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SHRMTM

SOCIETY FOR HUMAN
RESOURCE MANAGEMENT

SHRM 2007 Symposium on the Workforce Readiness of the Future U.S. Labor Pool

Workforce Readiness Executive Summary

Background

Context

The SHRM 2007 Symposium on the Workforce Readiness of the Future U.S. Labor Pool was held on November 4, 2007 at the Latham Hotel in Washington, DC. The event brought together knowledgeable experts about workforce readiness. This group included HR executives, top-level government officials, and leading thinkers about workforce readiness from across the country, along with senior staff members of the Society for Human Resource Management (SHRM).

This group discussed the current state of readiness among the U.S. workforce, the issues inhibiting readiness, and the actions that can be taken to improve workforce readiness. In addition, this Symposium generated ideas and steps that SHRM can take to improve workforce readiness in the United States.

Symposium Purpose

The purpose of this Symposium was to conduct a high-level discussion to:

- Understand how employers and others view the current state of workforce readiness.
- Understand the key issues affecting and inhibiting workforce readiness.
- Determine what short-term and long-term actions can and must be taken to improve workforce readiness in the U.S.
- Determine what role SHRM can play in improving workforce readiness in the U.S.

Symposium Structure

The Symposium was structured as follows:

- Participants discussed why they believe workforce readiness to be an issue of such importance.
- Participants discussed “What We Know” about the current state of workforce readiness. They drew on research in this area and shared information based on personal experiences.
- Based on what is known, participants identified the key issues surrounding workforce readiness.
- Participants divided into four smaller breakout groups and discussed general actions that can be taken to improve workforce readiness, along with specific steps that SHRM can take. Each breakout group shared its conclusions with the larger group.
- Participants shared their key takeaways from the Symposium and action items for themselves and their organizations.

This report follows the general structure of the Symposium, providing an executive summary of the entire Symposium and summaries of each separate discussion.

Participant Perspective

During the course of introductions, participants were asked to explain why they believe workforce readiness is such an important area of focus. The key themes that emerged were:

- *Crucial national issue.* Several participants see the issue of workforce readiness as one of the key issues facing the country, with a particular interest in the policies that can drive change in improving workforce readiness.
- *Talent shortage.* Representatives from employers are interested in workforce readiness because it affects them directly. Most are struggling to find an adequate number of skilled employees for key positions, hindering their firm's ability to compete.
- *Preparing the youth.* Several participants expressed personal interest in preparing young people to enter the workforce, especially as global competition for jobs intensifies.
- *Lifelong learning.* Several participants have long advocated lifelong learning and have been involved in activities aimed at promoting it.
- *Program experience.* Several participants had firsthand involvement with programs specifically designed to improve education and/or workforce readiness. They wanted to share information about their programs and learn from others.
- *Research experience.* Several participants have been involved with research in this area and wanted to learn more about other research findings.

Symposium Participants

Facilitator	Symposium Participants	SHRM Staff	
<p>Deb Cohen Chief Knowledge Officer, SHRM</p>	<p>Patricia Beck Self Employment Training Coordinator, Great Plains Technology Center</p>	<p>Alexandra Griffin Director, Policy and Public Leadership, American Society for Training and Development</p>	<p>Sue Meisinger, President and CEO</p>
	<p>Sandy Boyd Vice President of Advocacy and Outreach, Achieve, Inc.</p>	<p>Ken Kay CEO, Partnership for 21st Century Skills</p>	<p>China Gorman, COO</p>
	<p>Bill Brock Former Senator and U.S. Secretary of Labor</p>	<p>Will Kuchta Vice President, Organizational Development, Paychex.com</p>	<p>Mike Aitken, Director, Government Affairs</p>
	<p>J. Noah Brown President and CEO, Association of Community College Trustees</p>	<p>Ronald B. McKinley Vice President, Human Resources, Cincinnati Children's Hospital Medical Center</p>	<p>Steve Williams, Director, Research</p>
	<p>Ron Carey Director, Human Resources, Richmond Times-Dispatch</p>	<p>Jennifer McNelly Administrator, Office of Regional Innovation and Transformation, U.S. Department of Labor Employment and Training Administration</p>	<p>Jennifer Schramm, Manager, Workplace Trends and Forecasting</p>
	<p>Karen R. Elzey Director, Workforce and Education Programs, U.S. Chamber of Commerce</p>	<p>Coy Renick President, The Renick Group, Inc.</p>	
	<p>C. Michael Ferraro President, Training Solutions</p>	<p>Pamela Tate President and CEO, The Council for Adult and Experiential Learning (CAEL)</p>	
	<p>Mary L. Greiner Director, HR, The University of Iowa Foundation</p>	<p>Carl Van Horn Founding Director, Rutgers Heldrich Center for Workforce Development</p>	

Executive Summary: SHRM 2007 Symposium on the Workforce Readiness of the U.S. Labor Pool

Overview

According to Symposium participants, America's workforce is not ready for today's increasingly competitive global economy. Employers have not clearly stated the skills and capabilities they desire and the U.S. educational system is not producing the quantity and quality of graduates needed. Improving workforce readiness will require a vision and a rallying cry to make it a national priority, which many participants likened to the drive and magnitude of putting a man on the moon. This vision must lead to systemic changes in education. Needed is a coalition of business organizations to advocate for policy changes on a national and local basis.

