

SHRM APAC
**SKILL INTELLIGENCE
REPORT 2026**

JUNE 2026

Thank you to our partners for championing this research and helping amplify the voices driving the skills transformation across APAC.

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Foreword



Johnny C. Taylor, Jr.

SHRM-SCP
President & CEO, SHRM

As we look ahead, it is clear that the future of work will be shaped by one critical factor: skills. Across the Asia-Pacific region, organizations are navigating rapid change driven by Artificial Intelligence, evolving workforce models, and shifting business priorities. For HR leaders, this presents both a challenge and an opportunity to help organizations build the capabilities needed to remain competitive and resilient.

We must take proactive steps to prepare our workforce for a skills-driven future, supporting continuous learning, strengthening leadership capability, and creating opportunities for people to adapt alongside technological change. By fostering a culture that values learning, experimentation, and growth, organizations can build the agility required to respond to new challenges and seize emerging opportunities.

Let me reiterate a belief that continues to guide our thinking: technology may accelerate transformation, but skills enable it. The true value of innovation is realized only when people have the capabilities and confidence to apply it effectively. Building future-ready organizations is not simply about adopting new technologies it is about investing in the human potential that powers them.

As we navigate this journey together, I remain optimistic about what lies ahead. Organizations that make skills a strategic priority today will be better positioned to drive innovation, unlock opportunity, and create lasting impact for their people, their businesses, and the communities they serve.

Foreword



Achal Khanna
CEO
SHRM APAC & MENA

Over the past few years, the conversation around skills has evolved rapidly across APAC. Organizations are no longer just identifying what skills are important - they are beginning to rethink how these capabilities are built, applied, and sustained in the flow of work.

This report brings together the perspectives of HR leaders and business decision-makers from over 900 organizations across the region. It reflects both progress and possibility - progress in the growing focus on future skills, and possibility in the gaps that still exist around execution, measurement, and scale.

What stands out is a clear shift: building future-ready organizations is not just about intent, but about disciplined action. The ability to translate skilling efforts into real business impact remains the next frontier.

At SHRM APAC, our goal is to support organizations in making this shift - from awareness to action. Because when skills are truly embedded into how work gets done, they don't just prepare organizations for the future - they help shape it.

Introduction

Across boardrooms and leadership conversations, one theme continues to surface with urgency which is skills. From AI and digital capabilities to emerging “next-wave” skills, organizations across the APAC region are navigating a fundamental shift in how work gets done and what capabilities truly matter.

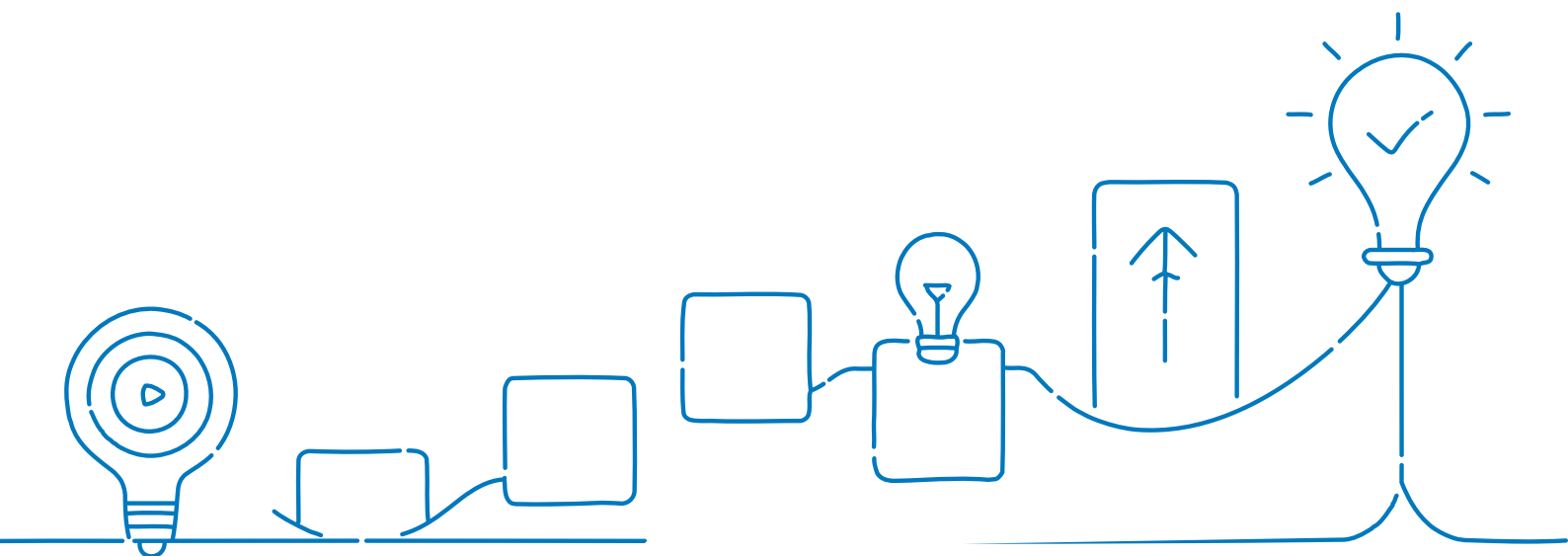


**But beyond the buzz around “critical skills,” a more important question is emerging:
Are organizations truly ready to build them?**

The SHRM APAC Skill Intelligence Report is designed to explore this question in depth. In a region defined by both rapid growth and deep diversity, we set out to understand how organizations are evolving their approach to skills.

Drawing insights from HR and L&D leaders across **900+** organizations in **eight** APAC markets (India, Indonesia, Malaysia, Mongolia, Singapore, South Korea, Thailand, and Vietnam), this report explores the key barriers, capability gaps, and emerging practices shaping the skilling landscape.

Ultimately, the study seeks to answer a critical question: How can organizations move from intent to execution in building a skills-driven future?



