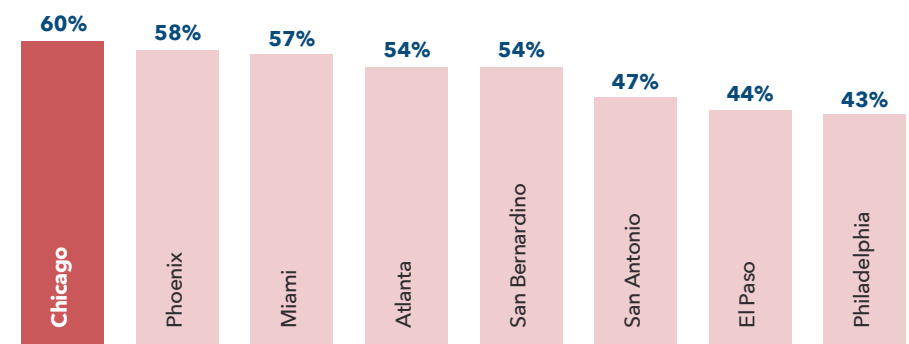
38%

Digital design
and data
visualization

Difficulty in upskilling/reskilling individuals for positions that require the digital skills needed by organizations in the last 12 months



Difficulty in finding qualified individuals for positions that require the digital skills needed by organizations in the last 12 months



Types of digital skills assessments organizations use to assess job applicants

HR professionals in Chicago assess the digital skills of applicants through:



41%

self-assessments



33%

knowledge tests



33%

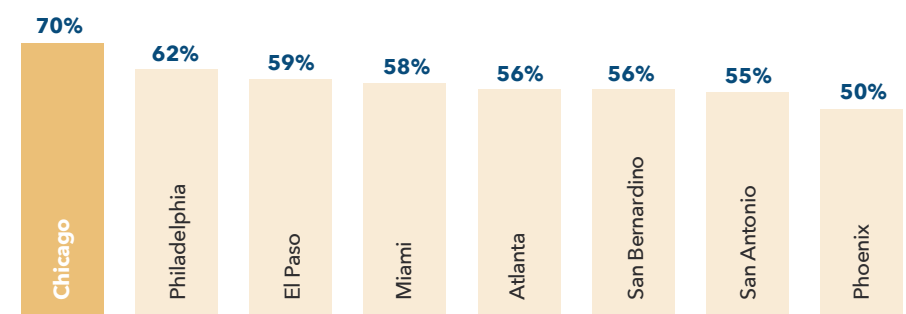
work samples
or work
simulation tests

PRE-COVID

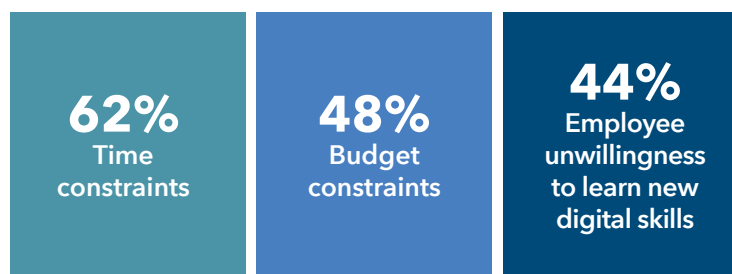
Only 35% of HR professionals in Chicago say that adopting new technology or digital tools is a high/essential priority for their organization.

POST-COVID

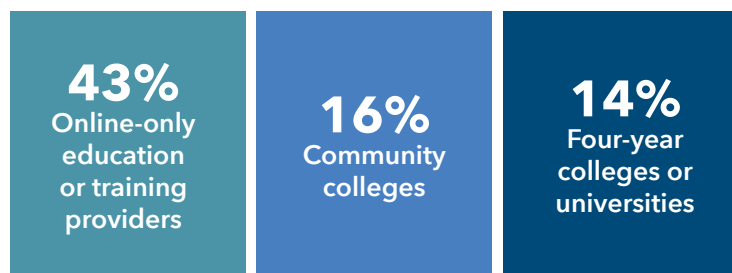
However, 70% of HR professionals in Chicago say that **adopting new technology or digital tools became more of a priority** for their organization during COVID-19.



