Workforce Readiness - Why Is It Important?

David Furlan, PHR, Operations Manager, Cottingham & Butler Consulting Services

Over the past few years, business owners and human resource professionals have likely noticed a lot of attention paid to workforce readiness and career planning for our nation's youth. There are several partnerships between school districts and businesses on the local level, and our elected representatives often talk about the importance of preparing the workforce of the future.

But what does "workforce readiness" mean? And why is it important? In this article, we will examine the purpose behind workforce readiness initiatives and determine why businesses should get involved to ensure their success.

First and foremost, workforce readiness has been about skills training in light of labor market needs. Do we have enough students entering <u>and</u> completing degree programs in fields that will be in high demand in the future? These are fields that will be critical to support our society and allow us to remain a strong competitor in the global market. Nurses and engineers are often good examples. There has been significant funding dedicated to these areas to make sure our schools have enough faculty to teach students and to make sure financial aid and other programs allow students to remain in school and finish their degree without unnecessary interruptions or delays.

Blue-collar jobs are also a focal point when it comes to assessing worker skills and labor market needs, and rightly so. How can we build the economy of tomorrow without electricians, carpenters, plumbers, and welders? There is a significant talent shortage in these fields and the lack of skilled workers inhibits the progress of infrastructure projects – transportation and energy among the most important – that support regional and national growth. The shortage of skilled workers is acute in many of the world's largest economies, including the United States. Leading companies need to become champions of the career and pay potential in a skilled trade as an alternative to a four-year college degree while dispelling myths and negative images. Businesses can get involved by developing and supporting apprenticeship programs. Governments and trade associations, as well as businesses, should also work closely with technical schools and align curriculum with real-world needs.

In addition to skills training, workforce readiness is about targeting at-risk students in high school. Each community has a responsibility to ensure these students understand why it is important to stay in school and have the resources to do so. If the overall education of the next generation slips, so does the long-term health of our economy. A more educated workforce is more efficient in its work and better prepared for the rapid pace of change that is undeniable in today's business climate. If workers enter the labor market prepared, employers spend less time on remedial training – reading, writing, and math – and more time on business functions and new ventures for long-term success.

Related to the issue of at-risk students, employers need to understand a major change is underway with the diversity of the next generation of workers. From 1980 to 2020, the white working-age population is projected to decline from 82 percent to 63 percent while the minority workforce is projected to increase to 37 percent. At the same time, some of the fastest growing segments of the minority population, notably Hispanics, have high dropout rates and a very low percentage of college graduates. Combining this low level of education among minority workers with the retirement of Baby Boomers – the most highly educated generation in U.S. history, we face a significant drop in the average education level of the American worker. Unfortunately, this coincides with the growth of global competition and a knowledge-based economy requiring workers to have a higher level of education. Leading American companies,

recognizing our country as a nation of immigrants and a leader in enterprise, have embraced this change and are dedicating resources to diversity initiatives and youth-training partnerships.

Beyond skills training and improvements in education, workforce readiness has evolved to teach more soft skills to our nation's youth. Even if an organization has little connection to trades or the manufacturing sector, it is still important for college graduates to enter the workforce with the business skills necessary to run an efficient and profitable company. Critical thinking, problem solving, communication, teamwork, and conflict management are skills most people acquire during the course of their careers. Students can find opportunities to learn some of these skills in an academic environment but it is often not the same experience. Here is where internships have proven themselves valuable. College students prize internships as way to learn about a profession and get a foot in the door, but both employers and their college interns have discovered a secondary benefit – an understanding of the real world collaborative skills needed to get the job done. Similar to basic skills (reading, writing, and math), employers are money ahead if they don't have to train college graduates extensively on soft skills. If internships and other college-business partnerships provide this training during school, then college graduates can hit the ground running and maximize the fresh ideas and focus their degree can bring to an organization.

Lastly, on the career planning side, workforce readiness is also about teaching students to plan and be more efficient with their curriculum and course of studies at an early age. Programs now begin in middle school where assessments and interest inventories can help students figure out their preferred career choice. By doing so, students enter high school more focused and with an awareness of the core classes needed before graduation, including up to four years in critical subjects like English, math, and science. High school students then enter college better prepared and with the ability to devote credit hours to more advanced subjects. Ongoing career planning in high school also helps the student select the right postsecondary education, whether in a trade school or a four-year college program. This allows the individual to enter the workforce more quickly without wasting valuable years in an area of study in which he or she has little interest.

With an understanding of the importance of workforce readiness, employers and HR professionals can be a part of the solution. In addition to the suggestions above, businesses can seek out and become partners in state Department of Education programs dedicated to this important issue. Illinois, Iowa, and Wisconsin all have active programs as part of The Partnership for 21st Century Skills. Employers can also actively encourage employees to get involved when asked to speak about their careers at local schools or to volunteer for mock interviews and job readiness programs through non-profit organizations. The experience of advising our youth and future workforce can be rewarding, and it has significant potential to improve the health of our economy and business climate for years to come.

Sources:

- 1. SHRM.org, American Workforce's Incoming Generation Most Diverse, Startlingly Least Educated, 6/22/2010.
- 2. SHRM.org, Skilled Trade Shortages Call for Immigration Policy Reforms, 9/7/2010.
- 3. The Partnership for 21st Century Skills, Executives Say the 21st Century Requires More Skilled Workers, April 15, 2010.

Dave Furlan, PHR, is the Operations Manager at Cottingham & Butler Consulting Services in Madison. He has over twenty years of experience in human resources, business planning, and project management for professional service organizations. Dave has been a member of SHRM since 1998. He is on the Board of Directors of the Madison chapter and served as the President in 2010-11.