Executive Snapshot: The APAC Skills Paradox

Key Paradox

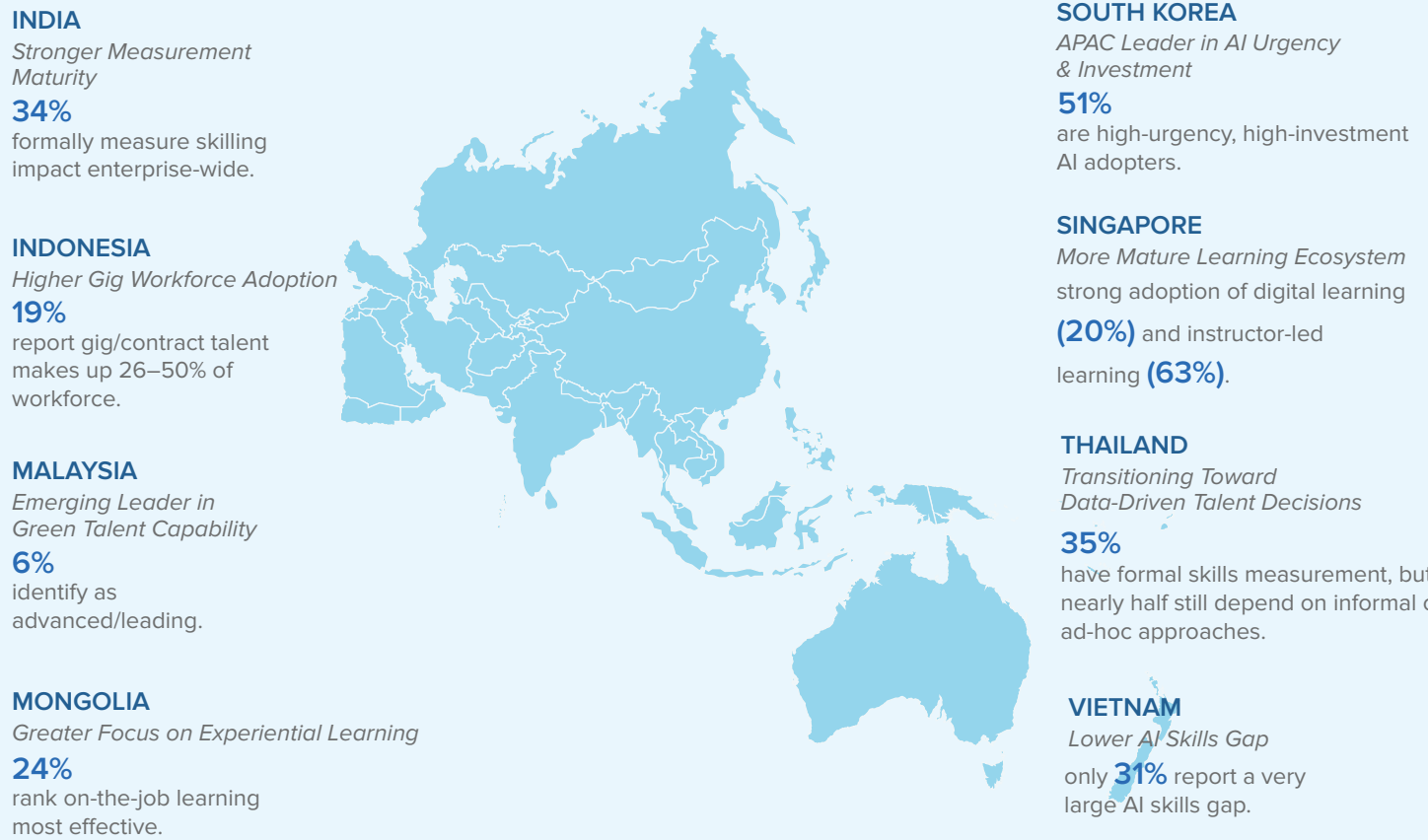
Across the region, 80% of organizations signal high or moderate urgency around AI skills, yet fewer than 2 in 5 have formal, systematic measurement of their skilling investments. What gets measured gets scaled; AI skilling is no exception.

Organizations recognize the importance of skills - but lack the systems, structure, and discipline to build them at scale.

Market Spotlight: Emerging Strengths Across APAC

While organizations across APAC face common workforce and capability challenges, each market demonstrates distinct areas of strength shaping its future readiness journey. The insights below highlight the unique capability trends and strategic differentiators emerging across the region.

The APAC Skills Reality Check



Investment ≠ Capability:
Budget is the top barrier - but culture and readiness are equally limiting.

Leadership is the Hidden Skill Gap:
Over 70% report moderate-to-large leadership skill gaps.

High Urgency, Low Readiness:
24% prioritize AI skills, yet only 25% measure outcomes.

Learning is Misaligned to Impact:
Organizations scale through classroom learning - but impact comes from applied and social learning.

Emerging Frontiers Are Underdeveloped:
Gig and ESG capabilities remain structurally underdeveloped.



The Skills Gap Landscape

The Skills Gap Landscape

Across the APAC region, organizations report significant capability gaps across all critical skill domains, signaling a systemic challenge rather than isolated shortages. However, AI, Digital & Data Skills emerge as the most acute gap, with 44% of organizations reporting a large gap. Green and sustainability skills follow behind at 39%, as shown in Fig. 1.

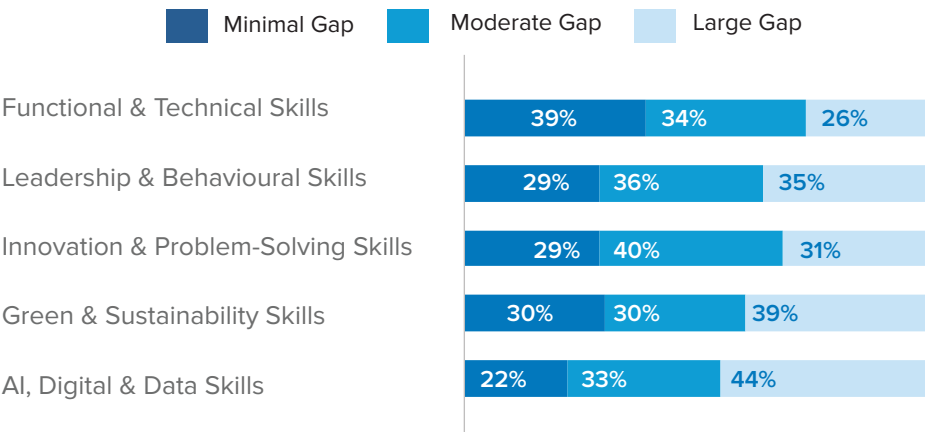


Fig. 1: Skills Gap Across Domains in the APAC Region

This is particularly significant, when viewed against the scale of opportunity:

- AI-led advancements across sectors such as logistics, agriculture, energy, and public services are projected to contribute USD 15 trillion to APAC’s GDP by 2030. ⁽¹⁾
- The green economy in Asia is expected to expand to USD 4–5 trillion by 2030, with nature-positive business models potentially generating ~232 million jobs annually. ⁽²⁾

The capabilities most critical to future competitiveness are also the ones where organizations feel least prepared.

