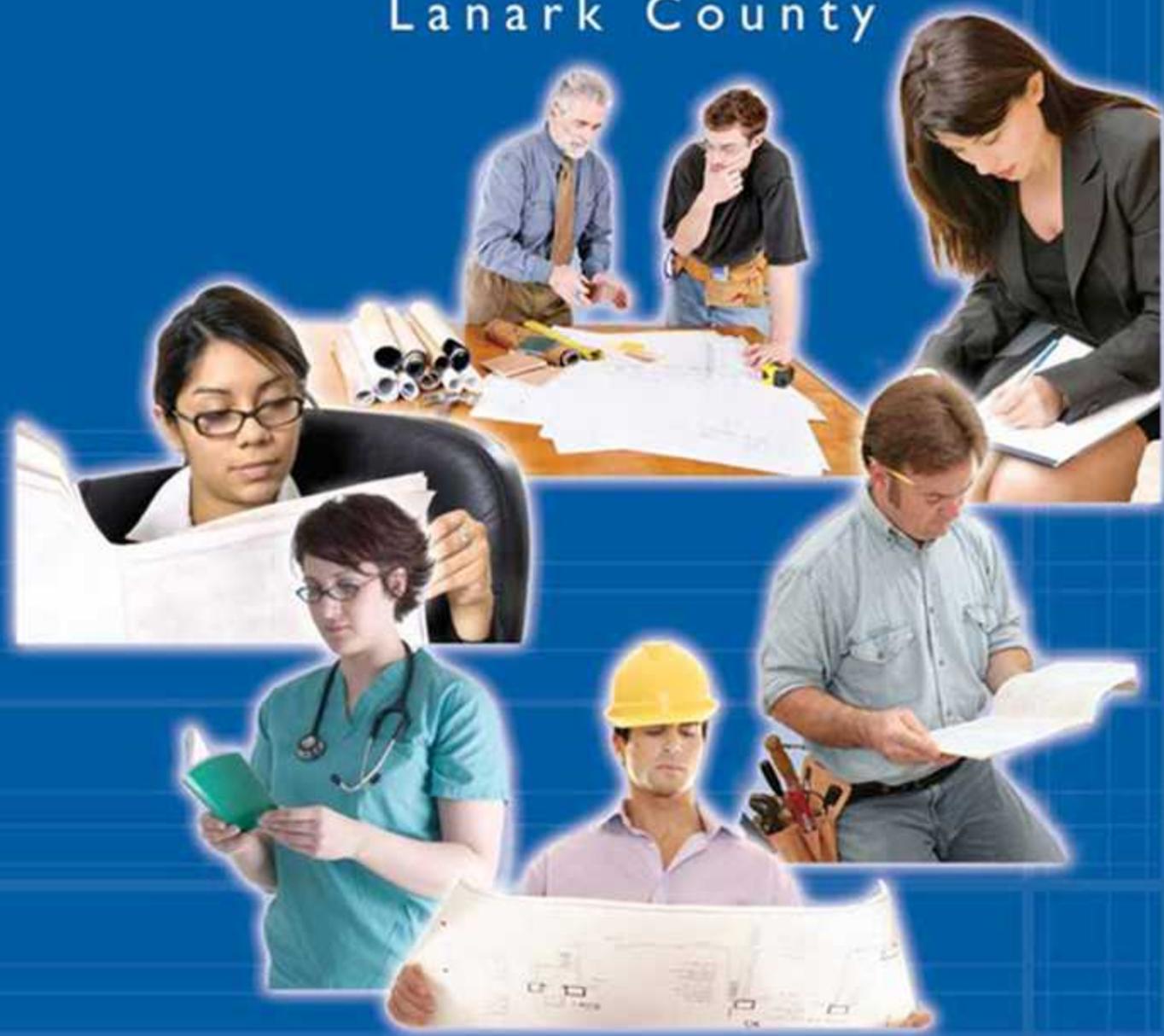


# Making Cent\$ of Literacy

the bottom line impact

Lanark County



# Making Cent\$ of Literacy

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the bottom line impact

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1000 Islands Region Workforce Development Board  
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# Making Cent\$ of Literacy

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## Literacy in the Workplace

"By the Year 2020, the Canadian shortage of skilled workers is forecast to be about one million workers. One of the real keys to our future economic progress will be our willingness to address the looming skills shortage."  
(Business Edge, Eric Newell, former CEO of Syncrude, March 2006)

- Workplace literacy is an important issue for business and labour.
- Globalization and new technologies have brought about significant changes in productivity and innovation in the workplace that have in turn placed greater demands on employees.
- Literacy skills are one of the cornerstones of economic success, yet the latest literacy study by Statistics Canada shows that millions of Canadians do not have the literacy skills they need to keep pace with the escalating demands of society and the economy.

