



Ipsos Reid



ABC Life Literacy Canada – WWLES Study

March 2013



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- Findings in this report are based on an Ipsos Reid survey conducted between March 5th to 13th, on behalf of ABC Life Literacy Canada.
- For this survey, a sample of 808 small businesses owners, managers, and executives from Ipsos' Canadian online panel was interviewed online. To be eligible for the survey, respondents had to be one of the following:
 - Self-identified small business owner with less than 100 employees (n = 408)
 - A manager or executive of a small (n = 91), medium (n = 165), or large-sized (n = 152) enterprise (n = 400 total)
 - Respondents who indicated that they were a small business owner, manager, or executive for a company where they were the only employee were screened out of the survey
- The precision of Ipsos online polls is measured using a credibility interval. In this case, the survey is considered accurate to within +/-3.9 percentage points, had all small business owners, managers, and executives been surveyed.
 - ⇒ Results are accurate, individually, to within +/- 5.5 percentage points of all small business owners in Canada and +/- 5.6 percentage points of all managers and executives in Canada.
- All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

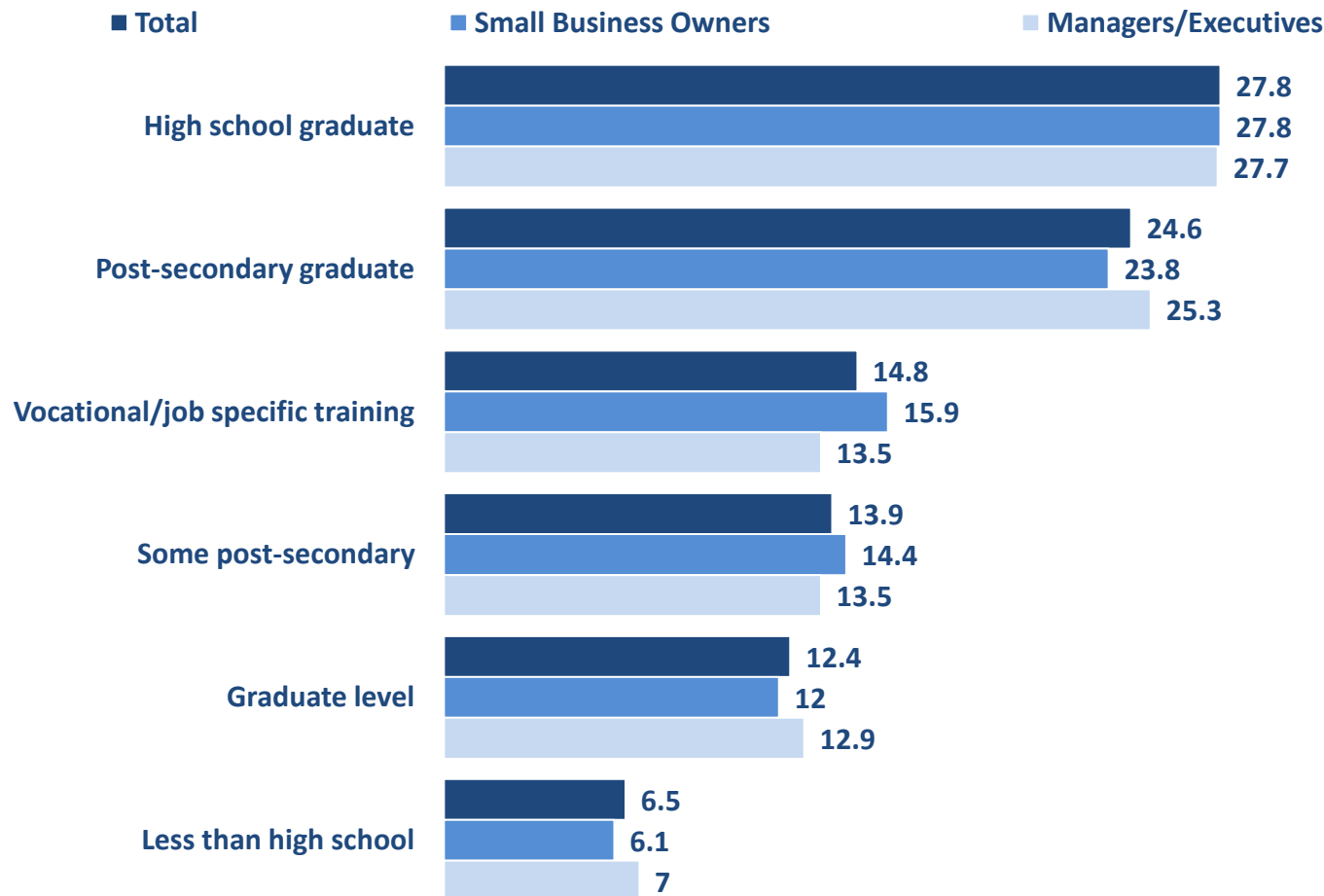
Detailed Findings



Average Employee Highest Level of Education

•Both small business owners (28% vs. 24%) and managers and executives (28% vs. 25%) believe that a high school-level education makes up the plurality of their workforce, slightly edging university or college graduates.

Mean Percentage Of Employees Who Have The Following Level Of Education

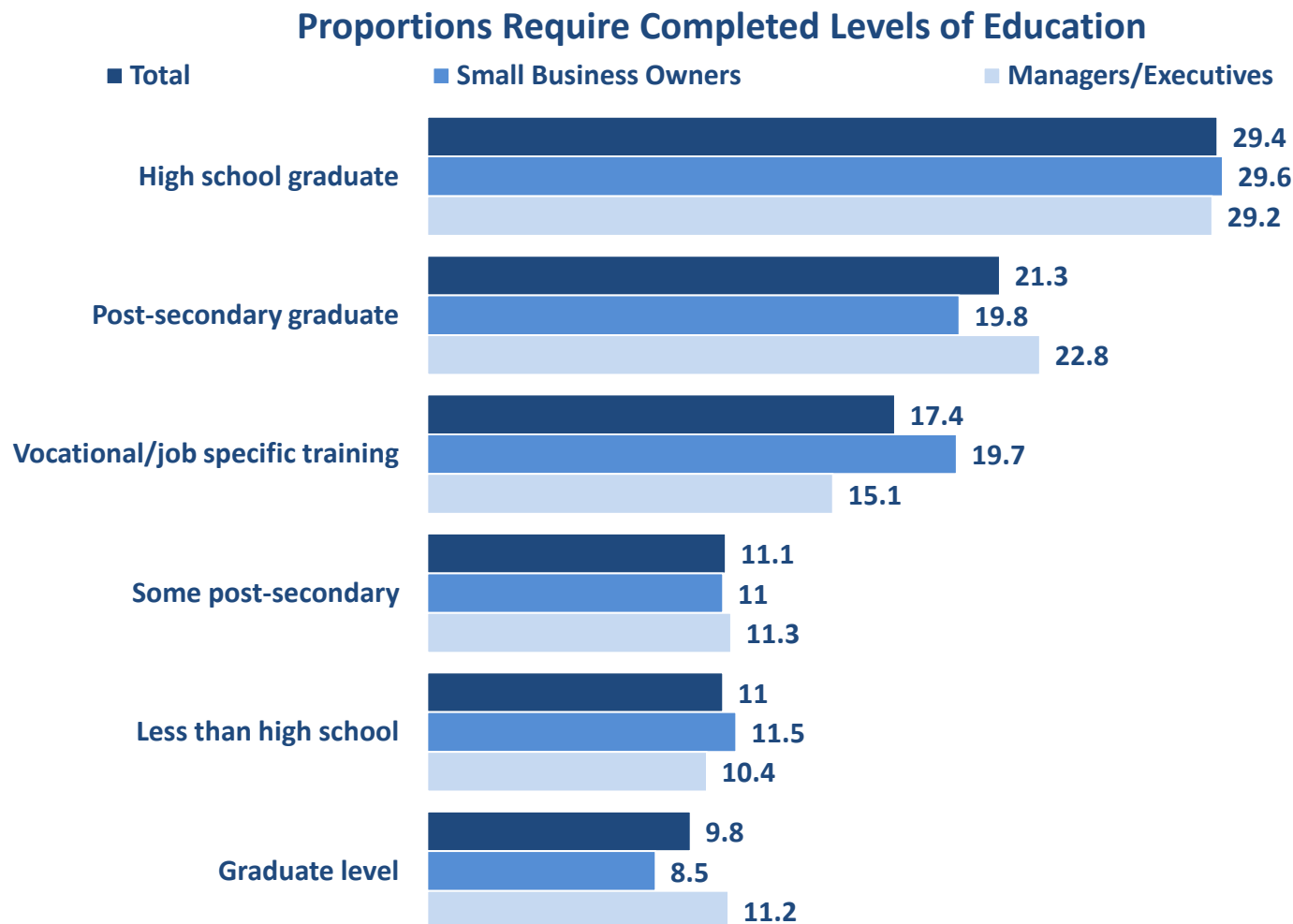


Q1. When thinking about the average employee in your workplace, what percentage of employees have the following highest level of education?

Base: All Respondents (n=808)

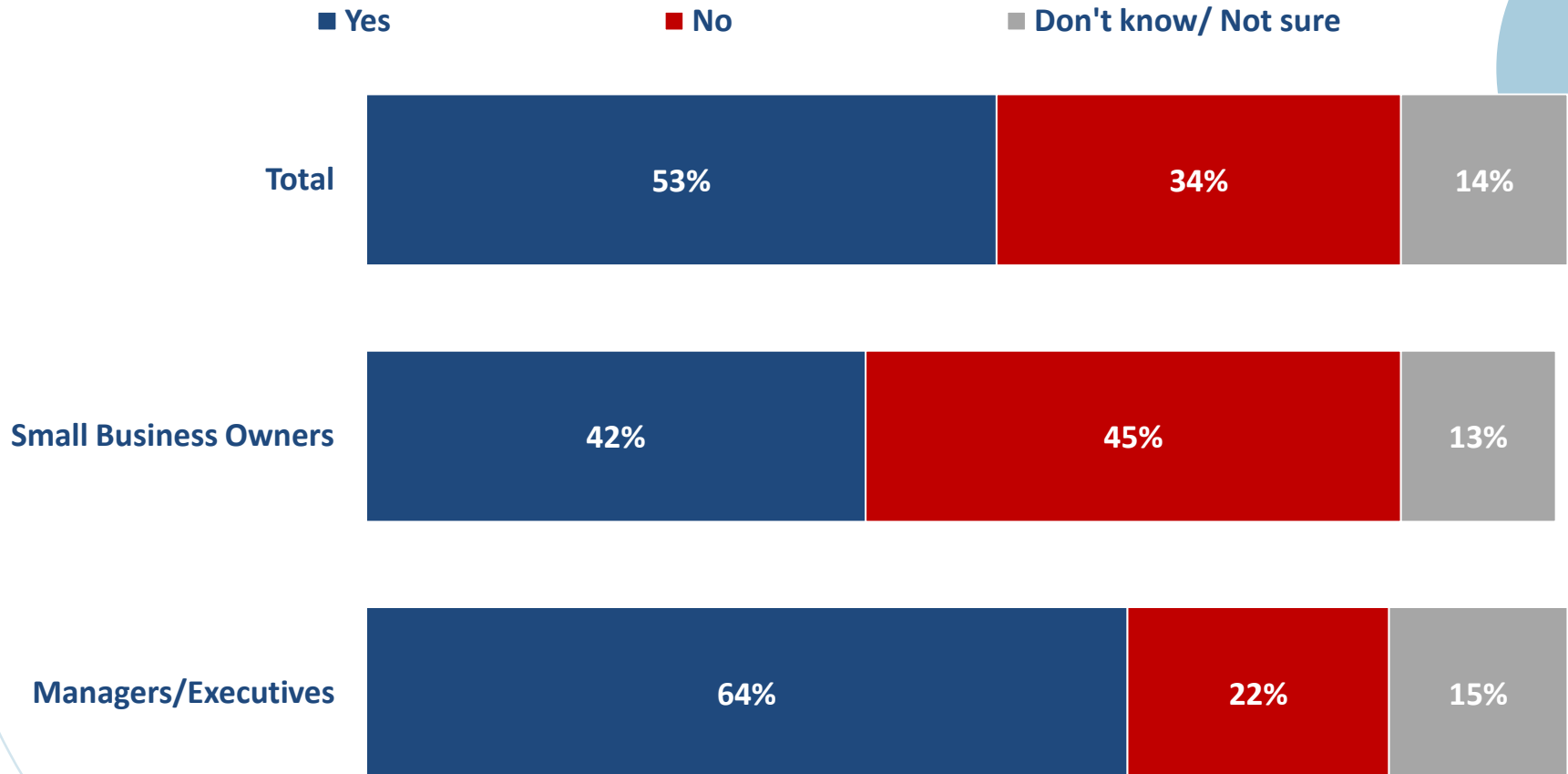
Proportion of Employed Positions Needing Certain Education Levels

• Respondents believe that about three in ten (29%) of their positions require a high school level education (30% SBOs vs. 29% managers/executives). Managers and executives are more slightly likely to require a post-secondary education (23% vs. 20%), while small business owners are more likely to require a vocational or job-specific training education (20% vs. 15%). Managers and executives believe that one in ten (11%) positions in their workplace require a graduate level education.



New/Potential Employee Screening Assessments

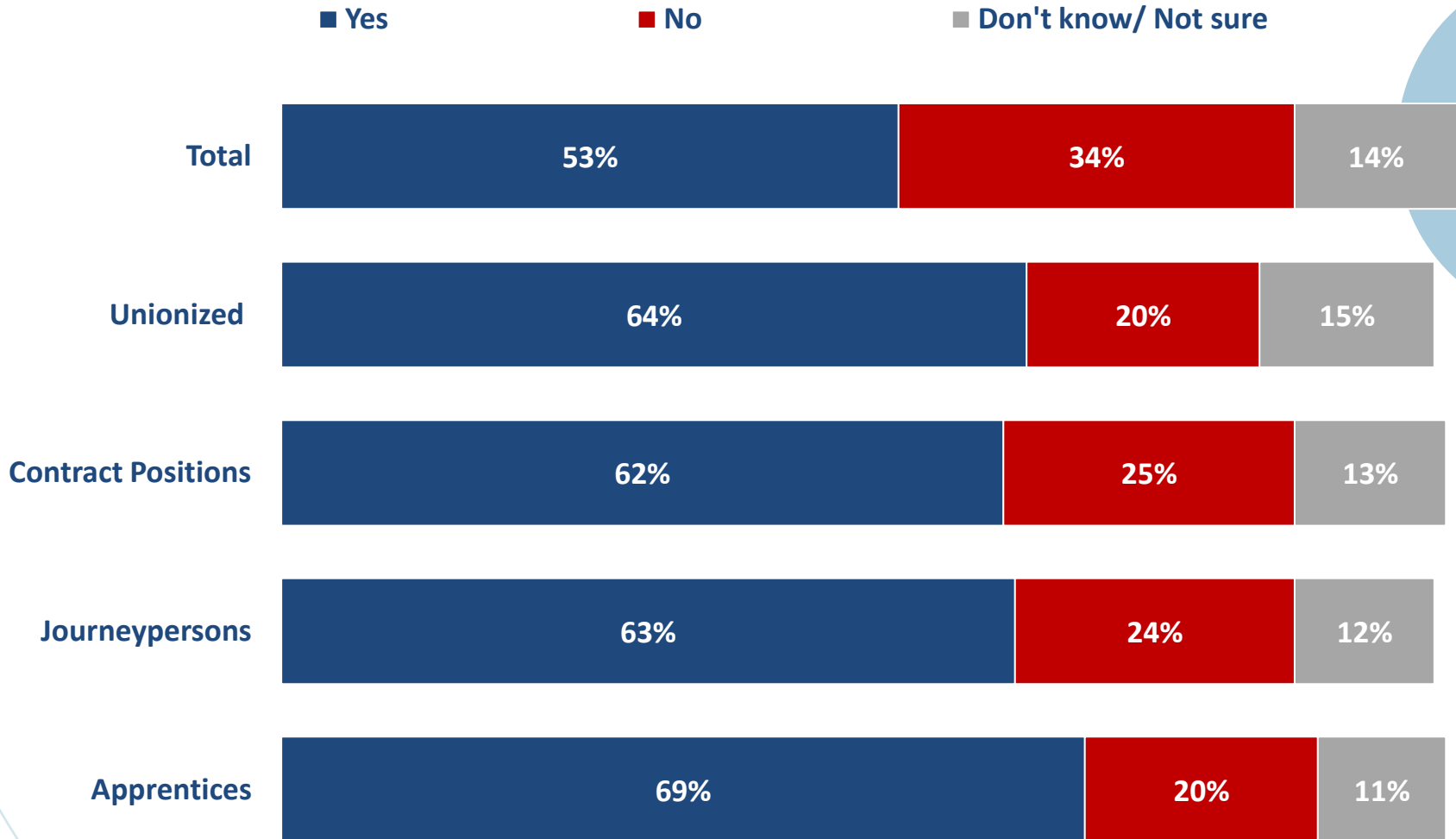
•A majority (53%) of respondents cite their workplace has having screening assessments or testing processes to identify necessary or supplemental skills for new potential employees, while one in three (34%) do not have such resources. Managers and executives (64%) are more likely to have these assessments and processes than small business owners (42%). Nearly half (45%) of small business owners do not have skill identifying tests or assessments for potential employees.