Insight: The Hidden Leadership Crisis



While AI skills dominate the conversation, over 70% of organizations report moderate-to-large gaps in Leadership & Behavioural Skills (Fig. 1). As AI absorbs routine tasks, human leadership capability will become the ultimate differentiator.

What this means:

- AI readiness is urgent - but it will not translate into transformation without leadership, judgement and change capability.
- Sustainability skills are rapidly moving from niche to core.
- Leadership capability could become a critical bottleneck to transformation.

(1) Source - UNDP, Asia and The Pacific: The Hidden Footprint and Opportunity of AI’s Economic Promise
(2) Source – World Economic Forum: Asia-Pacific: “How the region is prioritizing a green economy

Why Skills Ambition is Not Translating into Capability

This raises a critical question: what is holding organizations back from building these capabilities?

The APAC landscape points to a dual challenge - resource constraints on one hand, and deeper cultural and mindset barriers on the other - placing organizations at the intersection of investment limitations and resistance to change.

01

Budget & Resource Constraints and Limited Access to Quality Training

Indicates a strong dependence on funding and access to structured learning ecosystems.

02

Organizational Readiness, Culture & Change Adoption

Signals that capability building is as much a cultural challenge as it is structural. Also reinforces that resistance to change is deeply embedded across organizations.

03

Retention & Workforce Dynamics

Organizations struggle to sustain and justify skilling efforts over time.

The Barrier Shifts Across the Journey:

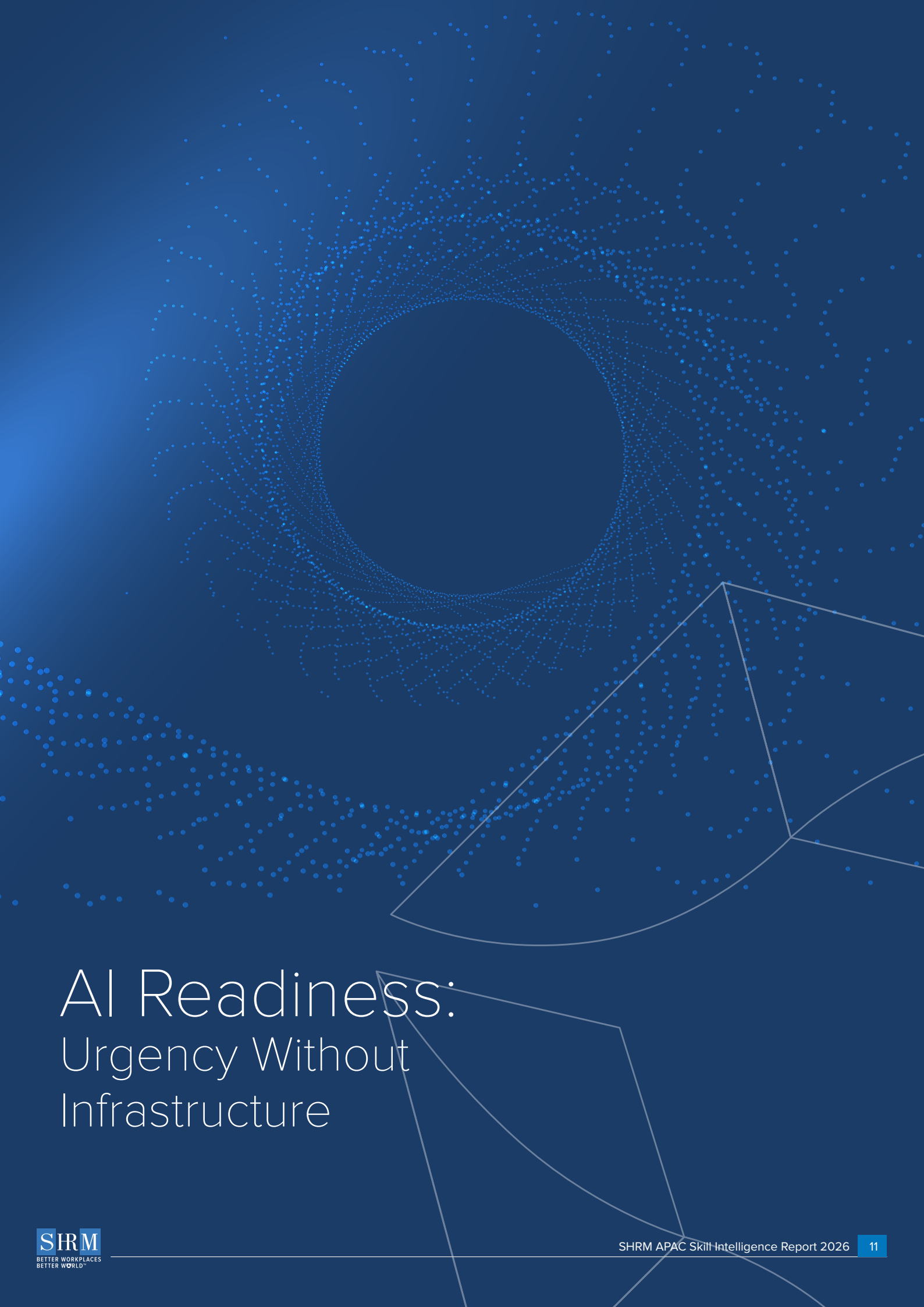
From Investment → Culture → Sustainability

- **Early Stage:** Funding & access issues.
- **Mid-Stage:** Mindset & adoption challenges.
- **Later Stage:** Retention & ROI justification.

Beyond the top cited issues such as budget, talent availability and resistance to change, respondents highlighted additional challenges:

- **Time & Learning Mindset:** Competing business priorities, low learning agility, and limited ownership (from both managers and employees) are restricting continuous capability building.
- **Ecosystem & Infrastructure Limitations:** Gaps in partnerships (academia, platforms), technical infrastructure, and broader support systems are slowing scalable skill development.

Together, these indicate a larger challenge: Skilling challenges are not isolated; they are systemic, requiring coordinated shifts across talent, culture, and infrastructure.



AI Readiness: Urgency Without Infrastructure

AI Readiness: Urgency Without Infrastructure

AI adoption in APAC is defined by intent - but constrained by execution. Translating this intent into funded, structured adoption is where the gaps emerge.