SHRM can play a key role in forming partnerships and driving this coalition, providing tools to members to drive advocacy at a local level, and collecting and disseminating information on workforce readiness best practices and competency models.

Key Symposium Themes

Lack of workforce readiness in the U.S. is a systemic problem requiring a systemic solution.

Sue Meisinger reports that HR professionals say they can't find good people, and see the problem as a shortage of talent. However, SHRM sees an even broader problem related to overall lack of workforce readiness. Several Symposium participants, including former Secretary of Labor Bill Brock, commented that this is not a new problem; but due to an increasingly global economy and a global labor market, the problem is of greater concern than ever.

At the heart of the issue is that the U.S. educational system is simply not producing graduates with the skills and capabilities needed by employers. New graduates, especially high school graduates, are highly deficient in the eyes of employers, as evidenced in the findings of the *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, a recently published study on which SHRM collaborated with the Conference Board, Partnership for 21st Century Skills, and Corporate Voices for Working Families, which Symposium participants discussed at length. These findings, along with others, point to a system for readying America's workforce that is in many ways broken.

The consequences for the economy and the country are significant. Workforce strength leads to economic strength, and lack of a strong workforce will lead employers to shift jobs to locations that have adequate quantities of skilled labor.

This is a major issue with no quick or easy fix. A rallying cry is necessary to put this issue on the national agenda. Moving forward requires that employers must state clearly what they need from the educational system. The educational system must then undergo massive reform, with changes in curriculum, teachers, measures, and incentives.

Systemic change requires partnership among leading business organizations and with the educational community.

To make workforce readiness a national priority, the business community must come together to form a coalition and must speak with one voice. This coalition must develop a set of guiding principles and must state exactly what is desired from the educational community. This coalition must advocate change both nationally and locally, and must provide information, tools, and resources to their members to drive change at a grassroots level. This coalition must also work to gain alignment and commitment to change from the educational community.

Participants shared great enthusiasm for such a coalition. They see SHRM playing a key role in forming and leading this coalition, and in furnishing information for local advocacy efforts. Several participants signaled their organizations' interest in being part of this effort.

Participants were encouraged by the successful initiatives that are taking place to improve workforce readiness.

During the course of the Symposium, several participants described success stories where partnerships were formed on a local level between business, education, government, and non-profit organizations that resulted in improved education and/or lifelong learning. There was great interest in additional pilots and demonstration projects. To learn from and leverage these initiatives, participants want evidence about which programs and initiatives are really working, and they desire an aggregation and a dissemination of best practices. It was determined that this is another area where SHRM can play a key role.

Participants left the Symposium with concrete action steps to initiate change.

Participants made enthusiastic commitments of the specific actions they will take to push this issue forward. These actions included educating other stakeholders in their organizations and communities about the issues surrounding workforce readiness, and working on a local level to identify what can be done to improve the educational system. Several participants committed to partnering with SHRM to advocate policy changes.

Participants see other actions that SHRM can take to drive change.

In addition to working to form a coalition of leading business organizations, participants believe that SHRM can help improve workforce readiness by gathering and disseminating information in areas such as internships, mentoring programs and lifelong learning programs; job descriptions; competency models; and credentialing programs.

What Do We Know About Workforce Readiness?

Overview

The U.S. currently faces a crisis in workforce readiness. Employers are increasingly experiencing a shortage of skilled talent. However, just as the demand for more skilled workers is increasing, the supply is declining. In the view of most Symposium participants, this is largely because, compared to most other industrialized countries, the U.S. educational system is doing an inadequate job of preparing workers to enter the workforce. In a more competitive global market, this lack of skilled workers will hurt U.S. competitiveness and will result in employers moving their work to other countries that have a greater supply of talent.

But the situation is not hopeless. There are success models where schools and programs are improving workforce readiness. What is needed is to learn what models are working and to spend funds more effectively to scale the successes that are occurring.

Context

A great deal of research has been conducted on the subject of workforce readiness. Some of it goes back decades, and some is up-to-the-moment, including the *Are They Really Ready To Work? Survey Report*. With this collection of research and with the wealth of experience possessed by the diverse group of Symposium participants, facilitator Deb Cohen posed the question, “What do we know about workforce readiness?”

