

RESEARCH REPORT

THE ILL-PREPARED U.S. WORKFORCE

Exploring the Challenges of Employer-Provided Workforce Readiness Training



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The Ill-Prepared U.S. Workforce

Exploring the Challenges of Employer-Provided Workforce Readiness Training

by Jill Casner-Lotto, Elyse Rosenblum, and Mary Wright



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Introduction

Training Does Not Always Match the Most Pressing Needs of the Workplace

Employers report hiring substantial numbers of new entrants who are poorly prepared, requiring additional company investment to improve workforce readiness skills. And while many employers provide workforce readiness or remedial training to bring their new entrants up to speed, many report less than strong results. The results of the survey accompanying this report raise the question whether compensating for poorly prepared new workforce entrants with on-the-job workforce readiness training is the most effective way to address the readiness gap.

The American Society for Training and Development, The Conference Board, Corporate Voices for Working Families, and the Society for Human Resource Management surveyed 217 employers to examine corporate practices on training newly hired graduates at three educational levels: high school, two-year college, and four-year college. Almost half of the employers surveyed provide workforce readiness (remedial) training programs to erase deficiencies among their newly hired entrants in skills they expect them to have when hired.¹ Yet, the majority of companies find these programs to be “moderately” or “somewhat successful” at best. And employers are unable to report how much they are spending on programs to improve new entrants’ readiness to work.

Equally troubling is that, in several cases, the programs offered do not match company needs. While programs are in place to address training needs in leadership, information technology, and teamwork skills, there are substantial gaps in other applied skills—particularly those applied skills employers say they need the most— as well some of the basic skills like writing and mathematics. Applied skills, such as critical thinking and problem solving, enable new entrants to use the basic knowledge acquired in school to perform successfully in the workplace. Yet, more than 40 percent of employers indicating a “high need” for programs in critical thinking are not offering them.

Companies fall especially short in programs to encourage creativity skills among their new entrants—particularly disturbing since creativity fuels innovation which is considered fundamental to business success in an increasingly competitive global marketplace. And, at the opposite end of the spectrum of skills, yet equally important, there are also considerable gaps in programs to improve basic skills in reading comprehension, writing, and math.

Taken as a whole, the survey results raise critical questions that business needs to address: Do workforce readiness training programs represent the best use of business resources, particularly during these tough economic times? Is the workplace the most efficient place to be spending remedial dollars? And what are the true total costs of a deficiently prepared workforce, considering the lost productivity and time it takes to bring new entrants up to company expectations? Furthermore, if companies aren’t tracking the cost of these programs, there’s no way to evaluate their impact on the bottom-line measures that matter most to business.

There are examples pointing toward possible paths to success—companies that provide workforce readiness training for their new entrants and are reporting some positive results. To better understand the nature of workforce readiness training initiatives, this report draws on both the survey findings and case studies of five model programs that exemplify workforce readiness training. These include: Bank of America’s partnership with Year Up, a nonprofit organization; CVS Caremark-TJX Companies joint initiative; Harper Industries; Northrop Grumman’s Apprenticeship School; and YUM! Brands. In addition, American Express is cited as an example of a major corporate employer that does not provide workforce readiness training but has instead taken an alternate route to ensure its new entrants are ready to work.

An advisory board composed of training development specialists from major corporations and other training experts helped design the questionnaire and interpret the survey results. Their comments, drawn from an informal sampling of their views, are cited throughout the report.

¹ These skills were defined in the survey and can be seen in Appendix 1.

Workforce Readiness Training for Ill-Prepared New Entrants

During the second quarter of 2008, more than 200 U.S. employers responded to the Workforce Readiness Training survey, commenting on three types of training: workforce readiness (remedial), job-specific, and career development training. These were defined in the survey questionnaire as:

- **Workforce Readiness Training** includes training in skills employers believe are necessary to function effectively in the workforce and that new entrants *should have when hired*. Sometimes this training is referred to as “remedial training.”
- **Job-Specific Training** prepares employees to *perform a specific function* in the organization
- **Career Development Training** supports employees’ *career advancement* or promotional opportunities.

Almost Half Offer Workforce Readiness Training Programs to Erase Deficiencies

Many employers provide workforce readiness training to compensate for remedial deficiencies among new entrants. Almost half (46.0 percent) of employer respon-

dents provide training to improve new entrants’ workforce readiness. The majority of the advisory board members believe companies are not providing workforce readiness training because “employers don’t view it as their responsibility”—a view also offered in the 2006 Ready to Work survey which showed employers held the educational system as primarily responsible for workforce readiness.² Others on the advisory board mention that workforce readiness training was “not a good use of training resources” or “not proven to be cost-effective.”

New Entrant Readiness

When employers are asked to rate the overall preparedness of their new entrants, more than one-third of the 217 employer respondents (33.9 percent) report that their newly hired high school graduates are deficiently prepared. While reported deficiencies are less among two-year and four-year college graduates, they are still of concern. More than one in five employers (21.7 percent) report their two-year college graduates to be deficiently prepared, while less than one fifth (17.4 percent) report four-year college graduates to be deficiently prepared. While the actual percentages differed somewhat, the

Table 1

Definition of Industry Cluster	Sample Size	Those Providing Workforce Readiness Training
Manufacturing: Computer (hi-tech) manufacturing; Construction; Consumer (non-durable) manufacturing; Energy; Industrial (durable) manufacturing	21	11
Financial Services: Financial and Insurance	36	15
Non-financial services: Business and Professional services; Communications/Publications/Software media; Healthcare; Hotel/Tourism; Transportation and Warehousing; Utilities; Wholesale and Retail Trade	78	27
Ed/gov/other non-profits: Educational services (including non-profits); Gov’t and Public Administration; Other non-profit	80	44

Counts by industry do not add to total sample size because of omitted responses to industry query.

² Jill Casner-Lotto and Linda Barrington, *Are They Really Ready to Work? Employers’ Perspectives on the Basic Knowledge and Applied Skills of New Entrants to the 21st Century U.S. Workforce*, The Conference Board, Corporate Voices for Working Families, Partnership for 21st Century Skills, and Society for Human Resource Management, The Conference Board Research Report BED-06-WF 2006.

Profile of Respondents

This report mostly focuses on the 97 of the total of 211 employer respondents who are providing some workforce readiness training to their newly hired entrants.^a The respondents do not comprise a nationally representative sample *but they are, nonetheless, an important group to study* since they are hiring new entrants and providing remedial training.

Size

The overwhelming majority of the 97 respondents who provide workforce readiness training (86.2 percent) are from small to mid-market firms, with less than \$1 billion in revenues. Nearly two thirds (63.1percent) are smaller companies with less than \$100 million in revenues.^b

In fact, the survey sample, compared to national figures, under represents the percentage of smaller firms. Nationwide, firms with less than \$1 billion in revenues compose the vast majority of all establishments (99.98 percent); similarly, those with less than \$100 million in revenue compose the overwhelming majority of establishments nationwide (99.86 percent).^c

Industry

The sample of workforce readiness training providers included four industry groups or clusters: manufacturing; financial services; non-financial services; and education, government, and other nonprofits. The specific industries included and the number of respondents in each of these groups are shown in Table 1. Almost half—45 percent—of employers providing workforce readiness are from the combined group of education, government, and nonprofit sectors.

Employee Age Distribution

On average, employers responding to our survey—both those that offer workforce readiness training and those that do not—report that 24 percent of their U.S.-based workforce is composed of new entrants who are defined as “employees hired within the past year, who are recent graduates and their highest level of educational attainment can be: a high school diploma, completion of a two-year college or technical school program, or four years of college.”