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*"A country's most important resource is its human capital. In order for Canada to move forward and be strong, we must invest in Canadians, ensuring that no member of society is left behind in the knowledge-based economy."*

– Human Resources and Social Development Canada

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Table 1 (below) - the International Adult Literacy and Skills Survey – reveals a working-age (16 to 65) Canadian population lacking in the minimum literacy skills required to cope with the everyday demands of life and work - and Ontario is no exception.

Table 1

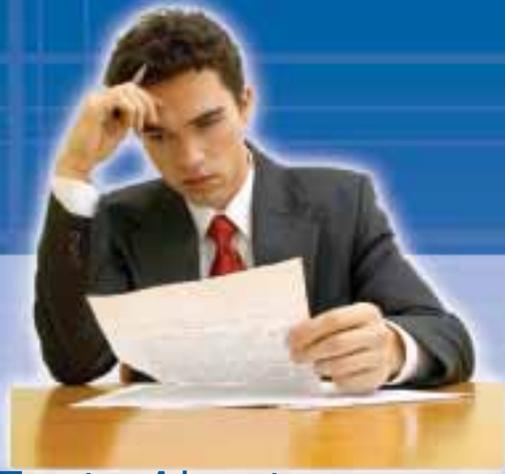
<b>Sector</b>	<b>%</b>
Accommodation & Food Services	67%
Construction	54%
Manufacturing	46%
Trade, Finance, Insurance, Real Estate & Leasing	36%
Health Care & Social Assistance	35%

Source: International Adult Literacy Survey - a seven country comparative study of adult literacy.

*"Just a 1% increase in average literacy rates would yield a 1.5% or \$18 billion permanent increase in the GDP and a 2.5% increase in productivity."*

– Columbe, Tremblay and Marchund, 2004

# Making Cent\$ of Literacy



## Facts About Literacy Levels

- Literacy is not only a person's ability to read words and sentences, it also includes the ability to understand and use written material.
- Canadians with strong literacy skills have better paying jobs and are less likely to become unemployed than those with lower literacy levels.
- The most common place that people practice and improve their literacy skills is at work.
- The opportunity to use literacy skills on the job can actually help people maintain and enhance skills long after they have completed their formal education.
- Growth industries require high levels of literacy; jobs requiring lower skills are declining.
- People with low literacy levels may be good performers in their current job; they may have learned by example, experience and instinct.
- People with low literacy levels tend to effectively develop coping skills to hide their literacy shortfalls.
- People with low literacy levels tend to be slower to respond to new developments and change, and may have difficulty with some situations that require reading such as computer skills, training exercises, problem solving, or using charts and graphs.

## Definition of Literacy

Traditionally, literacy has been defined as the ability to read and write. Today, the definition of literacy also includes the ability to understand and use written information, such as reading, writing, numeracy, critical thinking and problem solving.<sup>[1]</sup> In this sense, it is defined as:

***“The fundamental skills, attributes, attitudes and behaviours that enable people to speak, write prose, use documents and numbers, and work responsibly alone or in teams in the workplace.”<sup>[2]</sup>***

Because few adults are unable to read at all, literacy is normally regarded as a given. However, literacy encompasses a more complex set of “Essential Skills” that people need at work.

The benefits of improving workplace literacy levels are not always clear, but raising the level of employee literacy and basic skills translates into an improved bottom line through financial savings, higher profits, and improved performance and productivity.

## Essential Skills

The Government of Canada recognizes nine “Essential Skills” that are used in daily life and almost every occupation. It defines these as “the skills needed for work, learning and life.”

### Nine Essential Skills

1. Reading Text
2. Document Use
3. Numeracy
4. Writing
5. Oral Communication
6. Working with Others
7. Continuous Learning
8. Thinking Skills
9. Computer Use

Key employability skills needed to enter, stay in and progress in the world of work are outlined by the Conference Board of Canada at:

[www.conferenceboard.ca/education/learning-tools/default.htm](http://www.conferenceboard.ca/education/learning-tools/default.htm)

1. Business Results Through Literacy - Canadian Manufacturers & Exporters
2. Conference Board of Canada

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## Are You Ready?