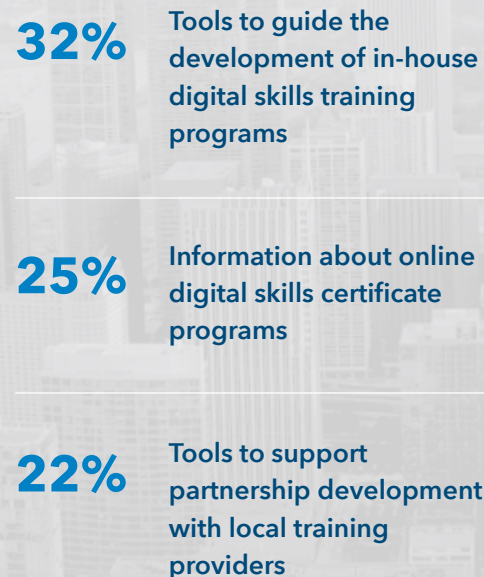
Biggest challenges organizations face when it comes to supporting employees' digital skills development



Organizations' preferred partners to develop their workforce's digital skills



Top tools and resources that would help organizations upskill/reskill their Latino workforce



LATINO DIGITAL SUCCESS

El Paso Quick Facts

Top 5 In-Demand Digital Skills

RIGHT NOW

67%
Data entry

51%
Computer literacy

46%
Word processing

39%
Social media skills

36%
Data analytics

OVER THE NEXT 5 YEARS

54%
Data entry

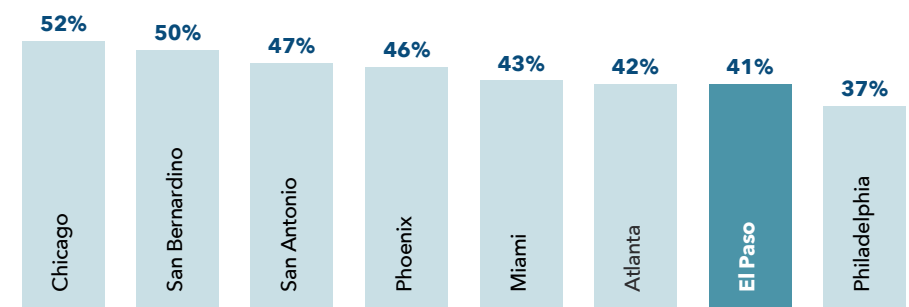
53%
Social media skills

48%
Computer literacy

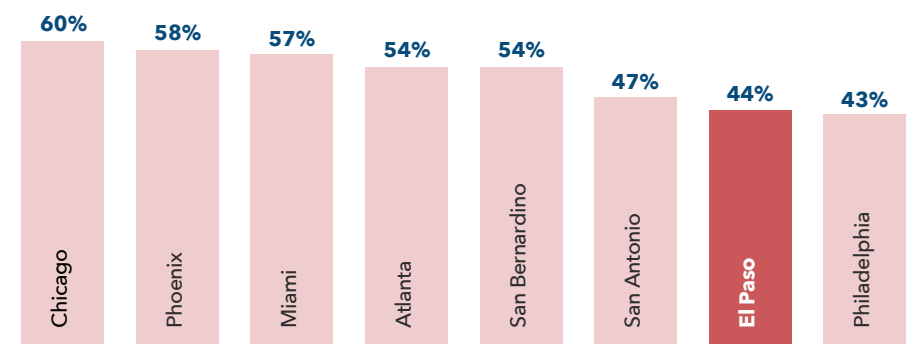
44%
Word processing

41%
Data analytics

Difficulty in upskilling/reskilling individuals for positions that require the digital skills needed by organizations in the last 12 months



Difficulty in finding qualified individuals for positions that require the digital skills needed by organizations in the last 12 months



Types of digital skills assessments organizations use to assess job applicants

HR professionals in El Paso assess the digital skills of applicants through:



59%
self-assessments



59%
knowledge tests



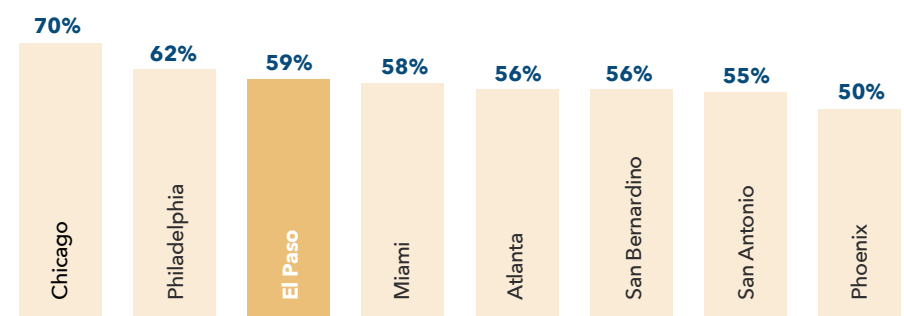
54%
work samples
or work
simulation tests

