



# How to Launch a Reskilling Program That Drives ROI

# Introduction

The workplace is evolving fast, and businesses that don't invest in their employees' skills risk falling behind. Automation, AI, and shifting market demands are reshaping job roles, making continuous learning essential.

HR leaders play a critical role in building reskilling programs that align with business goals and deliver measurable ROI. When done right, these programs help companies reduce hiring costs, close skill gaps, and empower employees to take on new challenges.

This guide breaks down the key steps to launching a successful reskilling program—one that's backed by research, designed for impact, and scalable across different business sizes. You'll also find real-world examples from leaders, proving that the right approach pays off.

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**Don't consider reskilling just “keeping up.” Instead, view it as a strategic investment that can drive productivity, retention, and long-term business growth.**

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# Steps to Launch a Reskilling Program That Drives ROI

## 1) Assess Skill Gaps and Business Needs

A reskilling program should be rooted in real business challenges. Before investing in training, HR leaders need to pinpoint exactly where skill gaps exist and how they affect performance, productivity, and growth. This requires a data-driven approach to workforce planning and skills assessment.

### HOW TO IDENTIFY SKILL GAPS

- **Conduct Workforce Skills Assessments**

Use internal surveys, self-assessments, and manager evaluations to gauge employee skill levels.

- **Analyze Job Performance Data**

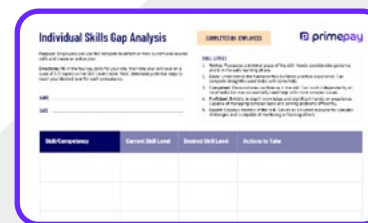
Review productivity metrics, error rates, and project completion times to identify areas where skill deficiencies may be slowing down business operations.

- **Gather Input from Managers and Employees**

Conduct interviews or roundtable discussions with managers to understand where they see the most significant skill shortages. Employees can also provide insights into the tools, knowledge, and training they need to excel in their roles.

- **Benchmark Against Industry Trends**

Look at reports, competitor strategies, and market research to anticipate which skills will be in high demand in the next three to five years. This forward-looking approach ensures your workforce is prepared for future challenge.



Download here



### DOWNLOADABLE RESOURCE

## Skills Gap Analysis Template

Use our Skills Gap Analysis Template to determine team and individual action plans.



## FROM THE FRONTLINES

# Accessing Gaps and Needs

Our organization is structured with an executive leadership team (ELT) at the top, followed by a director and senior director cohort, then people managers, and finally, the rest of the team. What I found was that there wasn't necessarily a skills gap between the director cohort and people leaders—it was an *information* gap.

The ELT and directors communicate regularly. We have scheduled meetings twice a month, plus additional strategy meetings. But there weren't any structured meetings for people managers. That meant information was getting lost in translation. Instead of a clear message—*Here's what leadership decided, and here's how it impacts your team*—people managers were receiving vague, high-level summaries without enough context to pass along to their teams effectively.

To close that gap, I introduced a monthly meeting that brings together people managers, our leadership team, and occasionally members of the ELT. The ELT typically doesn't attend because they trust that leadership will cascade the right information. But now, with all three levels of management aligned in one meeting, people managers have direct access to the details they need.

Not only has this improved communication, but it's also created a space for questions we hadn't even considered before. Now, instead of information slipping through the cracks, we're fostering a stronger, more connected leadership pipeline—and that's adding real value to the organization.



It's important for leaders to be proactive, especially when it comes to gaps. For example, after reviewing last year's performance evaluations, I noticed some clear disconnects and started asking questions."



**Monica Bright-Hill,**  
Director of HR for the National  
Society of Black Engineers  
World Headquarters



## 2) Secure Leadership Buy-In

A reskilling program needs executive support to be successful. Leadership approval ensures adequate funding, prioritization, and alignment with business goals. Without it, initiatives risk being deprioritized or underutilized.

### HOW TO BUILD THE BUSINESS CASE

- **Highlight the Cost Savings Compared to External Hiring**  
Reskilling is often more cost-effective than hiring new employees. Use industry benchmarks to show how reskilling can save thousands per employee compared to recruiting, onboarding, and training new hires.
- **Demonstrate the Link Between Skills and Business Performance**  
Provide data on how skill gaps are affecting efficiency, revenue, or innovation. Show that reskilling employees can increase productivity and retention while reducing costly mistakes.
- **Align Reskilling with Business Goals**  
Connect the program to strategic objectives like digital transformation, market expansion, or [operational efficiency](#). If leadership sees a direct link to company growth, they'll be more likely to invest.
- **Use Competitor and Industry Benchmarks**  
Highlight how competitors are upskilling their workforces to stay ahead. If industry leaders are prioritizing reskilling, your company can't afford to fall behind.