Key Points

We know that the global competitive landscape has changed, but the readiness of the U.S. workforce has not.

Everyone—in every industry and every country—knows that technology has changed how work gets done and how companies compete. In an increasing number of fields, employers aren’t bound by geographic factors; they can shift work to workers with the requisite skills located anywhere in the

world. While seemingly everyone knows that the world has changed, Symposium participants were in agreement that the systems and infrastructure have not changed in line with what is now needed to ready U.S. workers to compete in this new global economy. This creates an enormous gap in the ability of the U.S. workforce to compete. Unfortunately, for those who have focused on this issue, sounding alarms of concern about the country’s lack of workforce readiness is nothing new. Several participants noted that there has been research presented and alarm bells sounded for some time—since Japan was seen as an economic threat to the U.S. in the 1970s and 1980s—but with few results.

We know that workforce development leads to economic development.

Bill Brock commented that education and workforce training “underpin everything,” and Jennifer McNelly from the Department of Labor was emphatic in stating, “Workforce development is economic development.” Thus, for the United States to compete globally and develop economically, workforce readiness is essential.

“Workforce development is economic development.”

Jennifer McNelly

We know that there is an acute shortage of skilled labor, and the shortage is worsening.

Those HR executives who are on the front lines in attempting to fill open positions don’t necessarily see the broader national problem of workforce readiness. What they do see is a shortage of qualified talent to fill their open positions. The problem is most acute for certain positions—such as in engineering and IT—and is worsening over time as baby boomers retire and as younger employees entering the workforce lack the necessary knowledge and skills.

“We are seeing lots of people with marketing degrees, but employers need people with engineering and IT.”

Coy Renick

We know the U.S. K-20 education system is not producing the quantity of quality workers that employers need.

Ken Kay, whose organization, Partnership for 21st Century Skills, was involved with SHRM in producing the *Are They Really Ready to Work? Survey Report*, highlighted the report’s workforce readiness scorecard for new entrants to the workforce. It shows that high school graduates have enormous areas of deficiency and are sorely lacking in the skills that employers want in new hires. Graduates of two- and four-year colleges are also

Table 1 | Workforce Readiness Scorecard for New Workforce Entrants

High School Graduates			
Deficiency		Excellence	
Written Communications	80.9%	No skills are on the Excellence List for new entrants with a high school diploma.	
Professionalism/Work Ethic	70.3		
Critical Thinking/Problem Solving	69.6		
Oral Communications	52.7		
Ethics/Social Responsibility	44.1		
Reading Comprehension	38.4		
Teamwork/Collaboration	34.6		
Diversity	27.9		
Information Technology Application	21.5		
English Language	21.0		
Two-Year College/Technical School Graduates			
Deficiency		Excellence	
Written Communications	47.3%	Information Technology Application	25.7%
Writing in English	46.4		
Professionalism/Work Ethic	31.3		
Lifelong Learning/Self Direction	27.9		
Creativity/Innovation	27.6		
Critical Thinking/Problem Solving	22.8		
Oral Communications	21.3		
Ethics/Social Responsibility	21.0		
Four-Year College Graduates			
Deficiency		Excellence	
Written Communications	27.8%	Information Technology Application	46.3%
Writing in English	26.2	Diversity	28.3
Leadership	23.8	Critical Thinking/Problem Solving	27.6
		English Language	26.2
		Lifelong Learning/Self Direction	25.9
		Reading Comprehension	25.9
		Oral Communications	24.8
		Teamwork/Collaboration	24.6
		Creativity/Innovation	21.5

¹ The Conference Board, Corporate Voices for Working Families, Partnership for 21st Century Skills, Society for Human Resource Management, *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*, Table 11, Page 41 (2006).

often lacking essential skills. He said that “higher education should be appalled as graduates who are being hired aren’t ready.” Other participants raised the point that high dropout rates are resulting in even lower skill levels among those who don’t complete high school.

“The K-20 system is out of alignment with the needs of the workforce. There are big deficiencies and the educational system is not producing the skill sets that HR professionals want.”

Ken Kay

Michael Ferraro believes that the basic problem is that schools don’t see workforce readiness as part of their mission. They focus on “academic excellence” as opposed to workforce readiness. They view students and parents as their customers, but don’t view employers as their customers.

“Schools don’t believe they are in the workforce readiness business.”

C. Michael Ferraro

China Gorman agreed, seeing the core of the problem as a disconnect in regard to who is responsible for workforce readiness. Gorman said, “There seems to be a disconnect among the players. Business believes that the education system is responsible for preparing students to enter the workforce, but if the education system doesn’t believe that it is their responsibility, there is a big disconnect. Where that is the case, business will have to step up. We might start to see the ‘Intel High School’ or the ‘Starbucks Junior High’ or the ‘University of GE.’”

