

# Why Business Should Invest in Adult Literacy: Expanding the Employee Pipeline



- Do you have trouble finding skilled workers?
- Are you concerned about filling the jobs of your retirees?
- Do you want to reduce employee turnover?
- Do you want to improve the skills of your current workers?

Businesses need skilled employees to remain competitive, but many jobs go unfilled because employers cannot find employees with the right skills. And with many baby boomers soon retiring, the crunch will only get worse. Businesses invest in education for many reasons, but one reason cuts across all others: a skilled, literate employee is a better employee.

The problem has many dimensions. Here are a few:

- More than 80 percent of executives in a National Association of Manufacturers survey (2005) say they face “a serious shortage of qualified workers.” Some 32 percent say their employees lack basic skills. (Deloitte Development, 2005)
- Census data from 2000 show that more than 51 million adults lack a high school diploma or its equivalent.
- Results from the 2005 Adult Literacy and Life Skills Survey (ETS, 2007) indicate that fewer than 50 percent of U.S. adults performed at level three or higher of four levels of literacy proficiency. (Performance at levels three and higher is considered the minimum needed for success in the labor market.)
- Census figures also show that between 2000-2004, nearly half of all immigrants to the U.S. aged 16 and older reported that they did not speak English well or at all. This language deficit can seriously limit immigrants’ prospects for success at work.



- Do you want to invest less now or more later?

Investing in adult literacy programs now can help businesses meet short-term, bottom-line needs as well as prepare for the future.

- Employing literate, skilled workers can enhance quality, customer service, and corporate image (Ford Foundation, 2001; Lankford, 1995).
- Investing in education and training improves productivity and safety and reduces turnover (Conference Board, 1999; Lankford, 2001).
- Improving parents' literacy skills can enable them to support their children's education, saving education costs over time and helping ensure a new generation of well-prepared employees (Snow and Strucker, 1999).



## ■ What's in it for my business?

Whether they invest in adult education to expand their employee pipeline or for philanthropic reasons, many companies report positive results from their community partnerships. Although it is difficult at present to quantify the benefits of offering basic skills training to employees and engaging in corporate philanthropy, there are tools available to help businesses calculate their return-on-investment (ROI), for example, *The Business Value Assessment Toolkit*, available at <http://www.aspenwsi.org/BVAToolkit.asp>.

In addition, the businesses interviewed for Working Together described the following benefits from collaborating with adult education providers to expand their employee pipeline:

- Assistance with worker training and education needs.
- Customized training curriculum to meet industry standards.
- Reliable information about the skills of prospective and incumbent employees.
- Access to qualified job-seekers.
- Improved employee safety.
- Improved employee morale, job satisfaction, and retention.
- Better communication throughout the company.
- Improved work quality and customer service.
- Expansion of current and potential customer base.
- Increased competitiveness.

A small investment in adult literacy can pay big dividends for your business and your community. Businesses invest in adult literacy in many ways: supplying literacy volunteers; creating workplace literacy programs; making financial or in-kind donations to literacy programs, and others. Some businesses choose to help build the capacity of the adult education field and work through national organizations and coalitions to do so. All businesses have something to give—and something to get—from investing in adult education