1 Highlight Cost Savings

Link Skills and Performance 2

3 Align with Business Goals

Use Benchmarks 4

## FROM THE FRONTLINES

# Leading with Data and Transparency

Persuading the C-suite starts with impact—you need solid data points to back up your case. That means doing your ROI analysis and being able to clearly show, *If we take this action, here's the expected impact.*

For example, if engagement scores dropped after a key event—say, a restructuring or a leadership change—you should be able to point to the numbers and say: *Engagement fell by X%, particularly in this department, where many of our top performers are. If we don't act, we risk further disengagement or even attrition. Here's what we can do to turn it around.*

But beyond the data, the real key is honesty. Transparency isn't a *one-and-done* thing—it's a continuous practice. It's like deciding to stop eating chocolate biscuits. You make the decision, you stick with it for two weeks, but then one day, you catch yourself reaching into the cupboard, biscuit already in hand, wondering, *How did that happen?*

That's how transparency works. It's not a switch you flip; it's a habit you build. Leading with impact means constantly bringing awareness to how decisions are communicated and ensuring that honesty remains at the forefront of every conversation. It's a moment-to-moment practice, not just a one-time effort.



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**Alan Wilson,**  
Head of People  
at OnSecurity

### 3) Design a Targeted Learning Strategy

A strong reskilling program focuses on delivering the right training in the right way. Employees need learning experiences that fit their roles, learning styles, and career goals.

#### HOW TO BUILD AN EFFECTIVE LEARNING STRATEGY

- **Create Personalized Learning Paths**  
Not all employees need the same training. Develop different tracks based on roles and future career trajectories. Use technology-driven platforms that adapt learning modules based on progress and assessment results.
- **Offer a Mix of Learning Methods**  
Use a blend of:
  - **Online courses and microlearning** for self-paced, flexible learning.
  - **Instructor-led training and mentorship** to provide real-time guidance.
  - **Hands-on, project-based learning** that lets employees apply skills in real-world scenarios.
- **Incorporate Industry-Recognized Certifications**  
Partner with accredited institutions or online platforms to provide certifications that enhance employees' career prospects and boost company credibility.
- **Make Learning Accessible and Engaging**  
Use gamification, interactive modules, and real-world case studies to keep employees engaged. Providing mobile-friendly learning platforms can also increase participation rates.

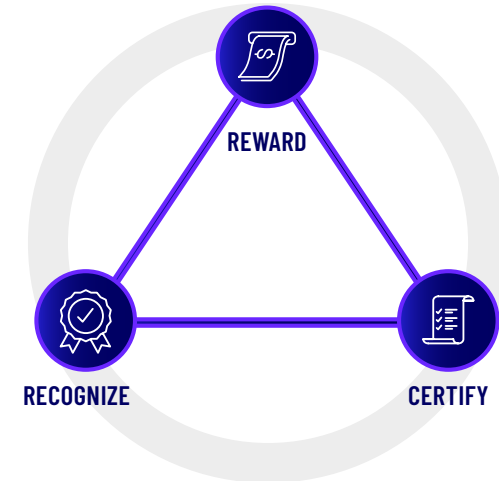


## 4) Implement and Promote the Program

Even the best reskilling programs will fail if employees don't engage with them. Clear communication, incentives, and leadership involvement are key to driving participation.

### HOW TO DRIVE EMPLOYEE ENGAGEMENT

- **Clearly Communicate the Benefits**  
Employees should understand how reskilling helps their career growth, job security, and earning potential. HR can promote the program through company-wide meetings, internal newsletters, and success stories.
- **Provide Incentives for Participation**  
Encourage employees to complete training by offering:
  - **Certifications and career advancement opportunities** tied to promotions or raises.
  - **Tuition reimbursement** for employees who pursue external learning.
  - **Recognition programs** that reward top participants with bonuses or public acknowledgment.
- **Offer Flexible Learning Options**  
Employees have different schedules and learning preferences. Provide:
  - On-demand courses for self-paced learning.
  - Virtual and in-person sessions to accommodate different styles.
  - Short, digestible lessons that fit into the workday.
- **Get Leadership Involved**  
When executives and managers actively promote and participate in the program, employees are more likely to engage. Encourage leaders to share their own learning journeys and advocate for the program in team meetings.





## FROM THE FRONTLINES

# Promoting Real-Time Training

One of the most important things I encourage people leaders to do is take a step back and ask themselves: *Have I truly set clear expectations? Instead of immediately thinking, This person isn't performing well or They failed at this task, shift the mindset to: What just-in-time training or support can I provide?*

For example, if something doesn't go as planned, approach it as a learning opportunity. Say, *Hey, this didn't go quite as I expected—can we talk about it? Is there anything that wasn't clear for you? Do you feel like you have what you need to be successful?* By opening up that dialogue, you're not just addressing the immediate issue—you're also reinforcing a culture of continuous learning.