How does this ratio compare to the overall U.S. labor force age distribution? While there are no nationwide figures that exactly correlate with these figures, nationally, in 2007, 25 percent of all employed persons were under age 30. Eliminating the youngest workers and looking just at those employed persons 20 years or older, 22 percent were between the ages of 20 and 29 (inclusive).^d These numbers suggest that the age distribution of the workforces represented by our employer sample is similar to that of the U.S. labor force overall.

a Out of the 217 employer respondents, only 211 answered this question.

b The breakdown of respondents from small to mid-market firms was similar, regardless of whether respondents reported from the corporate or business unit level. More than four-fifths (84.0 percent) of those respondents reporting for their total U.S. workforce are from companies with FY08 revenues less than \$1 billion, compared to slightly more (87.5 percent) of those respondents reporting for their business unit who are from companies under \$1 billion in revenues.

c Source data: www.Hoovers.com (Percentages are calculated based on establishments in the United States that are single locations or headquarters, not branches.)

d U.S. Bureau of Labor Statistics, <ftp://ftp.bls.gov/pub/special.requests/lf/aat3.txt>

overall pattern of results are similar to the earlier 2006 Ready to Work survey of business leaders, which also shows the incoming generation of new entrants to be unprepared and sorely lacking in much needed basic and applied workplace skills.³

Also, as found in the previous 2006 survey, employer respondents, not surprisingly, rate college entrants as better prepared than high school graduates, in terms of “excellence.” Only 15.6 percent consider preparation to be “excellent” for high school graduates, while almost a quarter (23.7 percent) report two-year college graduates

³ Jill Casner-Lotto and Linda Barrington, *Are They Really Ready to Work? Employers' Perspectives on the Basic Knowledge and Applied Skills of New Entrants to the 21st Century U.S. Workforce*.

at “excellent” levels of preparation and almost a third (31.5 percent) rate four-year college graduates’ preparation as “excellent.”

About half of the respondents rate new entrants as “adequate” in terms of their preparation, regardless of educational level: 50.6 percent for high school graduates, 54.6 percent for two-year college graduates, and 51.1 percent for four-year college graduates.

Evidence of Outcome Success is Lukewarm

In an attempt to address the workforce readiness gaps of new workforce entrants, almost half of the employers surveyed (97 of the 211 respondents) offer some workforce readiness training. But, how effective are these workforce readiness programs? Two different stories emerge. Responses from the survey suggest a lukewarm endorsement of workforce readiness programs; while specific cases reveal more positive evaluations of such training (although the evaluation process often lacks a full evidence-based framework).⁴

Those offering workforce readiness training programs were asked to rate the success of their programs in two ways, how well did they develop workers who were initially categorized as:

- “deficient” to an “adequate” level of skill/expertise
- “adequate” to an “excellent” level of skill/expertise.

Less than 20 percent of this group rate their companies’ workforce readiness or remedial programs as “very successful” in either of these measures: raising workers’ skill levels from “deficient” to “adequate” or from “adequate” to “excellent.”

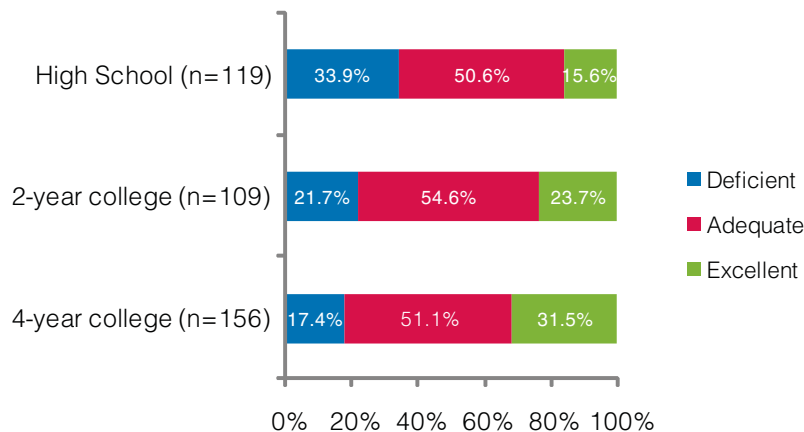
Employers were asked to rate their programs according to a five-point scale: “not at all successful,” “somewhat successful,” “moderately successful,” “successful,” and “very successful.” While few workforce readiness programs are considered “very successful,” greater percentages of respondents did report their programs to be “successful” on both measures—two out of five respondents (40.0 percent) report success in moving skill levels from deficiency to adequacy and nearly one out of five (19.3 percent) report success moving from adequacy to excellence. However, most companies report these programs to be “moderately” or “somewhat” successful at best on both measures.

It’s important to note that approximately 40 percent of respondents did not answer this question, which suggests that some employers may not be tracking the outcomes of their training programs.

From “Deficiency” to “Adequacy”

Of the total respondents answering this question, only one respondent—representing 1.8 percent—reports their workforce readiness programs to be “very successful” in raising skill levels from “deficient” to “adequate.” Over half (54.5 percent) rate their programs as “moderately” (23.6 percent) or “somewhat successful” (30.9 percent),

Chart 1 Overall preparation of new workforce entrants



⁴ Evidence-Based Human Resources uses empirical methods of analysis and standards for evaluating evidence to identify measurable links between strategic outcomes that determine overall business success and the company’s human capital strategies.

while more than a third (40 percent) view their programs as “successful.”

From “Adequacy” to “Excellence”

A greater percent—but still less than a fifth (17.5 percent)—say their programs are “very successful” in raising workers’ skill or expertise levels from “adequate” to “excellent.” Almost three fifths—59.7 percent—view their programs as “moderately” (35.1 percent) or “somewhat successful” (24.6 percent), while almost one-fifth (19.3 percent) view their workforce readiness programs as “successful” in raising skills from “adequate” to “excellent.”

Pockets of Success

While overall there is low satisfaction with the effectiveness of workforce readiness programs, there are some “pockets of excellence” when the sample is divided by industry:

Deficiency to Adequacy: Success in Financial Services.

Three-quarters of the respondents from the financial services (75 percent) rate their programs “successful” in raising workers’ skill level from “deficient” to “adequate,” while half of the respondents from the nonfinancial services (52.9 percent) and the manufacturing (50 percent) sectors rate their programs “successful” in this regard. Less than a fifth of respondents (17.4 percent) from the education/government/nonprofit sectors rate their programs “successful” in raising skill levels from deficiency to adequacy.

Adequacy to Excellence: Success in Manufacturing

Manufacturing companies are experiencing the greatest success rates, with two out of three respondents (66.7 percent) reporting their readiness programs to be “successful” in raising the level of workers’ preparedness from “adequate” to “excellent”, while the non-financial services sector is a distant second, with more than half (52.9 percent) saying this is the case.

Chart 2

Respondents report uneven success in workforce readiness programs: from “deficiency” to “adequacy” (n=55)

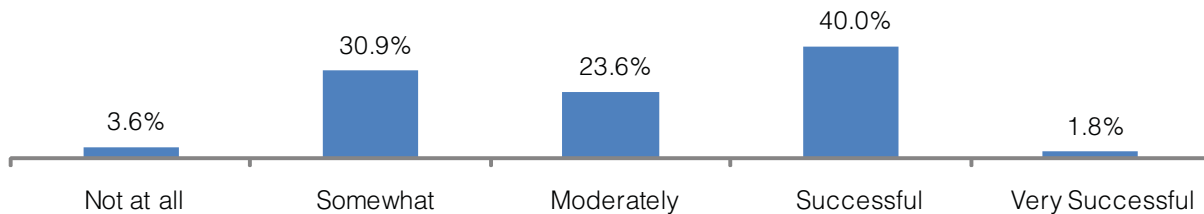
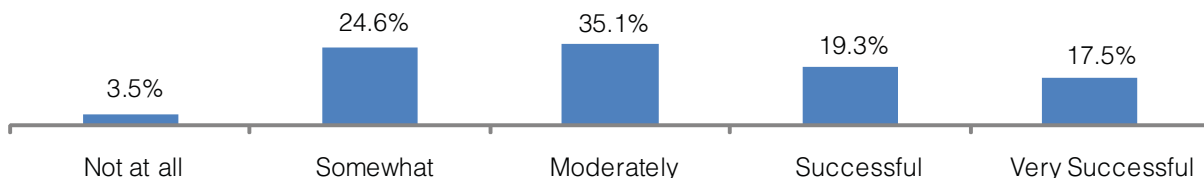


Chart 3

Respondents report uneven success in workforce readiness programs: from “adequacy” to “excellence” (n=57)



Northrop Grumman and Harper Industries: Two Examples of Success

Two case study companies, both from the manufacturing sector, have achieved measurable results in their workforce readiness programs: Northrop Grumman and Harper Industries. Northrop Grumman's Apprentice School provides fully-paid four- and five-year apprentice programs for students interested in shipbuilding careers. Harper Industries' on-site Harper University and its performance management system, which focuses on training and development, equip new entrants and current employees with needed workplace skills. While the two companies are approaching the challenges of building a skilled workforce and correcting any workforce readiness deficits in different ways, they share certain qualities and best practices that have led to bottom-line results. These include:

- An overall company culture that values and is committed to providing various types of training in support of employees' career growth and advancement
- A focus on "smart hiring" that screens for job readiness: strong work ethic, good interpersonal skills, and professional attitude
- Strategic partnerships with local colleges
- Integration of applied skills in job-specific and career development training
- Strong program oversight and emphasis on accountability to assure trainees' adherence to workforce readiness training goals and strategies
- Continuous evaluation of training programs so that content is aligned with current and future company needs
- Proven track records of success in terms of employee recruitment, retention, and leadership development

The Gap between Need and Provision

Perhaps the overall lukewarm rating of training program effectiveness is linked to the fact that programs offered, in many cases, do not match employers' greatest needs. This is especially true in the applied skills employers say they need the most.