In Patricia Beck’s view, the problem is that “Government doesn’t hold higher education accountable for results. The Oklahoma Career Technology and Education System is held accountable by the Oklahoma legislature through measurement of job placement of its program graduates – currently at 95%. This is a direct result of our mission: ‘We prepare Oklahomans to succeed in the workplace, in education, and in life.’”

According to Beck, this accountability for job placement of graduates is a key factor behind the program’s success.

Carl Van Horn agreed that the education system isn’t held sufficiently accountable, stating that when there is any form of accountability and measurement, the measures that are used tend to be process-oriented as opposed to outcome-oriented.

We know that people in the workforce will need ongoing training to keep their skills updated.

Workforce readiness is not just about readying those entering the workforce; it is about sustaining the readiness of those already in the workforce through lifelong training. Changes in technology and in the competitive environment require lifelong learning as does the fact that workers now regularly transition through multiple careers and jobs. Gone is the time when an employer would hire an employee for a 30-year career in the same role; today, workers will have 3 to 4 careers and 10 to 15 different jobs. Readiness in this new world requires ongoing learning.

We know that the government funds spent on workforce readiness could be better spent.

Some participants commented that though the Department of Labor and partner agencies spend billions per year on programs to improve workforce readiness, these funds are not being well-spent. The programs supported by these funds are too complicated and need to be simplified. Others agreed, saying that there is enough money available, but this money needs to be spent more wisely.

We know that there are successful programs for readying workers, but these programs are not yet scalable.

Pamela Tate said that there are many creative, innovative programs that are working and there is good data around them. The challenge is figuring out how to implement them at scale.

“We know where there are success models for moving into the workforce. The question is getting models into practice and scaling the success.”

Pamela Tate

We know that businesses won't stand still. They will do what they need to in order to survive.

Increasingly businesses don't necessarily view themselves as attached to any one community or country. They see themselves and their workforce as global. If the U.S. lacks a ready workforce, they won't be constrained but will shift work to the location and the workers who can do the highest quality work at the lowest price. This view of labor as a global market puts added pressure on U.S. policy and the U.S. educational system to ready workers to compete, or risk losing jobs abroad.

What Are the Key Issues Related to Workforce Readiness?

Overview

Workforce readiness is not one simple issue and doesn't entail one simple solution. There is agreement that achieving workforce readiness requires fundamental change in the country's educational system. This level of change requires getting the issue on the national agenda—which it is not today. Leaders and coalitions are needed to drive policy changes at both the national and local level.

Readying the workforce to compete also requires defining the exact skills and capabilities that are required today and that will be needed by employers, and then creating an educational system that instills in students the basics (such as math, science and IT skills) as well as applied skills (like critical thinking). A flexible workforce that can morph as circumstances change is needed. This flexible workforce will have a solid educational foundation and will then be able to adapt by receiving ongoing training to develop new skills.

Context

After identifying key themes about “what is known”, participants focused on identifying the issues affecting workforce readiness.

Key Points

Issue: Improving workforce readiness requires systemic change.

When participants reflected on the fact that workforce readiness has not changed over the past few decades, they see the core problem as the fact that the educational system hasn't evolved. While the world changed, the educational system and the curriculum didn't; students are taught the same information they were taught decades ago. (One participant asserted that 80% of education should be substantially different than it was 20 years ago.)

Several participants commented that there is not one simple change that must occur to improve workforce readiness. What is needed is fundamental and systemic change.

“We can't change outcomes without changing the system . . . I worry about addressing symptoms and not the fundamental system.”

Bill Brock

Issue: Workforce readiness doesn't seem to be a priority of policymakers.

Participants observed that one of the problems is that policymakers haven't made workforce readiness a priority. Several also commented that none of the 2008 U.S. presidential candidates are focusing on the issue.

Some participants believe that the public is not aware of the problem, and that efforts are needed to create messaging to drive public awareness of the problem. However, Bill Brock and Ken Kay disagreed, expressing their view that the public does in fact understand that the educational system is not readying people to enter the workforce, which hurts U.S. competitiveness. They believe the issue is not lack of public awareness, but that the system is broken and fixing it is not a priority for policymakers.

“The public gets this problem. An astounding 99% of the public believes that getting K-12 right is related to U.S. competitiveness.”

Ken Kay

Issue: Pushing changes in policy to address workforce readiness has not been a priority of the business community.

Mike Aitken observed that as corporations and other organizations set their priorities for attempting to influence policy (especially at the federal level), workforce issues and the subject of workforce readiness are far from the top of their list and often aren't on the list at all. He said, "Workforce issues are 2% of the governmental relations agenda," a view shared by Alexandra Griffin and other participants.

"Workforce issues are not on the government relations or political agendas."