APAC AI Readiness & Investment Outlook

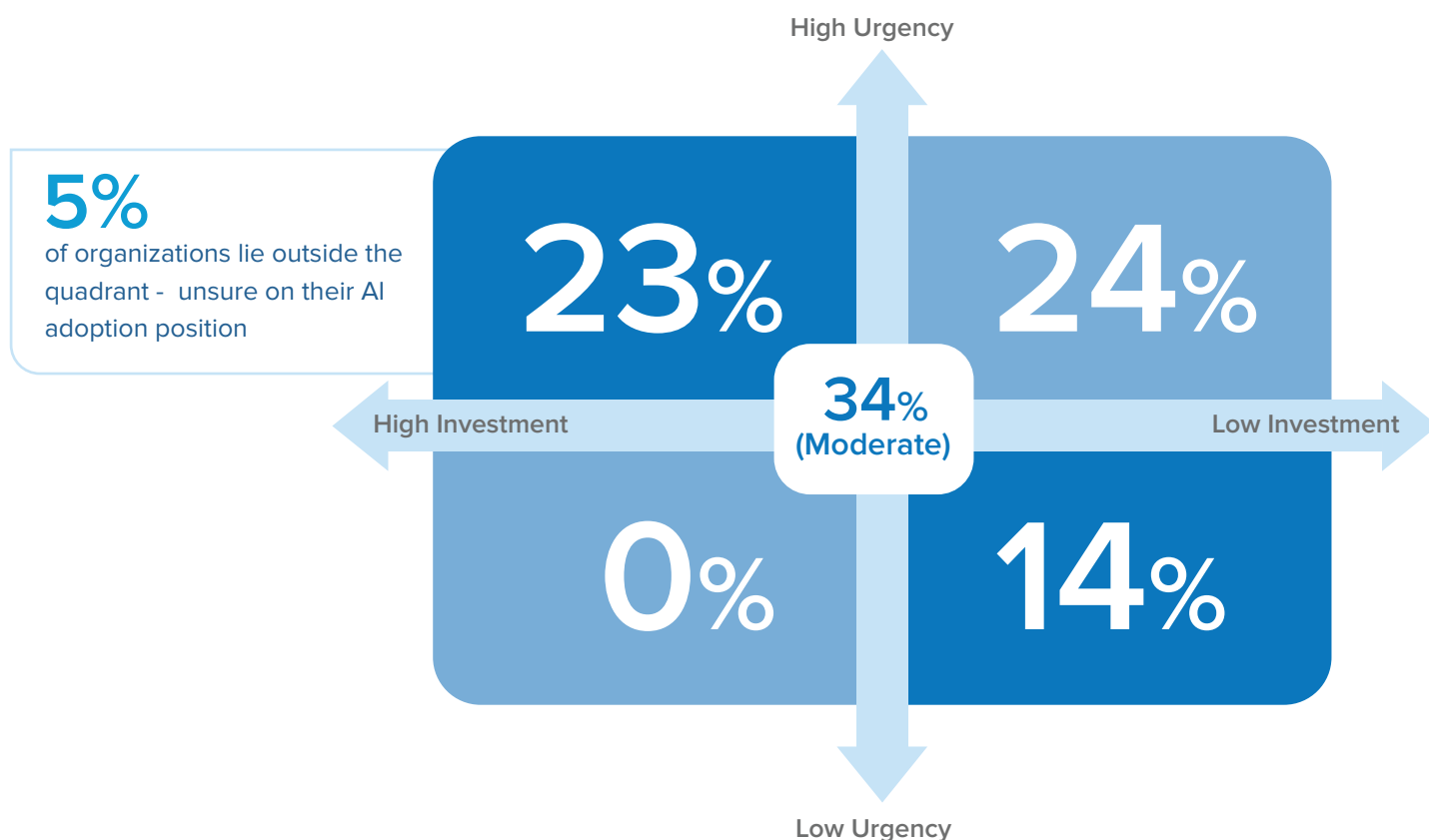


Fig 2: Organization AI Adoption Readiness & Investment Outlook

Insight: AI Skill Gap × AI Adoption Posture



Further cross analysis shows an inverse relationship between AI adoption maturity and AI skill gaps.

- Organizations that invest more in AI and treat it as a strategic priority tend to report smaller AI skill gaps.
- In contrast, organizations with lower urgency and lower investment in AI report higher skill gaps.

This indicates that continuous investment and focus on AI capability-building can help reduce skill gaps over time.

Barriers to AI Adoption

AI adoption is not a technology problem - it's a readiness problem.

Budget constraints, talent gaps, and data immaturity are the real bottlenecks.

Without leadership buy-in and unless L&D is repositioned as a strategic enabler, AI adoption will remain limited in scale.

01

Budget limitations for AI initiatives

AI initiatives are often not positioned as business-critical priorities - signaling gaps in leadership ownership and a broader reluctance to drive change.

02

Lack of skilled workforce to implement/manage AI

AI adoption is constrained by a talent gap, with organizations lacking the expertise to operationalize AI effectively at scale.

03

Lack of AI-ready data infrastructure

AI initiatives are limited by inadequate data foundations, reflecting gaps in data quality, governance, and infrastructure readiness.

Jobs Most Vulnerable to AI Disruption (Next 3 Years)

01

Routine
back-office/transactional
roles

02

Data analysis &
reporting roles

03

Customer service &
support roles

On the other end, organizations expect creative, strategic, and leadership roles to be least impacted by AI. However, this assumption can be misleading - these roles will still be reshaped by AI-driven decision-making, team dynamics, and workflows.