Respondents who state that they offer workforce readiness training were further asked to identify if there was a "high need" or "low need" for (remedial) workforce readiness training programs in 20 different basic and applied skills. Across the board, these employers more frequently report a "high need" for training programs in applied skills rather than the basic skills. Training for Critical Thinking/Problem Solving skills is at the top of the list of "high need" programs, with an overwhelming majority of respondents (91.7 percent) indicating a "high need" for these programs. The highest priority basic skills training program is *writing in English*, with slightly more than half of the respondents (55.9 percent) reporting a "high need" for these programs.

To determine where the largest training gaps occur, the focus was placed on those respondents offering workforce readiness training who identify specific programs as "high need." Substantial gaps are reported in several "high need" applied and basic skills training programs for new entrants.

The gaps are most pronounced in five applied skills training programs where more than 40 percent of respondents who offer some workforce readiness training do not pro-

vide training to recent entrants in the specific areas that they rate as "high need":

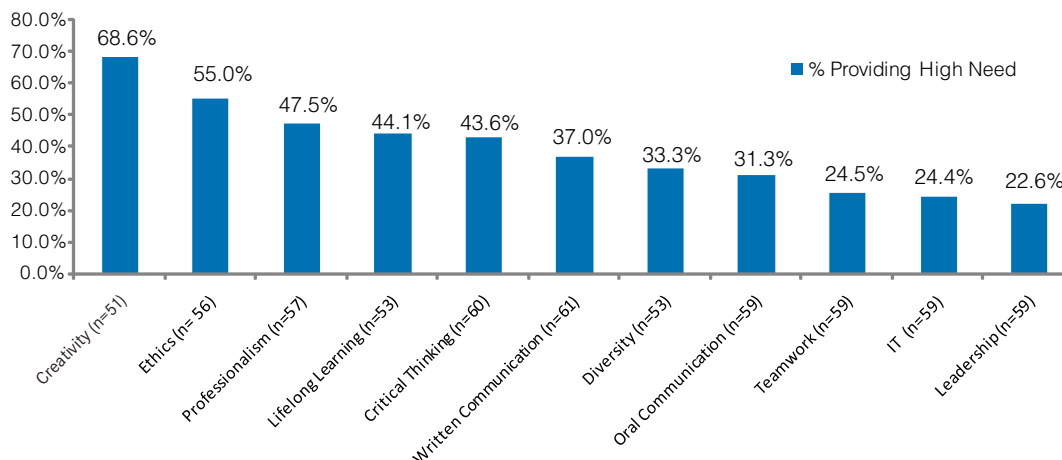
- Creativity/Innovation
- Ethics/Social Responsibility
- Professionalism/Work Ethic
- Lifelong Learning/Self-Direction
- Critical Thinking/Problem solving

Creativity/Innovation

A substantial majority of respondents, more than two-thirds (68.6 percent), report a "high need" for training programs in *Creativity/Innovation* that teach new entrants how to "demonstrate originality and inventiveness in work; communicate new ideas to others; and integrate knowledge across disciplines." Yet, among these respondents indicating a "high need," less than a third (31.4 percent) offer such training, *which leaves a major gap of more than two-thirds (68.6 percent) not offering much-needed training programs to foster skills that cultivate creativity.*

This is particularly disturbing given the increased emphasis on creativity in the workplace as a major driver of business innovation, which is considered a key competitive advantage in a global knowledge economy. In the 2008 Ready to Innovate survey conducted by The Conference Board, Americans for the Arts, and the American Association of School Administrators, almost

Chart 4 Gap of Training in Applied Skills: Those defining skill as "high need" yet not offering training



all of the U.S. business executives and school superintendents and leaders surveyed agree that “creativity is of increasing importance in the workplace.” Yet, more than half of the employer respondents say they had difficulty finding qualified applicants with the desired creativity skills. And among those employers specifically seeking creative employees, the overwhelming majority indicates difficulty finding qualified applicants.⁵

Judgment and Drive

The gap in training programs to increase awareness of *Ethics/Social Responsibility* is particularly noteworthy, given the national furor over government bailout programs to save the banking industry. At the same time certain financial firms have come under fire for unscrupulous lending practices, excessive business expenses, and out-of-proportion bonuses. Respondents from the financial sector express greater need for ethics training than respondents from other sectors, with three-quarters (75 percent) reporting a “high need” for programs in *Ethics/Social Responsibility*. Yet, none of the six financial sector respondents reporting a “high need” for programs in *Ethics/Social Responsibility* offer such training.⁶

Two other gaps in workforce readiness training programs are focused on skills that employers in the 2006 Ready to Work survey report as among the most important for new entrants’ success in the 21st century workforce —

Judgment and Drive		
Other workforce readiness training gaps include:	% rating as high need	among “high need” % not offering programs
Ethics/Social Responsibility	71.4	55.0
Professionalism/Work Ethic	70.2	47.5
Lifelong Learning/Self-Direction	64.2	44.1
Critical Thinking/Problem Solving	91.7	43.6

Professionalism/Work Ethic and *Critical Thinking/Problem Solving*. Yet, at the same time, high levels of deficiencies are reported in these skills, particularly at the high school level.

Teaching critical thinking skills in a company setting may be difficult. According to the Advisory Board members, companies do not have the in-house capacity to teach such applied skills as critical thinking, nor is there any agreement on the best way to teach them. About half of the board members did agree that formal programs were not the best way. The case studies, however, offer illustrations of how training in applied skills is blended with job-specific and career development training resulting in a more integrated approach to training. Informal training approaches may be an alternative route.

⁵ James Lichtenberg; Christopher Woock, Christopher, and Mary Wright, *Ready to Innovate: Are Educators and Executives Aligned on the Creative Readiness of the U.S. Workforce?*, The Conference Board, Americans for the Arts, with the American Association of School Administrators, 2008. Our earlier 2006 Ready to Work survey also found a pronounced lack of creativity skills among new entrants. While employers cited *Creativity/Innovation* as one of the top five skills that will increase in importance over the next five years, more than half of the respondents reported their new entrants with a high school diploma to be “deficient” in this skill set, and relatively few considered two-year and four-year college graduates to be “excellent.” Jill Casner-Lotto; and Linda Barrington, *ibid*.

⁶ The majority of respondents in the other three industry sectors also indicate a “high need” for training in ethics, although not as large a majority as within the financial sector.

Addressing needs in Leadership, Information Technology Application, and Teamwork/Collaboration

Three out of four employer respondents who reported a “high need” for training in *Leadership*, *IT Application*, and *Teamwork/Collaboration* skills, say their companies offer programs in these skills: 77.4 percent in *Leadership*, 75.6 percent in *Information Technology Application*, and 75.5 percent in *Teamwork/Collaboration*, which leaves a gap of about 25 percent or less of respondents whose companies do not offer such programs.

Workforce readiness training gaps are also less pronounced in the next three most frequently offered “high need” training programs: *Oral Communications*, *Diversity*, and *Written Communications*, with about a third of the employers not offering programs in any of these three applied skills. About two-thirds of the employer respondents say their companies offer training programs in *Oral Communications* (68.8 percent), *Diversity* (66.7 percent), and *Written Communications* (63 percent).