Alexandra B. Griffin

In response to the suggestion that the business community take up the issue of workforce readiness, Karen Elzey cautioned, "There are lots of things asked of the business community. It is important to be simple and clear about what the 'ask' is. We need to deliver a good simple message to the business community about what is asked of them in regard to workforce readiness."

Issue: Teachers are a part of the problem.

Bill Brock asserted that the teaching profession is not attracting the best and the brightest and that "the quality of the education system can't be greater than the quality of teachers." Participants described how teachers are not adequately trained or retrained, their performance isn't measured, they aren't adequately compensated and in many cases teachers are paid the same, with no difference for performance. Ken Kay noted that as the world has changed, society hasn't stepped up and retrained teachers. Funds are needed to do so.

Issue: The business community needs to articulate what skills and capabilities it needs the educational system to produce.

Several participants suggested that in some ways students can be thought of as a product of the educational system, with the educational system as the supply chain that creates the final product.

Using this metaphor, companies—through their HR professionals—need to define the product specifications for the workers they need: exactly what attributes, skills and capabilities are necessary in the workforce of tomorrow. This information must be outlined and communicated to the educational system so it understands what kinds of graduates it needs to produce in order for the nation to compete.

"The business community hasn't articulated the skill set that is needed."

Ken Kay

Many participants felt that, though large employers have done a good job of creating job descriptions that state exactly what is needed, small employers who are increasingly the main driver of employment are not as well-equipped to do this. However, other participants felt that the issue is not just about job descriptions, but a clear statement from industry of the skills that the education system needs to instill in students.

"The business community is not monolithic. Fortune 500 companies have good job descriptions, but many small and medium-sized companies don't."

Karen Elzey

Issue: Workers need both basic and applied skills.

Some participants commented that the educational system needs to do a better job of teaching applied skills, such as critical thinking and problem solving. Sandy Boyd acknowledged that applied skills are important, but said that the educational system isn't yet doing a good job on core academic courses that ensure that students are prepared for college and career. She also said that applied skills such as problem solving and critical thinking aren't learned in a vacuum but instead are best learned in content-rich courses. Ken Kay said the question isn't one of applied versus basic skills; the goal is to develop both sets of skills.

Issue: Improving workforce readiness requires collaboration between the public and private sector on both a national and a local level.

Bringing about massive systemic change is highly complex, and there is no single entity that can drive this change. Success requires collaboration across multiple stakeholders and formation of coalitions. And, coalitions must be formed to drive change not just on a national basis, but also at a grassroots, local level.

"We need to form coalitions to advance the issue and make change happen."

J. Noah Brown

Issue: Leadership is lacking.

Sandy Boyd commented that the business community needs visible leaders who will take on the mission of pushing the education system in the U.S. to change. However, as some leaders retire and as other companies take on a more global (and less local) presence, she is concerned that there is a leadership void.

"Where is the next generation of leaders coming from? How can we find and train business leaders to take this on and make it a significant issue?"

Sandy Boyd

In addition to visible national leadership, leadership at the local level and even within companies is also needed. Alexandra Griffin said, "There are lots of workforce issues where you can have policies, but if management doesn't push them, they won't happen."

Issue: Credentials are replacing capabilities.

In many industries what has arisen is a focus on credentials, with employers requiring credentials and viewing credentials as an indicator of an employee's capabilities. Those familiar with credentials, though, view this as a dangerous trend that makes it more difficult to hire people,

because a standard will be created that forces hiring of only those with credentials. However, those with credentials often lack important capabilities. Credentials equate to knowledge demonstrated through testing, but they don't necessarily equate to practical, real-world skills and capabilities.

"I've seen a trend toward credentials versus capabilities. The focus is on methods, not results."

Will Kuchta

Ronald McKinley said that as credentialing proliferates there is no public policy in areas such as health care regarding which credentials are really needed.

Issue: Workforce uncertainty requires flexibility.

Sandy Boyd emphasized that it is impossible to predict tomorrow's labor market and to know exactly which skills and capabilities would be required. Skills and capabilities may be in demand in the future that can't even be imagined today. With such an uncertain future definition of workforce readiness, Boyd advocated working to create a workforce with flexibility. This entails a rigorous high school experience that creates a solid foundation; a solid foundation makes people more adaptable in any circumstances. This solid foundation must then be combined with continuous learning. The challenge is creating this solid foundation and flexible workforce.

Issue: Employers need strategies to deal with the talent shortage in the short term.

There was general consensus on the need to change the educational system to improve the country's workforce readiness. But some participants pointed out that this strategy is a long-term strategy focused largely on the country's youth. There is a notable absence of short-term strategies targeting dislocated workers, older workers, and immigrants, but these strategies could be a quicker and easier way to address current talent shortages.

