

Report shows new workers aren't ready for prime time

By Theresa Minton-Eversole and Kathy Gurchiek

A report released Oct. 2 by leaders from a consortium of business research organizations finds that new entrants to the workforce are sorely lacking in much-needed basic education and advanced workplace skills and, as a result, the U.S. economy is growing more vulnerable to competition.

The report, *Are They Really Ready to Work? Employers' Perspectives on the Basic Knowledge And Applied Skills of New Entrants to the 21st Century Workforce*, is based on a detailed survey of 431 human resource professionals that was conducted in April and May by **The Conference Board**, **Corporate Voices for Working Families**, the **Partnership for 21st Century Skills** and the **Society for Human Resource Management (SHRM)**. The survey examines employers' views on the readiness of new entrants to the U.S. workforce—recently hired graduates from high schools, two-year colleges or technical schools and four-year colleges.

“The future workforce is here, and it is ill-prepared,” concludes the report.

The findings reflect employers' growing frustrations with the preparedness of their new hires and reveal that employers expect young people to arrive with a core set of basic knowledge and the ability to apply their skills in the workplace. Unfortunately, the reality is not matching the expectation.

“It is clear from the report that greater communication and collaboration between the business sector and educators is critical to ensure that young people are prepared to enter the workplace of the 21st century,” said Richard Cavanagh, president and CEO of The Conference Board. “Less than intense preparation in critical skills can lead to unsuccessful futures for America's youth, as well as a less competitive U.S. workforce. This ultimately makes the U.S. economy more vulnerable in the global marketplace.”

The report's message is not new, pointed out Terry L. Bradley, MSA, SPHR, at GlaxoSmithKline in North Carolina.

“We have heard this many times before. The question is how large will this gap between desired workplace skills and the more advanced skills get before a change takes place in America,” she told *HR News* in an e-mail. “Businesses, school systems, government, parents and students alike can do more to narrow this ‘ever-widening gap,’ ” noted Bradley, who sits on the SHRM Workforce Staffing & Deployment Special Expertise Panel.

Instead of becoming frustrated, employers need to adopt a more far-reaching approach and to ask themselves tough questions to determine why the skill gap is wider than in 2000, she advised, referring to *Workforce 2000: Work and Workers for the 21st Century*.

The U.S. Department of Labor (DOL) commissioned the report, which was published in 1987 by the Hudson Institute.

That report “described almost six years ago the effects of a labor pool that is smaller and less prepared to deal with the demands of jobs that will require increased communication and technological skills,” she said.

“What else can we do as a country that we have not already undertaken, because what we have done by way of preparedness is obviously not making a passing grade,” Bradley observed. “We as a country must take ownership of this issue.”

Rather than looking for economic growth simply by hiring more people, a key factor to business success is getting more productivity from the current labor pool, Bradley said, citing the DOL report. That remains true today, she added.

“We have smart people in America,” she said. “Take the unskilled, untrained and train them. Skills can be learned. There will be a shortage of skills only if we allow bright people to be left alone.”

Secondary education sans the 3R's?

The report includes a **Workforce Readiness Report Card**, which lists the skills deemed very important by a majority of the respondents and which notes the percentage of employers perceiving that new entrants to their workforces demonstrate deficiency in or excellence at each skill.

More than 40 percent of surveyed employers say that many high school graduates are not prepared for the entry-level jobs they fill. Specifically, recent high school graduates lack the basic skills in reading comprehension, writing and math. The results reveal that respondents believe that no high school graduates meet the standards of excellence for any of these skills.

The findings show an especially big gap in writing skills. Nearly three-quarters (72 percent) of incoming high school graduates are viewed as deficient in basic English writing skills, including grammar and spelling.

And, when asked about readiness with regard to “applied” skills related to the workplace, nearly three-quarters (70 percent) of survey participants cite deficiencies among high school graduates in such skills as professionalism, teamwork, critical thinking, communication and work ethic, which was defined in the report as demonstrating personal accountability and effective work habits, such as punctuality and time management. Eighty-one percent of survey participants say their high school graduate hires were deficient in written communications.

The new report “is pretty accurate,” said William D. Young, Ed.D., SPHR, managing consultant for Leadership, Learning and Performance based in Tulsa, Okla.

The SHRM Human Capital Measurement/HR Metrics Special Expertise Panel member noted that the report identified professionalism and work ethics, which his organization deems particularly important, as advanced workplace skills.

