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ABSTRACT

Workplace literacy programs can support the path toward either low wages or high skills. Instead of the "high skill" path, most U.S. companies follow the "low wage" path. Depending on who is involved, which program goals are selected, and what planning process is followed, a workplace literacy program can maintain outdated workplaces or foster high performance workplace structures. Workplace literacy programs at companies on the "high skill" path tend to be broader and less job specific than in "low wage" companies. They are usually integrated into other worker training and education programs offered at the workplace and are more likely to be part of larger human resource policies. The workplace literacy program planning process is likely to be a top-down, prescriptive process in "low wage" companies. In a "high skill" work organization, basic skills problems are recognized and handled through the participatory process and structure already in place. Policymakers need to support workplace literacy programs and policies that aim to enlarge the five percent of employers that have shifted to high performance work structures. Future evaluations should examine program impact on work organization and employer practices rather than focusing exclusively on learner outcomes. Evaluation efforts need to be more aware of the larger political, cultural, and workplace environment in which these programs operate. (YLB)

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# Do Workplace Literacy Programs Promote High Skills or Low Wages? Suggestions for Future Evaluations of Workplace Literacy Programs

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Lately, several reports have explored the interrelationship of worker training, work organization, and productivity. Studies issued within the last year include *The Myth of the Coming Labor Shortage* (Economic Policy Institute), *America's Choice: High Skills or Low Wages!* (National Center on Education and the Economy), and *Worker Training: Competing in the New International Economy* (Office of Technology Assessment). Each report contained findings that should concern federal and state government officials responsible for promoting workplace literacy programs in the private sector.

Independently, each of these studies concluded that only a tiny minority of American workers receives any training once on the job, and that the cumulative impact of changes in the global economy, high technology, and workforce demographics will not necessarily lead to increased employer investment in worker training. Rather, any major expansion in training will require 95% of American companies to abandon their currently-held ideas of work organization based on "scientific management" and Taylorism, the practice of breaking complex work into a multitude of simpler, repetitive jobs. Only five percent of employers in the United States are currently practicing the ideals of a high performance work organization.

Instead of the "high skill" path, most American companies are following the "low wage" path described in *America's Choice*. Their course is sanctioned by our current tax, trade, employment, and other public policies which encourage employers to use cost-cutting as their primary response to changing economic conditions in the immediate as well as long-term future. One result is the alarming growth of the part-time, contingent workforce: the five million employees who work part-time but seek full-time jobs represent one of the fastest growing segments of the labor force today.

## Workplace Literacy Programs Reinforce Workplace Structure

As we seek to raise the basic skills of the workforce, it is important for policymakers to recognize that workplace literacy programs can support the path toward either low wages or high skills. Depending on who's involved, which program goals are selected, and what planning process is followed, a workplace literacy program can maintain outdated workplaces or foster high performance workplace structures.

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For instance, a company organized on "scientific management" principles is most likely to be bureaucratic and hierarchical, with thinking and decision making for the entire organization done by a small group of managers and supervisors. Most of its employees will be expected to follow instructions for their specific jobs, which have been simplified by a highly specialized division of labor. A worker's training needs are considered fulfilled once he or she is able to understand and follow instructions for his or her particular job or work schedule.

In Tayloristic companies following the "low wage" path, workplace literacy programs are likely to adopt a narrow, job-specific basic skills curriculum, aiming to fill gaps in a worker's ability to follow the directions for a specific job. Because immediate cost-cutting tends to be the primary response to market changes, employers on the "low wage" path demand short-term, "bottom-line" returns. Workplace literacy programs, like all training for front-line, non-supervisory workers at these companies, is limited in duration and scope.

In contrast, companies pursuing a "high skill" business strategy give more responsibility on the job to their front-line workers. Through a restructured, high performance work organization, workers are asked to use their judgment, knowledge, and skills to make decisions about how best to perform their jobs. Unlike in Tayloristic workplaces, worker training needs to be ongoing and universal to keep up with continually changing technology and product development.

As a result, workplace literacy programs at companies on the "high skill" path tend to be broader and less job-specific than in "low wage" companies. These basic skills programs are usually integrated into other worker training and education programs offered at the workplace. Finally, these programs are more likely to be part of larger human resource policies which provide a range of employee benefits, career ladders, and employment security to front-line workers, often as a result of collective bargaining between union and management.

The workplace literacy program planning process is likely to differ as well, depending on which path the particular company has chosen. Since "low wage" companies are more hierarchical and "top-down," program planners maintain that mandatory testing through literacy audits of all employees is a critical early step for at least two reasons. First, the collection and analysis of such data is believed to be necessary to persuade top management that the workplace literacy program is needed, appropriate, and worthy of support. A second and related reason is that such data is used to target the program to those workers most in need.

Planning a workplace literacy program in a "high skill," high performance work organization is unlikely to be a top-down, prescriptive process. Instead, basic skills problems are recognized and handled through the same participatory process and structure that exists in the workplace to identify and solve other kinds of problems

related to production or labor-management issues. In these high performance workplaces, the role of outside educators is not to conduct literacy audits, but to provide advice to a labor-management team responsible for developing an additional component to a larger, ongoing training program. Since both the employer and employees are already committed to continuous training for all workers, regardless of skill level, mandatory testing of literacy skills is unnecessary and likely to be counterproductive to establishing or maintaining a workplace environment conducive to continuous learning.