It’s interesting to note that, in contrast to their responses on other applied skills, the majority of employer respondents in the 2006 Ready to Work survey rate high school graduates as “adequately” prepared in three of these applied skills: *Information Technology Application*, *Diversity*, and *Teamwork/Collaboration*. The report notes

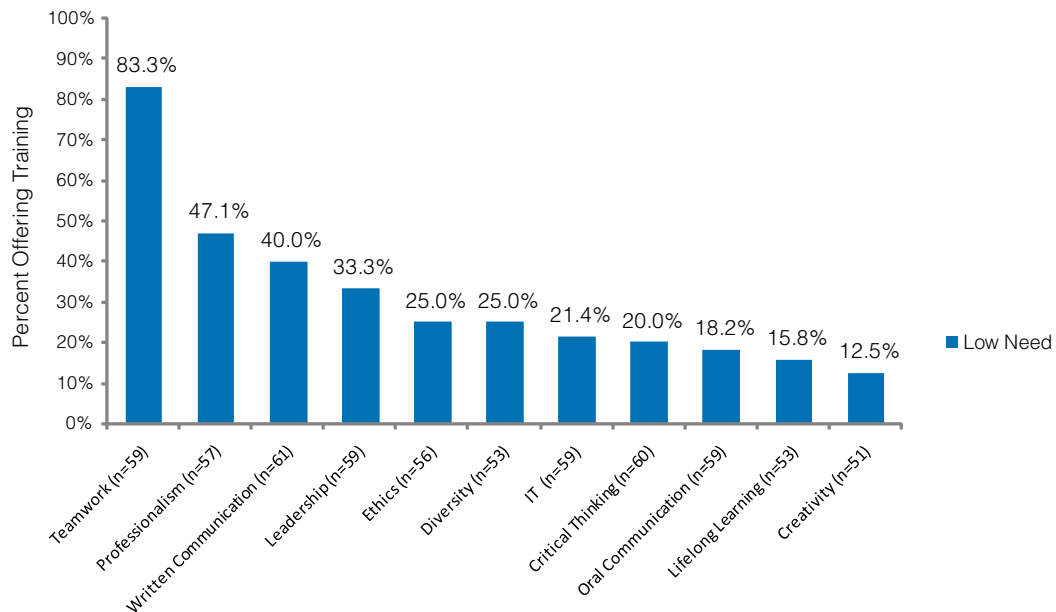
that employers have increasingly implemented new technology, teamwork, and diversity initiatives, and the “higher ratings may reflect the results of increased communication and cooperation between business and schools on these three skill areas.”⁷

Employers may be providing training programs in these skills because they are more familiar and experienced with them, unlike *Creativity/Innovation* skills that are less understood, more difficult to define, and, therefore more challenging to develop programs that meet the need. But, in some cases, companies are not channeling resources where the needs are most acute: Training programs in *Teamwork/Collaboration* skills are offered by the overwhelming majority of respondents (83.3 percent)—even among those respondents who identify it as a “low need” program in their companies.

Substantial Training Gaps in Basic Reading and Writing Skills

While workforce readiness training gaps are most pronounced in the applied skills, there are two major exceptions: *Reading Comprehension* and *Writing in English*. Almost four fifths (77.8 percent) of those respondents who cite a “high need” for training in *Reading Comprehension* are not offering these programs, and almost three-quarters (72.7) of those who report a “high need” in *Writing in English* do not provide training

Chart 5 “Surplus” of Training in Applied Skills: Those defining skills as “low need” yet still offering training

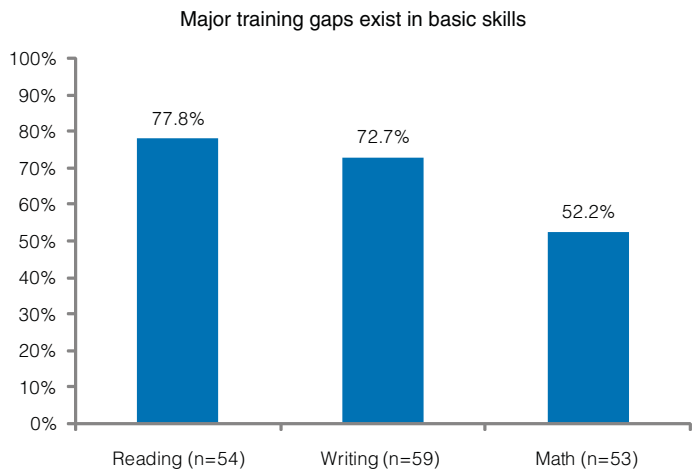


⁷ Jill Casner-Lotto and Linda Barrington, *ibid.*

in basic writing skills to their new entrants. There is also a gap in training for basic math skills: more than half (52.2 percent) of those respondents indicating a “high need” for training in *Mathematics* do not provide it.

Respondents from the financial services industry are especially emphatic in reporting the need for *Writing in English*. More than two-thirds (70 percent) identify programs as “high need,” compared to less than a third (28.6 percent) in the manufacturing sector. Among those financial services respondents who identified it as a “high need” program, none were offering it to their new entrants.

Chart 5



The Impact of Demographic, Labor Force Changes, and the Economic Crisis: New, Younger Entrants Are Hurt the Most

Demographic and labor force changes, as well as the current economic recession, have major implications for workers of all ages. While aging baby boomers are expected to retire over the next 10 years, many are postponing retirement, staying in the workforce longer or re-entering the workforce, thereby squeezing out younger, less experienced workers.

- On the one hand, there is a huge cohort of well-educated baby boomers, 78 million strong, expected to retire in the decade ahead, and not enough skilled and educated younger workers to take their place. By 2014, the number of workers ages 35 to 44 year olds is actually projected to decline by 2.8 million.^a The boomers’ anticipated retirements could reduce overall labor force growth and increase labor and skills shortages in several fields—serious shortages are already occurring in the healthcare industry.^b
- But there are other forces at work. There is considerable evidence that older workers are postponing retirement and will continue to do so, particularly in the midst of the current economic crisis which has severely diminished retirement savings. According to an October 2008 AARP survey, 65 percent of adults age 45 and over say they will delay retirement if the economic situation does not improve.^c

- While the current recession is affecting all ages, job losses are affecting the youngest workers the most. From the fall of 2007 to October 2008, the share of 16-to-19 year-olds working fell by 8 percent, the largest decline of any age group.^d And, according to the Bureau of Labor Statistics, in the last quarter of 2008, while those over age 55 actually had net job gains compared to the same period in 2007, jobs held by young people ages 20 to 24 declined by about 3 percent.^e The huge job losses among teens will result in young people missing out on early work experience that can help them gain better jobs in the future, according to Andrew M. Sum, director of the Center for Labor Market Studies at Northeastern University.^f

As unemployment increases, new entrants are at a huge disadvantage, competing for a fewer number of jobs against older more experienced workers who are delaying retirement or seeking to re-enter the workforce. Recent graduates who are inadequately prepared in the needed workplace skills will likely fare the worst and be in the least favorable position once the economy improves.

^a Mitra Toossi, “Labor Force Projections to 2014: Retiring Boomers,” *Monthly Labor Review*, Bureau of Labor Statistics, U.S. Department of Labor, November 2005, pp. 25-44.

^b U.S. Department of Health and Human Services, Health Resources and Services Administration, “What is Behind HRSA’s Projected Supply, Demand, and Shortage of Registered Nurses?” September 2004.

^c Colette Thayer, “Retirement Security or Insecurity? The Experience of Workers Aged 45 and Older”, AARP, October, 2008

^d Erik Eckholm, “Working Poor and Young Hit Hard in Downturn,” *New York Times*, November 8, 2008.

^e Floyd Norris, “Younger Job Seekers Have It Worse,” *New York Times*, December 13, 2008.

^f Eckholm, “Working Poor and Young Hit Hard in Downturn.”

To Measure or Not? Overall Corporate Investment in Workforce Readiness Training Hard to Quantify

What are employers' costs for training new entrants in the skill requirements for the 21st century workplace?

Because of low response rates on questions about costs, extensive quantitative measures for employers' workforce readiness training initiatives are not discernable. Several factors may account for the low response rates. The most probable factor, suggested by anecdotal evidence and confirmed by the advisory board members, is that companies do not disaggregate their training budgets into the three categories outlined in the survey (workforce readiness, job-specific, and career development training) making answering this question problematic.