What Can Be Done to Improve Workforce Readiness?

Overview

Participants agreed that systemic change in the U.S. educational system will require a national vision and call to action, and collaboration among key stakeholders on a national, state and local basis to develop principles, to advocate for policy, and to define the specific skills and capabilities that employers need.

When the capabilities needed are clearly stated, teacher retraining/recertification programs should be developed, federal programs should be streamlined, successful pilot programs should be studied and disseminated, and efforts should ensue to improve the readiness of groups such as the displaced, immigrants, and older workers.

Context

After defining the key issues related to workforce readiness, participants broke into four groups to brainstorm ideas around what can be done to improve workforce readiness. Participants were asked to contemplate ideas as if money were no barrier. Each breakout group presented their ideas to the larger group, which led to discussion about actions that can and should be taken.

Suggested Actions

Form a coalition of key business organizations to create a clear direction and principles for workforce readiness.

Participants were in agreement that the subject of workforce readiness is far too large for any one organization or group of stakeholders to tackle alone. It was suggested that organizations such as SHRM, the U.S. Chamber of Commerce, the Business Roundtable, the National Association of Manufacturers, and a few other leading business organizations form a coalition to develop a set of principles and output measures for workforce readiness in the U.S. The types of organizations

included would be large, credible organizations with both a national presence and state/local chapters. Carl Van Horn expressed a sentiment shared by many participants when he said, “We need to focus on partnerships at the national, regional, state, and local levels.”

“There is an opportunity to bring several key organizations together to agree on principles and language.”

China Gorman

With an initial coalition established and a clear set of principles in place, goals of the coalition would include:

- broadening the coalition to include other national and local organizations;
- working together to shape policy; and
- aligning the education community with the principles established by the business community.

Convince leaders to articulate a strong vision and a rallying cry around workforce readiness.

Several participants believe the country needs a visionary leader to make competitiveness a national priority, with workforce readiness as a key component. Creating a rallying cry would be analogous to the GI Bill or the space race. A rallying cry of this level is needed to bring all of the stakeholders together and to drive action.

“We need something grand as our overall vision, a big vision of the magnitude of the GI Bill or the vision of putting a man on the moon that moved policymakers and leaders to action.”

Pamela Tate

A specific action that was suggested was to brief the 2008 U.S. presidential candidates on the importance of this issue with the hope that they would understand it and would be willing to lead a call to action.

Define the specific workforce skills and capabilities that employers need.

A key action is that employers need to be able to state the skills and capabilities they need now and in the future. Without a clear statement from the business community of the skills and capabilities that are needed, the educational community cannot prepare individuals with the necessary skills and capabilities. This definition of needed skills and capabilities should happen nationally, locally, and across different industries. Examples were shared of states and local areas that have asked the business community what they need. The business community needs to take the lead to develop definitions stating, “Here is what we need.”

Related to the skills and capabilities that are needed, participants mentioned the need for updated job descriptions for employers and HR executives to use.

Learn from successful programs and get evidence on what works.

Multiple participants mentioned successful programs (usually state, regional or local programs) that had improved workforce readiness. Much can be learned from gathering information about and studying these successes. Among them:

- *WorkforceChicago2.0.* Pamela Tate described how CAEL (Council for Adult and Experiential Learning) has recruited CEOs to form a Business Leadership Group in Chicago, Philadelphia and St. Louis to focus on employee learning and development. In the founding initiative, called WorkforceChicago2.0, companies are nominated for high-profile awards based on having creative and effective employee learning and development programs. There is significant competition for these awards. The winners then hold “exemplary practice workshops” where best practices are disseminated to other organizations.

- *Teacher recertification.* Ken Kay described a partnership involving the National Education Association where in six states the education community, business, and teachers’ unions have come together to create statewide initiatives to embed 21st century skills into K-12 education. He remarked that “some teachers’ unions are trying to be part of the solution” and suggested that this could be a model to be used elsewhere.

In addition, participants called for more pilots, experiments, and demonstration programs, implemented on a local level. Carl Van Horn said that in conjunction with pilot programs, a process is needed to develop evidence on which programs really work. Data showing successes can then be used to expand successes broadly.

“We need to raise up ‘successes’ for scrutiny, with evidence, research and evaluation. We need to show what really works and then disseminate it.”

Carl Van Horn

Consider a national certification.

Mary Greiner raised and Pamela Tate gave further details about the National Career Readiness Certificate (NCRC). This is a certification developed by ACT, based on the results of a standardized test, which shows a person’s readiness for various entry-level jobs. This test and certificate provide a common set of standards and a common language for measuring readiness. Employers can use the certification when hiring to have a better sense of a person’s capabilities and readiness.