Q1b. Do you have any screening assessments or testing processes, in terms of identifying necessary or supplemental skills, in place for new potential employees?
Base: All Respondents (n=808)

New/Potential Employee Screening Assessments - Continued

• Nearly seven in ten (69%) respondents who employ apprentices in their place of business have screening assessments or testing processes, more than those say their place of business is unionized (64%) or employs journeypersons (63%) or contract positions (62%).



Q1b. Do you have any screening assessments or testing processes, in terms of identifying necessary or supplemental skills, in place for new potential employees?

Base: All Respondents (n=808)

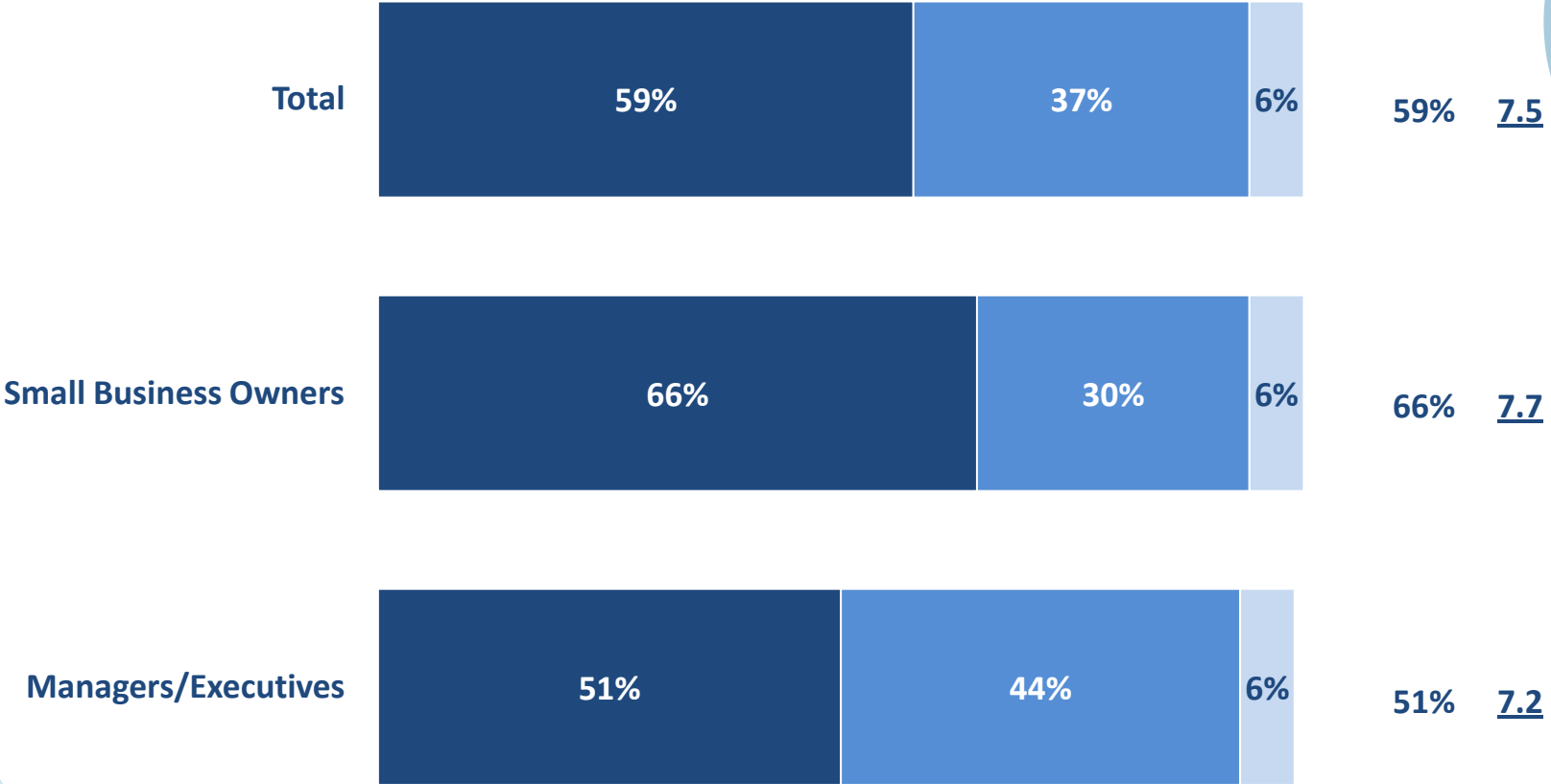
Overall Skill Set of Employees

•Three in five (59%) respondents rate the overall skill set of their employees a 7.5, on a scale from 1-10, where 1 equals no skill level and 10 equals mastery of skills. Small business owners provide a mean score of 7.7 out of 10 compared to a score of 7.2 out of 10 given by managers and executives. Two in three (66%) small business owners gave their employees a score of 8, 9, or 10, compared to a razor thin majority (51%) of managers and executives.

Rating the Overall Skill Sets of Employees

■ 10,9,8 ■ 7,6,5 ■ 4,3,2,1

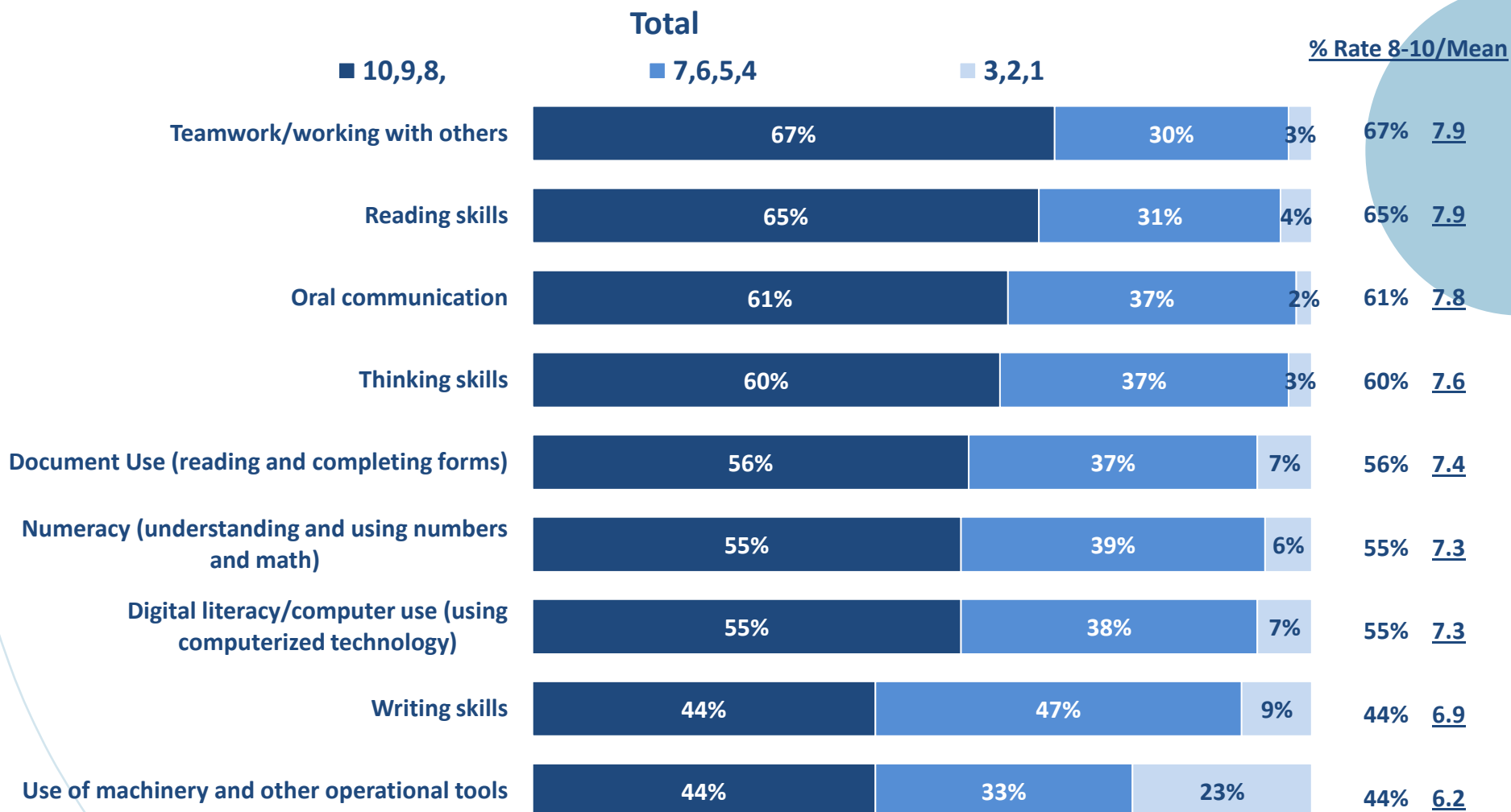
% Rate 8-10/Mean



Q2. On a scale of 1 to 10, where 1 equals no skill level and 10 equals mastery of skills, how would you rate the overall skill set of the employees in your place of business?
 Base: All Respondents (n=808)

Rating Employee Skill Sets – Total

•Overall, respondents provide highest mean scores for teamwork (7.9) , reading (7.9), and oral communication skills (7.8). Two in five (41%) gave mid-level scores of 4, 5, 6, or 7 to their employees writing skills, compared to a similar proportion (43%) who provide high-level scores of 8, 9, or 10.

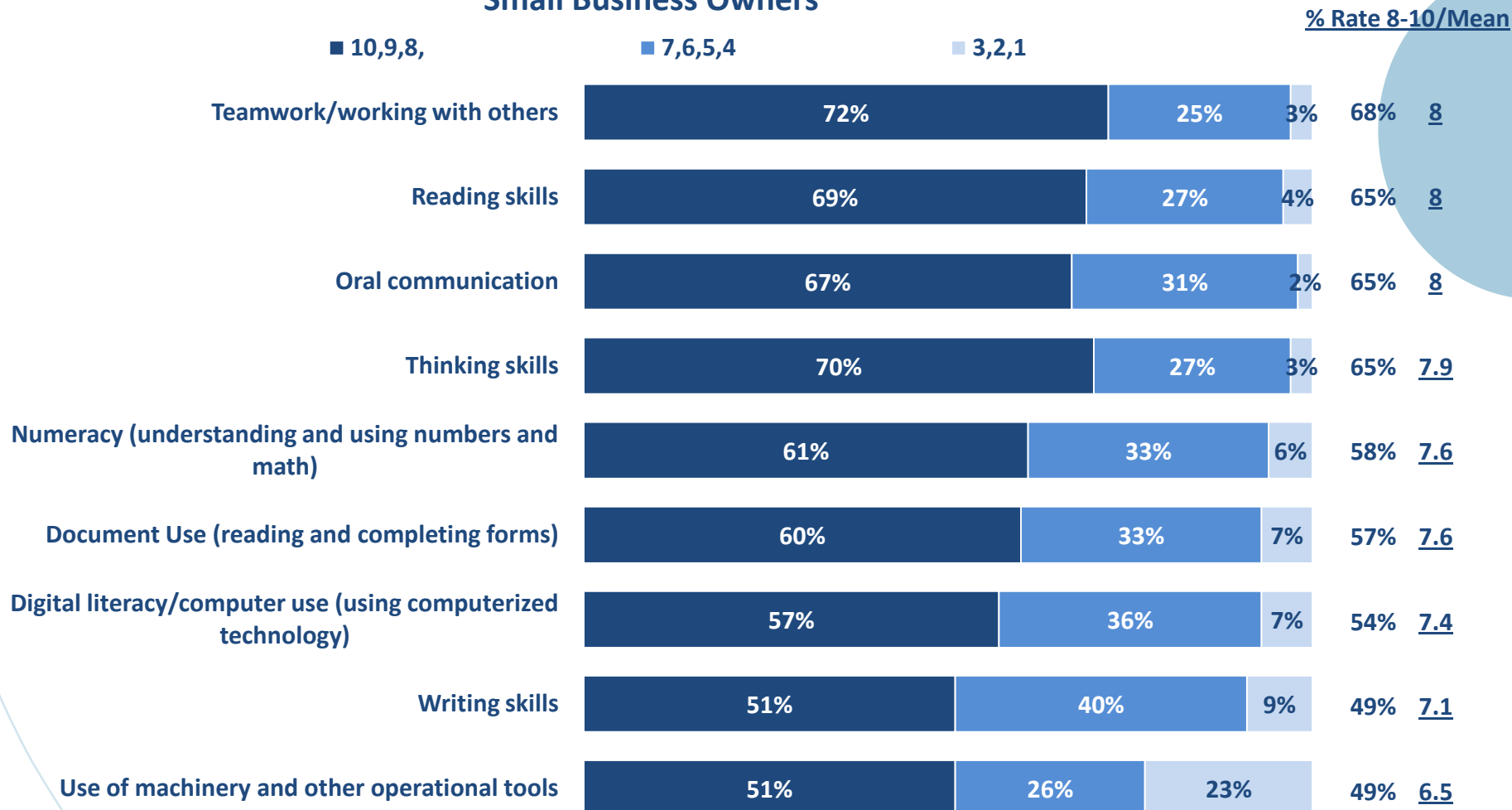


Q3. On a scale of 1 to 10, where 1 equals no skill level and 10 equals mastery of the skill, how would you rate the following skills of the employees in your place of business?
Base: All Respondents (n=808)

Rating Employee Skill Sets – Small Business Owners

•Small business owners tend to give higher scores for their employee's level of skill across all categories. The only skills not to receive a score of 8, 9, or 10 by small business owners relate to writing skills (49%) and use of machinery and other operational tools (49%).

