





Unreached Employees: Unlocking Opportunities For Your Business and Employees

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ABOUT FSG

FSG is a global nonprofit consulting firm that partners with foundations and corporations to create equitable systems change. Through customized consulting services, innovative thought leadership, and learning communities, we're working to create a world where everyone can live up to their full potential. Learn more at www.fsg.org.

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ABOUT TALENT REWIRE

Talent Rewire, an initiative of FSG, envisions a future where every individual in the U.S. can realize their full potential through a humanity-and economy-boosting job that provides equitable economic opportunity, stability, and mobility. Simply put, we envision a world in which the hopes and dreams of frontline employees are seen and achieved—where they feel empowered and listened to, and where their work is fulfilling and purposeful.



The research included in this report was made possible through funding from Walmart. We thank them for their support but acknowledge that the findings, conclusions, and recommendations presented in this report are those of Talent Rewire and FSG alone, and do not necessarily reflect the opinions of Walmart.



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Introduction

Employers—especially large corporations—are investing billions into upskilling their workforce. Despite the proliferation of workforce training programs and an increase in skills-based training offered directly by employers, there are millions of employees who are not reached by these programs. The Bureau of Labor Statistics reported in June 2024 that there were approximately 3.8 million part-time workers for economic reasons (often referred to as involuntary part-time workers). These are individuals who want and are available for full-time work but have had to settle for part-time hours. In addition, there are many workers in low-wage jobs without clear career paths, those not participating in training or educational opportunities, and those working in roles that do not align with their skills or career goals. These "unreached employees" - adults who are currently active in the workforce who are not reached by career advancement opportunities – have an overwhelming desire for career advancement, motivated primarily by job growth and increased pay, and yet 30% of frontline employees are not applying to these opportunities.3 This untapped pool of talent leaves money on the table, not just for the employees themselves who are not leveraging opportunities, but also for employers who are missing out on the chance to grow, develop, and retain their talent.

In order to understand the primary barriers faced by unreached employees and identify opportunities for improvement, FSG conducted secondary research, interviews with employers and workforce experts, focus groups with frontline employees, and a survey of frontline employees.

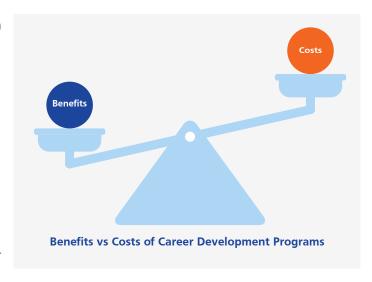
The research shows that frontline employees are rational decision makers, who are weighing the direct and indirect costs of participation in career advancement opportunities against the benefits of participation, which are often poorly communicated, non-specific, and delayed. Employees often face immediate and significant costs, unknown and deferred benefits, inaccessible offerings, and experience a professional environment that lacks the enabling relationships and mental models that support participation.

BARRIERS

Unreached employees face a variety of barriers to professional development. Some barriers are more obvious to identify than others. Namely, the research shows the costs of participation often outweigh the benefits. Additionally, many offerings remain inaccessible.

• The costs of participating in career development programs can be significant and immediate. In addition to direct costs like tuition, materials, and transportation, employees also face limited time, logistical challenges such as lack of childcare, and high levels of burnout or fatigue.

The benefits of participating are often unclear, insufficient, or deferred. In contrast to costs, which are upfront and significant, unreached employees noted that the return on investment of participation is often unclear. In FSG's frontline employee survey 'no opportunities available' and 'don't know what opportunities are available' were the top two barriers preventing respondents from participating in available initiatives. The short- and long-term benefits of participation, including



immediate increases in pay or benefits, as well as long-term opportunities for career growth are not clearly defined. For example, some employers have internal restrictions on sharing pay information, and therefore are not able to communicate how much an employee could make if they complete a skill training program and qualify for a promotion. When information does exist, it's often not communicated through widely accessible channels or in a compelling way.

• Opportunities are often inaccessible, and they don't meet participants where they are. Frontline employees noted that participation in career advancement opportunities often requires access to specific tools including personal devices or internet services, that programs are offered in language that is inaccessible (either in the wrong language or at an advanced reading level), or that they do not address foundational skills gaps such as literacy or digital skills.

Other barriers are more hidden and deeply rooted, but have a large influence on a company's ability to support employee participation—even when the more obvious barriers are addressed.