Pamela Tate explained that when an individual graduates from high school in Michigan, they will get a diploma and will have taken two of the three tests required for an NCRC. Many high schools in the state are also requiring the third test, which enables their students to graduate with a Gold, Silver, or Bronze certification. These certificates correlate to their level of readiness for specific entry-level jobs. This gives employers greater confidence in hiring.

“Business is going to drive use of ACT certification.”

Mary Greiner

Some participants see value in the notion of a nationally accepted certification and suggested consideration of ACT/NCRC as a national standard. Others felt that the high school diploma should be the signal of readiness and felt that instead of shifting to a standardized test, a preferred approach is to strengthen schools so that diplomas have greater meaning.

Streamline federal programs.

Those with knowledge of the federal government’s programs felt that many of these programs are far too complicated. For the programs to work more effectively, they need to be streamlined and simplified. Jennifer McNelly said that what works best are federal programs that are implemented regionally. This takes leadership and partnership.

“There is plenty of money; we need to spend it where it is proven to work.”

Jennifer McNelly

Develop and implement programs that assist the dislocated, immigrants, and older workers.

While participants favor systemic changes to education, these are massive changes which are long-term in nature. A suggestion to assist the talent shortage in the short-term is programs that improve the readiness of three specific and often overlooked groups: those who have been dislocated, immigrants, and older members of the workforce.

Retrain teachers.

Since teachers are seen as a key part of the problem, some participants felt that the solution must include (and provide the funding for) retraining them. One idea that Mary Greiner expressed was programs that enabled teachers to better understand the skills requirements of the current and future workforce.

Provide individuals with tools to analyze their own competencies and readiness gaps.

Ron Carey described how at his company the competencies required for each job are defined. Employees can then use a tool to see how their personal competencies match up with a particular job, can identify where gaps exist, and can then develop plans for how to address the gaps. He suggested that as employers define the skills and competencies they require and as they develop more robust job descriptions, an opportunity exists to create a tool to help them see what skills and competencies they need for certain jobs.

“It would be great to have such tools [competency assessment/gap analysis tools] for a wide range of different jobs.”

Ron Carey

Change how reimbursement takes place for company-funded tuition reimbursement programs.

Coy Renick pointed out that only a very small fraction (roughly 5%) of employees whose employers offer free tuition take advantage of this opportunity. One participant said that it is hard to both earn and learn; earning always takes priority.

Pamela Tate pointed out that in addition to the fact that companies often don’t promote their tuition assistance programs, part of the problem is in how these programs are administered. The process within the company is often hard to learn about, hard to navigate and requires employees to pay money out at the time of registration. This puts a hardship on lower-level and lower-paid employees who most often have the greatest need for postsecondary education and training. One solution to this problem is for companies to introduce voucher-based tuition assistance programs, in which the employee registers without having to pay, the college bills the company based on the voucher, and the company pays the college. CAEL administers a number of these voucher-based tuition programs for companies on an outsourced basis, and in every case sees higher participation in tuition assistance due to the voucher feature.

If money were no object, participants would push for several changes to broaden and improve education. When the constraint of funding was removed, participants suggested the following ideas:

- *Free education.* In particular some participants favored free community college or vocational school education in areas where shortages exist.
- *Increase teacher salaries and implement pay for performance.* This would attract better caliber people to the profession.
- *Lengthen the school year.* Some participants would use additional funding to increase the number of days per year that students attend school.
- *Create new models of education.* Most participants are not fans of current models of education. Unlimited funds would allow creating new schools with a new curriculum and a new model for education.
- *Initiate programs to teach soft skills.* An idea was shared where business people would go into classrooms to counsel students on the soft skills they will need in the professional world.

What Can SHRM Do to Improve Workforce Readiness?

Overview

Participants see SHRM playing a key role in coordinating and possibly leading the formation of a business-driven coalition focused on making workforce readiness a national priority. Many Symposium participants support such a coalition and committed their organizations to participating, but need SHRM to help launch this coalition. Such a coalition would engage in coordinated advocacy on a national, state and local basis, with SHRM helping to equip its local chapters, state affiliates and members with tools and information to advocate.

SHRM can also play a key role in helping define exactly what skills and capabilities employers need, possibly conducting research to get detailed data from every state. SHRM can also help pull together and disseminate data on best practices, success stories, job descriptions, and competency wheels and models.

Context

In addition to discussing what can be done to improve workforce readiness, participants also addressed the question of what role SHRM can play in this endeavor.

Suggested Actions for SHRM

Lead formation of a coalition to drive systemic change.

Participants agree that it is necessary to build consensus and alignment in the business community around workforce readiness as a key national issue and around the need for systemic changes in the educational system. This will best be done through creation of a broad coalition of leading business organizations. Participants believe that SHRM has to be part of this coalition and can play a key role in helping form it and in leading it on an ongoing basis. The ideal coalition involves a handful of leading national organizations that also have state/

local chapters. It also involves forming relationships at the national level, as well as at regional, state and local levels. Eventually, educational organizations would also be part of this coalition.