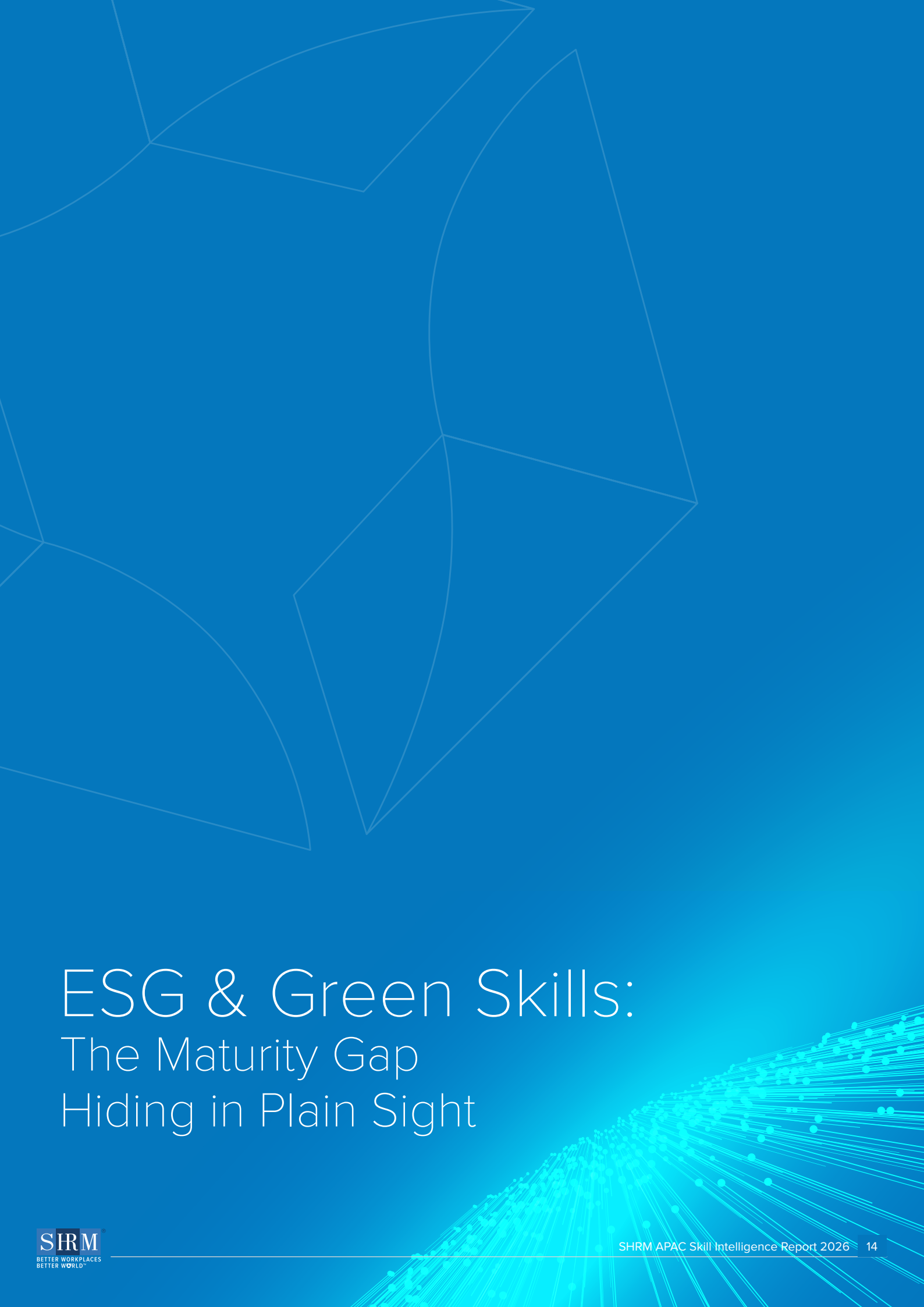
Leaders must proactively build AI awareness and capability to effectively guide their teams and adapt their own roles in an AI-enabled environment.

Insight: The Data Analyst Paradox



A striking contradiction emerges: "Data analysis & reporting roles" is simultaneously the second most AI-disrupted job category and a core skills gap area across the region.

This means organizations are trying to build a capability that may be partially automated within years. The strategic imperative is not to train more analysts - but to train people to interpret, challenge, and act on AI-generated analysis. The goal is not to replace roles - but to augment them.



ESG & Green Skills: The Maturity Gap Hiding in Plain Sight

ESG & Green Skills: The Maturity Gap Hiding in Plain Sight

Green jobs and skills are a clear priority across APAC, reinforced by regional mandates like the ASEAN Economic Community Blueprint and the ASEAN Declaration on Green Jobs. As sustainability capabilities become increasingly regulated, investor-driven, and business-critical, most organizations are still in the early stages of building meaningful green talent capability (32%).

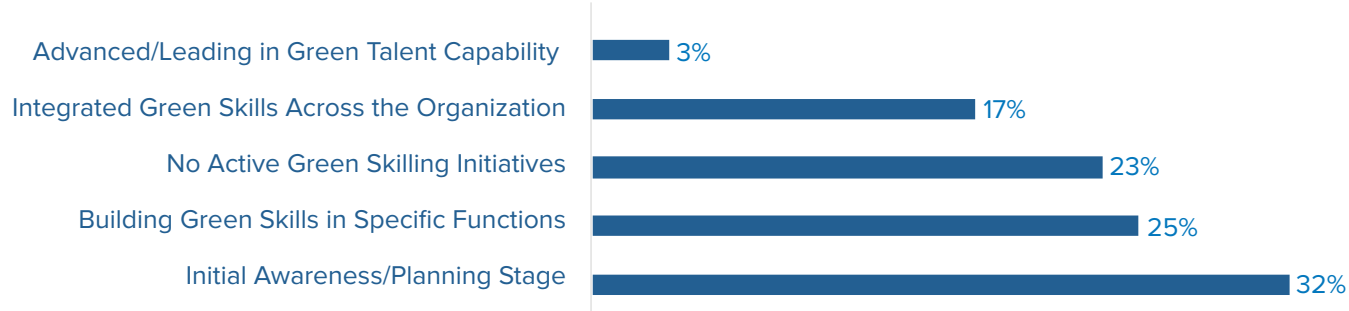


Fig 3: Organizations ESG Skills Maturity

Top Barriers to ESG Capability Building

Despite the scale of opportunity, two challenges stand out. According to the World Economic Forum, first, much of “green” financing comes as market-rate loans to developing economies, limiting accessibility and increasing repayment burdens. Second, green careers remain underdeveloped and difficult for young talent to access - intensifying competition for an already limited talent pool. Beyond this scarcity, organizations also face structural barriers that continue to slow ESG capability development.

01

Limited Internal Expertise
Organizations lack the in-house sustainability knowledge required to scale ESG capability building effectively.

02

Lack of Training Programs
ESG capability development is slowed by limited structured learning pathways and formal skilling initiatives.

