

*Worker Training: Competing in the New
International Economy*

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WORKER TRAINING



*Competing in the New
International Economy*



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Foreword

Effective use of technology depends as much on people as on the technology itself. This has never been more true than it is today. The once great technological advantage of American firms has narrowed in many industries. Increasingly, the competitive edge will go to the company or country with flexible, well trained workers who can adjust quickly to rapidly changing demands and who have the skills to fully exploit new technology. Such workers are key to the creation of more productive, effective enterprises-the kind likely to contribute to raising living standards.

The stakes are high-for America's position in the global economy, for national living standards, and for the individual worker. Many of our competitors have well educated, highly skilled workforces, who are paid less than our own, and receive more training. Clearly, we can't compete with these countries on the basis of wages without sacrificing living standards. If we are to avoid falling behind, far more American companies (and other institutions, public and private) will need to develop and tap their employees' skills at all levels. The few leading edge American companies that have done this find that they must make major commitments to training, both in resources and attention to quality, and that the training must reach all levels of the workforce-not just managers, professionals, and technicians. Often, these companies have discovered that they need to upgrade the basic skills of their workers before the workers can benefit from training.

For such reasons, employee training, once a minor concern in American industry and largely ignored in public policy, must move toward center stage. This report, requested by the Senate Labor and Human Resources Committee, the House Education and Labor Committee, and the Senate Finance Committee, focuses on the training given to employed workers both from the standpoint of the competitiveness of U.S. industry and from the standpoint of the individual worker who may need training to advance. Most workers who get training get it from their employer, and much of the report looks at the employer provided training system. The message of this report is that the debate about national training policies needs to be broadened to encompass not only training programs for the economically disadvantaged, the displaced worker, or people with special needs, but also those who stand on the front line of American productivity-employed workers at all levels.



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NOTE: OTA appreciates and is grateful for the valuable assistance and thoughtful critiques provided by the advisory panel members. The panel does not, however, necessarily approve, disapprove, or endorse this report. OTA assumes full responsibility for the report and the accuracy of its contents.

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