Several participants expressed enthusiasm to be part of this coalition and to partner with SHRM in pushing for greater workforce readiness, but they would look to SHRM to provide leadership.

Not only do participants desire that SHRM provide organizational leadership, they desire that SHRM have one full-time leader who is personally focused on and responsible for workforce readiness. Participants also suggested creation of an ongoing SHRM workforce readiness task force.

"I'm willing to work to move it [the agenda of workforce readiness] along. SHRM could lead it. And it needs a full-time, senior leader."

Ronald McKinley

Lead policy advocacy at a national, state and local level.

SHRM's 225,000 members and more than 500 chapters give SHRM great clout both as a stand-alone organization and as part of a business-focused coalition. This clout must be leveraged to advocate workforce readiness at all levels.

"SHRM needs to work with partners and its constituents to advocate and drive policy change."

Carl Van Horn

Support local advocacy by developing granular data.

The data from *Are They Really Ready to Work? Survey Report* showing the deficiencies of the educational system was mentioned several times as an important tool in illustrating the problems

that exist. But it would be easy for individuals on a state or local basis to claim, “This doesn’t apply to us.” SHRM could gather data from all 225,000 members (or at least a significant subset) showing the skills and capabilities that employers are looking for and the deficiencies that exist. These data could be cut by state and local area and would provide tremendous credibility and impact in support of efforts to drive change on a local basis.

Provide SHRM members with the messages and tools to create local awareness for workforce readiness.

One suggestion was development of a tool kit, including tools such as a turnkey PowerPoint presentation that members could use on a local basis to create awareness about the importance of workforce readiness. These tools could be used by HR leaders with their executives and with elected officials at all levels. As one participant said, “We need to provide a call to action saying, ‘Here is what you need to do.’”

Provide SHRM members with a menu of options on how they can improve workforce readiness.

Each SHRM member can take actions to improve the readiness of individuals in their communities to enter the workforce. These actions include internship programs, mentoring, cooperatives, and lifelong learning programs. SHRM could develop a database of resources for HR professionals on how to orchestrate these types of activities.

Aggregate critical information.

SHRM can play an important role by aggregating a host of information and making this information available through the SHRM web site.

“There is an opportunity for SHRM to build on the research that has been conducted and become a hub for data on workforce readiness.”

Steve Williams

Types of information that SHRM might pull together include:

- *Employer needs.* A key part of workforce readiness is understanding what employers need in terms of current and future skills and capabilities. Some states and local areas have asked employers to define what they need. SHRM could centralize this information.
- *Job description information.* Related to the skills and capabilities that employers require is the need for updated job descriptions citing the skills and capabilities needed in different positions. Again, SHRM could add value by aggregating this information.
- *Competency wheels and models.* Multiple competency wheels and models have been developed by different companies and in different industries, and the Department of Labor has developed information on competencies. SHRM could play a vital role in aggregating and then sharing this information.

“A library of competency models could be very valuable.”

Sue Meisinger

- *Best practices on readiness programs.* A variety of successful programs exist, but the information hasn’t been aggregated and disseminated. SHRM could play a key role by doing so. Deb Cohen said, “My key takeaways are about collating and distributing competency wheel samples and providing some update in the next quarter about where we are.”

Consider endorsing a set of credential standards.

Some participants thought that SHRM should consider endorsing the ACT credentials. Before doing so, it would make sense to study the various credentials that are out there and look at the effect on employer performance, retention and other key metrics. If a set of credentials were shown to translate into improved performance, retention and other outcomes, it might make sense for SHRM to endorse such credentials.

Conclusion

The magnitude and complexity of the problem of the need to improve workforce readiness means that ongoing dialogue on the issue is needed between all stakeholders employers, educators, HR leaders, policymakers and the public itself. The ideas generated in the Symposium provided SHRM with a starting point for leading this debate and creating initiatives that will assist its members and HR professionals in general in not only dealing with the challenge of workforce readiness but also taking part in the search for solutions.

"Innovative things are happening out there that many people may not be aware of."

Mike Aitken

About SHRM

The Society for Human Resource Management is the world's largest association devoted to human resource management. Representing more than 225,000 individual members, the Society's mission is to serve the needs of HR professionals by providing the most essential and comprehensive resources available. As an influential voice, the Society also has a mission to advance the human resource profession to ensure that HR is recognized as an essential partner in developing and executing organizational strategy. Founded in 1948, SHRM currently has five regions, state councils and advisory boards, and 575 affiliated chapters within the United States, with members in more than 100 countries. Visit SHRM Online at www.shrm.org.

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