03

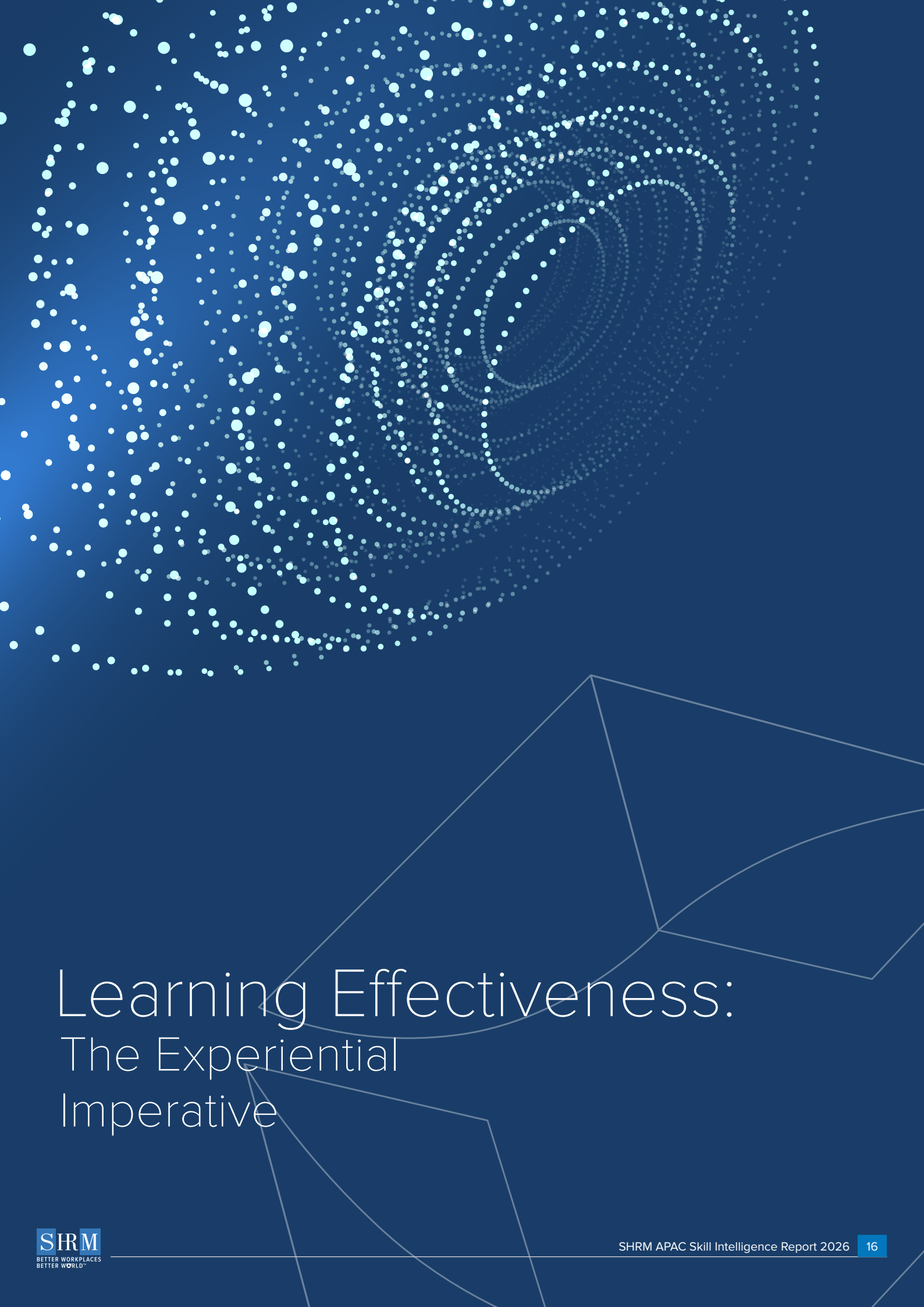
No ROI Clarity
Unclear business impact and measurement frameworks make it difficult to justify sustained ESG investments.

Insight: The ESG-Leadership Compounding Effect



“Limited internal expertise” and “Lack of training programs” together account for a large percentage of organizations’ barriers.

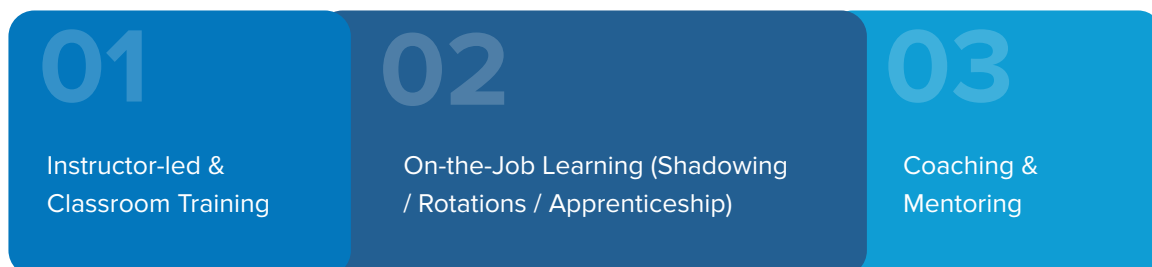
These are not independent issues: without structured training, internal expertise cannot scale, and without expertise, ESG lacks credibility and momentum within the organization. Breaking this cycle requires a top-down approach: building green capability must begin at the leadership level to drive alignment, investment, and enterprise-wide adoption.



Learning Effectiveness: The Experiential Imperative

Learning Effectiveness: The Experiential Imperative

The future of skilling will not be defined by content delivery, but by how well learning is embedded into work, relationships, and real-world problem-solving. Organizations have called out their top 3 most effective learning methods:



Learning Methods: What Works vs What Scales

The data reveals a clear split between traditional, scalable methods and experiential, high-impact learning approaches.