PRE-COVID

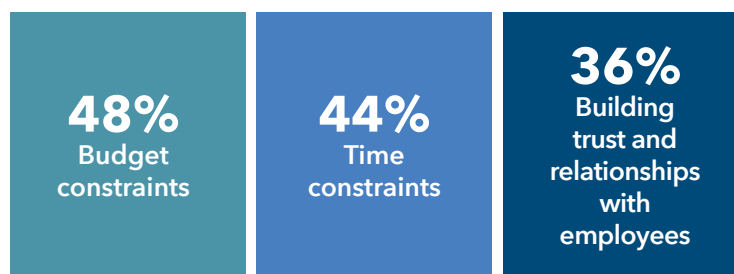
Only 56% of HR professionals in El Paso say that adopting new technology or digital tools is a high/essential priority for their organization.

POST-COVID

However, 59% of HR professionals in El Paso say that **adopting new technology or digital tools became more of a priority** for their organization during COVID-19.



Biggest challenges organizations face when it comes to supporting employees' digital skills development



Organizations' preferred partners to develop their workforce's digital skills



Top tools and resources that would help organizations upskill/reskill their Latino workforce



LATINO DIGITAL SUCCESS

Miami Quick Facts

Top 5 In-Demand Digital Skills

RIGHT NOW

65%

Computer literacy

54%

Data entry

49%

Social media skills

48%

Data analytics

47%

Word processing

OVER THE NEXT 5 YEARS

54%

Data analytics

48%

Computer literacy

45%

Programming, web, and app development / Technology troubleshooting

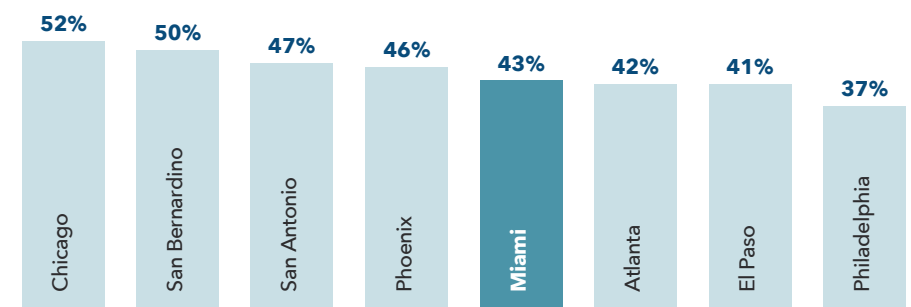
44%

Social media skills

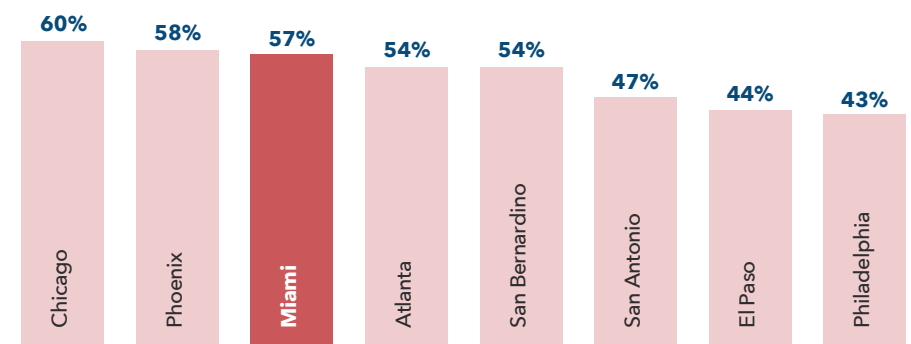
43%

Digital product management visualization

Difficulty in upskilling/reskilling individuals for positions that require the digital skills needed by organizations in the last 12 months



Difficulty in finding qualified individuals for positions that require the digital skills needed by organizations in the last 12 months



Types of digital skills assessments organizations use to assess job applicants

HR professionals in Miami assess the digital skills of applicants through:



60%

self-assessments



56%

knowledge tests



55%

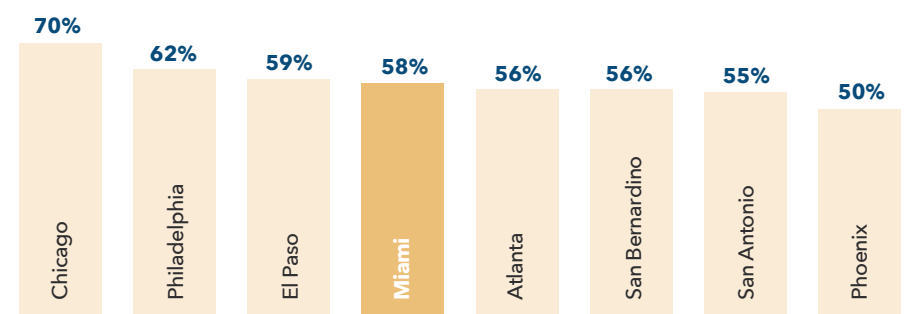
work samples
or work
simulation tests

PRE-COVID

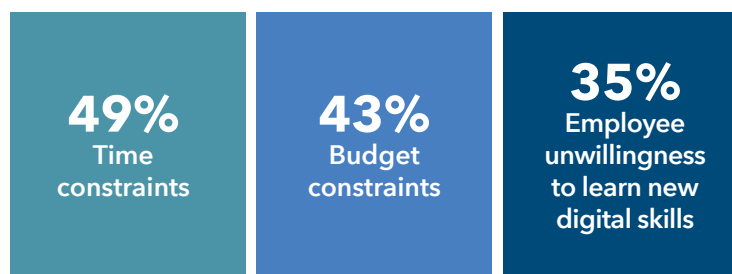
Only 50% of HR professionals in Miami say that adopting new technology or digital tools is a high/essential priority for their organization.

POST-COVID

However, 58% of HR professionals in Miami say that **adopting new technology or digital tools became more of a priority** for their organization during COVID-19.



Biggest challenges organizations face when it comes to supporting employees' digital skills development



Organizations' preferred partners to develop their workforce's digital skills



Top tools and resources that would help organizations upskill/reskill their Latino workforce



Philadelphia Quick Facts

Top 5 In-Demand Digital Skills

RIGHT NOW

65%
Computer literacy

58%
Data entry

48%
Data analytics

44%
Word processing

39%
Social media skills

OVER THE NEXT 5 YEARS

57%
Computer literacy

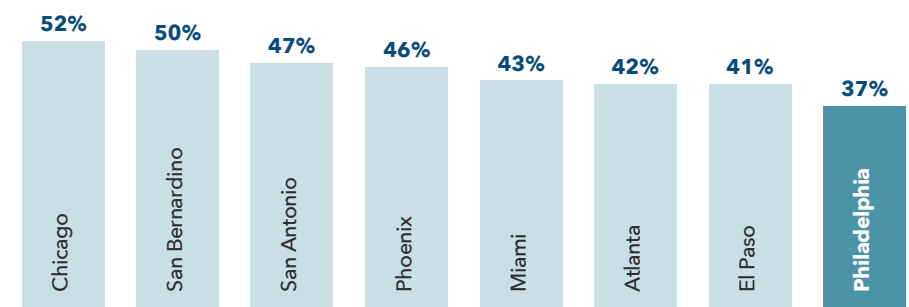
54%
Social media skills

47%
Data analytics

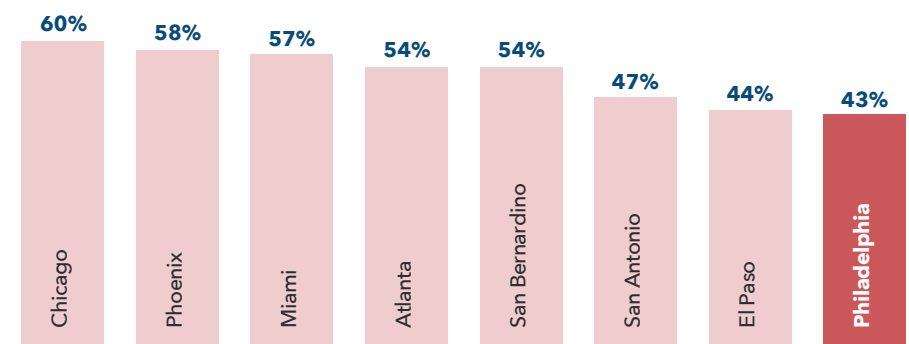
44%
Programming, web, and app development

43%
Data entry

Difficulty in upskilling/reskilling individuals for positions that require the digital skills needed by organizations in the last 12 months



Difficulty in finding qualified individuals for positions that require the digital skills needed by organizations in the last 12 months