Small Business Owners

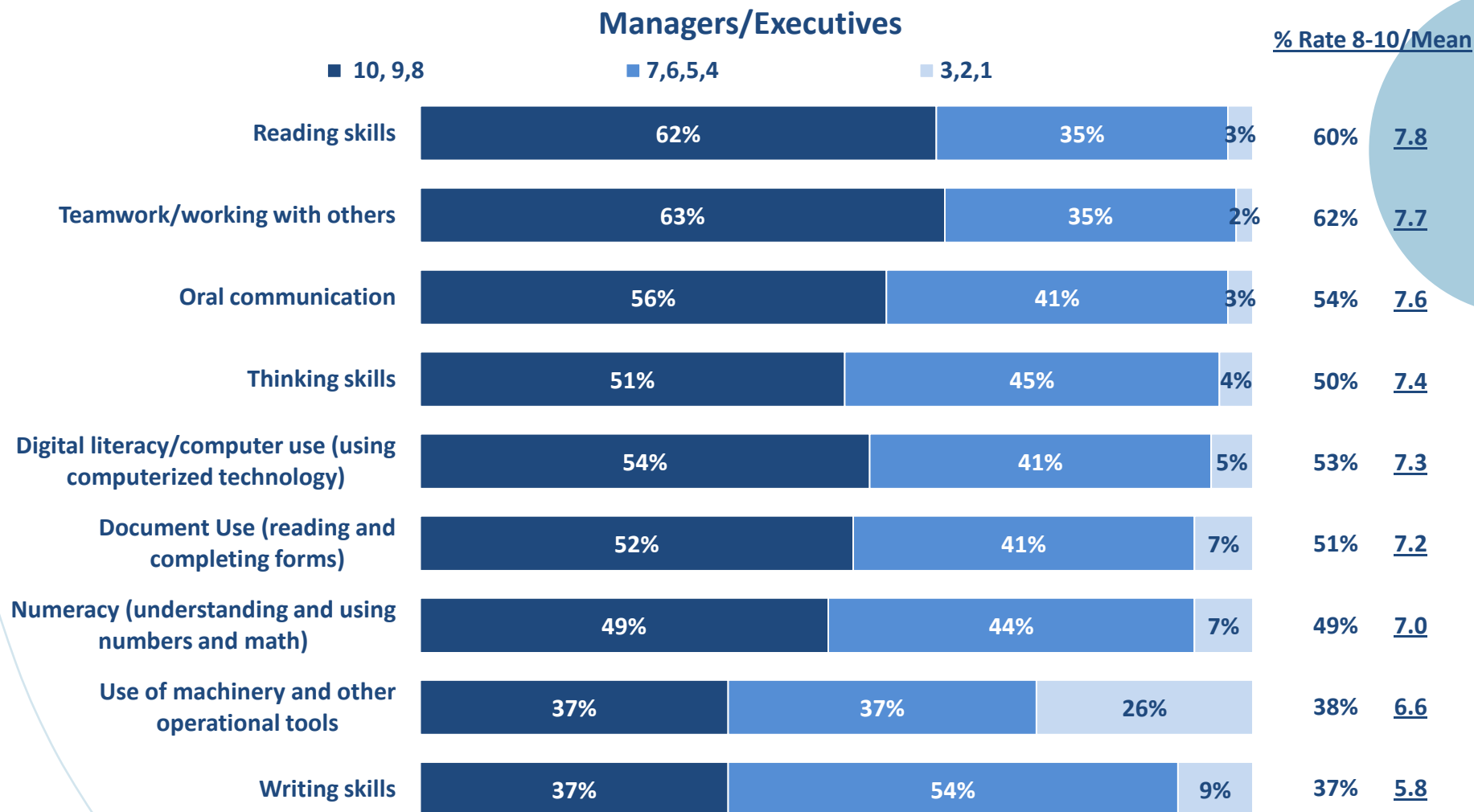


Q3. On a scale of 1 to 10, where 1 equals no skill level and 10 equals mastery of the skill, how would you rate the following skills of the employees in your place of business?

Base: Small Business Owners (n = 408)

Rating Employee Skill Sets – Managers/Executives

•Managers and executives, in comparison to small business owners, provide lower mean scores for their employees across all categories. This group, on average, gives their employees skill at writing a 5.8 out of 10, compared to 7.1 out of 10 from small business owners.

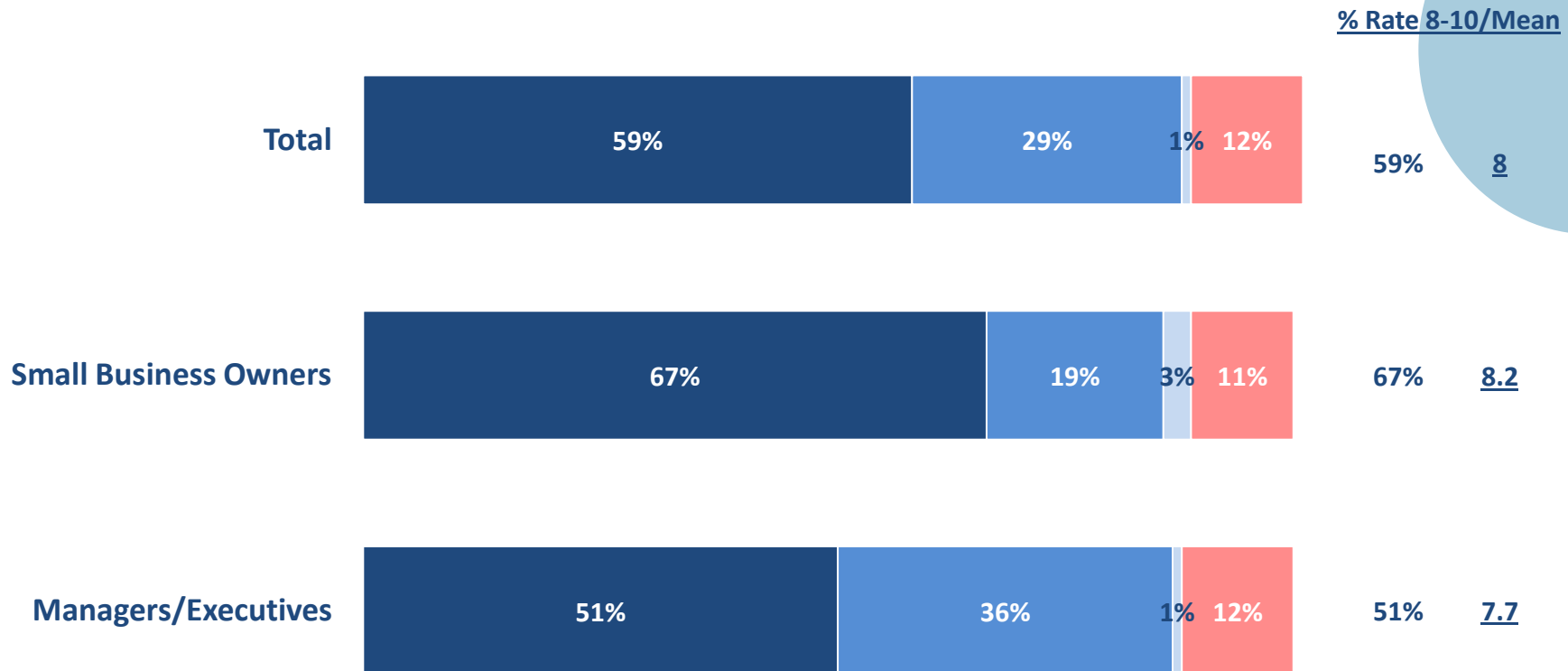


Q3. On a scale of 1 to 10, where 1 equals no skill level and 10 equals mastery of the skill, how would you rate the following skills of the employees in your place of business?
Base: Managers/Executives (n = 400)

Rating Employees Overall Literacy and Essential Skills

• Small business owners are also more likely to give a higher score, on average, when evaluating their overall literacy and essential skills set of their employees compared to managers and executives (8.2 vs. 7.7). Twice as many managers and executives (36%) are likely to have provided a mid-level score of 5, 6, or 7 when it comes to LES compared to small business owners (19%), although more small business owners (3%) gave low-level scores of 1, 2, 3, or 4 compared to managers and executives (1%).

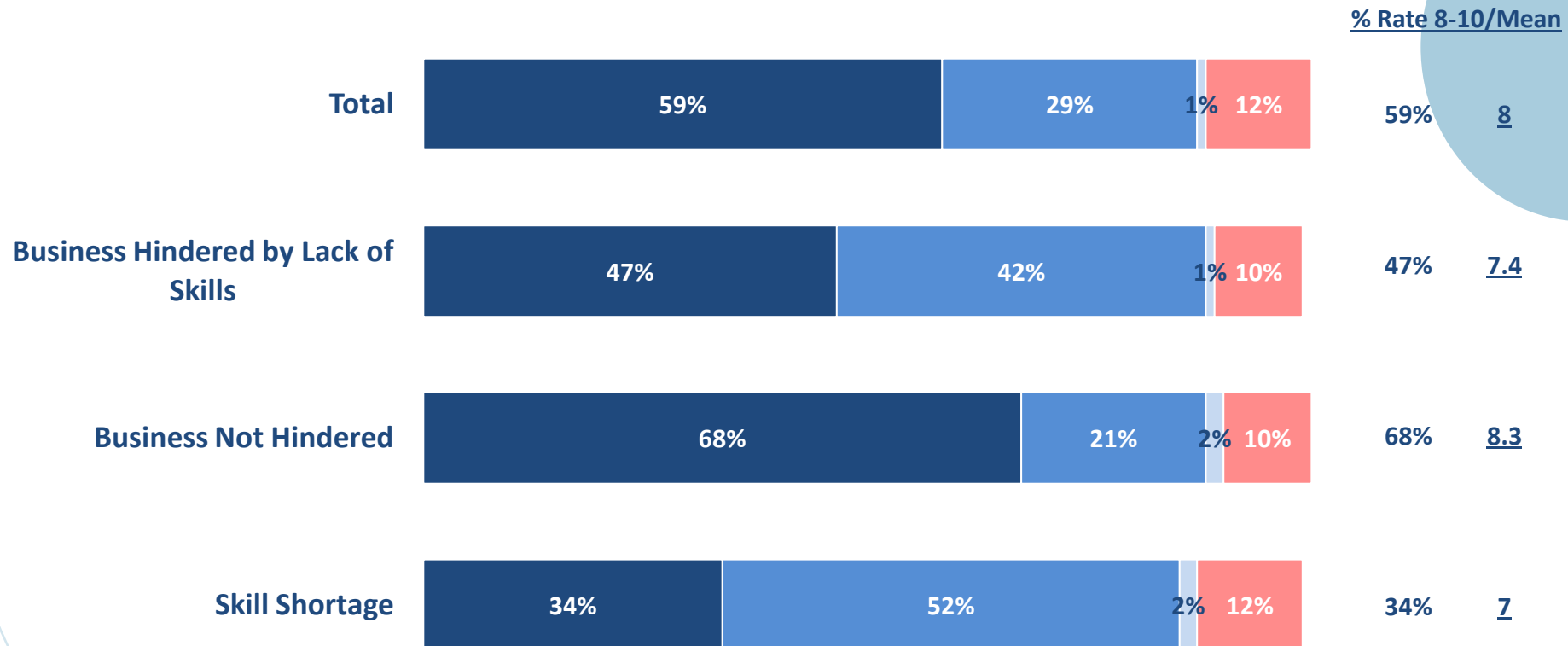
■ 10,9,8 ■ 7,6,5,4 ■ 3,2,1 ■ I don't know/I'm not aware of the overall literacy and essential skill level of my place of business



Rating Employees Overall Literacy and Essential Skills – Con't

•Less than half (47%) of respondents who believe their business growth is hindered by a lack of skills in their workplace give the overall LES set of their employees a score of 8, 9, or 10, while majority (52%) of those who believe there is a skill shortage in their workplace give the overall LES score a 1, 2, or 3. There is nearly a full point difference in mean score between those who indicate a hindrance to business growth (7.4) and those who make no such indication (8.3), while those who identify a skill shortage (7) provide even lower scores, on average.

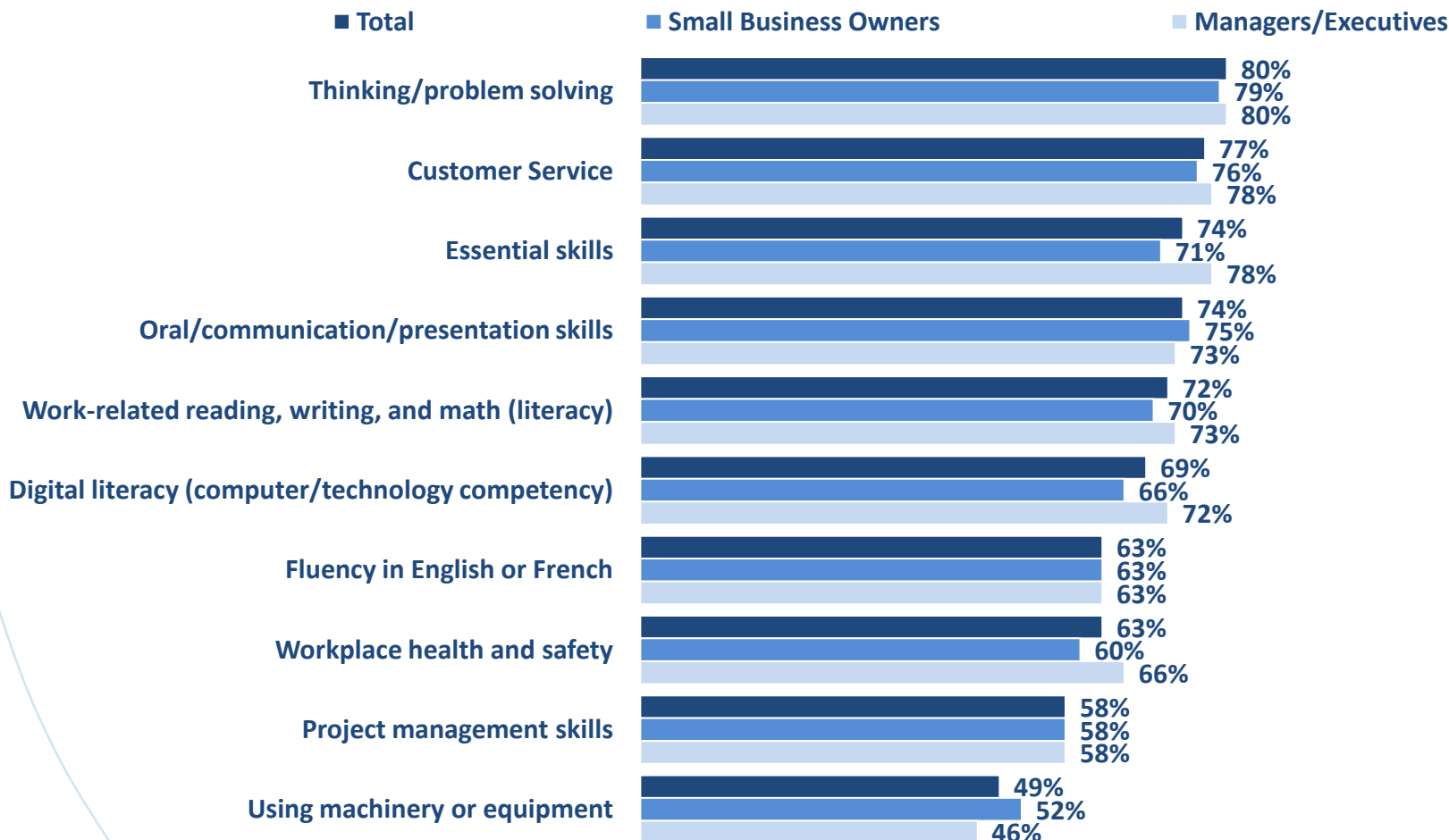
■ 10,9,8 ■ 7,6,5,4 ■ 3,2,1 ■ I don't know/I'm not aware of the overall literacy and essential skill level of my place of business



Skills Considered Strategically Relevant to Business

•When it comes to skills that are considered strategically relevant to their business, small business owners and managers/executives are on a similar page, although slightly more managers and executives believe essential skills (78% vs. 71% SBOs) and work-related reading, writing, and math (73% vs. 70% SBO's) are relevant to their business.