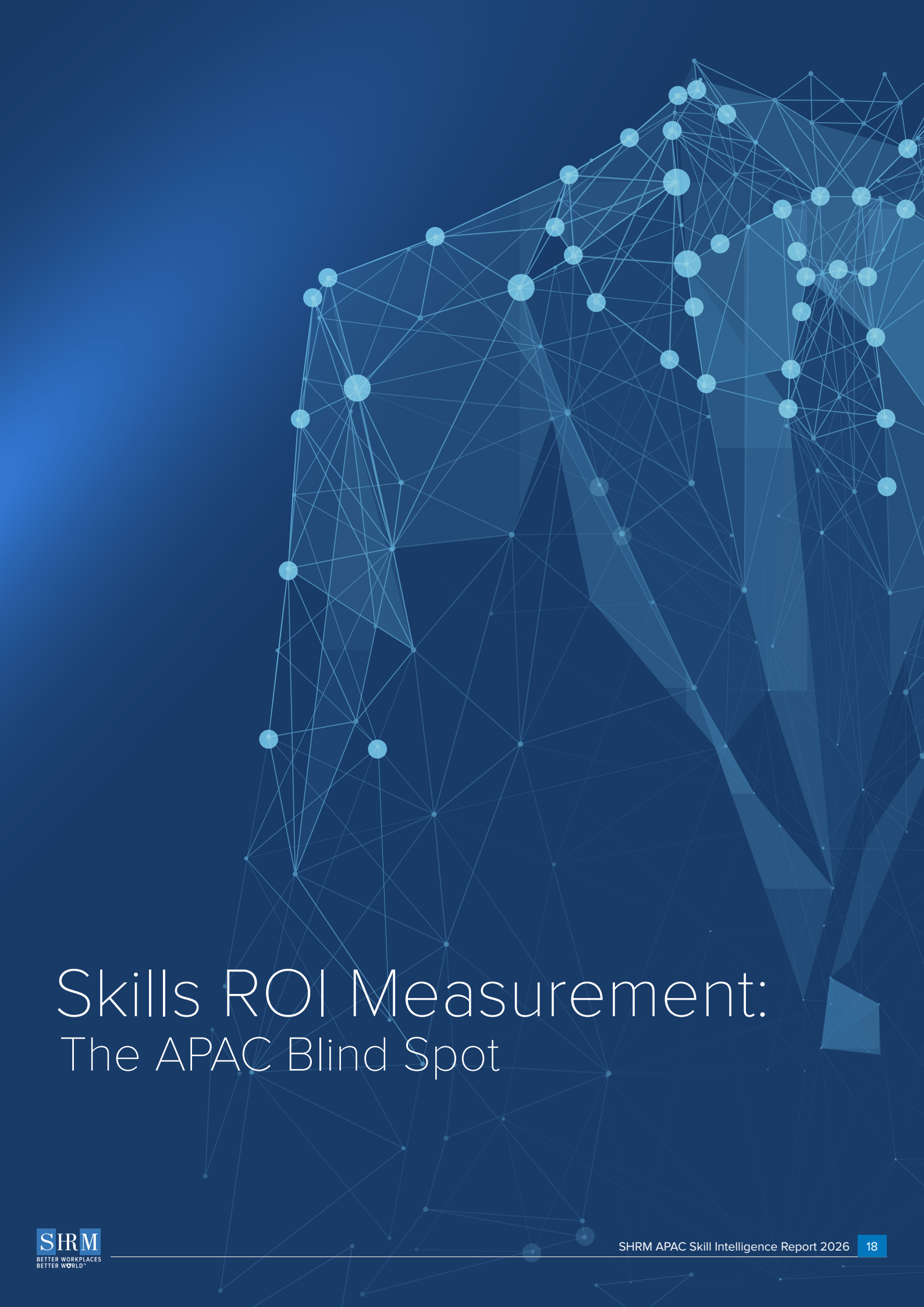
- **Instructor-led training** dominates as the most-used primary method, indicating that organizations continue to rely heavily on structured, scalable formats.
- However, as we move to secondary and tertiary preferences, there is a **strong shift toward experiential and social learning**:
 - On-the-job learning emerges as a critical enabler
 - Coaching & mentoring gains significant importance

Notably, **AI-personalized learning remains negligible**, suggesting that despite the broader AI narrative, **adoption in learning ecosystems is still nascent**.

Insight: High vs Low Skill Gaps (AI & Innovation) × Learning Methods



Further cross-analysis reveals, organizations with higher AI and innovation skill gaps tend to rely more on traditional learning methods such as classroom training and general digital learning. However, these approaches alone do not appear sufficient to close the gap. Organizations with lower skill gaps are more likely to use practical and applied learning methods such as coaching, mentoring, and on-the-job learning. This indicates that hands-on and personalized learning approaches may be more effective in building AI and innovation capabilities.



Skills ROI Measurement: The APAC Blind Spot

Skills ROI Measurement: The APAC Blind Spot

How organizations measure the impact of skilling investments is perhaps the single most revealing indicator of L&D maturity. The findings are highlighted below, with a large majority of organizations in the APAC region (48%) having no formal measurement in place or have informal tracking:

16%

No Measurement in Place

32%

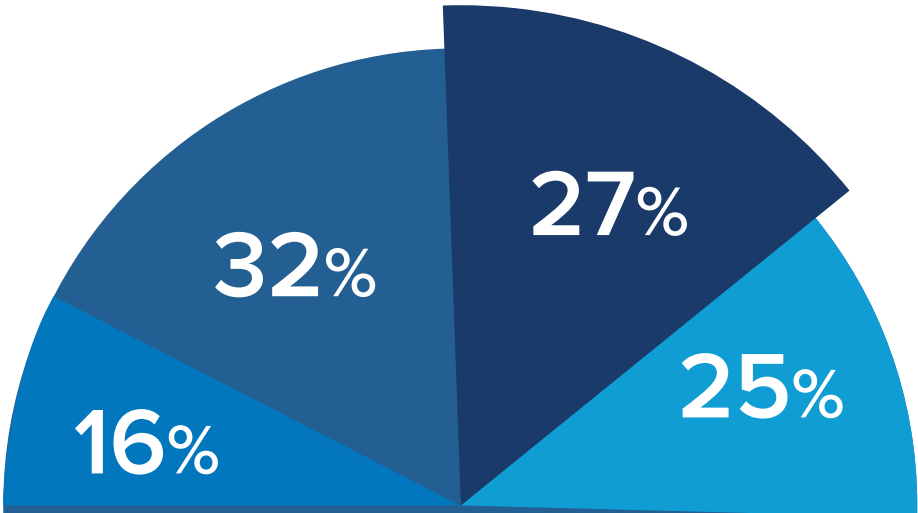
Anecdotal / Informal Tracking Only (No Formal Measurement)

27%

Ad-hoc Measurement in Specific Functions

25%

Formal Systematic Measurement Org-wide



Insight: The Measurement-Skill Gap Flywheel



Cross-tabulating Measurement Maturity and Skill Gap Levels, organizations that regularly measure and track employee skills tend to report smaller skill gaps. On the other hand, organizations with limited or no skill measurement processes tend to have larger gaps. This suggests that stronger measurement practices improve visibility into capability gaps, allowing organizations to respond earlier and build targeted development strategies.

The Gig Frontier: Managing a Workforce Without Walls

The Gig Frontier: Managing a Workforce Without Walls

As organizations turn to flexible and project-based talent to access skills faster, the question is whether gig workers are being integrated into the same capability-building systems as permanent employees.

The APAC region is experiencing a rapid rise in the gig economy - marked by flexible, project-based work and short-term engagements. This shift is being driven by accelerating digitalization, changing workforce demographics, and evolving employee preferences around how and where work gets done.

From platform-based services to specialized freelance talent, the gig ecosystem across APAC is both diverse and expanding - creating new opportunities for organizations to access skills on demand.

However, while gig adoption is transforming talent supply models, organizational systems and capabilities have not kept pace. The extent of adoption varies significantly across markets, as does the ability of organizations to effectively manage, develop, and retain this increasingly critical segment of the workforce.