Types of digital skills assessments organizations use to assess job applicants

HR professionals in Philadelphia assess the digital skills of applicants through:



54%
self-assessments



47%
work samples
or work
simulation tests



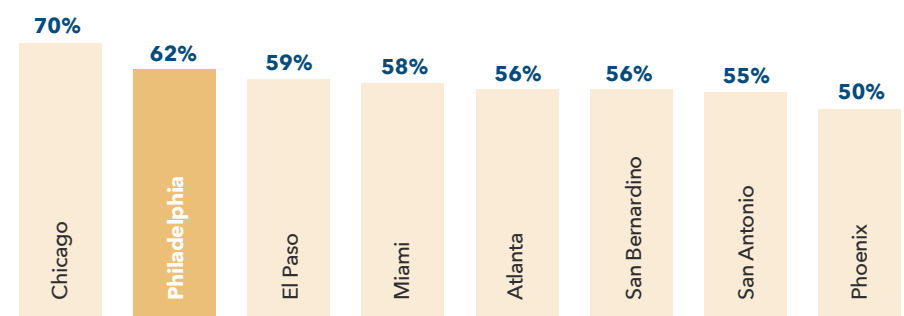
47%
knowledge tests

PRE-COVID

Only 44% of HR professionals in Philadelphia say that adopting new technology or digital tools is a **high/essential priority for their organization.**

POST-COVID

However, 62% of HR professionals in Philadelphia say that **adopting new technology or digital tools became more of a priority** for their organization during COVID-19.



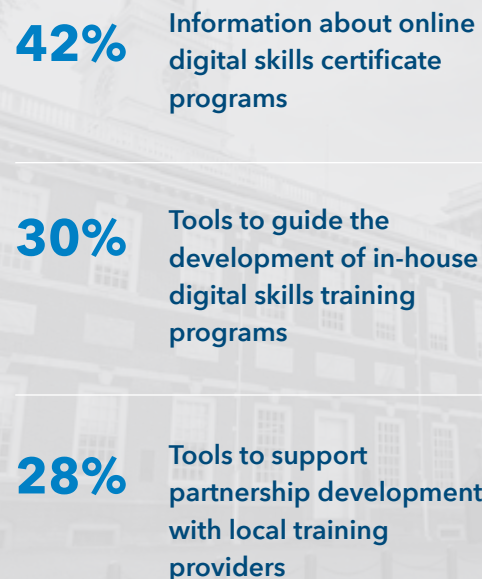
Biggest challenges organizations face when it comes to supporting employees' digital skills development



Organizations' preferred partners to develop their workforce's digital skills



Top tools and resources that would help organizations upskill/reskill their Latino workforce



LATINO DIGITAL SUCCESS

Phoenix Quick Facts

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Top 5 In-Demand Digital Skills

RIGHT NOW

65%
Computer
literacy

54%
Data entry

47%
Data analytics

44%
Technology
troubleshooting

41%
Word
processing

OVER THE NEXT 5 YEARS

56%
Data analytics

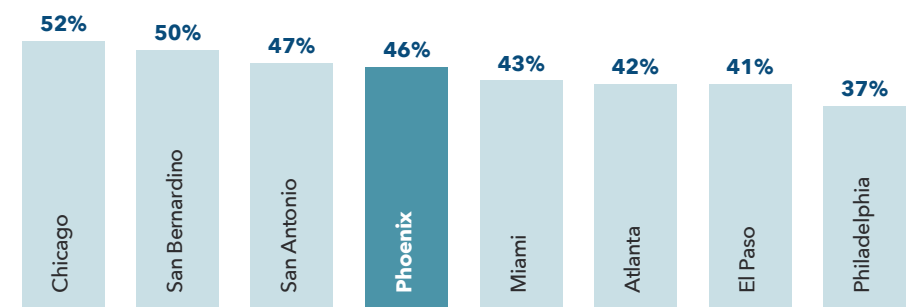
52%
Computer
literacy

45%
Technology
troubleshooting

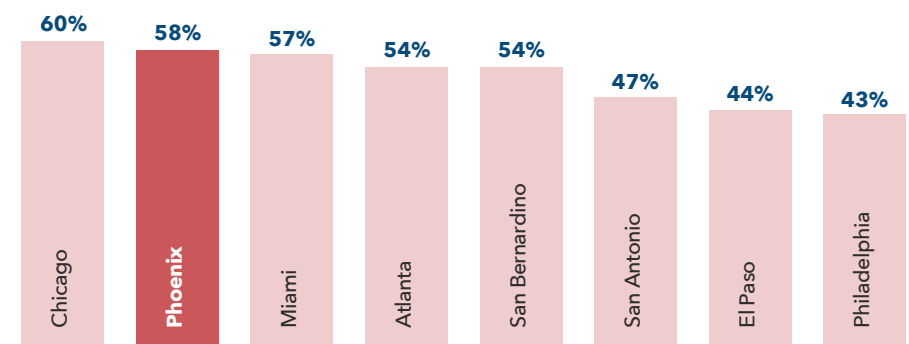
44%
Digital design
and data
visualization

