

Workplace Illiteracy and the Bottom Line

Deteriorating Skill Levels Are Hurting U.S. Productivity at a Cost of \$225 Billion a Year

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She never would have noticed it if she hadn't forgotten her glasses.

Cindy Marano, executive director of a job training program in the District, had stopped for a quick lunch at a local sandwich shop, but without the glasses couldn't read the menu posted on the wall. So Marano asked a middle-aged woman working at the counter to read it for her.

The woman pretended not to hear her, then appeared irritated and flustered, and finally sought out another worker to answer the questions. At first, Marano was annoyed, assuming the woman was either rude or lazy. Then it dawned on her: the woman was unable to read the menu herself.

"Suddenly, the light went on

for me: Aha!" Marano said. "Then I knew what I was dealing with. But like most Americans, I made the assumption that the person could read just fine."

Executives across America are learning that literacy isn't something that can be taken for granted these days. An estimated 40 million adults in the United States—or about one in five workers—can barely read or write, according to a recent national study. Often the problem isn't immediately apparent in the workplace, because many people, such as the woman working at the sandwich counter, are adept at concealing their handicap.

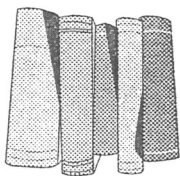
But the problem is showing up on the bottom line. According to a recent survey, about 90 percent of Fortune 1,000 executives say illiteracy is hurting productivity.

See ILLITERACY, B3, Col. 1

ILLITERACY IN AMERICA

From 40 million to 44 million Americans function at the lowest level of literacy. At that level, they can perform the following functions but do little else:

- Sign their names.
- Total a bank deposit entry.
- Locate the expiration date on their driver's licenses.
- Locate the time of a meeting on a form.
- Identify a country in a short article.
- Locate one piece of information in a sports article.



HOW TO GET HELP

Coors Brewing Co. is offering the following assistance:

- Coors Women's Literacy Program: 1-800-642-6116.
- Coors Literacy Hot Line: 1-800-626-4601.
- Coors/CWE Workplace Skills Hotline (for business): 1-315-423-3421.

SOURCES: National Center for Education Statistics, Coors Brewing Co.

Workplace Illiteracy Proves Costly

ILLITERACY, From B1

ity and profitability. It costs the U.S. economy about \$225 billion a year in lost productivity, say experts on workplace literacy.

"It's a very serious economic problem," said Peter Coors, chief executive of the Colorado-based Coors Brewing Co., who first became aware of the issue in dealing with his own work force. "I'd call it a crisis."

Coors, who is leading a new campaign to increase corporate awareness of the problem, said the nation's deteriorating literacy levels are hurting American businesses because they are reducing the pool of skilled labor needed to perform workplace tasks that are increasingly technical and complex. He said that workers who are unable to read instruction manuals, for example, will not be able to operate equipment properly or fix something that goes wrong.

Experts on adult literacy say the big problem isn't people who can't read or write at all, but those who read and write poorly—at a time when higher-level skills are needed.

Almost everyone can sign his or her name or find the expiration date on a driver's license, for example. But the approximately 40 million semiliterates identified in a 1993 study by the National Center for Education Statistics are unable to handle such ordinary activities as totaling a bill, finding an intersection on a street map or writing a brief letter explaining an error made on a credit card bill. They can't read a newspaper or a romance novel, add fractions or calculate a percentage.

The National Center for Education Statistics reported that literacy rates had declined slightly in the population in recent years. The skills of young adults, for example, fell more noticeably than those of the rest of the population from 1985 to 1993, although high immigration rates have affected those numbers. Some newcomers can't read English well, while others

may not have been taught to read in their native countries.

"People's basic skills in the population as a whole have been declining," said job-training counselor Marano, who has worked with many semiliterate people during the past two decades.

Ten years ago, she said, about 70 percent of the women coming to her organization seeking employment help were reading on an eighth- or ninth-grade level, but now only about 40 percent perform at that level. Most function at a fourth-grade level, she said.

For these would-be workers, semiliteracy can have devastating financial effects. Many end up on welfare because even low-wage jobs now often require employees to be computer literate, and to be able to send complicated messages to other employees in remote locations.

Many semiliterate workers, however, make it into the work force before the problem becomes apparent. They hide their shortcomings in many ways. When they are asked to fill out application forms, for example, they say they are in a rush, and that they will do it at home and bring it back. Then they turn to a friend or family member for help. Or they'll say they have forgotten their glasses, or that a headache has distorted their vision.

Some people have even managed to rise to executive levels, particularly when they have good secretaries to handle their correspondence and help conceal the problem. One regional manager of a grocery chain would say he was too busy to read memos from the corporate headquarters, and instead would order co-workers to read them for him and present him with oral reports, according to speakers at the recent illiteracy forum.

But eventually the secret comes out. At Coors, for example, in the early 1990s, the company shifted to a computerized inventory-control system to keep track of cases of beer. Forklift operators were required to

enter information into the computer, but it quickly became apparent that many of them couldn't do it.

Suddenly, people who had worked for the family-owned company for decades were found to be unable to perform the new tasks they were assigned. Coors responded by opening an off-site education center that provides literacy-training services to employees and their families, and its efforts have proved successful.

Even low-tech companies are having problems with illiteracy, however. Debbie Eybers, an Annandale native who is now a joint-venture partner with Outback Steakhouse restaurants in Chicago, said that workers who can't read, or who can't read English, sometimes cost her company a lot of money.

"If somebody cooks a sirloin instead of a porterhouse because they can't read the ticket, it costs me \$15," she said. "It's a bottom-line economic issue."

Outback Steakhouse has tried to solve the problem by teaching workers abbreviations that allow them to do their jobs without making many mistakes. Other restaurant chains use graphics rather than words on their computer screens to help workers who have trouble reading.

Marano said workers can show rapid improvements in their basic skills when programs are combined in a way that it pays workers to participate. One recent graduate of such a program at Wider Opportunities for Women was able to turn her life around after completing a six-month program emphasizing reading, writing and math skills.

After spending more than 15 years on welfare, Sharon Thomas, 34, once a high-school dropout, now earns \$10.48 an hour doing construction work in the District.

"I had a lot of hurdles to get over, and I still do," Thomas said. "... but once I was in the work force, I was so happy. I feel good about myself."