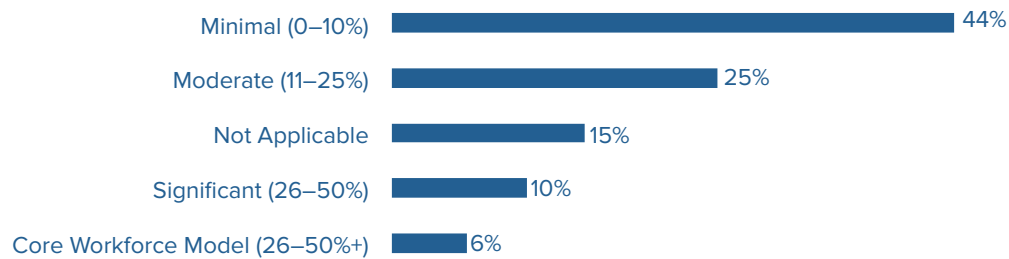


Fig 4: Percentage of organizations talent that is currently sourced through gig/contract/platform-based models

Top Challenges in Managing Gig Talent

The distribution appears to be heavily skewed toward minimal adoption across markets, with very limited penetration of gig models as a core workforce strategy. This is indicative of the top 3 challenges organizations face across the APAC region as highlighted below:

01

Quality & Capability Consistency
Organizations struggle to ensure uniform capability, output quality, and reliability across a fragmented gig workforce.

02

Access to Learning & Upskilling is a Major Gap
Gig workers remain largely excluded from formal learning ecosystems, limiting long-term capability building.

03

Limited career pathway visibility
Highlights that gig work is still seen as transactional rather than developmental, impacting engagement and long-term viability.

Insight: Gig Workers Are the Region's Most Underserved Learners



The #2 gig talent challenge - "Lack of learning/upskilling access for gig workers" - points to a structural gap: skilling architectures are built for permanent employees. As gig models expand, the inability to upskill this population creates a two-tier workforce: permanently employed and perpetually upskilled, vs. gig-engaged and perpetually under-prepared.

Strategic Imperatives for APAC CHROs

The data converges on five urgent calls to action for HR leaders across the region. These are not aspirational frameworks - they are evidence-grounded interventions.



- 01 Build Measurement Before You Scale Investment**
Organizations with formal measurement systems see stronger AI investment. CHROs must make skills measurement foundational to investment decisions.
- 02 Treat Leadership Development as the AI/ESG Risk Hedge**
As AI automates technical and transactional work, human capabilities like judgement, adaptability, and leadership will become critical differentiators. With ESG pressures also accelerating, strengthening leadership capability will define long-term competitive advantage across APAC.
- 03 Design Gig-Inclusive Skilling Architectures**
Skilling models focused only on permanent employees are leaving gig talent underprepared. Organizations must extend learning access to gig and contract workers as a strategic workforce segment.
- 04 Eliminate the ESG Gap at the Leadership Level**
ESG capability building is stalled by interconnected gaps in expertise, leadership prioritization, and training. CHROs must drive sustainability literacy at the leadership level to accelerate enterprise-wide ESG readiness.
- 05 Rethink the Data Analyst Role Pipeline**
Across APAC, organizations face a growing data skills gap while anticipating AI disruption of data roles. The priority is no longer building traditional analysts, but developing AI-augmented analytical thinking and decision-making capabilities.

Organizational Readiness Checklist for Next-Wave Skills

Organizations don't fail at building next-wave skills due to lack of intent - they fail because the system required to support those skills does not yet exist. Use this checklist as a self-diagnostic:

1. Strategy & Leadership Alignment

- ☐ Skills are explicitly linked to business strategy (AI, ESG, growth priorities)
- ☐ Leadership treats skills as a business priority - not an HR initiative
- ☐ Senior leaders are actively sponsoring capability-building efforts
- ☐ Clear definition of future-critical roles and skills

2. Skills Intelligence & Measurement

- ☐ Organization has a defined skills taxonomy / capability framework
- ☐ Skill gaps are regularly assessed (not one-time exercises)
- ☐ Learning impact is measured beyond completion metrics
- ☐ Skills data informs decisions (hiring, deployment, promotion)

3. Learning Architecture & Delivery

- ☐ Learning is embedded into workflow, not separate from it
- ☐ Strong mix of:
 - I. On-the-job learning
 - II. Coaching & mentoring
 - III. Structured learning
- ☐ Programs are role-based and contextualized, not generic
- ☐ Capability building is continuous - not event-based

4. Workforce & Talent Model Readiness

- ☐ Skilling extends beyond full-time employees (gig, contract, ecosystem talent)
- ☐ Critical roles have clear development pathways
- ☐ Internal mobility is enabled through skills visibility
- ☐ Workforce planning is skills-based, not role-based

5. Culture & Change Adoption

- ☐ Learning is prioritized alongside performance (not deprioritized for delivery)
- ☐ Managers are accountable for team capability building
- ☐ Employees demonstrate learning agility and ownership
- ☐ Organization actively reduces resistance to change

6. Technology & Data Infrastructure

- ☐ Organization has AI-ready data infrastructure
- ☐ Learning platforms enable personalization and tracking
- ☐ Skills data is integrated across systems (HR, L&D, performance)
- ☐ Technology supports - not replaces - learning strategy

7. AI Readiness & Capability Building

- ☐ AI capability building goes beyond technical roles
- ☐ Leaders understand AI's impact on decision-making and teams
- ☐ Workforce is trained to work with AI - not compete with it
- ☐ AI investments are tied to measurable capability outcomes

8. ESG & Future Skills Integration

- ☐ ESG skills are integrated into core roles - not treated as niche
- ☐ Leadership has baseline sustainability literacy
- ☐ Structured ESG capability-building programs exist
- ☐ ESG is linked to strategy, not just compliance

Next-Wave Skills Readiness Maturity Model

This maturity guide helps organizations assess their readiness to build and scale next-wave skills across leadership, learning, AI, ESG, workforce transformation, and capability infrastructure. Organizations can evaluate themselves against the Organizational Readiness Checklist for Next-Wave Skills above and identify their current stage of readiness based on the number of indicators achieved.



Research Methodology

The APAC Skill Intelligence Report 2026 study was designed to assess the current state of workforce readiness across 964 organizations, with a specific focus on skills gaps, learning approaches, AI adoption, ESG capability, gig workforce models, and job redesign. The objective was to move beyond intent and capture how organizations are translating awareness into execution.

Research Design

The study used a quantitative, cross-sectional survey design. The survey instrument was structured to capture both perception-based insights and organizational practices, enabling comparative analysis across themes.

Demographics

The top contributing APAC Markets to the study are:

- India - 20%
- Indonesia - 12%
- Malaysia - 12%
- Mongolia - 10%
- Singapore - 13%
- South Korea - 11%
- Thailand - 11%
- Vietnam - 12%

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