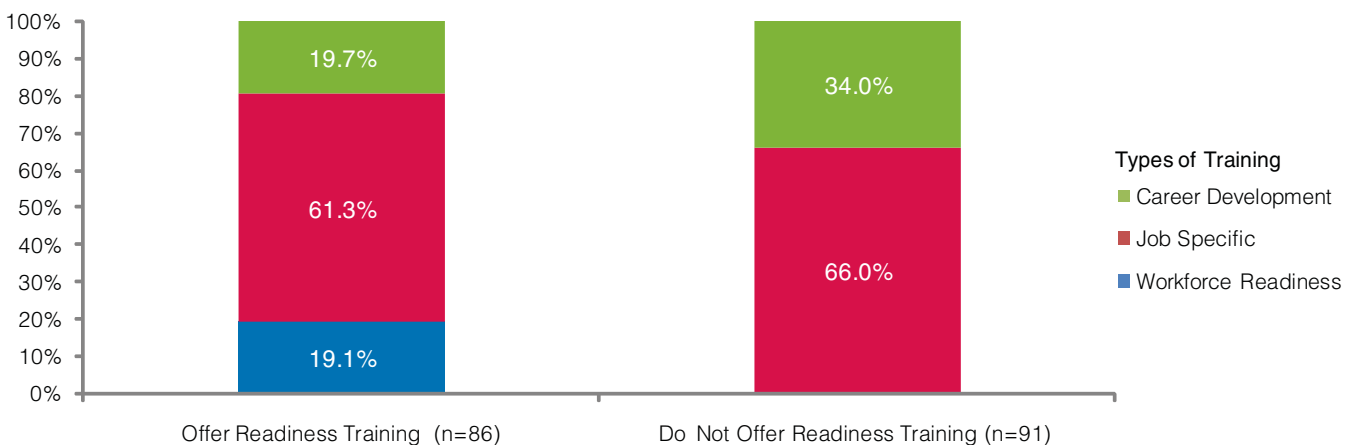
Advisory board members observe that “companies don't separate workforce readiness programs from new entrant training,” and that workforce readiness training is done on an as-needed, ad hoc basis and is often viewed as part of career development. The case study examples confirm the view that job readiness training is blended with other types of training. These companies integrate job readiness training in basic and applied skills with job-specific and career development training in a very conscious, proactive way, not as an afterthought. In such instances, isolating the costs of workforce readiness or remedial training becomes difficult, leaving employers, policy-makers, and education reformers “guess-timating” the true cost of an ill-prepared workforce and the potential returns from investing in an improved workforce readiness pipeline.

Workforce Readiness Training Almost One-Fifth of Learning Budgets

While limited survey responses reinforce that more clarity is needed on the total number of dollars that employers are devoting to correcting for gaps in workforce readiness, those responding provide a first estimate of the relative share of training budgets allocated to workforce readiness programs. Those companies that do offer some workforce readiness training (46.0 percent of the sample, or 97 respondents) say an average of 19.1 percent or about a fifth of their learning budget is allocated to workforce readiness training, with an average of 61.3 percent allocated to job-specific training, and 19.7 percent to career development. Companies that do *not* offer workforce readiness training (54 percent), while allocating a similar percent of their learning budget to job-specific training, devote a much greater percent of their training dollars to career development. About one third—an average of 34 percent—of their learning budget is allocated to career development, with the remaining two-thirds, an average of 66 percent allocated to job-specific training. Further research is needed to determine if workforce readiness training is displacing investments in career development and how the levels (rather than share) of spending compares between those providing and not providing workforce readiness training. Until research is done to demonstrate if these are different kinds of employers, no additional conclusions can be drawn.

Chart 6

One-fifth of training budgets is allocated to workforce readiness programs



Perceived ROI Great Enough to Weather Tough Times

YUM! Brands is a major restaurant company based in Louisville, Kentucky with more than 35,000 restaurants worldwide, including KFC, Pizza Hut, Taco Bell, Long John Silver, and A&W Restaurants. The company is making a major investment in technology-based training to address both the skills gap needs of its new entrants and career advancement for all employees. According to Robert Lauber, Vice President YUM! University, quantifying specific costs when it comes to workforce gap training has been a challenge since those costs are blended into overall training dollars spent by the company and its franchise partners.

Nonetheless, Lauber notes that the company's research shows that "technology-based learning is one of the most cost-effective ways for us to augment in-store training of the hundreds of thousands of employees who work in our restaurant system." The interactive training will offer skills-based training for job tasks, address new entrants' workforce readiness gaps and, at the same time, provide opportunities for individuals to advance their careers. The program will be responsive to recent high school graduates with reading, math, and language/bilingual training needs and to others who want to gain greater life skills and build a managerial career.

And, even in this difficult economic climate, the program is still fully operational. The company plans to roll out major pieces of the system in the next few months. "While we are not immune to the current economic issues, we are in better shape than most. People are still eating!" says Lauber. The business case for the program is the same as when the initial plans were developed. "Our goals are to improve efficiency, consistency, speed, and reach, as well as overall effectiveness of our training," he adds.

Why and How Employers Provide Workforce Readiness Training

Three Company Approaches

There is no one-size-fits-all approach to improving workforce readiness; various company models exist. Some companies provide workforce readiness training because they feel they have no choice—they need entry-level workers with core basic skills as preparation for further training to advance to managerial positions. If those who enter lack core skills, they are simply not promotable. This situation applies to two major retail companies that have joined forces to develop an innovative approach that embeds workforce readiness training into their existing job and career development training programs. The program simultaneously addresses new entrants' skill gaps, helps them advance within their organizations, and allows them to obtain a college degree.

CVS Caremark and TJX Companies

Given the long-term projected job growth in the retail trade industry, both CVS Caremark (CVS) and The TJX Companies, Inc. (TJX) face critical shortages of supervisory and management staff to fill these jobs. The companies have partnered with WorkSource Partners, Jewish Vocational Service, and Massasoit Community College to create a multi-staged training approach, beginning with an entry-level program that integrates training in basic reading and writing contextualized to retail jobs and blended with customer service training. Once trainees

complete this first stage, they begin training for supervisory programs and prepare for college-level coursework. In the final stage, they train to become assistant store managers and store managers and, through the community college partnership, are able to obtain associate degrees as part of the training.

CVS and TJX are proceeding with the program despite the economic downturn and the impact it has had on retail sales and jobs. Both companies are thinking about how to respond to long-term projected growth. According to the Bureau of Labor Statistics, the retail trade industry is projected to add 687,000 jobs from now through 2016 and grow to an industry of \$1.9 trillion. And while CVS and TJX are in two distinct businesses—pharmaceuticals and apparel and home goods—both companies continue to face the dual challenges of hiring skilled young new entrants and growing talent from within—issues which the program is specifically designed to address.

Northrop Grumman's Apprentice School

The Northrop Grumman Apprentice School blends workforce readiness training with job-specific and career development training. Its unique program combines applied skills training, academics and leadership development, preparing students for life, not just work. The school offers fully paid, comprehensive four- and five-year apprentice programs for students interested in

highly skilled shipbuilding careers. In addition, if they choose, apprentices can simultaneously earn an associate's degree in engineering, engineering technology, or business administration that can help them advance in the company. The school's partnership with a consortium of six community colleges and universities enables apprentices to transfer all academic credit hours toward programs at these educational institutions. In the future, the company plans to develop a bachelor's degree program in engineering, engineering technology, and business administration.

Applied skills, such as communications, interpersonal skills, and time management are integrated into the program's technical content and curriculum. As part of the overall program oversight, mastery of these applied skills are evaluated through the school's multi-layered mentoring and development program that serves, when necessary, as a kind of "remediation triage system." Peer and faculty mentors support apprentices and representatives from the student services group monitor their work in math and reading comprehension and provide tutoring and other assistance as needed. In addition, the school helps students find affordable housing in the area and offers financial planning counseling that includes budgeting and money-management skills.

The results are impressive: 80 percent of graduates remain with the company five years after completing the program, and more than 2,500 graduates are still in the company's workforce serving in 240 different types of jobs, ranging from nuclear pipe welders to senior executives. In fact, 42 percent of Northrop Grumman's Newport News line management are graduates of the Apprentice School.

The 2008/2009 economic downturn has not affected the Apprentice School. In fact, the company's long-range plans are to increase the student body from 750 to 1,000 in the next decade to address the increasing rate of retirement among older workers. "The young people we are developing to be future leaders goes well beyond this temporary dip in the economy we are experiencing," says Robert P. Leber, Northrop Grumman's director of education and workforce development.

Harper Industries

This Kentucky-based construction-focused holding company is committed to training throughout the organization, including both skills-based and workforce readiness training. Director of Talent Development Bill Mogan says

the company's philosophy for entry-level workers is to "hire employees we believe have a strong work ethic and good people skills...then, we teach them the trade." Harper uses a pre-employment assessment tool, called the Predictive Index, which enables the company to hire those who are a good fit for the company, as well as for the specific job they're applying for. The company also uses "behavioral-based interviews" which focus on an employee's real-life experiences in problem-solving, conflict resolution, and other important aspects of an employee's readiness for work.