Leaders should aim to eliminate what I call “feedback debt”—when we hold back observations instead of addressing them in the moment. Instead, prioritize real-time, contextual coaching that equips employees with the tools they need when they need them. That's where you'll see the real impact—higher productivity, stronger engagement, and a team that feels genuinely supported in their growth.



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**Barry Marshall,**  
Founder and CEO of P5

## 5) Measure Impact and Adjust

Reskilling programs should deliver tangible business results. Tracking key performance indicators (KPIs) helps HR leaders refine the program and prove its value to leadership.

### HOW TO MEASURE ROI

- **Track Employee Engagement and Participation**  
Monitor completion rates, feedback surveys, and session attendance to gauge how engaged employees are with the training.
- **Measure Skill Proficiency Improvements**  
Use pre- and post-training assessments to track knowledge gains and skill development. Certification completion rates can also serve as an indicator.
- **Analyze Productivity and Performance Metrics**  
Compare KPIs such as efficiency, output quality, and project completion times before and after training. Look for correlations between reskilling and improved performance.
- **Assess Hiring and Retention Impact**  
Measure whether reskilled employees are moving into higher roles, reducing the need for external hires. Track turnover rates among trained employees to see if retention improves.



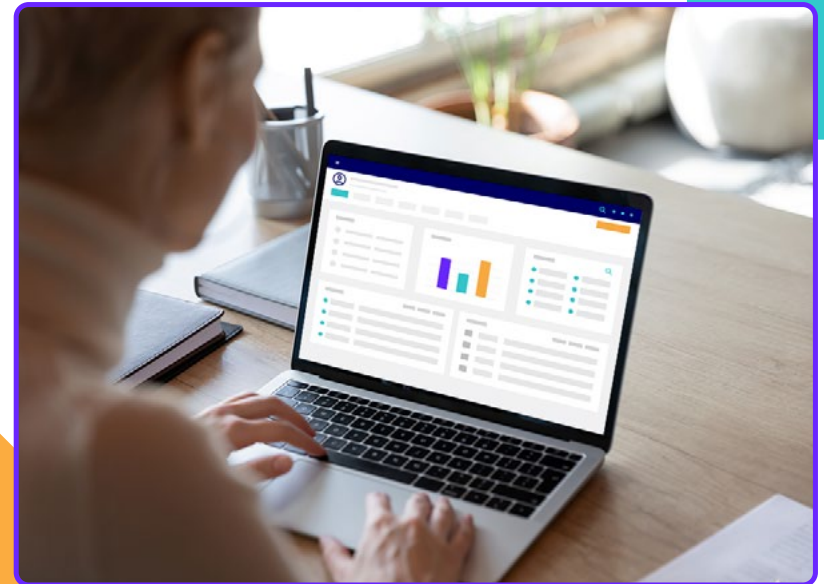
Engagement



Completion



Productivity



# How to Calculate ROI

## (+ Downloadable Excel Calculator)

Although your reskilling program is a people-first investment, it's also a business decision that should deliver measurable returns. But how do you calculate the true impact of reskilling on your company's bottom line?

HR leaders must quantify the ROI of reskilling programs to demonstrate their value in cost savings, productivity gains, and strategic business alignment.

Below, we outline four key aspects to consider to build a compelling case and a downloadable ROI calculator to deliver the numbers you need.



# 80%+

of HR leaders **prioritize making their role a more strategic partner to the C-Suite**. Leading with data – and speaking executives' “language” – is an effective way to do so.

## Aspects to Consider When Getting Buy-In from the C-Suite

### 1. COST SAVINGS COMPARED TO EXTERNAL HIRING

One of the clearest ways to showcase ROI is by comparing the cost of reskilling existing employees to the expenses associated with external hiring. Hiring from outside the company involves various expenses and resources, all of which can add up quickly.

Reskilling, on the other hand, focuses on targeted training for employees who are already familiar with the company's culture and processes. By calculating the per-employee cost difference between hiring externally and upskilling internally, you can present a strong financial case for reskilling initiatives.

- **External hiring costs:** Include recruiting fees, onboarding expenses, training new hires, and the hidden costs of ramp-up time. Industry benchmarks suggest these can range from several thousand to tens of thousands of dollars per employee.
- **Reskilling costs:** Compare the training cost per employee against the full cost of external hiring. These are typically much lower and focused on targeted training programs.

### Example calculation:

Let's say the cost to hire externally is \$40,000 per employee, while reskilling costs \$10,000 per employee. Savings per employee:  $\$40,000 - \$10,000 = \$30,000$





## 2. LINK BETWEEN SKILLS AND BUSINESS PERFORMANCE

Beyond cost savings, reskilling directly impacts business performance, customer satisfaction, and employee engagement. By analyzing key data points, you can estimate the financial benefits of a more skilled workforce.