43%
Social media
skills

Difficulty in upskilling/reskilling individuals for positions that require the digital skills needed by organizations in the last 12 months



Difficulty in finding qualified individuals for positions that require the digital skills needed by organizations in the last 12 months



Types of digital skills assessments organizations use to assess job applicants

HR professionals in Phoenix assess the digital skills of applicants through:



44%
self-assessments



38%
work samples
or work
simulation tests



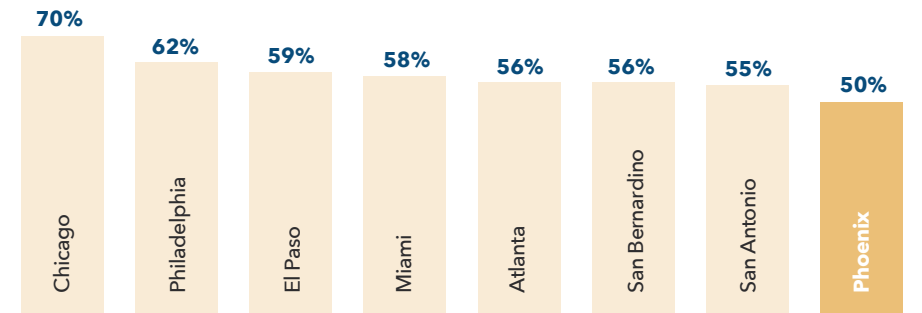
34%
knowledge tests

PRE-COVID

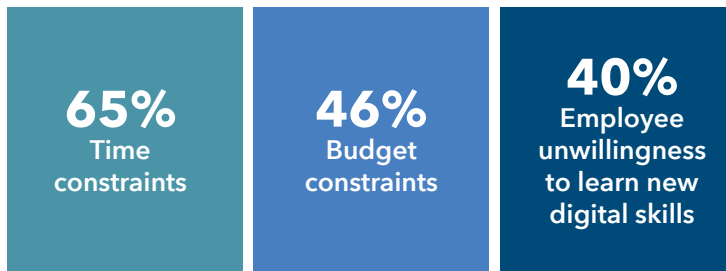
Only 39% of HR professionals in Phoenix say that adopting new technology or digital tools is a high/essential priority for their organization.

POST-COVID

However, 50% of HR professionals in Phoenix say that **adopting new technology or digital tools became more of a priority** for their organization during COVID-19.



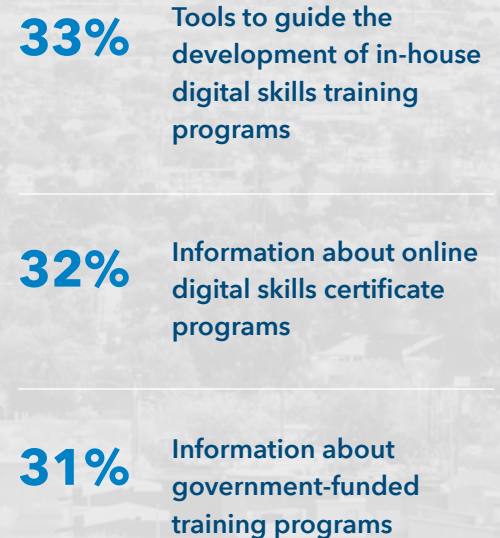
Biggest challenges organizations face when it comes to supporting employees' digital skills development



Organizations' preferred partners to develop their workforce's digital skills



Top tools and resources that would help organizations upskill/reskill their Latino workforce