Considered Strategically Relevant to Business



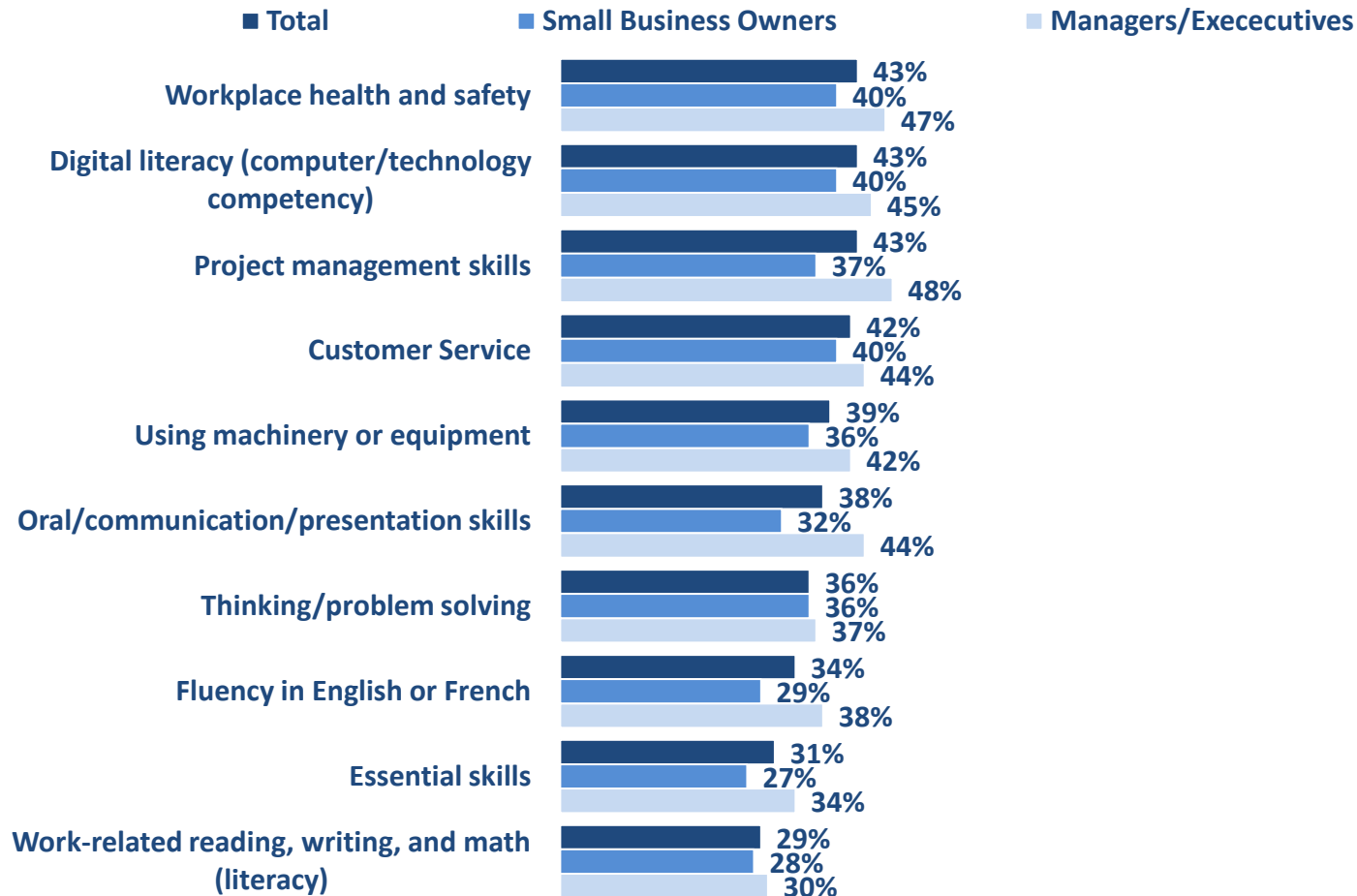
Q5. Given the list of workplace skills below, could you please indicate which of the following [ROTATE: you consider strategically relevant to your business/you would like to provide training in if given the opportunity based on the skills needed in your workplace]

Base: All Respondents (n=808)

Skills Needed in Workplace You'd Like to Provide Training In

•Interestingly, while essential skills and work-related reading, writing, and math skills were rated 3rd and 5th, respectively, in terms of skills strategically relevant to their business, they are the bottom 2 skills needed in the workplace that SBO's or managers/executives would like to provide training in ,

Needed in Workplace, Would Like to Provide Training In



Q5. Given the list of workplace skills below, could you please indicate which of the following [ROTATE: you consider strategically relevant to your business/you would like to provide training in if given the opportunity based on the skills needed in your workplace]

Base: All Respondents (n=808)

GAP Analysis: Primary Areas for Focus

Strategically Relevant to Business

High

AREAS FOR ENHANCEMENT

Project management skills

Workplace health and safety

Using machinery or equipment

PRIORITY AREAS FOR IMPROVEMENT

Digital literacy

Customer service

Oral/Communication/Presentation skills

Thinking/Problem solving

Fluency in English or French

Essential skills

Work-related reading, writing, and math

AREAS FOR MAINTENANCE

Low

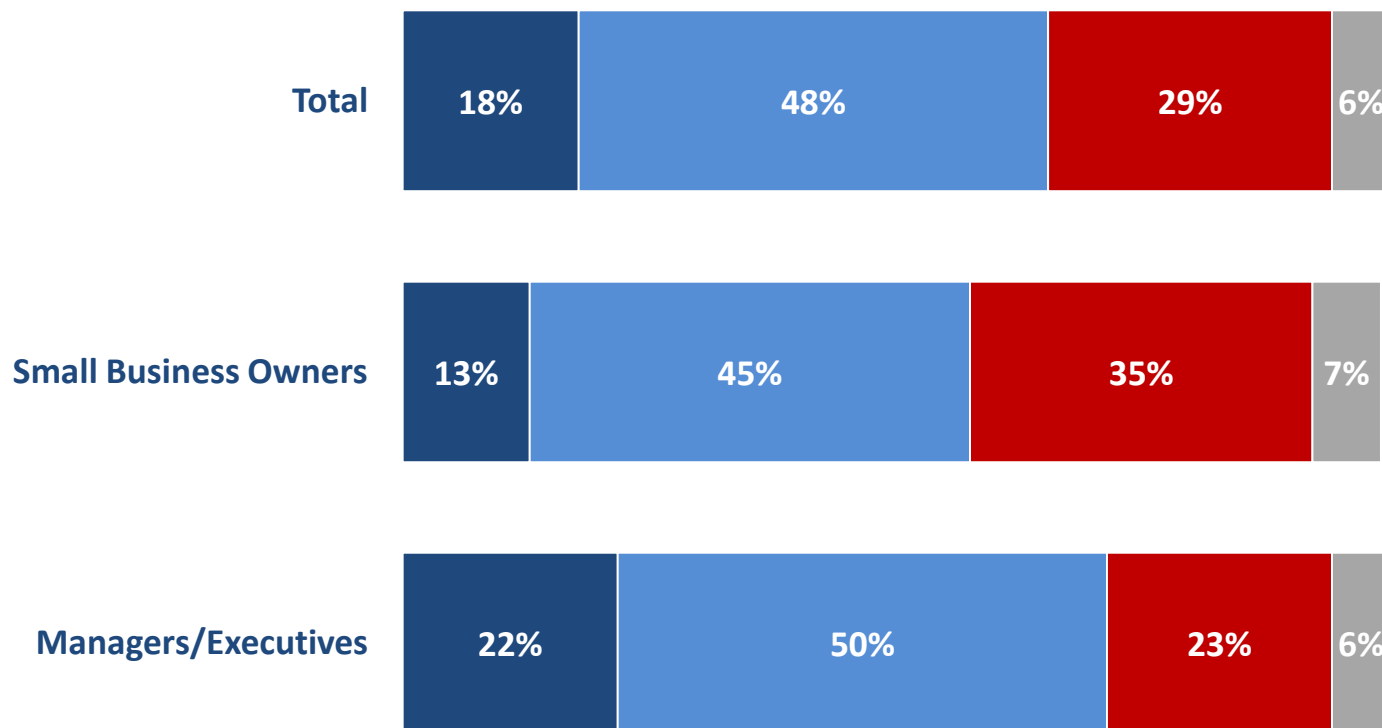
High

Willingness to Provide Training

Identified Skill Level of Average Worker

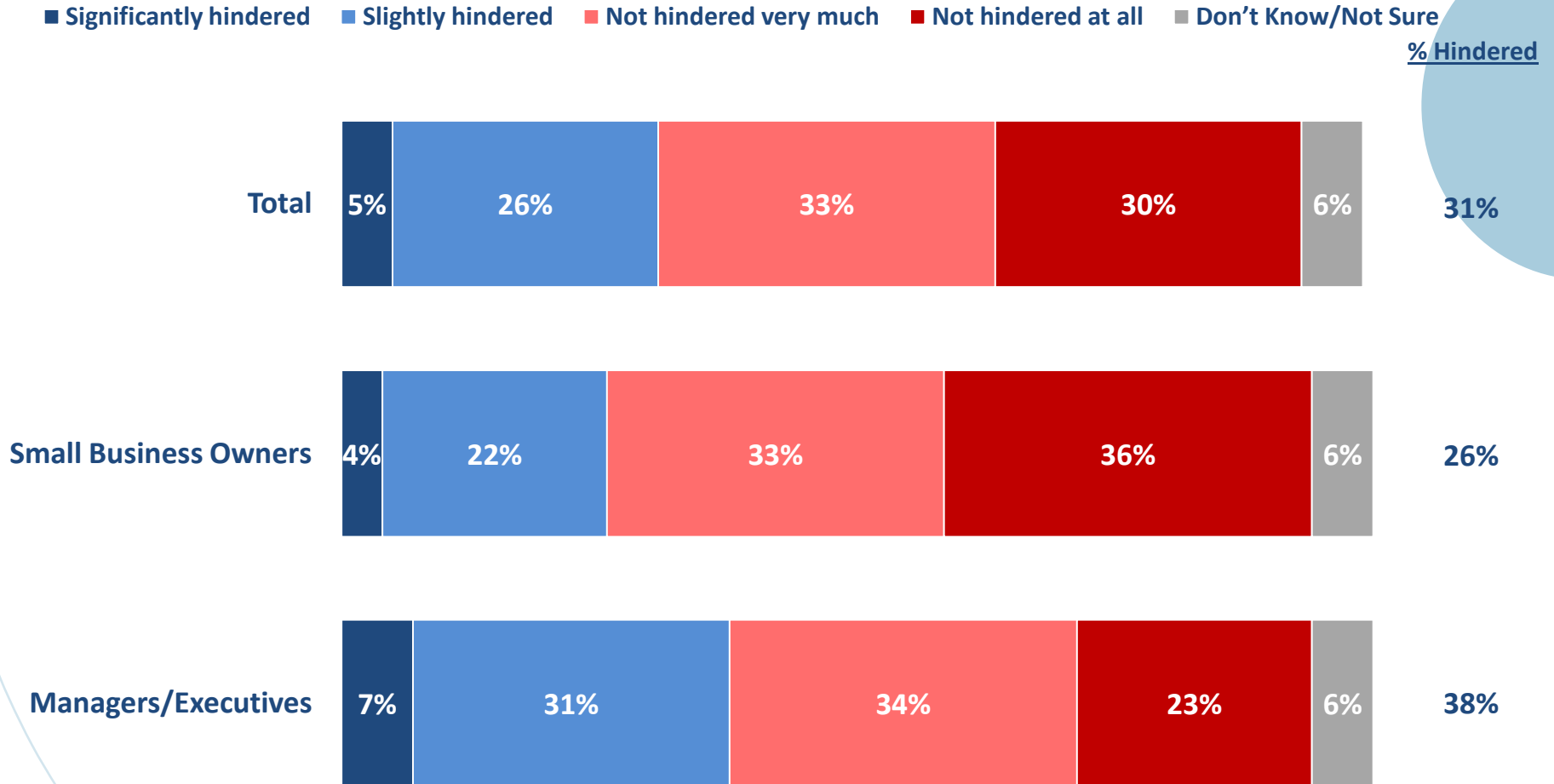
• One in five (18%) respondents, overall, cite a skill shortage in their workplace, with one in ten (6%) not knowing if there's a skill shortage or surplus in their workplace. Managers and executives (22%) are more likely to cite a skill shortage compared to small business owners (13%), while more than one in three (35%) small business owners believe their employees have all the necessary skills to excel in their job.

- I believe there is a skill shortage in my workplace
- I believe my employees have all the necessary skills they need to be competent in their job
- I believe my employees have all the necessary skills they need to excel in their job
- I don't know if there is a skill shortage or surplus in my workplace



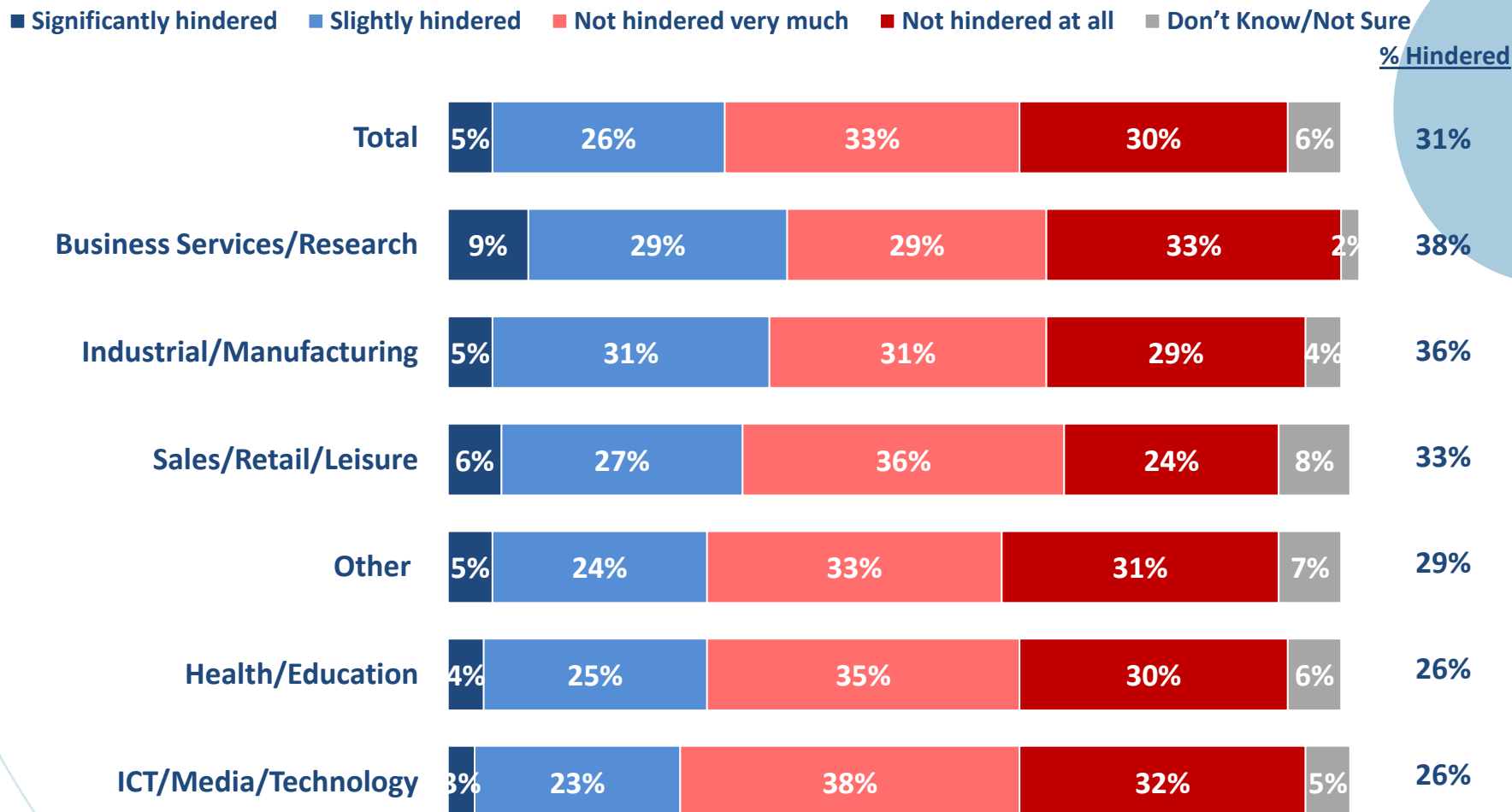
Business Growth Hindrances Caused by Lack of Skills

•Three in ten (31%) believe their business growth is hindered by a lack of skills in their workplace, with managers and executives (38%) much more likely than small business owners (26%) to cite such a hindrance. Nearly one in ten (7%) managers and executives say their business growth is severely hindered by the skill level of their employees.



