

NOW IS THE TIME TO INVEST IN SKILLS

THE OBSERVER
26 OCTOBER 2008

An Open Letter to UK Employers

As leaders of major businesses, business organisations and trades unions in the United Kingdom, we are absolutely committed to investing in training.

In an economic downturn, there is always a temptation for businesses – large and small – to cut spending on staff training. When times are tough, it looks a simple way to cut costs.

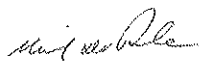
But it's a false economy. Research in 2007 confirms that firms that don't train are 2.5 times more likely to fail than those who do! Now is precisely the time to keep investing in the skills and talents of our people. It is the people we employ who will get us through. When markets are shrinking and order books falling, it is their commitment, productivity and ability to add value that will keep us competitive.

Investing now in building new skills will put us in the strongest position as the economy recovers. Skills to support the development of new products and services will shape whether we are ready to gain competitive advantage when growth resumes. From our experience in previous downturns, it was the businesses that did invest in their staff which saw the most dynamic recovery.

Even in these difficult times, there are real opportunities we should seize. In many businesses, it will be easier to find the time to release staff for training. Larger businesses could strengthen their supply chains by developing training in partnership with suppliers. For individuals, committing to training is the best way to maximise future employment opportunity. And there is a wide range of training available now for businesses to use from colleges, universities and training providers, many of them publicly funded. Through the work of the UK Commission for Employment and Skills, employers are making sure that this training is simple to access, clear and easy to use, and adds real economic value.

The skills of our people are our best guarantee of future prosperity – and the best investment a business can make in challenging times. We must not pay the price of failing to invest in the talent on which our future will be built.

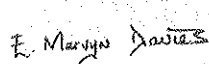
Sir Michael Rake



Chairman,
UK Commission for
Employment and Skills

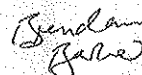
Chairman,
BT Group plc

Mervyn Davies CBE



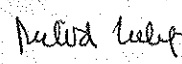
Chairman,
Standard Chartered plc

Brendan Barber



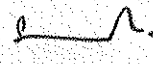
General Secretary,
Trades Union Congress

Richard Lambert



Director General,
Confederation of
British Industry

Sir Stuart Rose



Chairman,
Business in the
Community

Chairman,
Marks and Spencer plc