Harper Industries also prepares students before they become prospective employees through summer internship programs created in partnership with local colleges. Interns learn about the business, and enhance their work ethic and sense of professionalism. The program is a win-win: the company benefits by hiring several interns upon their graduation who are ready for work, and students benefit by getting an education with greater work-related context making them better prepared for the future.

In addition to these measures, Harper's online performance management system identifies workforce readiness training deficits in the first 90 days of employment and offers web-based readiness training modules built into the system. These online courses last from one to four hours, can be completed from work or home, and cover computer skills, as well as applied skills, such as communications, teamwork, interpersonal skills, and goal setting. The system not only tracks employees' goals and accomplishments, it also includes training and development goals and strategies for each employee, thus creating a sense of accountability and transparency in career plans. Upon joining the company, employees take orientation and basic safety training, as well as job-specific technical training. After the first 90 days, they go through their first performance review, which allows supervisors or department heads to spot any skills gaps and recommend needed remedial training, as well as career development training to help employees advance in their current job and grow throughout their tenure with the company. These training plans are adjusted as needed during subsequent annual performance reviews.

The company has successfully taught orientation and safety skills using in-house experts and its web-based performance management system. But it lacked the internal staff resources and experience to create a more thorough training and development curriculum in the applied skills. In response, Harper Industries has formed strategic partnerships with four local community colleges and the

University of Tennessee to create Harper University, which offers state-of-the-art certification and customized training programs to over 400 employees in 2008. In addition to applied skills, the program offers a broad range of classes from finance, computer skills, and management training to presentation skills and a Six Sigma training program. Courses are taught onsite—mostly during work hours—and are financed by the company.

The economic crisis has affected Harper Industries, causing it to cut back on the number of training courses offered in its University by about 25 percent, according to Mogan. However, the company is taking a strategic approach in deciding where to cut by determining which courses are most critical to safety and customer service.

Closing the Global Achievement Gap: Schools That Work

An especially promising approach to get students ready for work is to start early—while they’re still in school. Yet, there is a profound disconnect between what’s going on in the “Old World” of classrooms and in the “New World” of work, argues Tony Wagner, co-director of the Change Leadership Group (CLG) at the Harvard Graduate School of Education (www.schoolchange.org). Wagner labels the disparity between workplace demands and classroom practices as the global achievement gap, defined as “the gap between what even our *best* suburban, urban, and rural public schools are teaching and testing versus what *all* students will need to succeed as learners, workers, and citizens in today’s global knowledge economy.”

In his latest book, he describes model high schools that are graduating students who not only master the “basics” but who also know how to think critically, collaborate, adapt, take initiative, communicate, access and analyze information, and exhibit curiosity and imagination. In short, they have learned what Wagner refers to as the “seven survival skills”—skills that often mirror and overlap with the skills our survey respondents have emphasized. An emphasis on teamwork, project-based learning, personalization, and partnerships with employers to create real-world connections are common traits of the schools’ approach to education. Two examples of how schools are building skills for the workplace, as well as for lifelong learning and active citizenship are:

High Tech High (HTH) represents a growing network of K-12 public charter schools serving about 3,000 students in the San Diego area. The original concept for HTH grew out of the efforts of business, community, and university leaders who were concerned about high school graduates’ lack of problem-solving and presentation skills. They were also troubled by the low numbers of local students becoming engineers, which they attributed to the poor quality of the local math and science education. While HTH’s schools’ test scores are among the highest in the state, the schools refuse to “teach to these tests” and instead emphasize interdisciplinary projects, internships, and hands-on learning. Teachers often cross disciplines and collaborate on projects that can combine, for example, art, physics, and engineering.

All HTH students are required to complete a 10-week internship with a local company or nonprofit organization in their junior year. Working in teams, students create products that companies can use, and in the process, learn important critical thinking, collaboration, and communications skills. For a biology assignment, one student team wrote a book about different animal species that live in the San Diego Bay. The book was published and sold at the city’s natural history museum. Another student, working at General Atomics, an engineering firm, wrote a manual on how to retrieve information from a legacy VAX computer and transfer the data to a desktop. The schools’ student body demographically represents the community; currently 55 percent of HTH students are from minority populations. Since its first graduating class in 2003, 100 percent of students have been accepted into college including some of the best colleges and universities in the country.

“Interest-based learning” is the modus operandi at the Metropolitan Regional Career and Technical Center—known as the Met, a network of schools in Rhode Island, which draws 75 percent of its students from Providence, where the dropout rate exceeded 50 percent and more than 75 percent of the children qualified for a free or reduced-rate lunch. Teachers help each student find their interests and then build an Individual Learning Plan around those interests—which triggers student motivation for developing skills needed for college, careers, and citizenship.

During their four years at the Met, all students spend two days a week out of the classroom, learning through year-long internships in a variety of nonprofits and businesses in the community. With support from the Bill & Melinda Gates Foundation and other philanthropies, the nationally recognized Met network now includes over 50 alternative district and charter schools all over the country, developed in partnership with the original founders, the Big Picture Country. These schools are not only thriving in tough, inner-city environments, they are graduating nearly 100 percent of the students, with 95 percent accepted into a two- or four-year colleges.

Source; Tony Wagner, The Global Achievement Gap: Why Even Our Best Schools Don’t Teach the New Survival Skills Our Children Need—And What We Can Do About It, 2008. Basic Books, a member of The Perseus Book Group.

Pre-Employment Training Partnerships to Build the Talent Pipeline: Year Up

Some companies execute workforce readiness initiatives in collaboration with a nonprofit partner whose purpose is workforce readiness training. Year Up is an example of a nonprofit that works with corporate partners to prepare low income young adults for professional careers. With its mission of closing the opportunity divide, and partnerships with more than 90 corporations, the Year Up model is one that more and more companies are embracing to fulfill the dual goals of developing new sources of diverse and skilled talent and simultaneously giving back to the community.

Bank of America and more than 90 other corporations have partnered with Year Up to gain access to skilled talent for entry level professional jobs, primarily in the areas of IT helpdesk/desktop support and financial services investment operations. Year Up students are low income urban young adults who have completed high school or obtained a GED. Employers who work with Year Up are particularly impressed by the high level of professionalism that Year Up student apprentices bring into the workplace, citing motivation, networking ability, and commitment to learning the job as particular assets that make the Year Up apprentices stand out among their peers.

In the first half of the twelve month program, Year Up provides intensive training that focuses on developing important job specific technical skills as well as critical workforce skills including professionalism, teamwork, and communication. In addition to training, Year Up provides mentoring and ongoing support to the young people throughout the year and beyond.

Students spend the second half of the year in an apprenticeship with a corporate partner, where they learn and practice new skills, acclimate to a professional environment and make important workplace connections. The companies make a financial investment of approximately \$20,000 per apprentice, as well as a considerable investment of time to manage and mentor the apprentice. Companies report strong return on their investment, explaining that Year Up provides them access to pre-screened, pre-trained talent. The young people arrive with enough job specific knowledge to begin to do the job. They also bring stand-out workforce readiness skills in the key areas of professionalism, teamwork, and communication.

Companies with a longstanding relationship with Year Up report hiring 70 percent of apprentices (with some additional apprentices declining offers to pursue full time post secondary education). More than 85 percent of Year Up graduates secure a job paying in excess of \$30,000/year within four months of graduation. And even in these difficult economic times, employers are sticking with the apprenticeship program and some are looking for ways to expand their partnership with Year Up to support new job categories within their companies.

Why Some Companies Don't Provide Workforce Readiness Training

Some employers, like American Express, have intentionally decided not to hire and train unprepared new entrants. After a few years of high attrition rates and money spent on training employees who eventually left the company after a short period of time, American Express determined the cause of the problem. Employees were being hired “who couldn't read or perform basic math functions, let alone the more complex math-based tasks” needed to deliver high-quality customer service, according to Jeanette Harrison, the chief learning officer at American Express and vice president of the company's Learning Network. After doing in-depth assessments of its customer service needs, the company created a very specific, detailed hiring profile to assure its new entrants have the right skills.

The company's new hiring profile ensures that every new entrant starts work with proven skills in math and computing, reading and retention, and the ability to locate and communicate technical information in a complex envi-

ronment. In addition, new entrants' aptitude for teamwork and communication skills and attitude about work are evaluated by the human resources staff. In that way, entrants are already prepared for the more advanced 12-week training program that equips them to work independently on the job, provide high-level customer service, and tackle complex technical, financial, and legal challenges. The company increased its pay scale to compensate these higher-skilled new entrants.