Low literacy skill levels represent a social and economic challenge that will likely become even more acute as on-the-job demands increase through the adoption of information and communication technologies and as the demographic makeup of Canada's workforce changes.

- Tomorrow's business world will see a strong demand for skilled labour and technological expertise.
- Employees will be expected to learn and adapt to new and continually changing processes.

Are you and your employees prepared for these changes in the workplace?

### **Three demographic trends are converging with serious ramifications for almost every industry:**

1. Retirement of baby boomers
2. Increase in life expectancy (People are living longer due to improved medicine and public healthcare. For example, Canadian women born in 2001 have an average life expectancy of 82, and Canadian men, of 77)
3. Birthrate is at an historic low (In Canada: 1.1 children per family)

These trends suggest a population of aging citizens, followed by successive, smaller generations. Companies will start to experience a "talent crunch" when they seek to replace large numbers of key employees as they retire.<sup>[3]</sup>

## Employer Myths About Literacy in the Workplace

Do any of the following statements describe your organization's outlook on literacy issues?

- We do not have a problem
- We might lose employees if we invest in training
- We cannot afford to invest in training

If you have checked off at least one of these statements, you should consider the hidden impact to YOUR bottom line!

### **FACT:**

- Raising employee literacy skills levels will help to:
- improve productivity, quality and safety
  - improve problem solving
  - improve ability to handle change
  - help handle the introduction of new technology
  - improve employee relations.

# Making Cent\$ of Literacy



## Understand the Bottom Line Benefits of Improving Literacy

### Bottom line benefits to the employer include:

- reduced error rates
- improved health and safety record
- reduced waste in production of goods and services
- increased customer and employee retention

### Bottom line benefits to the employee include:

- ability to complete the same tasks faster and more accurately
- improved morale/self-esteem
- ability to work better with co-workers or in teams
- improved reading, writing, numeracy, communication and problem-solving skills
- greater chance of promotion or transfer into new positions
- increased pay and/or responsibility

### Why support workplace literacy and basic skills programs?

Improved literacy skill levels create a win-win situation for everyone. Employers who support literacy and basic skills development often enjoy a more conscientious, resourceful, loyal and dependable workforce. More skillful employees are more confident employees. Employee confidence translates into creativity and initiative that, in turn, contributes to the overall performance of the organization.

Table 2 (below) - A (2001) national survey of The Conference Board of Canada revealed the following reasons why organizations use or would use workplace literacy and basic skills programs:

Table 2

Reasons to Use Program	% of Organizations
Improve Productivity	66%
Cost Savings	53%
Improve Communications	52%
New Technology	35%
Improve Health and Safety	31%
Increase Profits	17%
Build Employee Loyalty	15%
Lack of Qualified Applicants	6%

*"The Canadian Business Task Force on Literacy (1988) estimated low literacy levels cost businesses \$1.6 billion in lost time due to workplace accidents and \$2.5 billion in lost productivity."*

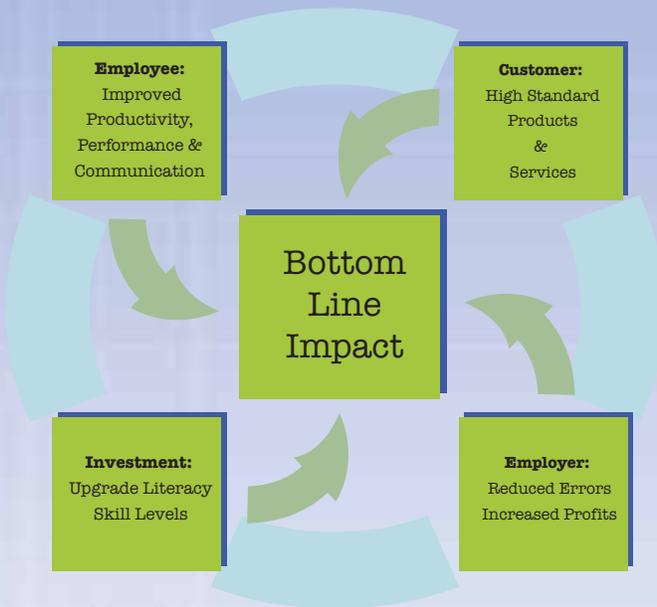
– Literacy at Work, Literacy Alberta

# bottom line impact



*"The marginal value of investing in human capital is about three times greater than the value of investing in machinery."*

– T Stewart, Intellectual Capital, 1997



- Literacy is important because it is one of the keys to maintaining corporate competitiveness and personal success.
- Workplaces and processes are becoming more sophisticated with technology, machinery and equipment.
- Through hallmarks of excellence such as the ISO 9000 certification, employers are under mounting pressure to demonstrate to customers that their products and services meet the highest standards.
- As work environments become more demanding, employers need to ensure that all employees have the literacy and basic skills to perform safely, accurately and efficiently.

