

Skills needed for the 21st century marketplace

January 18, 2011

By **MICHAEL BROADHEAD**
President, Central Valley Bank

The unemployment rate in Yakima County seems headed in the right direction, with it going down to 7.1 percent. But as we climb out of this recession, we may be facing another problem: A lack of working with the 21st century skills our new businesses will need to compete in a global marketplace.



All industries in Washington State, including our prominent agriculture industry, are becoming more and more technical, requiring higher skill levels. Here in Yakima County, our agricultural industry is complimented by a wide variety of non-agricultural interests. These non-agricultural sectors, particularly the services industry, which is the largest employment group in the county, will need skilled employees as they expand, especially in the health care arena, which comprises 19

percent of this growing sector.

Even with the current unemployment rates at near record levels struggle to find employees with the skills required for today's jobs. And with the high-tech nature of so many companies in Washington, this "skills-gap" could prove to be particularly problematic.

Employers have reported that too many entry-level employees not only lack the "hard skills" in math, reading and writing, they also are not communicators, collaborators and critical thinkers. These "soft skills" are often considered the most important skills employees must have, and they are woefully lacking among new workers.

A report by the national business leader group, America's Edge, showed that almost 19 percent of employers believe new four-year college graduates are lacking professionalism—a percentage that rises to 70 percent for high school graduates. The report states that only 24 percent of employers believe that new employees with four-year

college degrees have 'excellent' basic knowledge and applied skills. The deficiencies are greatest with high school graduates, with 42 percent of employers reporting the overall preparation of these graduates as deficient.

So how do we ensure our businesses have the skilled workers they will need? Supporting high-quality early childhood education is a good place to start.

Rigorous studies of quality early learning programs confirm these programs lay the foundation not only for higher achievement in math and reading, but also for the soft skills so critical in the business world today. Between the ages of birth to five, children learn to speak, understand language and develop problem-solving abilities. These are social abilities and academic skills that develop into the skills businesses need their employees to have.

According to a long-term study following children who attended the high-quality Perry Preschool, children enrolled in the program were 44 percent

more likely to graduate from high school than similar children who did not participate. In a study of another quality early learning program, it was found that kids who attended were significantly more likely to work in a high-skill occupation or pursue higher education.

From a cost-benefit perspective, high-quality early learning programs can save as much as \$16 for every \$1 invested because children who participate in these programs grow up to become better-educated and more productive workers, with far less remedial education needs or criminal costs to society.

I certainly understand that our elected officials are going to have another tough budget year. But, if we want to ensure our limited revenues are being spent in the smartest ways possible, Washington's early learning programs should rise to the top of the list.

It's simply good for business.