By hiring in this manner, American Express believes it is operating in the most cost-effective manner. Rather than investing in remedial training, the company focuses its training dollars on ongoing employee development and career advancement opportunities. On average, each American Express service employee spends 60 hours per year on career development training. “Our service employees absolutely have to have the capacity to absorb and work with complex technical, service, financial, and legal challenges, so it's important that we hire people who are already at a level where we don't have to go back and reeducate on the basics they should have already learned in school,” notes Harrison.

Informal Learning: A Potential Path for Workforce Readiness

Learning takes place on both a formal and informal basis. To determine if companies were relying on informal methods of training to fill in the workforce readiness gaps, all respondents who provided some workforce readiness training were presented a list of 21 informal learning or training opportunities and asked if any were used for workforce readiness training purposes. Company intranets are the most frequently cited as informal learning opportunities, though other online resources, particularly those heavily used by younger generation workers, are not frequently reported. Spontaneity and cost-effectiveness are the top two reasons employer respondents say they use informal learning or training opportunities rather than a more formal training program.

Using a company intranet popular informal learning opportunity

Almost three-quarters (70.8 percent) of respondents who provide some workforce readiness training say they *allow employees to read useful information on an intranet* as an informal learning opportunity for workforce readiness. Another web-based resource—*Email for sharing knowledge*—is the second most popular choice, with almost two-thirds of respondents (63.1 percent) citing this as an informal learning opportunity.

More than half cite the following as informal learning or training opportunities used for workforce readiness:

- Voluntary informal mentoring (60.0 percent)
- Informal lunch-and-learn sessions (58.5 percent)
- Peer-to-peer coaching (55.4 percent)
- Open agenda time during regular meetings earmarked for sharing/learning (53.8 percent)

This strong reliance on informal training methods is reflected in national data. According to a recent American Society for Training and Development study, nearly half of the 1,104 human resource and learning professionals surveyed said that informal learning is prevalent in their organizations today, and more than half predict it will grow in the next three years.⁸ Email and company intranets emerge as the two top-ranking informal learning tools, as they did in the survey results. However, there are some notable “low scorers” in the ASTD survey: Mentoring, peer coaching, lunch-and-learn sessions, and information sharing at meetings are used by less than a third of the HR professionals in the ASTD survey, while the majority of respondents in our survey did use these as informal learning opportunities for workforce readiness. It may be that these face-to-face encounters, combined with their informal nature, are considered especially useful for communicating and sharing knowledge about workforce readiness.

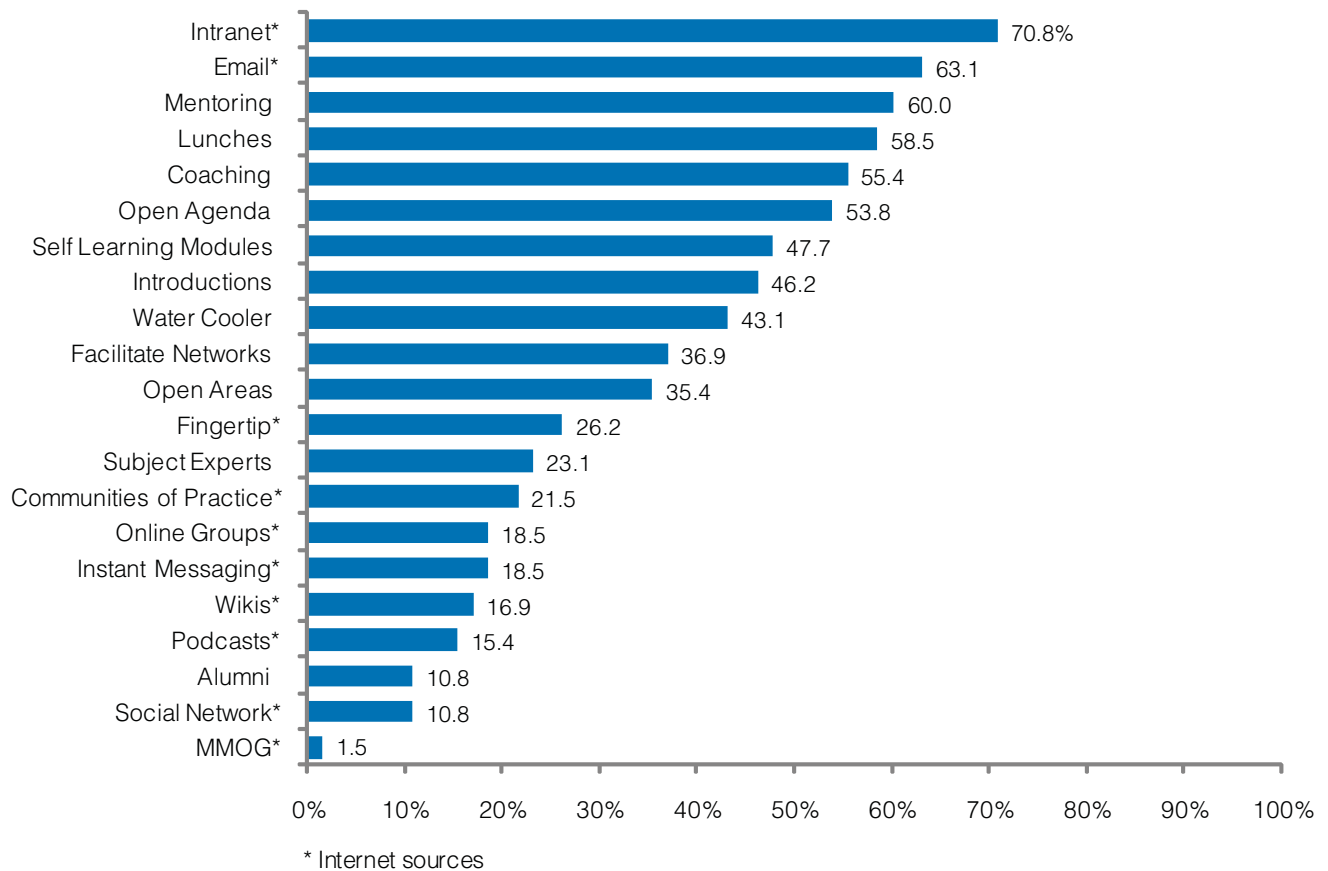
⁸ The American Society for Training and Development and Institute for Corporate Productivity, *Tapping into the Potential of Informal Learning Study, 2008*.

Amid the current economic downturn, informal training methods are emerging as low-cost alternatives to more formal training programs, according to a 2008 survey by Bersin & Associates which found that U.S. companies cut their training budgets by 11 percent last year—the sharpest decline in ten years. The study notes that companies were increasingly relying upon informal knowledge sharing, such as coaching and mentoring, as replacements for formal training programs.⁹

Wikis, podcasts, and blogs: a missed opportunity for workforce readiness?

While the two most frequently cited learning activities for workforce readiness are online resources, it's interesting to note that other web-based resources, particularly those used by younger generation workers, are not frequently cited by employers as informal activities used for workforce readiness purposes. For example, only 10.8 percent of employer respondents who provide some workforce readiness training cite *online social networks* (e.g. Facebook, MySpace, LinkedIn). The only other web resources cited by at least 20 percent of respondents are: 'Fingertip' knowledge (e.g. Google), with 26.2 percent

Chart 7 Company intranets are most frequently cited informal learning opportunity for workforce readiness (n=65)