Top 5 In-Demand Digital Skills

RIGHT NOW

61%

Data entry

49%

Computer literacy

45%

Data analytics / Social media skills

38%

Word processing

32%

Technology troubleshooting

OVER THE NEXT 5 YEARS

54%

Social media skills

47%

Data entry

42%

Data analytics / Computer literacy

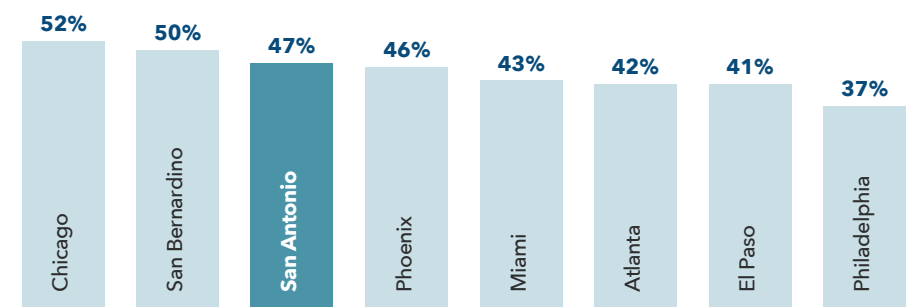
38%

Programming, web, and app development

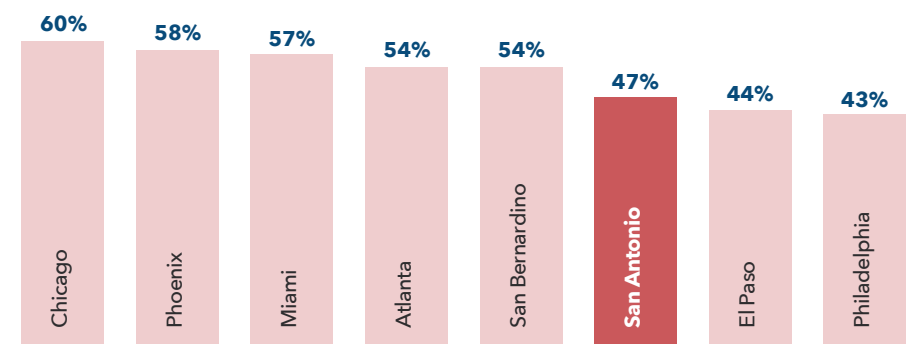
35%

Word processing

Difficulty in upskilling/reskilling individuals for positions that require the digital skills needed by organizations in the last 12 months



Difficulty in finding qualified individuals for positions that require the digital skills needed by organizations in the last 12 months



Types of digital skills assessments organizations use to assess job applicants

HR professionals in San Antonio assess the digital skills of applicants through:



71%
knowledge tests



57%
self-assessments



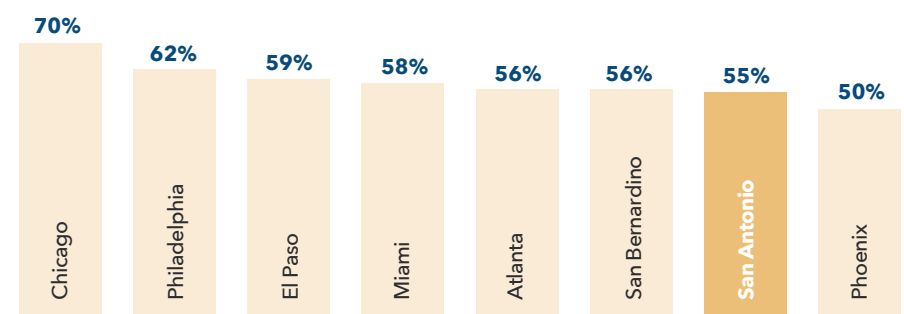
50%
work samples
or work
simulation tests

PRE-COVID

Only 51% of HR professionals in San Antonio say that adopting new technology or digital tools is a **high/essential priority for their organization.**

POST-COVID

However, 55% of HR professionals in San Antonio say that **adopting new technology or digital tools became more of a priority** for their organization during COVID-19.



Biggest challenges organizations face when it comes to supporting employees' digital skills development

41%

Budget constraints /
Time constraints

31%

Employee unwillingness to learn new digital skills

25%

Lack of training software or programs in languages other than English /
Building trust

Organizations' preferred partners to develop their workforce's digital skills

30%

Online-only education or training providers

23%

Workforce Development Board

21%

Four-year colleges or universities

Top tools and resources that would help organizations upskill/reskill their Latino workforce