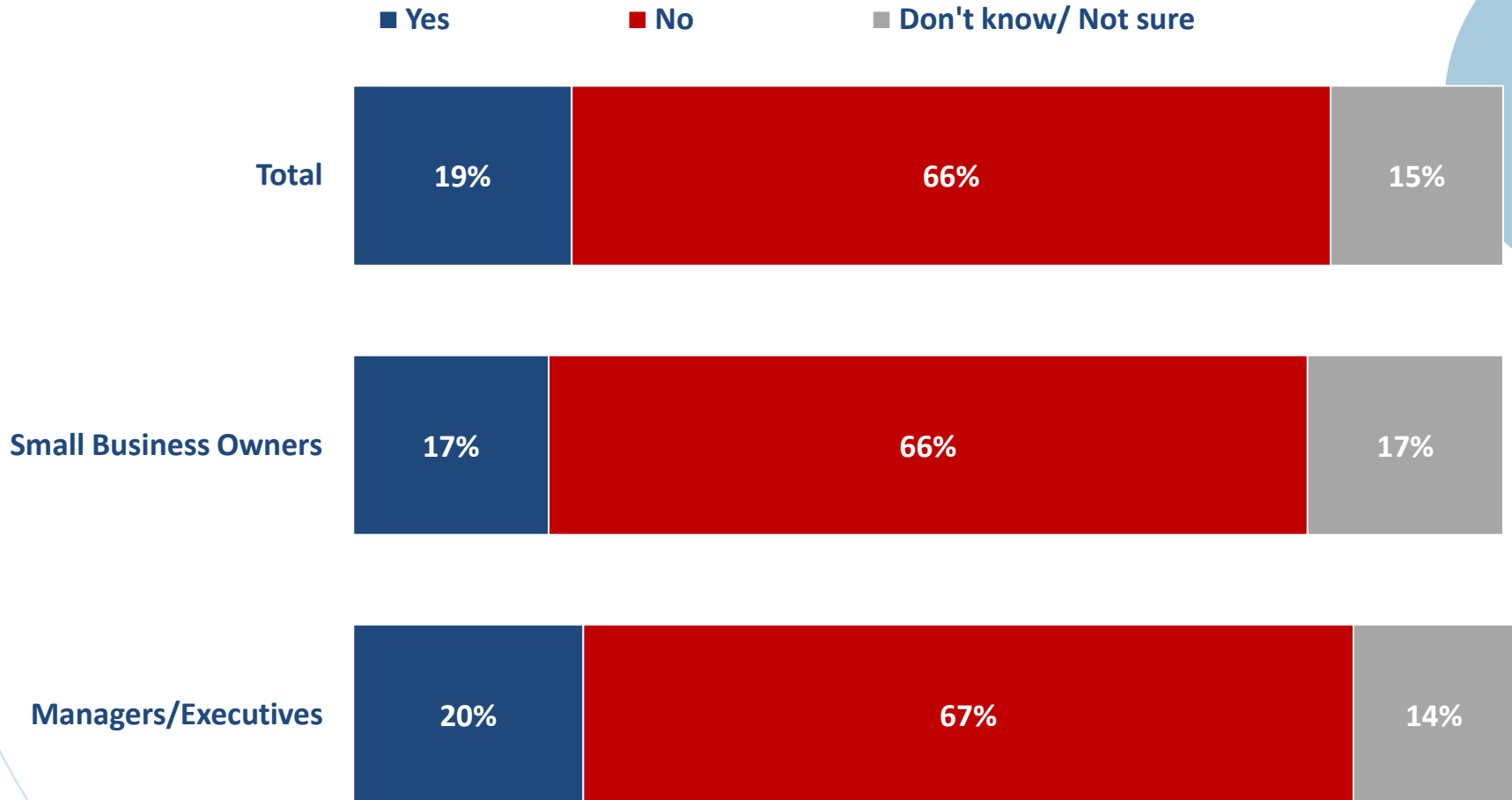
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Difficulty in Developing or Accessing Workplace Training Programs

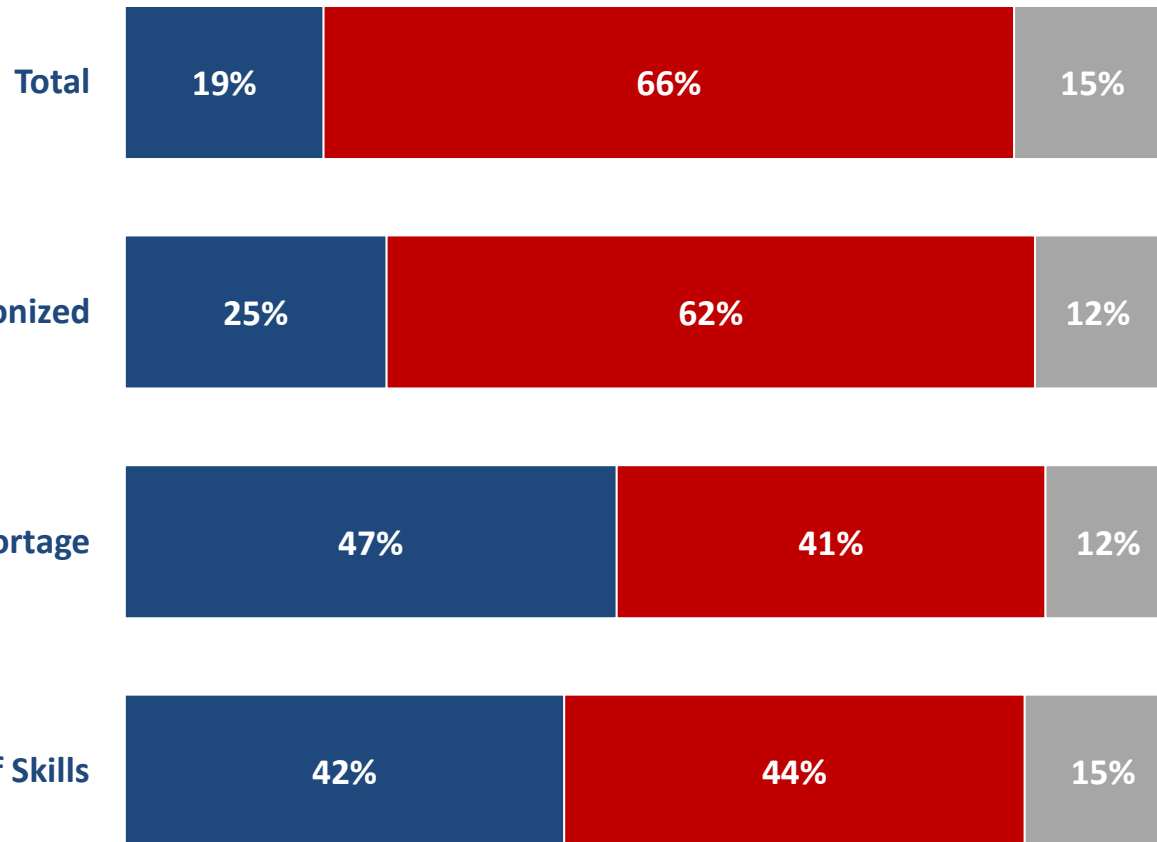
• One in five (19%) indicate their workplace has difficulty in developing or accessing workplace training programs, while another one in five (15%) don't know if their workplace has this difficulty. There is no significant difference between managers and executives (20%) and small business owners (17%) when it comes to outlining difficulty in developing or accessing these programs.



Difficulty in Developing or Accessing Workplace Training Programs – Con't

•Half (47%) of respondents who cite a skill shortage in their place of work cite having difficulty in developing or accessing workplace training programs, while four in ten (42%) who indicate their business growth is hindered by lack of skills in their place of work also cite not having access to such programs.

■ Yes ■ No ■ Don't know/ Not sure

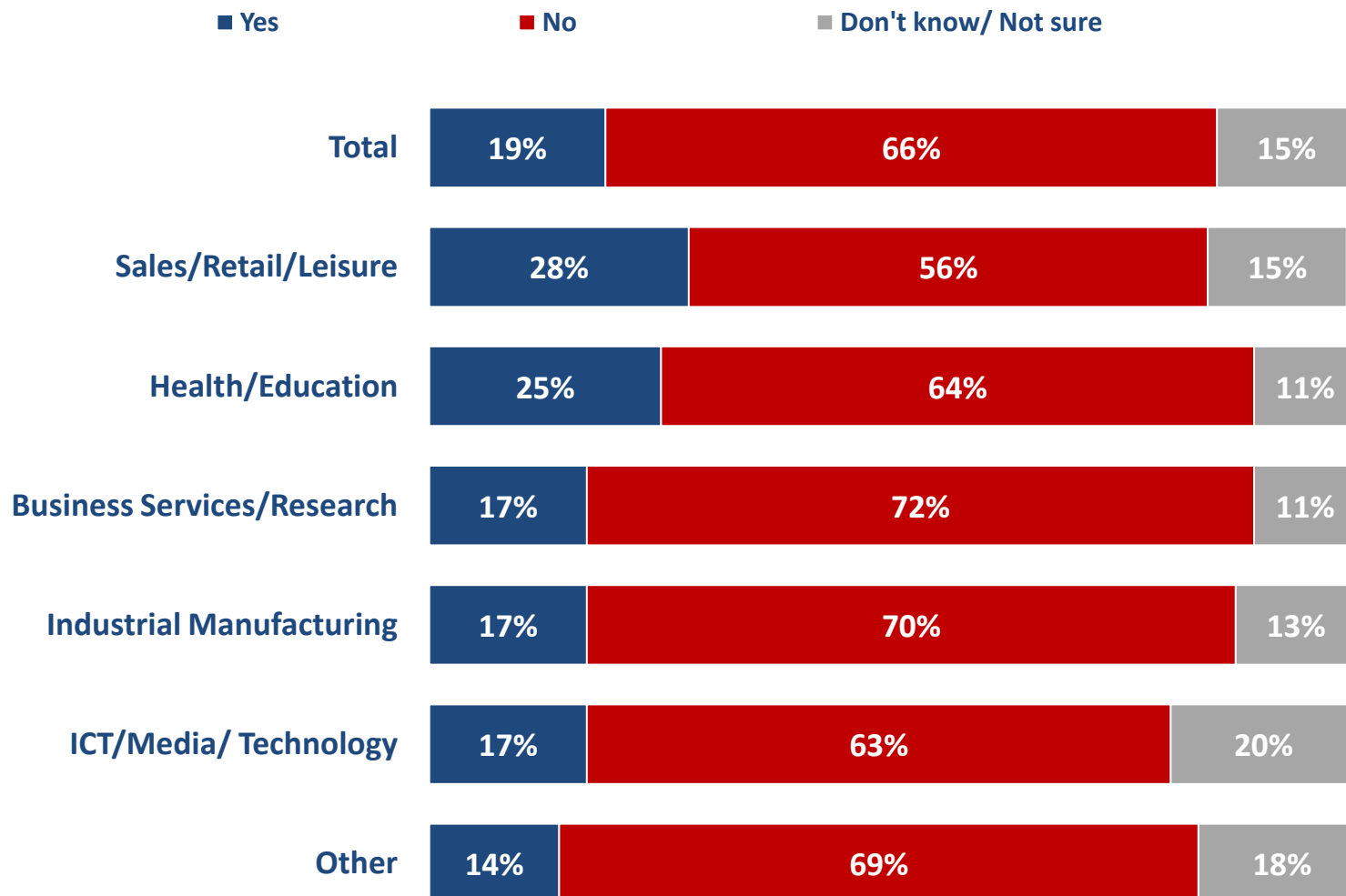


Q8. Do you believe your workplace has difficulty in developing or accessing workplace training programs?

Base: All Respondents (n=808)

Difficulty in Developing or Accessing Workplace Training Programs

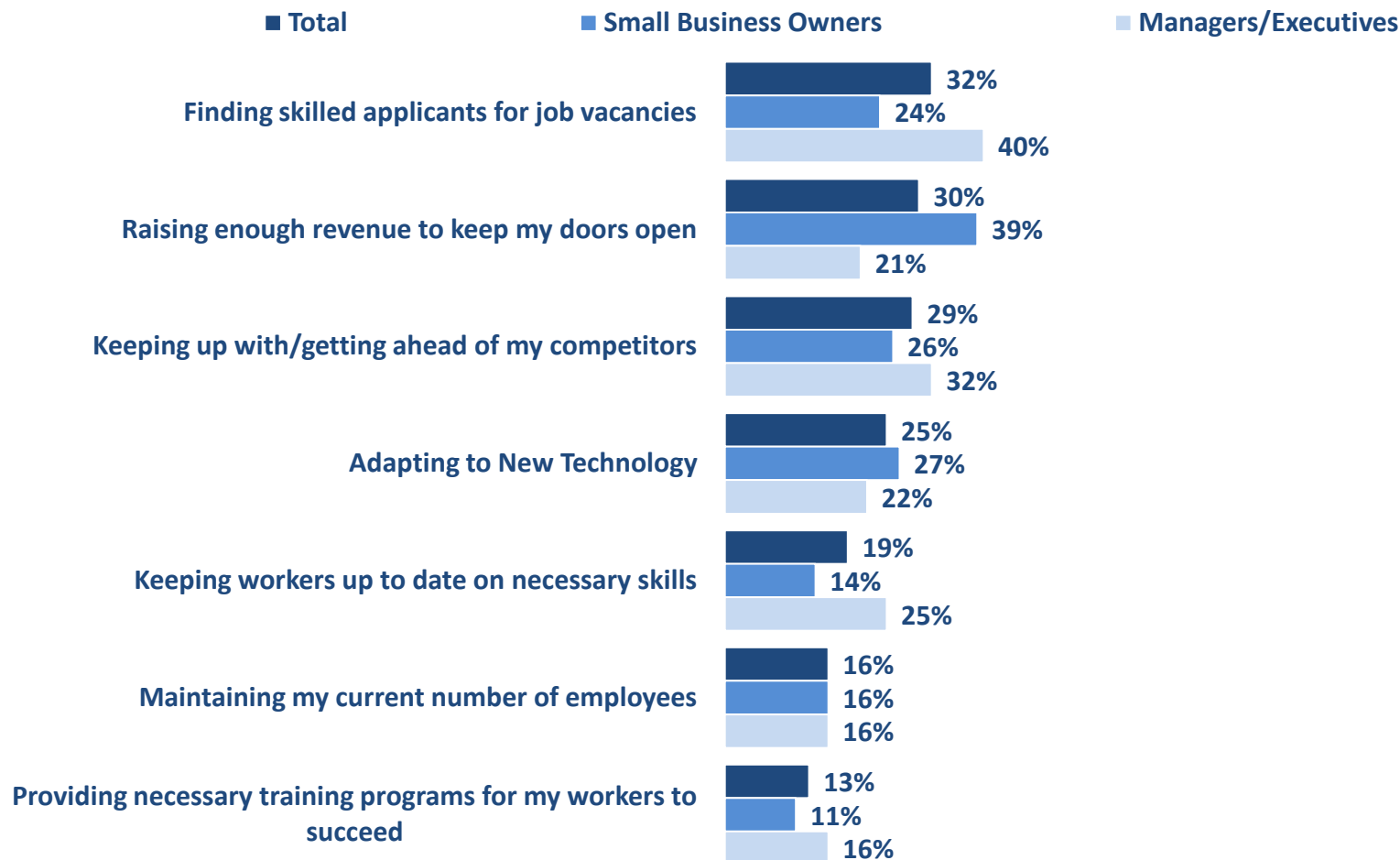
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Three Biggest Challenges Facing Businesses Now

•Only one in five (19%) respondents indicate that one of their three biggest challenges facing their business at this time is keeping their workers up to date on necessary skills, with managers and executives (25%) almost twice as likely to cite this challenge compared to SBO's (14%). Just one in ten (13%) say providing necessary training programs for their workers to succeed is in their top three biggest challenges, with managers and executives (16%), again, more likely to indicate this in comparison to SBO's (11%).

