Skill gap persists amidst AI upskilling boom

Despite a spurt in AI adoption, employee efficiency does not convert into larger business gains due to the absence of embedded continuous learning systems, says a report by Ranstad Digital

Opportunities Desk

PHOTO: ISTOCK

A new global report by Randstad Digital finds that while AI is improving task-level productivity, many organisations are yet to see corresponding gains at the business level. The findings in the report titled 'The AI Capability Gap: Why Technology Investment Fails Without Talent Infrastructure' are particularly relevant for India, with rapid digital transformation, expansion of Global Capability Centres (GCCs), and increasing enterprise AI adoption intensifying the need for continuous upskilling.

The report identifies an emerging "AI Productivity Paradox", where improvements in task-level efficiency are not translating into proportional gains at the organisational level. Instead, time is increasingly being redirected toward rework, oversight and managing complexity, indicating that technology adoption alone cannot deliver value without corresponding workforce capability, says the report.

While a majority of employers have invested in AI over the past year, workforce adaptation has not kept pace, underscoring that the constraint is not technological, but human. Close to 74% of tech talent say they must upgrade their skills to stay competitive; 52% are independently seeking training as employer-led programmes struggle to keep pace; 23% have exited roles due to limited access to future-ready learning opportunities; and demand for AI-related skills has surged by 1,587%, reflecting a rapid shift in job requirements.

Talent dynamics

Around 50% of employers report offering AI training, yet this remains insufficient relative to the pace of change.

At the same time, over 30% of organisations indicate plans to reduce graduate hiring as AI adoption increases, signalling a structural shift in talent strategies.

A clear perception gap is also emerging between employer initiatives and workforce expectations, reinforcing the need for more structured, continuous and outcome-driven skilling approaches.

Insufficient investment in workforce development is already impacting talent retention globally, with nearly one in four tech professionals leaving roles due to a lack of learning opportunities.

Adapting to changes

The report highlights the need to move beyond traditional, episodic learning models toward continuous capability infrastructure. Here, learning is embedded into daily workflows, training is personalised and role-specific, and skills development is directly linked to business outcomes.

This marks a shift from training as an HR function to learning as core business infrastructure, enabling organisations to continuously adapt to evolving technologies. Organisations adopting this approach are already reporting measurable improvements in workforce readiness, productivity, and operational efficiency, says the report.

In a release, Milind Shah, Managing Director, Randstad Digital, said, "Enterprise AI is not failing at the model level, but at the implementation layer. When organisations increase the velocity of tools without building the capability to use them effectively, it creates complexity rather than value.

The focus for leadership now needs to shift from investment levels to learning velocity. Upskilling must be treated as core business infrastructure."

The report underscores that competitive advantage will depend not on how quickly companies adopt AI, but on how effectively they enable their workforce to adapt alongside it.

The AI Capability Gap: Why Technology Investment Fails Without Talent Infrastructure draws from our latest Workmoniter research. Workmoniter is based on insights from over 27,000 individuals and 1,225 employers across 35 markets, along with secondary insights from over 3 million global job postings.