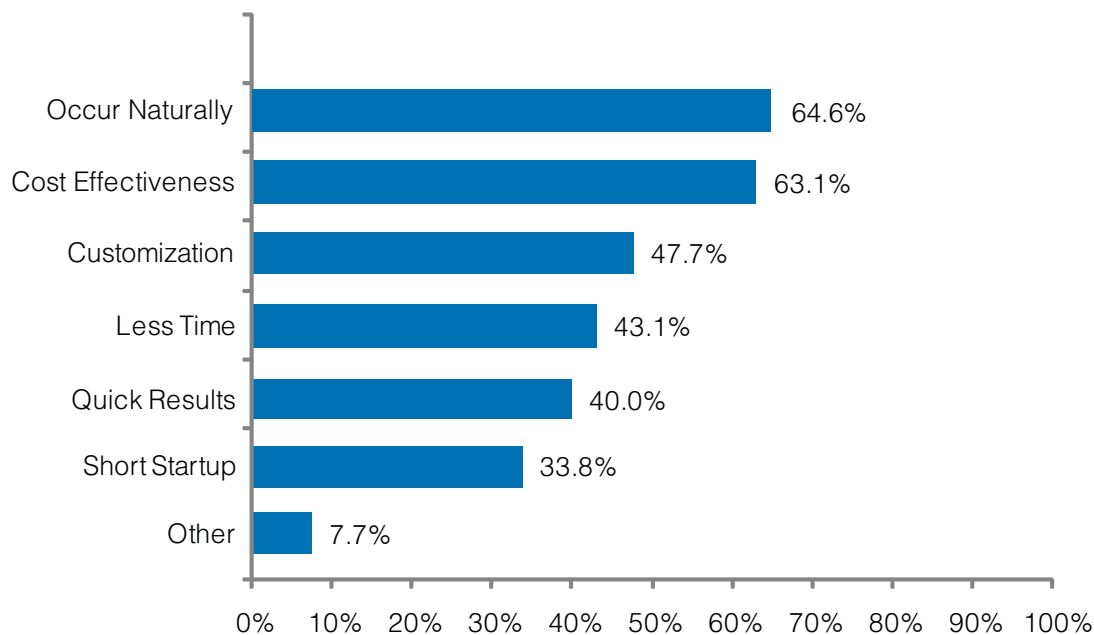


reporting this as an informal learning activity, and *Communities of practice*, cited by 21.5 percent. Less than 20 percent report any of the other online activities as tools for workforce readiness: *Instant messaging* (18.5 percent); *Online discussion groups* (18.5 percent); *Wikis, blogs or some other employee-generated content* (16.9 percent); *Podcasts (user-generated content)* (15.4 percent); and *MMOG (Massively Multiplayer Online Games, such as Second Life)* (1.5 percent). By not tapping into some of these other online resources, employers may be missing out on opportunities for learning that might especially resonate with the younger, new entrants to their workforce. Indeed, “the ways in which young people are different today as learners may be the most fundamental change we need to understand as we consider how to close the global achievement gap,” argues Harvard

educator and researcher Tony Wagner. “The use of the Internet and other digital technology has transformed both *what* young people learn today and *how* they learn.”¹⁰

While the survey results don’t tell us how useful each of these informal activities are for improving workforce readiness, when asked why employers use them rather than a more formal training program, the top two reasons, cited by almost two-thirds of respondents, are: *They just occur naturally* (64.6 percent) and *cost-effectiveness* (63.1 percent). Nearly half of the respondents also indicate that informal learning methods *can be more customized to the individual need* (47.7 percent).

Chart 8 Spontaneity and cost effectiveness are top two reasons for using informal learning activities (n=65)



¹⁰ Tony Wagner, *The Global Achievement Gap: Why Even Our Best Schools Don't Teach the New Survival Skills Our Children Need—And What We Can Do About It*, 2008. Basic Books, a member of The Perseus Book Group, p. 178.

Improving Workforce Readiness: What Business Can Do

Given the “high need/low offering” workforce readiness training gaps and the relatively low success rates of these programs, the survey findings raise serious questions about the effectiveness of these programs in preparing new entrants for key 21st century skills. And, if there is no cost data, how can these programs prove themselves in terms of their impact on such critical measures as productivity, safety, and customer service? To be able to make the business case, workforce readiness programs need to go beyond improving specific skills. They have to illustrate the impact on bottom-line results, as the case study models demonstrate.

Much has been written about the “school-business disconnect”: the gap between what schools teach versus what business needs to be competitive in a global knowledge-based economy. CEOs say workforce talent is a major issue in global competitiveness.¹¹ Employers do not view themselves as primarily responsible for new entrants’ readiness; and instead look to the educational community. But several disconnects within the business community itself are apparent and make it more difficult to increase workforce readiness preparation:

- Education is the primary recipient of corporate philanthropy, but philanthropic dollars are rarely tied to workforce readiness initiatives.
- The business community is not speaking in a clear and unified voice about what is needed for educational investment. Is it basic skills? Applied skills? STEM skills (science, technology, engineering, math)?

With these disconnects, it’s no surprise that there has been little progress in moving the needle on the issue of workforce readiness. If business wants a better prepared workforce, business needs to:

- Be clear about what workforce readiness requires. This report and previous research represents solid evidence that young graduates should be equipped with a combination of basic and applied skills upon

entering the workforce. The accepted framework for applied skills provides definitions in terms that relate to the workplace.

- Track the cost and quality of its various training programs, clearly distinguishing between career advancement, job-specific, and workforce readiness training, in order to evaluate their effectiveness, ensure alignment with organizational goals, and document the costs business is paying to compensate for poorly prepared new workforce entrants.
- Offer direct training or funding with corporate philanthropic dollars encouraging K-12, technical schools, and colleges to include workforce readiness skills in the curriculum for all students.
- Coordinate initiatives between its human resources and community relations and corporate philanthropy departments through strategic partnerships with schools and colleges aimed at improving workforce readiness skills. Sponsor internships, mentoring, after-school programs, and other learning opportunities to increase young people’s workplace skills.
- Make full use of publicly funded sources for workforce training, encouraging communities and employees to seek out such support as well.
- Leverage its community relations and training investments to ensure that new entrants are prepared to succeed—both before and after they are hired. With more focused spending of corporate philanthropic funds on workforce readiness and better internal tracking of training costs and quality, business will be in a better position to achieve this goal.
- Use its corporate voice to focus public policy discussion on the need to link K-12, technical schools and college education with workforce readiness skills.

¹¹ The Business Council Survey of Chief Executives: CEO Survey Results, February 2006. The Business Council and The Conference Board, Chart 4 and p.7.

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Jill Casner-Lotto is a writer and research consultant with over 20 years' experience in human resources and labor-management issues. Her current research at The Conference Board focuses on the workforce readiness of new entrants and the mature workforce in the nonprofit sector. Previous to her consulting work with The Conference Board, Casner-Lotto was senior vice president for policy studies at Work in America Institute, a nonprofit workplace research organization. She has directed numerous research projects and has written policy study reports on such topics as managing and training for new technology, high performance workplaces, teamwork, labor-management relations, work-life effectiveness, and job-linked literacy.

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Mary Wright, is a program director for The Conference Board, where she is responsible for: the Workforce Readiness Initiative - coordinating all facets of The Conference Board's work in this area; planning and managing three national conferences - Women's Leadership, Corporate Community Involvement and Global Business and Education; managing two Councils- Business and Education, and Community and Public Affairs; and facilitating the Stakeholder Engagement on the Global Stage working group. Previously, she was a vice president of Municipal Finance at Financial Guaranty Insurance Company, where she also served as manager of government affairs.

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Appendix 1 List of Skills

Basic Knowledge/Skills

- English Language
- Government/Economics
- Reading Comprehension
- Humanities/Arts
- Writing in English
- Foreign Languages
- Mathematics History/Geography
- Science

Applied Skills

Critical Thinking/Problem Solving

–Exercise sound reasoning and analytical thinking; use knowledge, facts, and data to solve workplace problems; apply math and science concepts to problem solving.

Oral Communications–Articulate thoughts, ideas clearly and effectively; have public speaking skills.

Written Communications–Write memos, letters and complex technical reports clearly and effectively.

Teamwork/Collaboration–Build collaborative relationships with colleagues and customers; be able to work with diverse teams, negotiate and manage conflicts.

Diversity–Learn from and work collaboratively with individuals representing diverse cultures, races, ages, gender, religions, lifestyles, and viewpoints.

Information Technology

Application–Select and use appropriate technology to accomplish a given task, apply computing skills to problem-solving.

Leadership–Leverage the strengths of others to achieve common goals; use interpersonal skills to coach and develop others.

Creativity/Innovation–Demonstrate originality and inventiveness in work; communicate new ideas to others; integrate knowledge across different disciplines.

Lifelong Learning/Self Direction–Be able to continuously acquire new knowledge and skills; monitor one own learning needs; be able to learn from one mistakes.

Professionalism/Work

Ethic–Demonstrate personal accountability, effective work habits, e.g., punctuality, working productively with others, and time and workload management.

Ethics/Social

Responsibility–Demonstrate integrity and ethical behavior; act responsibly with the interests of the larger community in mind.

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Research Report 1424, 2008

New Graduates' Workforce Readiness: The Mid-Market Perspective
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Are They Really Ready to Work? Employers' Perspectives on the Basic Knowledge and Applied Skills of New Entrants to the 21st Century Workforce, 2006
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