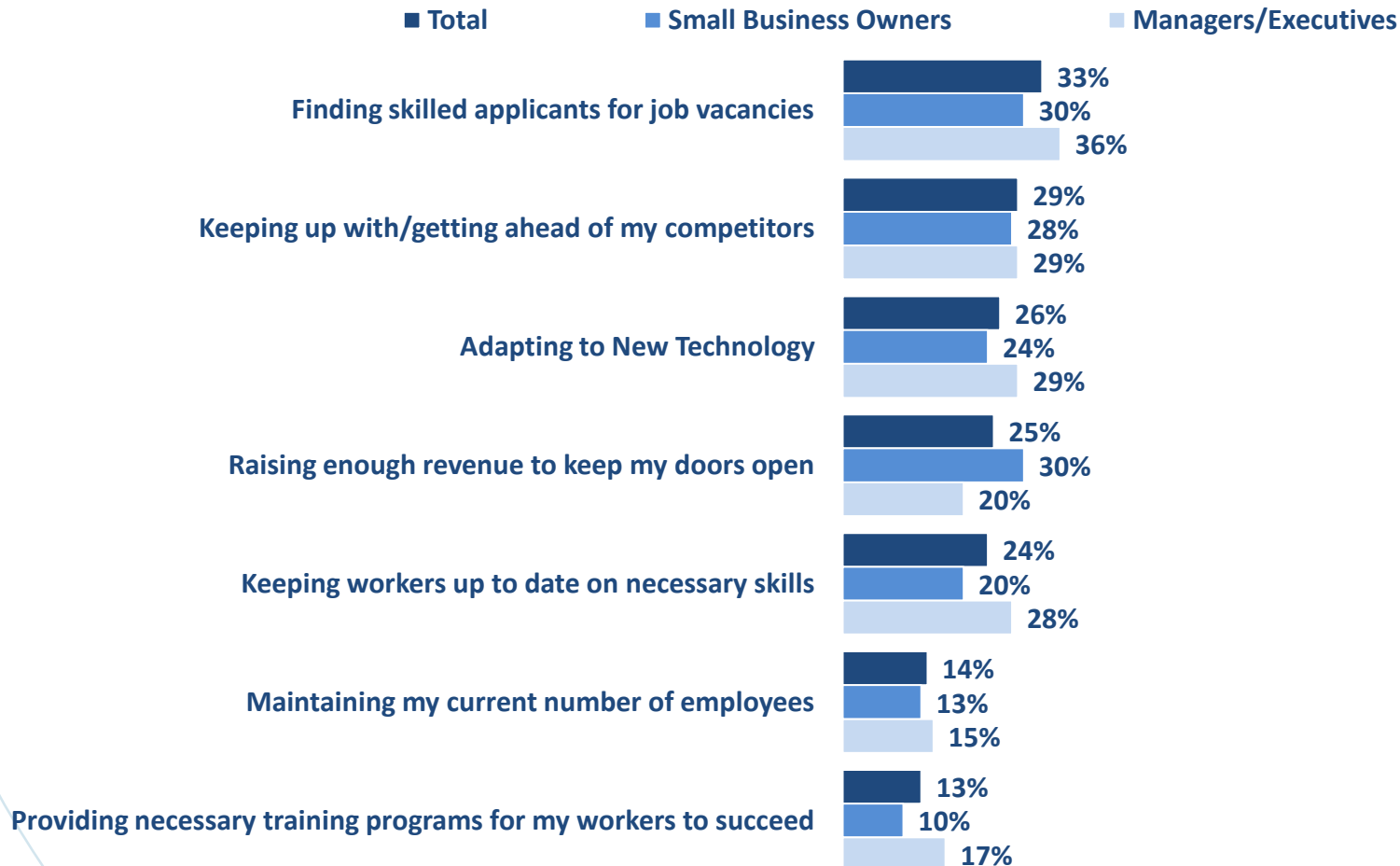
Three Biggest Challenges Facing Business: Now



Three Biggest Challenges Facing Businesses in Next 5 Years

•Only one in four (24%) cite keeping workers up to date on necessary skills is a top three challenge for their business in the next five years, with managers and executives (28% vs. 20% SBO's) most likely to cite this challenge. One in ten (13%) believe providing necessary training programs for their workers to succeed is a top three challenge in the next five years, making it the least likely to be cited as a top 3 future challenge.

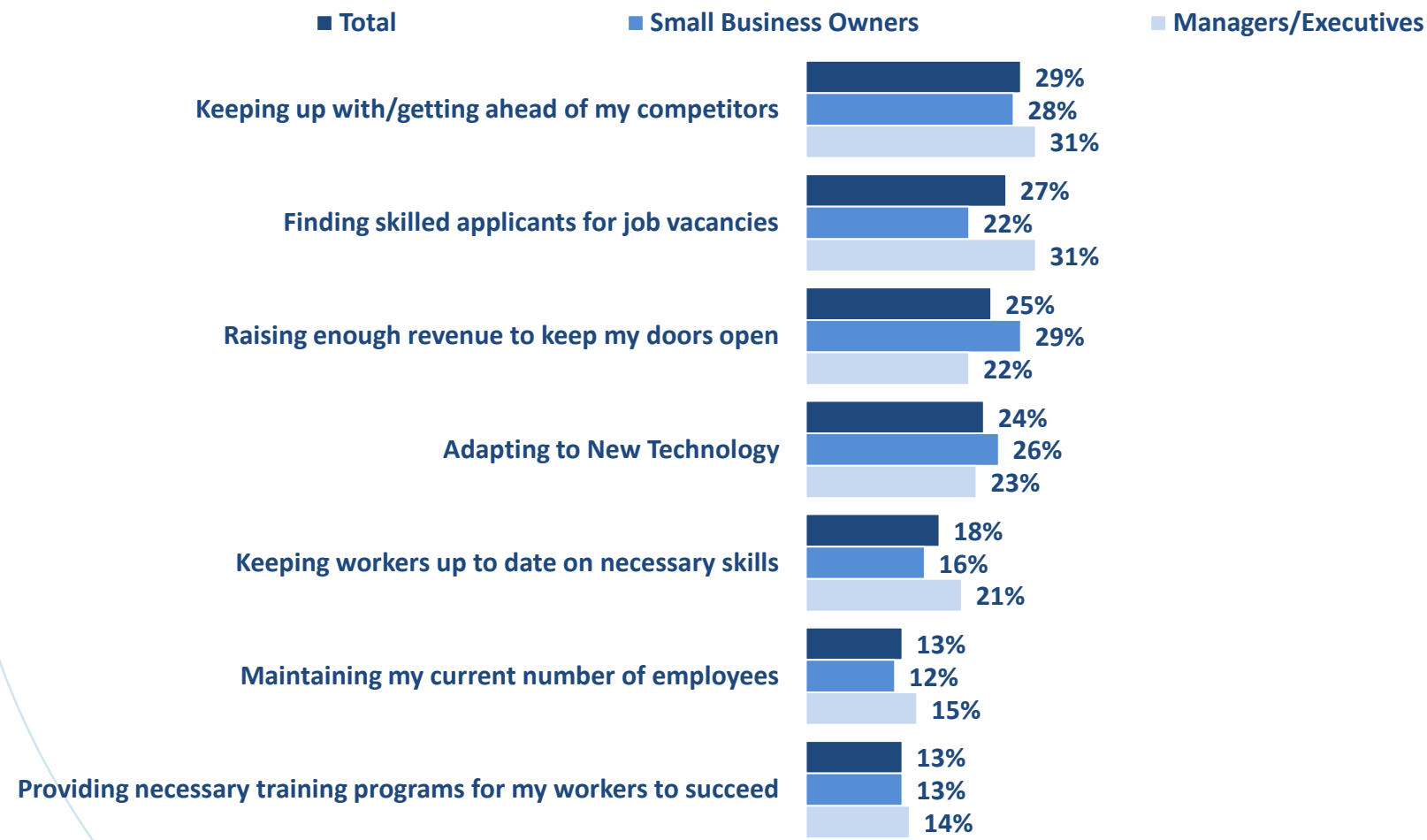
Three Biggest Challenges Facing Business: Next 5 Years



Three Biggest Challenges Facing Businesses in Next 10 Years

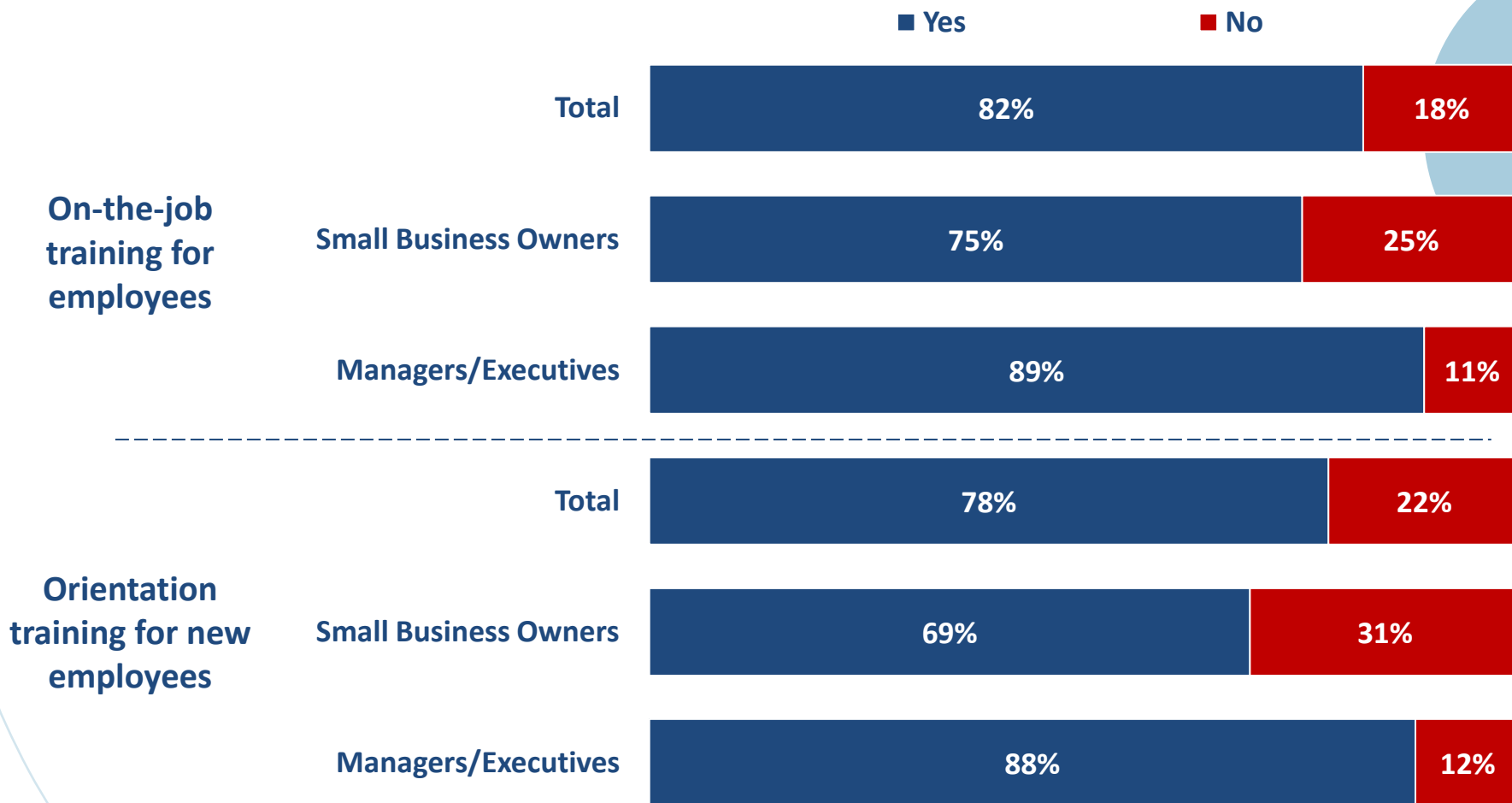
•Respondent’s who indicate that keeping their workers up to date on necessary skills and providing necessary training programs for their workers to succeed is a top three challenge facing their business in the next 10 years is similar to those who indicate this about their business in the next five years.

Three Biggest Challenges Facing Business: Next 10 Years



On-the Job + Orientation Training for Employees

• Respondents are slightly more likely to offer on-the-job training (82%) than orientation training (78%). Managers and executives are more likely to offer OTJ training (89%) and orientation (88%) than SBO's (75% and 69%). One in three (33%) SBO's do NOT offer orientation and one in four (25%) offer no OTJ training.



Q10. For the purpose of this survey, training is formalized skills improvement education pursued by an employee throughout his or her career. It is distinct from orientation, the on-boarding process that an organization provides to new employees. Knowing this, does your company or workplace provide either of the following:

Base: All Respondents (n=808)

Reasons For Not Providing Training to Employees

•Half (49%) of SBO's cite the reason for not providing training is because they don't have enough employees to warrant having such programs, whereas managers and executives are most likely to cite that they don't think they need to offer training (23%). One in five (17%) believe such training is too expensive to provide, whereas one in ten (7%) don't know where to access it.

Reasons Given for Not Providing Training to Employees



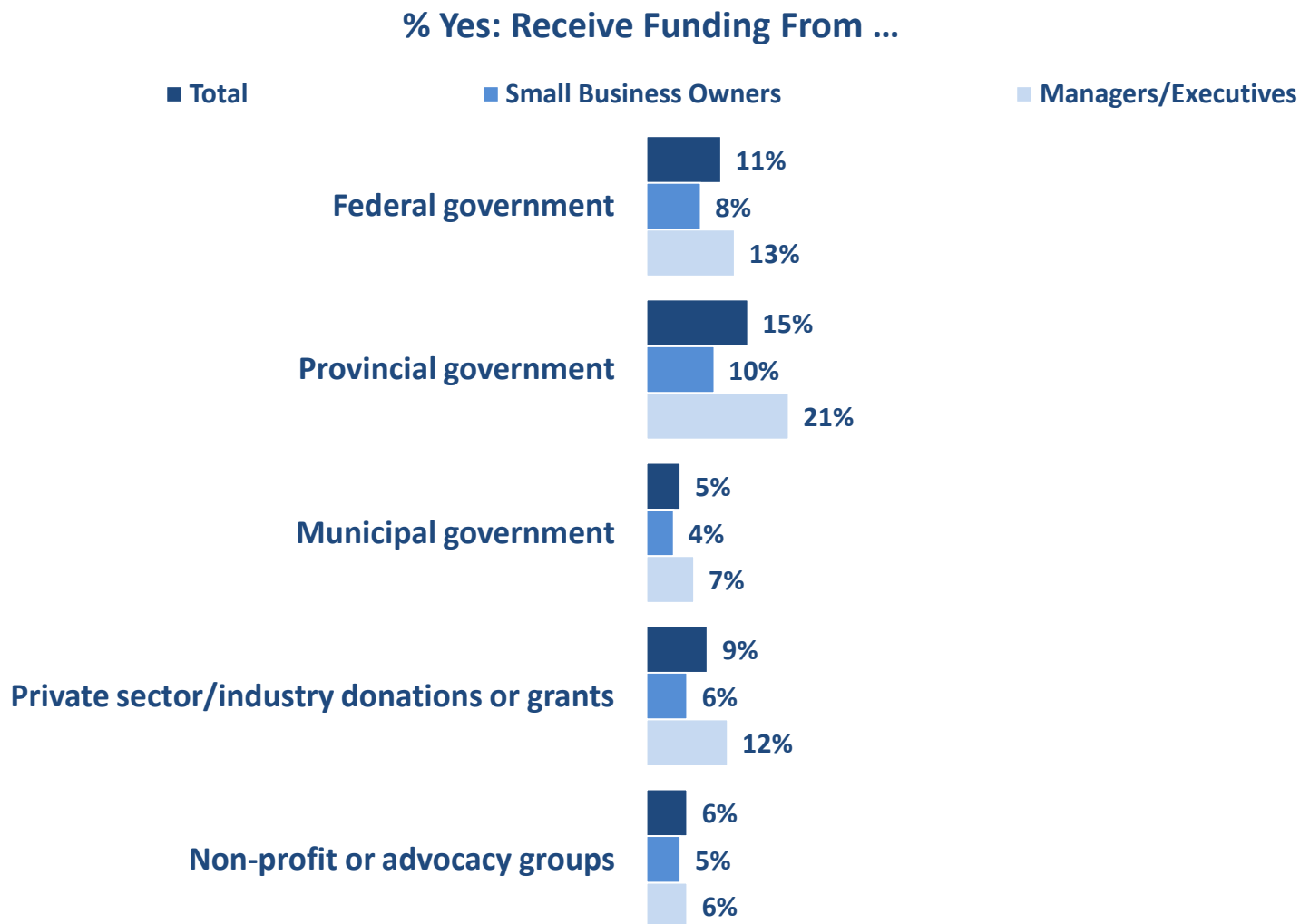
Kinds of On-the-Job and Orientation Programs Offered

•Among respondents who offer OTJ and orientation training, managers and executives are significantly more likely to offer all training programs provided. Main differences between the two groups are seen in initial orientation programs (32 pts.), health and safety training (27 pts.), and digital literacy training (20 pts.).