- Weak relationships and trust with employees are foundational challenges to participation. Active participation in career development programs requires a baseline level of trust between an employee and their employer. This includes not only company leadership, but also frontline colleagues and direct frontline managers. Frontline employees often don't feel empowered to participate in professional development because they fear that failure will jeopardize job stability, they lack encouragement from frontline managers, they have concerns related to bias or judgement, and/or employers assume what resources/support employees need rather than engage them directly to understand exactly what they need. All of these factors drive inequitable and decreased access to development programs.
- Negative perceptions held by all stakeholders can limit opportunity, access, and mobility. For frontline employees, past professional and academic experiences shape how they experience future opportunities. Previous educational trauma, active discouragement from managers or teachers, or a fear of failure can all disincentivize participation in career development opportunities. For frontline managers, mindsets or biases can shape who is seen as "worthy" of advancement opportunities which can directly impact who participates and have long-term impacts on how programs are perceived within the workplace. For example, manager bias might contribute to whether an employee participates in a program, and, over time, patterns of participation can create a mindset that development opportunities are only for certain people (i.e., English speakers, those with college degrees, employees without family responsibilities, etc.)

OPPORTUNITIES

To address the barriers outlined above and ultimately re-balance cost/benefit equation, employers can take specific actions that support employees to participate in professional development opportunities:

- Reduce direct and indirect costs to increase employees' ability to participate. Eliminating upfront costs, including tuition or materials, can facilitate participation, even if the employer plans to reimburse costs later. In addition, employers can provide incentives and services to reduce the indirect costs of participation. For example, employers can offer paid time off for participation in career development opportunities, provide on-the-job training, and offer wrap-around services like childcare and transportation benefits.
- clarify available programs and define the benefits of participation to increase employee ability to make informed decisions. It's vital that employers clarify the return on investment for participating in career development programs by linking participation with available roles, possible benefits, and needed skills. This creates a clear understanding of the career paths that are available, and the skills needed on those paths. Moreover, employers can focus on building clear communication strategies that engage a wide range of stakeholders and media platforms and include storytelling that highlights the growth that peers have seen as a result of participation.

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- Increase the breadth of offerings and resources to improve accessibility and supports participation. Learning opportunities should be offered in multiple modalities (i.e., in person, online) and languages. Where possible, employers should also support employees in identifying and filling foundational skill gaps, including literacy or high school equivalency programs. Lastly, employers can improve accessibility of programs by reducing the implementation burden of frontline managers (e.g., provide managers with a guide on how to identify and engage community organizations; help fill short-term staffing needs to cover shifts of employees participating in training programs). By reducing this burden, managers are more likely to have the time and energy to invest in building relationships with employees and encouraging them to participate in available opportunities.
- Advance relationship building to strengthen trust by meeting employees where they are. Investing in career navigation services that support employees through their journey, mentorship programs that help employees identify and navigate career pathways, or peer networks that create community and support, can all help employees feel comfortable participating. Soliciting employee voice to design and improve programs is vital not just in creating high-quality opportunities, but also in building trust and emphasizing the value that frontline employees add to the company. Lastly, investing in frontline managers and incentivizing them to support their employees to participate in professional development opportunities can facilitate trust-based relationships between managers and employees.

• Emphasize culture change to address the most significant barriers to participation such as lack of confidence, biases, and value perceptions. Creating a positive corporate culture that emphasizes skill development, celebrates success without penalizing failure, and links frontline career advancement to core business success can all contribute to a meaningful change in the way that frontline employees perceive development opportunities.

CONCLUSION

Frontline employees desire career advancement opportunities for a variety of reasons, and training and retaining talent is a business imperative in today's workforce context. In order to facilitate higher uptake of development opportunities, employers can take specific actions to address the barriers that frontline employees face in accessing professional development opportunities. This creates a higher return on existing investments in professional development, enabling companies to build the skills and talent pipelines that they most need, and creates significant economic opportunity for millions of unreached employees. Ultimately, employers can focus on increasing and communicating the return on investment of participation and creating the enabling conditions that support successful upskilling.

RESEARCH ACKNOWLEDGEMENTS

We thank the Frontline Employee Council for their continued support in bringing the stories and lived experience and themselves and their peers to the center of this research. Their stories are truly inspiring and the engagement and advice they provide are truly invaluable. Thank you, Maria Alexander, Karen Traveler, Kerry Roberts, Raneigh Crewe, and Shelly Simpson.

To all other contributors, including those participating in interviews, focus groups, and our frontline employee survey, thank you. This was a collaborative process bringing together the learnings and perspectives held by frontline employees, business leaders, academia, and workforce development agencies.

ENDNOTES

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