Thus, sponsoring or supporting a literacy program for employees does not necessarily confirm that an employer is on a "high skill" path. Workplace literacy programs can be designed to develop a dispensable, disposable workforce to meet the low literacy and job skill demands of an employer pursuing scientific management principles and the "low wage" path.

### **Evaluations Need to Examine Program Impact on Workplace Structure**

For these reasons, workplace literacy policymakers need to become more knowledgeable of workplace organizational theory and cease their too-common indifference to the path being chosen by 95% of American companies which continue to cling to turn-of-the-century ideas of work structure based on mass production. Our policymakers need to be able to recognize when publicly-funded worker education and training initiatives are being used to prop companies on the "low wage" path.

Instead, we need to support workplace literacy programs and policies that aim to enlarge the five percent of employers that have shifted to high performance work structures which value and reward -- rather than seek to eliminate -- workers' use of their judgment, problem solving, and literacy skills. The health of our entire economy and society is at stake, not just the future of specific companies or employers.

Thus, it may be more important for future evaluations of the U. S. Department of Education's National Workplace Literacy Program to examine program impact on employer practices rather than focusing exclusively on learner outcomes. It is not enough to examine if a worker's participation improves his or her literacy skills. We should also investigate if a company's participation as a partner organization in a workplace literacy project affects that employer's training policies or workplace organization. How can we ensure that our publicly-funded workplace literacy efforts help employers to pursue the "high skill" rather than the "low wage" path?

For instance, how does participation in a publicly-funded workplace literacy project affect a company's training budget? What training, especially in basic skills, was being provided to employees prior to the workplace literacy project? Does the company continue the project activities when public funding ceases? Does the



company increase its total training budget or change its policies in regard to who gets trained or what subjects are taught? Does the company reallocate or re-prioritize its training expenditures to serve more front-line workers?

Does participation in a workplace literacy program encourage or support an employer's efforts to reorganize the job structure? Do more career ladders get created or expanded? Does the use of part-time or temporary employees increase or decrease? Do successful workplace literacy programs affect workers' pay or employment tenure? Does the workplace structure become more or less hierarchical, or remain unchanged?

A systematic examination of program impact on work organization and employer practice will be challenging to researchers and evaluators. But these kinds of research questions are essential to evaluating any literacy program which is intended to improve productivity.

Comparisons across different companies participating in workplace literacy projects would also become more important. For example, an analysis of the required matching contribution would tell us a lot about the projects. Did projects with significant private sector match perform differently during and after the grant period? What were the sources of matching funds across all the projects? These analyses would also indicate whether public funds were being used to substitute or subsidize program costs that would have been borne by the employer if public funds had not been available.

Examining the context in which workplace literacy programs are being planned and implemented might also illuminate the role of financial incentives and program costs on employer as well as employee participation. What are the elements of an effective, robust workplace literacy partnership involving educators, employers, and unions? If the workers to be served aren't represented by a union, what vehicle gives workers a genuine voice in how the program is planned and operated? How do literacy programs "empower" workers in a non-union workplace that doesn't have an established structure for worker participation?

Learning more about the relationships among the partner organizations that operate effective workplace literacy programs might also help us understand why the number of applications for grants under the National Workplace Literacy Program declined during its first three years. In its first year (FY 1988), over 400 grant applications were considered for funding by the U. S. Department of Education; for FY 1990, the number of eligible applications had dipped below 300.

If we can insist that workplace literacy grant recipients collect data on pre- and post- measures of workers' literacy skills, then can't we also require employers participating in funded programs as partners (and who benefit from any increases in productivity) to report data about their pre- and post- program training practices and workplace structure?

## Asking the Proper Questions and Using Appropriate Research Methods

The U. S. Department of Education's National Workplace Literacy Program is designed to "improve the productivity of the workforce through improvement of literacy skills in the workplace." With so much at stake, the program requires a rigorous and thorough research and evaluation effort. The recently issued review of the first year projects prepared by Pelavin Associates leaves too many questions unanswered or unasked.

In *Leadership for Literacy*, Judith Alamprese identifies three factors which help to explain why past research on adult literacy has been inadequate: insufficient funding, the complex nature of literacy as a research problem, and the use of questionable and inappropriate research methodologies. Although the National Workplace Literacy Program provides new funds and potential opportunities to advance our knowledge about literacy in the workplace, we might wish to follow Alamprese's advice. Through an interdisciplinary approach which includes psychology as well as sociology, economics as well as history, we stand a better chance to frame the research problems and use the qualitative methods that may be more suited to studying the complexities of workplace literacy and workplace structure.

The clear message from Alamprese, the *America's Choice* report, and other major studies is that we need to look at workplace literacy program evaluations in a broader context if we're going to understand how these publicly funded programs can best support federal and state policy goals. We can't count on workplace literacy programs in and of themselves to guarantee a high performance workplace and a strong and fair economy. That's why our evaluation efforts need to be more aware of the larger political, cultural, and workplace environment in which these programs operate.

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