“We expect employees to come to work dressed appropriately and on time on a consistent basis. To me, that falls more into the area of common sense rather than an advanced applied workplace skill,” he told *HR News* in an e-mail, “and I have to say that from time to time we have new employees wearing inappropriate clothes and coming to work when [they] feel ready rather than when expected.”

Higher education deemed adequate

Two-year and four-year college graduates fared better than high school graduates in their level of preparedness, though respondents still noted that they possessed poor writing skills. And a relatively small percentage meet the standards of excellence. Nearly half (47 percent) of survey participants report that two-year college graduates are deficient in this skill.

“The basics plus an array of applied and social skills—from critical thinking to collaboration to communications—defines workforce readiness in the 21st century,” said Ken Kay, president of the Partnership for 21st Century Skills.

While business leaders report that the three “R’s” are still fundamental to every employee's ability to do the job, applied skills such as teamwork, critical thinking and communication also are essential for success at work. In fact, at all educational levels, these applied skills trump basic knowledge skills--such as reading and mathematics--in importance in the view of employers.

“This study should serve as an alert to educators, policy makers and those concerned with U.S. economic competitiveness that we may be facing a skills shortage,” said Susan R. Meisinger, SPHR, president and CEO of SHRM. “In a knowledge-based economy, a talented workforce with communication and critical thinking skills is necessary for organizations and the U.S. to be successful.”

A few bright spots

Workforce readiness of high school graduates was reported to be adequate by a majority of survey participants in three areas considered critical for current and future workplace needs:

- Information technology.
- Teamwork.
- Diversity.

“The adequacy of preparation in these areas is encouraging, as all three—diversity, teamwork and technology—are areas where business leaders, educators and communities have focused unified energy and resources in recent years,” said Donna Klein, president and CEO, Corporate Voices for Working Families.

“One message of this study to educators, policy makers and those concerned with U.S. economic competitiveness is that new entrants to the U.S. workforce are not demonstrating levels of excellence necessary to compete successfully in the face of rising global labor market challenges,” emphasized Meisinger. “The importance of learning to communicate in writing and orally is paramount. Communication is a critical skill in the workplace and one that many new entrants lack.”

Creativity, innovation required

Looking toward the future, nearly three-fourths of the survey participants ranked creativity and innovation as among the top five applied skills projected to increase in importance for future graduates.

In addition, knowledge of foreign languages, cultures and global markets will become increasingly important for graduates entering the U.S. workforce. When asked to project the changing importance of several knowledge and skill needs over the next five years, 63 percent of survey participants cited foreign languages as increasing in importance more than any other basic knowledge area or skill.

And, in separate questions about emerging content areas, half of the respondents noted the use of “non-English languages as a tool for understanding other nations, markets and cultures,” while 53 percent selected “understanding of global markets and the economic and cultural impacts of globalization.”

Making appropriate choices concerning health and wellness is the No. 1 emerging topic considered most critical for future graduates entering the workforce. More than three-quarters (76 percent) of survey participants say that “making appropriate choices” concerning health and wellness issues such as nutrition, exercise stress reduction, and work/life balance, is an emerging content area that will be most critical for future graduates. The ability to make appropriate financial choices—such as planning for retirement—would also become critical.

Future hiring plans

“Clearly, business has a stake in the problem and can play a role in helping to solve the problem,” said Klein. “Many business leaders across the country are already actively engaged in efforts to address the skills gap through a variety of initiatives, including efforts to improve academic outcomes through partnerships with schools; partnering with schools or community-based organizations that run mentoring programs; and providing internships, job shadowing programs and summer job opportunities. Through these and

other initiatives, business can help ensure that the workforce of the future has the full range of skills needed to be successful as they enter the workplace of the 21st century.”

But the level of competence of entrant workers is influencing hiring plans. When asked how their hiring practices will change:

- 28 percent of employers projected that their companies will reduce hiring of new entrants with only a high school diploma over the next five years.
- 49.5 percent said the percentages of two-year college graduates they hire will increase.
- 60 percent said their hires of four-year college graduates will increase.
- 42 percent said their hires of post-graduates will increase over the next five years.

Linda Barrington, research director at The Conference Board and one of the report's authors, concluded: “This report card makes it clear that as competitive pressures from globalization continue to mount, America's youth must be more intensely prepared for employment if reality is going to match expectations.”

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