	Total	Small Business Owners	Managers/ Executives
	n=808	n=408	n=400
An initial orientation program for recently hired employees	59%	43%	75%
Mentoring with senior employees in their position	51%	43%	58%
Health and Safety Training	50%	37%	64%
Essential skills training	44%	37%	51%
Training on the use of digital devices/computer software	40%	30%	50%
Technical training	37%	29%	45%
Training on specific machinery/operational tools	36%	31%	42%
Workplace seminars from outside consultants/experts	30%	21%	39%
Other	9%	10%	9%
I don't offer these kinds of programs to my employees	11%	16%	5%

Receive Funding from Government and Other Sources

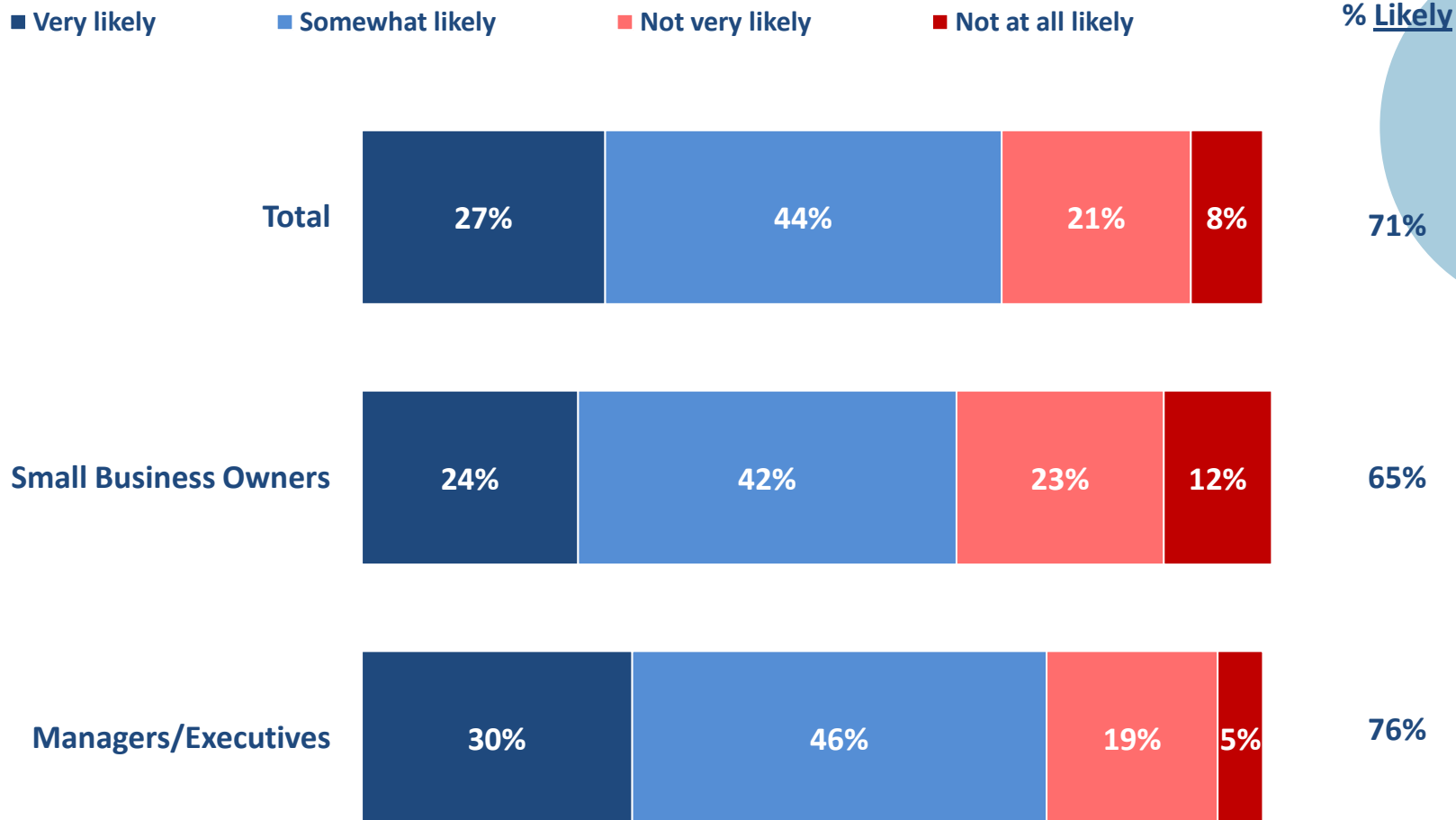
•Managers and executives are more likely than SBO's to receive funding from all the sources listed below, and are most likely to receive funds specifically for the purposes of literacy and essential skills from provincial governments (21%).



Q13. Do you receive funding from any of the following sources to be used specifically for the purposes of literacy and essential skills development in your workplace?
Base: All Respondents (n=808)

Likelihood to Use Resource Providing Organization

•Three in four (76%) managers and executives are likely to use an organization that provided online channels and access to services, if cost were not an issue, more so than the two in three (65%) SBO's who say they are likely to utilize such a source.

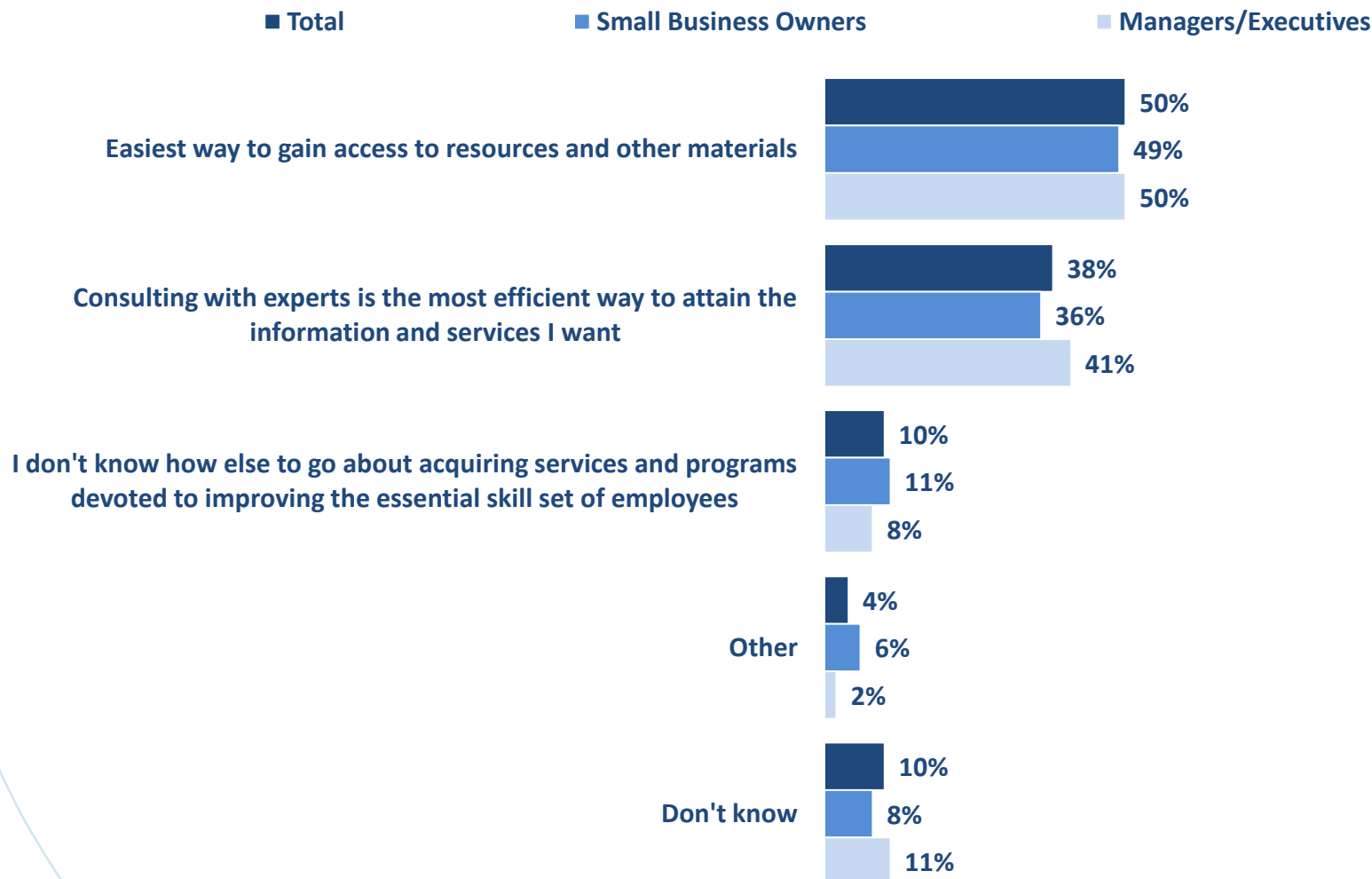


Q14. If cost were not an issue, how likely would you be to make use of an organization that provides online channels and access to services and programs related to improving the essential skill set of your employees?

Base: All Respondents (n=808)

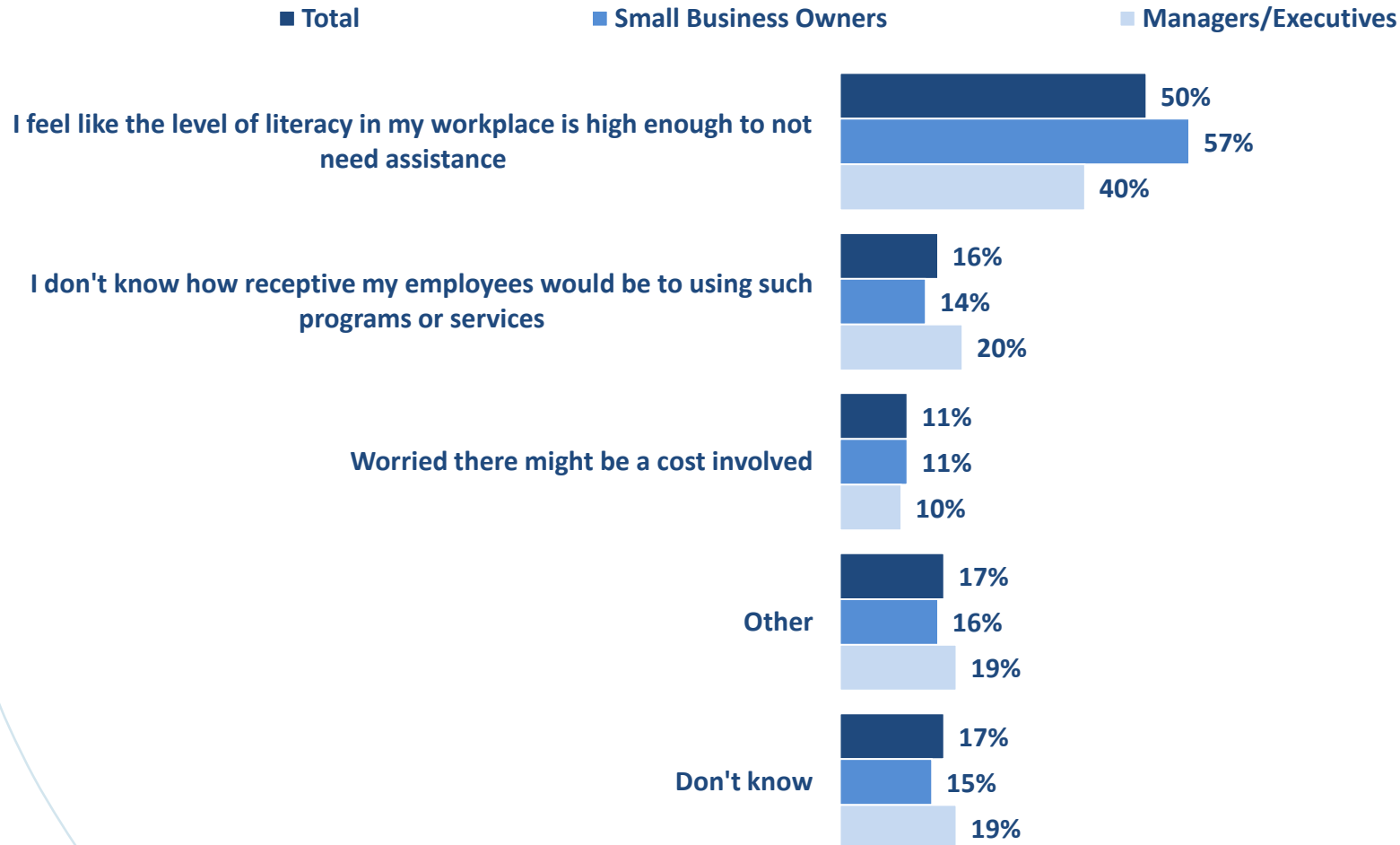
Top Reason for Service Utilization

•Among those would utilize such an organization, half (50%) cite the reason as it being the easiest way to gain access to resources and other materials. Four in ten (38%) believe consulting with experts is the most efficient way to attain the information and services they want. One in ten (10%) don't know how else to go about acquiring services and programs devoted to essential skills.



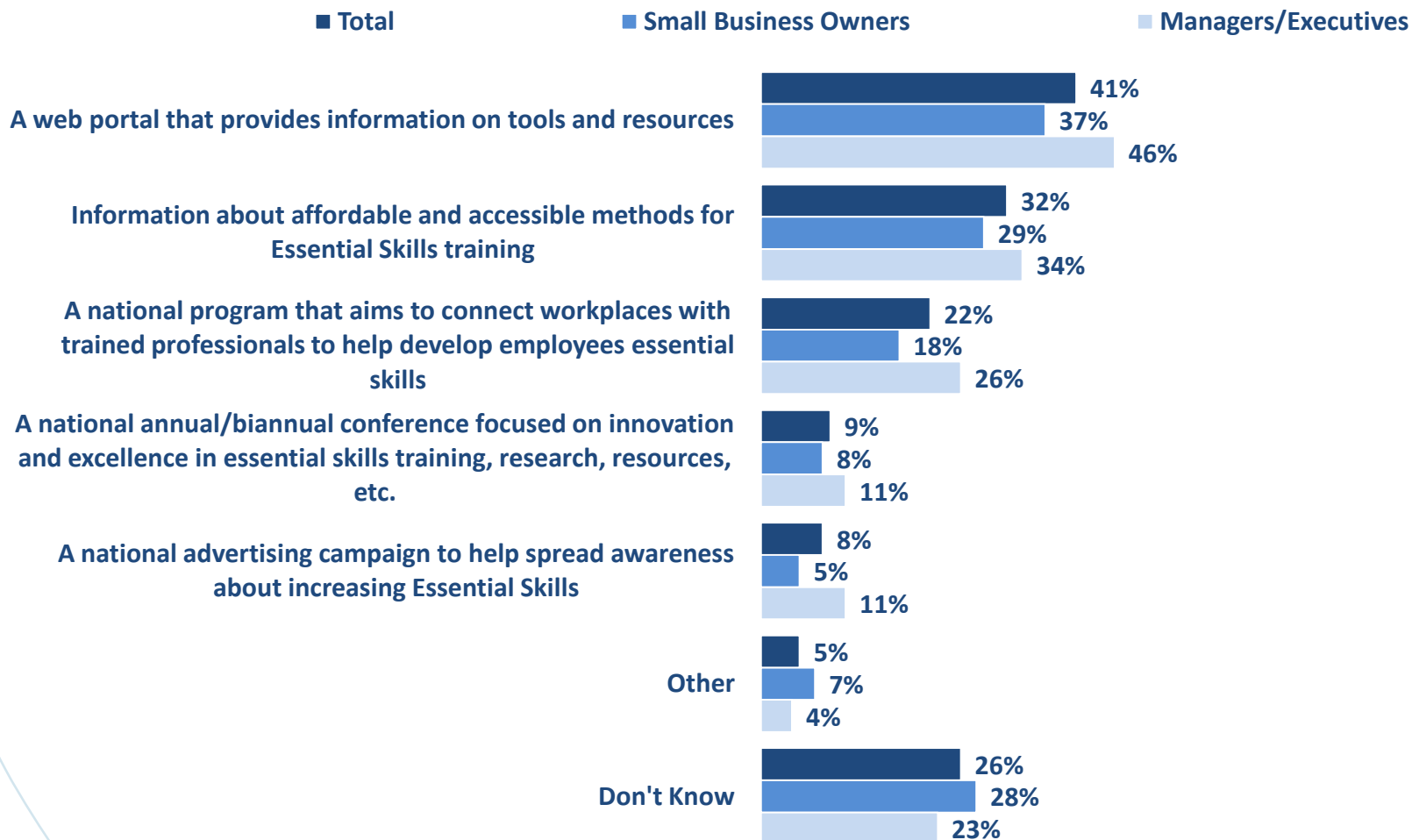
Top Reason for Not Utilizing Service

•Half (50%), including majority (57%) of SBO's, who say they wouldn't utilize such a service because they feel like the level of literacy in their workplace is high enough to not need assistance, meaning half (50%) of those who wouldn't utilize this service realize there is some type of literacy problem in their workplace . One in five managers and executives don't know how receptive their employees would be to using such programs and services (20%) or just don't know why they wouldn't use the service in general (19%). Only one in ten (11%) wouldn't utilized this service because they're worried there might be a cost involved.