*"Companies offer literacy skills training to their employees because enhanced reading, writing and numeracy skills will ultimately contribute to a stronger bottom line through time savings, lower costs and improvements in the quality of work."*

– Conference Board of Canada -The Economic Benefits of Improving Literacy Skills in the Workforce

## How to Overcome Barriers to Workplace Literacy

Table 3

Barrier	Possible Solution
<b>Lack of Time</b>	<ul style="list-style-type: none"> <li>▪ Identify training needs</li> <li>▪ Engage outside training providers</li> <li>▪ Collaborate with employees</li> </ul>
<b>Limited Finances</b>	<ul style="list-style-type: none"> <li>▪ Refer employees to existing community literacy programs</li> <li>▪ Partner with a university, college, continuing education provider or local literacy agency</li> <li>▪ Create an in-house training solution using volunteers as peer trainers or mentors</li> <li>▪ Obtain free training materials from the library or on-line</li> </ul>
<b>Scheduling</b>	<ul style="list-style-type: none"> <li>▪ Create a convenient on-site learning centre</li> <li>▪ Make use of mentoring to deliver workplace training</li> <li>▪ Offer voluntary lunch &amp; learn sessions</li> <li>▪ Use desk top learning</li> </ul>

# Learn from Champions of Workforce Literacy



## Smiths Falls

Abigail\*, a displaced older worker struggling for years to find employment, decided to get her Social Services Worker (SSW) Diploma. Abigail was in financial crisis; she had lost her apartment and was living out of her car. With the support of *or*trac Employment Resource Services, Abigail took steps to get her life back on track. At the age of 56, she completed the first year of her SSW Diploma as an A+ student! Next fall she will complete her second year. Abigail now has a purpose in life and she positively glows; she is finally going to be in a position to help those less fortunate. "It's never too late to search for your dream – you just have to have the courage to reach out, work hard and don't be afraid to ask for help." Abigail has been offered to apply for several positions in the local community once she completes her program.

## Perth

Twenty year old Reid is employed as an assistant with an Auto Body Shop. His interest in doing a trade apprenticeship prompts him to contact Job Connect. Reid left school at 17 with 10-12 credits towards his Ontario Secondary School Diploma. His training consultant looks at Reid's eligibility for an Apprenticeship Scholarship/Signing Bonus with his current employer. The company confirms interest in registering Reid as an apprentice, and given his proven work ethics and attitude, they allow him to attend school part time. Job Connect, the school and the training consultant monitor his progress. Reid completes a second English course and will be granted three maturity credits, resulting in the required 16 credits to register as an apprentice.

Reid is registered as a Branch 2 Auto Body Repairer trade apprentice. Job Connect issues a \$1000 scholarship to Reid and a \$1000 signing bonus to his employer. Job Connect continues to monitor Reid's progress and a six month follow-up confirms the employer's eligibility for the second instalment of the signing bonus.

## Carleton Place

Edward\* was in his early thirties with only part of a college diploma. His criminal record affected his chances of employment and made him not bondable. Edward developed a negative attitude towards life and employers. He only obtained entry-level positions, never progressed and was the first person to be laid off.

Career Counsellors at the Canadian Career Academy Employment Resource Centre did extensive vocational assessments and counselled Edward in maintaining employment, developing new habits, and setting mile-stones. He signed up for an on-line reading and comprehension course which turned over a new leaf for him. He went back to college and obtained his diploma in business. Upon completion Edward was immediately employed and is now happy with his new career. He has a positive outlook and is actively working on repairing past mistakes.

## Perth

Mary\* first came to *or*trac Employment Resource Services when she was laid off during the Global Fasteners closure. With job search assistance, she secured employment as a Production Worker with KEATA Pharmaceuticals. Unfortunately, KEATA announced their closure leaving Mary once again faced with uncertainty about her future and again she returned to *or*trac. Mary had worked in the manufacturing sector for well over 10 years; she lacked confidence in herself, her skills and her ability to find success outside of manufacturing. Working with an Employment Counsellor, Mary established a new goal; she decided to pursue a career as a Personal Support Worker. Mary has now completed her training and has found employment with a long term care facility. She has gained renewed confidence in herself and found true contentment in her new career.