47%

Information about online digital skills certificate programs

42%

Training on how to build trust and rapport with trainees

42%

Tools to guide the development of in-house digital skills training programs

San Bernardino Quick Facts

Top 5 In-Demand Digital Skills

RIGHT NOW

55%

 Computer literacy /
Data entry

45%

Word processing

42%

Data analytics

38%

Social media skills

31%

Technology troubleshooting

OVER THE NEXT 5 YEARS

54%

Data entry

52%

Social media skills / Computer literacy

43%

Word processing

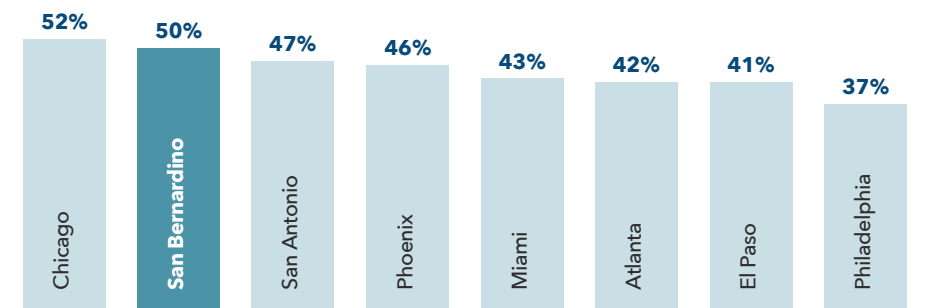
42%

Programming, web, and app development

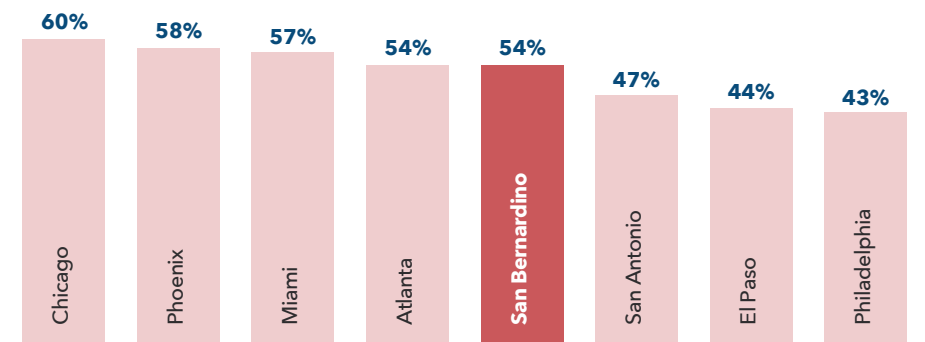
40%

Data analytics

Difficulty in upskilling/reskilling individuals for positions that require the digital skills needed by organizations in the last 12 months



Difficulty in finding qualified individuals for positions that require the digital skills needed by organizations in the last 12 months



Types of digital skills assessments organizations use to assess job applicants

HR professionals in San Bernardino assess the digital skills of applicants through:



58%
work samples
or work
simulation tests



57%
knowledge tests



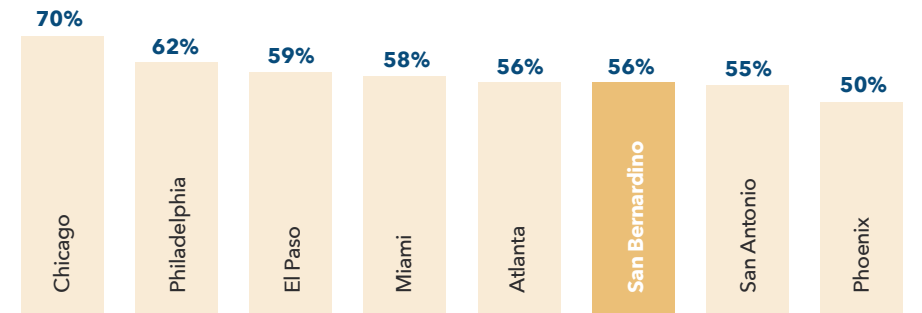
53%
self-assessments

PRE-COVID

Only 42% of HR professionals in San Bernardino say that adopting new technology or digital tools is a **high/essential priority for their organization.**

POST-COVID

However, 56% of HR professionals in San Bernardino say that **adopting new technology or digital tools became more of a priority** for their organization during COVID-19.



Biggest challenges organizations face when it comes to supporting employees' digital skills development

51%

Employee unwillingness to learn new digital skills

45%

Time constraints

40%

Budget constraints

Organizations' preferred partners to develop their workforce's digital skills

29%

Online-only education or training providers

26%

Community colleges

25%

Four-year colleges or universities

Top tools and resources that would help organizations upskill/reskill their Latino workforce

40%

Marketing to highlight the benefits of learning new digital skills

39%

Information about online digital skills certificate programs

37%

Tools to support partnership development with local training providers