Resources and Services You Would Like Access To

- Given a list of potential resources and services they could gain access to, both groups of respondents say that a web portal that provides information on tools and resources would top the list, with managers and executives more likely to say this (+9 pts.). More respondents say they'd like to utilize a web portal than information about affordable and accessible training methods (+9 pts.)

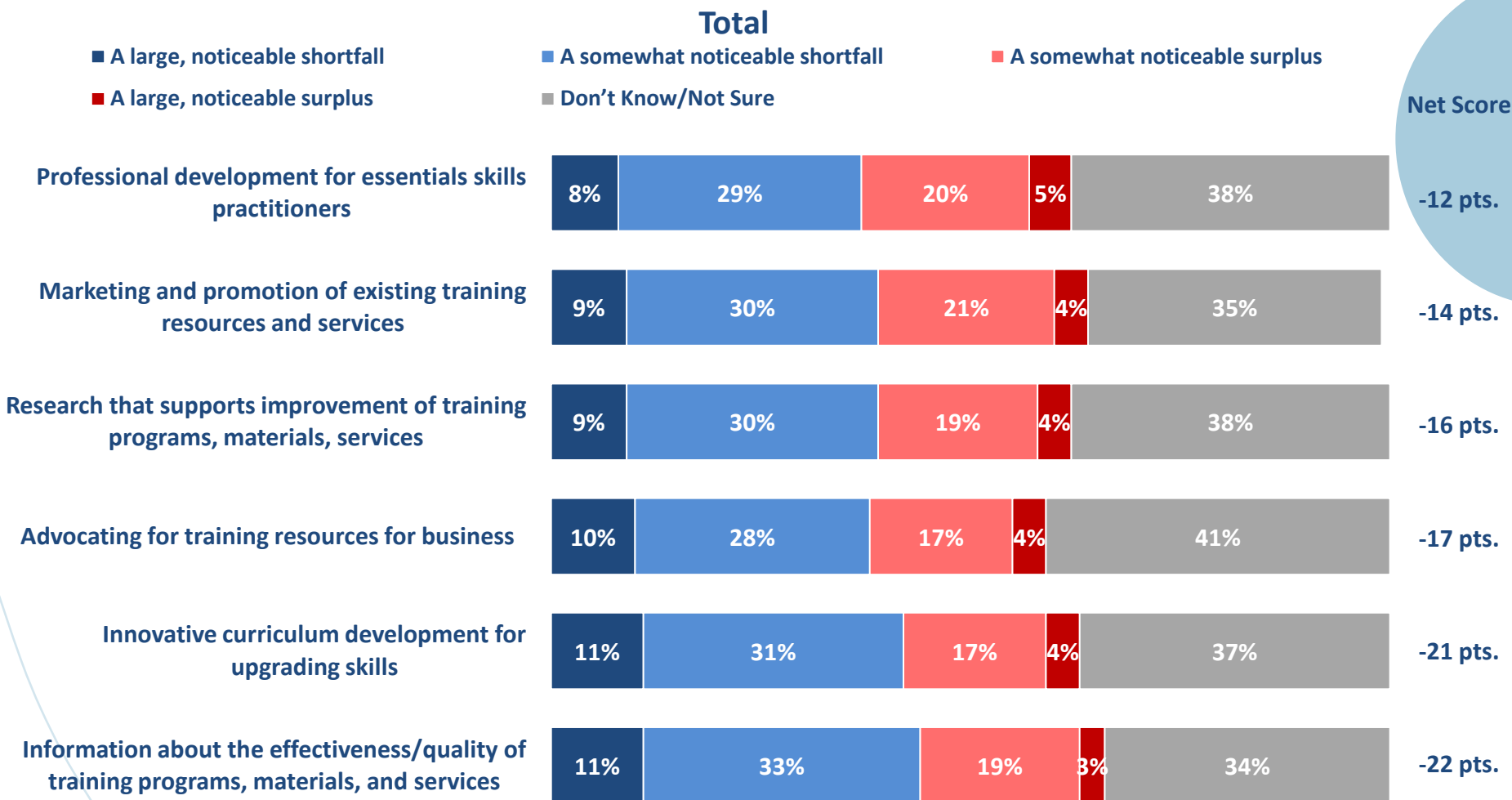


Q17. Which of the following resources or services would you like to /have easy access to in order to help improve your employees' essential skills?

Base: All Respondents (n=808)

Surplus or Shortfall of Information/Services

• Respondents most notice a shortfall when it comes to information about the effectiveness and quality of training programs, materials, and services (44%), slightly ahead of innovative curriculum development for upgrading skills and several other kinds of training information/services. Respondents notice the largest net deficit of information about the effectiveness/quality of training programs, materials, and services (-22 pts.) and innovative curriculum development for upgrading skills (-21 pts.)



Surplus or Shortfall of Information/Services – Small Business Owner

•Four in ten SBO's don't know if they have a surplus or shortfall in a number of different types of training information and services.

Net Score

-12% pts.

-15% pts.

-16% pts.

-17% pts.

-19% pts

-21 pts.

Small Business Owner

■ A large, noticeable shortfall

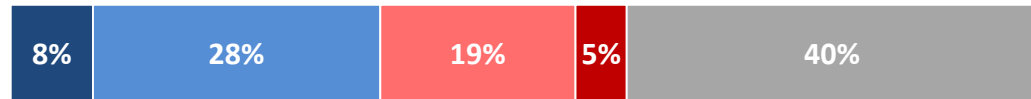
■ A somewhat noticeable shortfall

■ A somewhat noticeable surplus

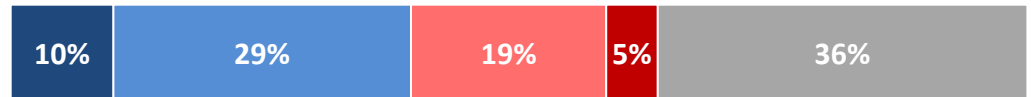
■ A large, noticeable surplus

■ Don't Know/Not Sure

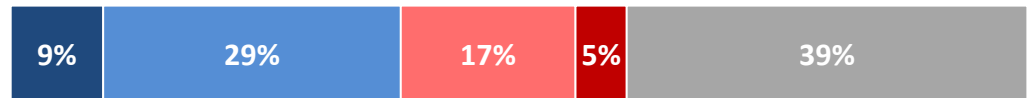
Professional development for essentials skills practitioners



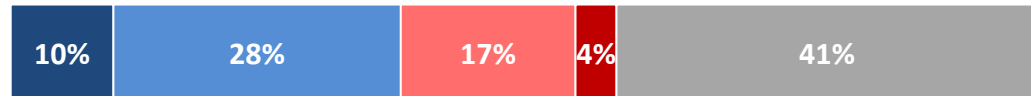
Marketing and promotion of existing training resources and services



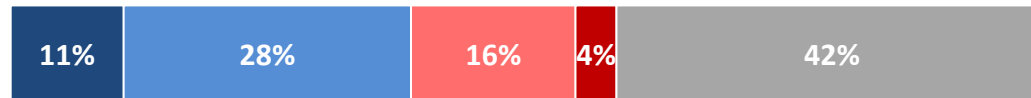
Innovative curriculum development for upgrading skills



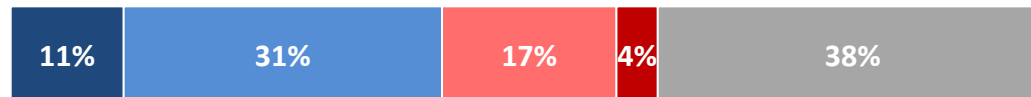
Research that supports improvement of training programs, materials, services



Advocating for training resources for business

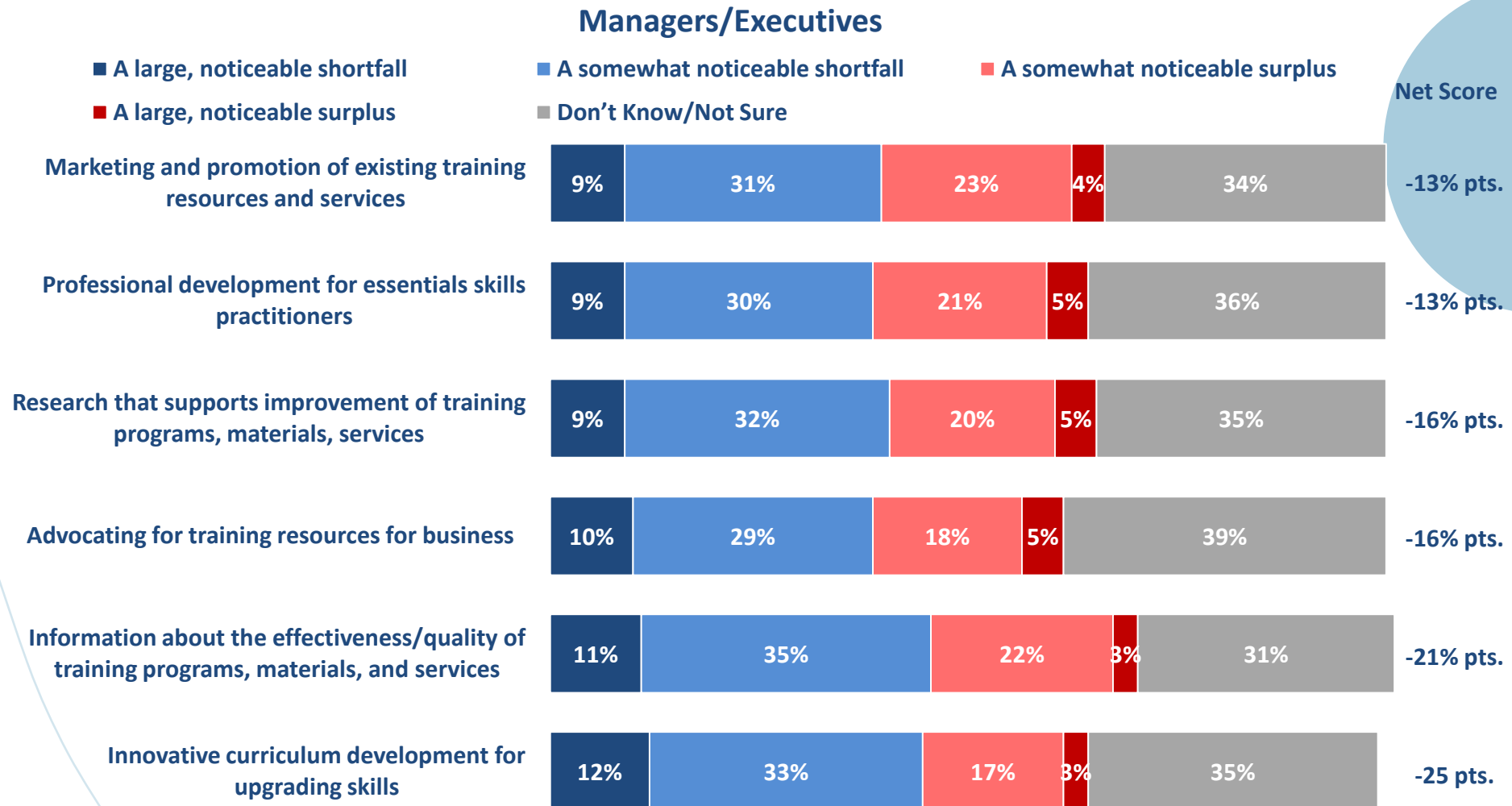


Information about the effectiveness/quality of training programs, materials, and services



Surplus or Shortfall of Information/Services – Manager/Executives

• There is a gap of 25 pts. between managers and executives who notice a shortfall in development of innovative curriculums for upgrading skills and those who notice a surplus. This along with the net difference in information about the effectiveness/quality of training programs, materials, and services make up the largest net deficits among services out there, according to managers and executives.



Demographics



Gender

	Total	Small Business Owner	Managers/ Execs
Male	54%	60%	47%
Female	46%	40%	53%

Region

	Total	Small Business Owner	Managers/ Execs
British Columbia	12%	12%	12%
Alberta	10%	11%	9%
Saskatchewan	3%	3%	3%
Manitoba	4%	3%	4%
Ontario	41%	39%	42%
Quebec	24%	25%	23%
Prince Edward Island	1%	1%	1%
New Brunswick	2%	2%	3%
Nova Scotia	4%	3%	4%
Newfoundland	1%	1%	-

Demographics

Age

	Total	Small Business Owner	Managers/Execs
18-34	21%	23%	19%
35-54	46%	46%	46%
55+	33%	31%	35%

Occupations Employed

	Total	Small Business Owner	Managers/Execs
Education	6%	3%	9%
Financial Services/Insurance	6%	5%	8%
Healthcare/Pharmaceuticals	6%	4%	9%
Real Estate/Construction	5%	8%	3%
Sales/Sales Promotion/Retail	5%	7%	4%
Management Consulting	4%	5%	2%
Transportation/Shipping	4%	3%	5%
Automotive	3%	2%	4%
Electronics/Computer/Software	3%	4%	3%
Food/Beverages	3%	3%	3%
Restaurants	3%	3%	3%
Travel/Tourism	3%	3%	2%
Internet/E-Commerce	2%	2%	2%
Telecommunications (phone, cell phone, cable)	2%	1%	3%
Beauty/Cosmetics	1%	1%	1%
Fashion/Clothing	1%	1%	2%
Grocery/Convenience/Department Stores	1%	1%	2%
Marketing/Market Research	1%	1%	1%
Music	1%	2%	1%
Pets (Grooming, Veterinary, Retail, Training)	1%	2%	0%
Publishing (Newspaper, Magazines, Books)	1%	1%	1%
Sports	1%	1%	0%
Other	36%	38%	35%

Region of Work

	Total	Small Business Owner	Managers/ Execs
Ontario	36%	36%	36%
Quebec	25%	27%	23%
The Prairies (AB, SK, MB)	17%	17%	17%
British Columbia	13%	12%	14%
Atlantic Canada	9%	8%	10%
Northwest Territories/Yukon/Nunavut	0%	-	1%
All regions in Canada	16%	9%	23%

Number of Employees

	Total	Small Business Owner	Managers/ Execs
2-10	37%	65%	8%
11-49	24%	31%	17%
50-99	11%	3%	19%
100-149	6%	1%	10%
150-199	2%	-	5%
200-249	2%	0%	4%
250+	19%	1%	38%



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