

UPSKILL: A Credible Test of Workplace Literacy and Essential Skills Training

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Abstract

The last decade has seen an increasing volume of research that reveals significant gaps in literacy and Essential Skills (LES) among the Canadian workforce. In addition to having negative impacts on firms' productivity, research also suggests that workers suffer consequences of low literacy in the form of lower wages, reduced job stability, and even higher health risks from workplace injury. While much anecdotal evidence suggests that LES training may be helpful in eliminating these skills gaps, its use in the workplace remains low relative to the size of the apparent need. Part of the reason for low firm investments is the lack of a credible business case providing clear evidence of its return on investment.

The Office of Literacy and Essential Skills (OLES), a branch of Employment and Social Development Canada, aimed to fill this gap by evaluating workplace LES training with the most rigorous evaluation methods. In partnership with the Social Research and Demonstration Corporation (SRDC), the UPSKILL project was launched in 2010. A Pan-Canadian research and demonstration project, UPSKILL utilized a random assignment design to provide the most reliable measures of the impacts of LES training in the workplace. Over 100 firms and nearly 1,500 workers in the Accommodations sector were enrolled across the country in eight provinces.

The findings indicate that workplace LES training does, indeed, have large positive impacts on workers' skills, job performance, and a range of economic and social outcomes for workers and firms. A benefit-cost analysis also reveals a fairly significant positive return on investment. Importantly, the study also finds that the pattern of impacts vary significantly across firms in ways that have important implications for the design and delivery of effective training programs. Understanding these factors can lead to policies that support both larger employer investments in workplace training and higher return on investment.

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