(\* not his/her real name)

# making connections



## Lanark County

### Community - Based Programs

#### Adult Learning and Training Centre

48 Wilson Street West, Unit 4

Perth, ON K7H 2N3

Tel: 613-264-9110

Fax: 613-264-1969

[administration@cogeco.net](mailto:administration@cogeco.net)

#### Canadian Career Academy

Employment Resource Centre

92 Bridge Street (P.O. Box 162)

Carleton Place, ON K7C 3P3

Tel: 613-257-3237

Fax: (613)253-5003

[www.canadacareer.ca](http://www.canadacareer.ca)

#### Canadian Career Academy

Job Search Resource Centre

59B Beckwith Street North

Smiths Falls, ON K7A 2B4

Tel: 613-283-8700

Fax: 613-283-8011

[www.canadacareer.ca](http://www.canadacareer.ca)

#### Employment Ontario

1-800-387-5656

[www.ontario.ca/employmentontario](http://www.ontario.ca/employmentontario)

#### Job Connect

Perkins Building

2 Wilson St West, Unit #7

Perth, ON K7H 2M5

Tel: 613-267-1381

Fax: 613-267-1806

[www.jobconnectperth.com](http://www.jobconnectperth.com)

#### Literacy Link Eastern Ontario

830A Development Drive

Kingston, ON K7M 5V7

Tel: 613-389-5307

1-800-465-7323

Fax: 613- 389-5174

[www.lleo.ca](http://www.lleo.ca)

#### ontrac Employment Resource Services- Perth

Unit 1, 2 Wilson Street West, Perth, ON K7H 1T5

Tel: 613-264-9888

Fax: 613-264-8431

[www.getontrac.ca](http://www.getontrac.ca)

#### ontrac Employment Resource Services- Smiths Falls

1 Abel Street

Smiths Falls, ON K7S 4L9

Tel: 613-283-6978

Fax: 613-283-6850

[www.getontrac.ca](http://www.getontrac.ca)

#### Service Canada

Employment Insurance Telephone

Information Service

1-800-206-7218

[www.servicecanada.gc.ca](http://www.servicecanada.gc.ca)

#### School Board Programs

T.R. Leger School of Adult

Alternative and Continuing Education

Upper Canada District School Board

2288 Parkedale Avenue

Brockville, ON K6V 5X3

Tel: 613-342-1127 Fax: 613-342-1216

[www.ucdsb.on.ca/trleger](http://www.ucdsb.on.ca/trleger)

#### College Programs

Algonquin College

Smiths Falls Centre, Career and College Preparation

18 William Street West

Smiths Falls, ON K7A 1M9

Tel: 613-283-8567 ext. 101

Fax: 613-283-3226

[www.algonquincollege.com](http://www.algonquincollege.com)

#### St. Lawrence College

Smiths Falls Campus

25 William Street West

Smiths Falls, ON K7A 1N2

Tel: 613-283-8477

Fax: 613-283-5820

[www.stlawrencecollege.ca](http://www.stlawrencecollege.ca)

# Making Cent\$ of Literacy



## Participate in an Initiative to increase local workplace literacy and skills levels

One of the biggest challenges of providing workplace training is deciding whether or not it is successful. Employers should ask themselves the following questions:  
What is a useful measure of training success? What is the return on the training investment?

Table 4 (below) shows sample measures of training effectiveness commonly used by Canadian organizations. The measures shown arise from a national survey of employers by the Conference Board of Canada in 2001.

Table 4

What is Measured	A Useful Measure Of...				
	Employee Buy-in	Management Buy-In	Customer Satisfaction	Financial Results	Operational Results
Employee learning	✓				✓
Productivity					✓
Error rates/efficiency			✓		✓
Employee absenteeism	✓				✓
Staff turnover	✓				
Promotions		✓			
Fines or claims related to health and safety				✓	✓

## What Can You Do?

1. Identify the need for a workplace literacy program.
2. Discuss literacy and educational opportunities throughout all levels in the workplace.
3. Gain support from management, workers and union.
4. Identify resources to implement a workplace literacy program.

## Take the Workplace Literacy Challenge!

Get on board with progressive employers in your area and start the ball rolling to implement your own workplace literacy program. Be a leader in your community. Participate in an initiative to increase local workplace literacy and skills levels.

**CONTACT YOUR LOCAL LITERACY PROVIDER TODAY!**



# EMPLOYMENT ONTARIO

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