- **Productivity gains:** Quantify how skill improvements reduce errors, improve operational efficiency, and accelerate innovation.
- **Revenue impact:** Estimate the incremental revenue or cost savings due to improved skills (e.g., faster project delivery or reduced downtime).
- **Retention and engagement:** Calculate turnover costs, as higher engagement helps increase retention rates and maintain institutional knowledge.

### Data points to consider:

- 📈 Percentage increase in productivity after training.
- 📈 Reduction in error rates or operational mistakes.
- 📈 Improvement in project completion times.

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**Show that every dollar invested in reskilling contributes to achieving strategic priorities, making the program not just a training initiative but a growth lever.**

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## 3. ALIGNMENT WITH BUSINESS GOALS

Reskilling initiatives shouldn't exist in isolation; instead, they should directly support the company's broader strategic objectives. By framing reskilling as a growth lever rather than just a training initiative, you can demonstrate how every dollar invested translates into tangible business value.

- **Objectives:** Map training programs to key initiatives like digital transformation, market expansion, or process optimization.
- **KPIs:** Define and track key performance indicators that directly link training outcomes to business objectives (e.g., innovation index, customer satisfaction, operational efficiency).

#### 4. COMPETITOR AND INDUSTRY BENCHMARKS

Benchmarking against industry peers helps validate the importance of reskilling. If competitors are reducing turnover, increasing productivity, and improving performance through upskilling efforts, your organization risks falling behind if it doesn't invest in employee development.

Using industry reports and market data, you can quantify the potential savings and business impact of reskilling, making it easier to secure executive buy-in.

- **Industry trends:** Present data on how industry leaders invest in employee development. Benchmarking against competitors highlights the risk of falling behind if reskilling is neglected.
- **Market data:** Use industry reports that quantify the savings or earnings companies are making as a result of upskilling efforts.



# 15%

If competitors **reduce turnover by 15%** through targeted training programs, your company can project similar savings and performance improvements.

# ROI Calculator

To help you quantify the financial impact of reskilling, we've created a downloadable [ROI Calculator in Excel](#).

This tool lets you input key data points to generate a clear, data-driven ROI analysis.

By customizing the calculator with your company's figures, you can build a compelling case for reskilling, demonstrating its cost savings and strategic value to leadership.

## Key Data Points to Enter

### Number of Employees to Upskill (N)

Total employees targeted for reskilling.

### Cost per Employee for Reskilling (C1)

Investment per employee for training.

### Cost per Employee for External Hiring (C2)

Full cost of hiring a new employee externally.

### Productivity/Revenue Improvement Factor (P)

Estimated incremental revenue or cost savings per employee due to upskilling.

### Retention Improvement Factor (R)

Savings from reduced turnover and improved retention per employee.

### Other Benefits (B)

Quantified value from reduced errors, faster project delivery, etc.

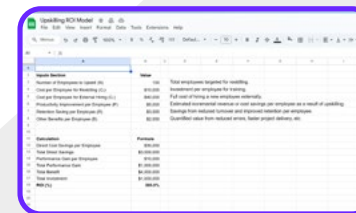
$$\text{Cost Savings} = (C_2 - C_1)$$

$$\text{Total Direct Savings} = N \times (C_2 - C_1)$$

$$\text{Business Performance Gain} = N \times (P + R + B)$$

$$\text{Total Benefit} = \text{Total Direct Savings} + \text{Performance Gain}$$

$$\text{ROI (\%)} = \left[ \frac{\text{TOTAL BENEFIT} - (N \times C_1)}{(N \times C_1)} \right] \times 100$$



## DOWNLOADABLE RESOURCE

### ROI Calculator

To help you quantify the financial impact of reskilling.

Download here 

# Example

**N:** 100 employees

**C<sub>1</sub>:** \$10,000 per employee

**C<sub>2</sub>:** \$40,000 per employee

**P:** \$5,000 improvement per employee

**R:** \$3,000 saving per employee

**B:** \$2,000 benefit per employee

## BEHIND-THE-SCENES CALCULATIONS

📈 **Direct cost savings per employee:**  
 $\$40,000 - \$10,000 = \$30,000$

📈 **Total Direct Savings:**  
 $100 \times \$30,000 = \$3,000,000$

📈 **Performance Gain per employee:**  
 $\$5,000 + \$3,000 + \$2,000 = \$10,000$

📈 **Total Performance Gain:**  
 $100 \times \$10,000 = \$1,000,000$

📈 **Total Benefit:**  
 $\$3,000,000 + \$1,000,000 = \$4,000,000$

📈 **Total Investment:**  
 $100 \times \$10,000 = \$1,000,000$

📈 ROI

# 300%

