



**Employer Associations as Intermediaries
Facilitating Employer and Worker Access to Education, Training,
And Other Employability Services:
An Employer Organizational Development Process**

—An Interim Report—

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(Author's Note: This paper contains material drawn from an overview and case studies of these projects now in preparation.)

INTRODUCTION

Several million workers are locked into entry- and near-entry level jobs, unable to be promoted because of limited “soft” and “hard” skills*—employability skills, interpersonal relations, basic language and numeracy, and specific job-related skills. Their present employment is even at risk as technological advances elevate skill requirements.

These workers are often disadvantaged recent placements from the public job training system, former welfare recipients, or recent immigrants. To perform with the productivity their employers and the economy require, to retain their jobs, and to advance to family supporting incomes such workers need to improve a broad range of skills.

Such workers could, of course, seek education and training on their own from available community sources. But, too often, they know little about such sources or how to find them; they are not sure what services they need; they are concerned about how to pay for such services; and they are too busy with full time work and family responsibilities to undertake such education and training if they could find and afford it.

Workers in such entry- or near entry-level jobs predominantly work for small or medium-sized employers or at local small or medium-sized facilities of larger corporations. This is because the vast majority of employers in this nation are small or medium-sized, and they both offer the vast majority of jobs and create most new jobs. (In manufacturing, for instance, there are 350,000 small or medium-sized manufacturing firms, defined as firms with 500 or fewer employees, while there are only 15,000 manufacturing firms with more than 500 employees).

Small and medium-sized firms often have neither professional human resource or training personnel nor well-developed human resource or training systems and procedures. They are frequently also unfamiliar with education and training resources in the community. Even in good economic times, the management of small and medium-sized firms is typically overburdened and stressed, conditions exacerbated in sectors facing intense global competition from low-cost foreign producers (such as in manufacturing) and doubly exacerbated in times of recession.

The nation thus faces a dilemma of large numbers of workers needing education and training to improve their productivity, to adhere successfully to and advance in the labor market, and to attain and retain jobs with family supporting incomes—but unlikely to find such services on their own. And, as well, there are large numbers of employers needing more productive workforces to compete effectively and continue to contribute to the economy—but unlikely to find or develop such workforces on their own.

* Definitions of “soft” and “hard” skills vary. As a general matter, “soft” skills are behaviors and attitudes—getting to work regularly and on time, being cooperative, having effective interpersonal behaviors, and so on—while “hard” skills are what is required to do the tasks of a job—operating machinery, making measurements, reading blueprints, and so on. Basic literacy and mathematics competencies are often seen as “hard” skills but sometimes are viewed as occupying a middle ground between “soft” and “hard” skills. They are seen as being gained from “education,” while “hard” skills are gained from “training.”

This paper describes one approach to bridging the horns of this dilemma—using an employer intermediary to help employers and workers build workplaces that are welcoming, supportive, and developmental for the working poor from disadvantaged backgrounds. By improving human resource (HR) practices, training supervisors, and providing education, training, and other supportive services to such workers, a job environment can be created that can facilitate their hiring, retention, and advancement.

The Center for Workforce Success (CWS) of the Manufacturing Institute, the nonprofit research and education arm of the National Association of Manufacturers (NAM), is in the third year of supporting three Retention and Advancement Demonstration (RAD) projects conducted by NAM affiliated employer associations and pursuing these goals. These associations are, respectively, the Connecticut Business and Industry Association (CBIA) in Hartford, CT (one of the largest employer associations in the nation with over 10,000 members); SMC Business Councils in Pittsburgh with over 5,000 members; and the American Society of Employers (ASE) in the Detroit, MI, metropolitan area, which has over 1,000 members. CBIA operates its RAD project statewide, while SMC and ASE operate theirs in their metropolitan areas.

These projects are part of a broader partnership, WINs, the Workforce Innovation Networks, comprising CWS, Jobs for the Future (JFF), and the Center for Workforce Preparation (CWP) of the U.S. Chamber of Commerce. The purpose of WINs is to develop the role of employer organizations as workforce development intermediaries. WINs is in the sixth and final year of support by The Ford Foundation and the Annie E. Casey Foundation, CWS' share of which supports the RAD projects, among other activities. The CWS RAD projects also enjoy funding from the Charles Stewart Mott Foundation.*

RAD PROJECT DESIGN AND TIMETABLE

The RAD projects were based on the following premise:

The retention and advancement potential of low-skilled workers with limited experience in entry- and near entry-level jobs could be measurably enhanced if employer organizations worked with employers to develop and apply consistently the best practices of human resource (HR) management. This would include the skills training and other internal and external supports such workers need to become productive and successful employees likely to advance to family supporting wages.

The Manufacturing Institute/CWS designed the project and recruited and prepared three associations to participate in RAD. This was completed on time in the late fall of 2001.

* WINs is also in the first year of funding by the Employment and Training Administration of the U.S. Department of Labor to develop and support three state and 12 additional local-labor-market employer-led workforce development intermediaries aimed at better linking the public workforce system with the employer community.

Each participating association was to:

- Assemble a roster of HR best practices and worker supports;
- Assign or put in place personnel to advise and assist employers both on implementing such practices and on engaging local providers of needed services; and
- Recruit at least five employers who would undertake such efforts with a total of at least 75 targeted employee positions in each community.

These preliminaries were to be completed by spring of 2002. From then through January 2004 (about 20 months), the associations would:

- Work with the employers to assess and upgrade HR policies and practices;
- Help the employers assess worker needs;
- Help the employers assemble the internal and external education, training, and other employability services and supports needed by the targeted workers;
- Provide base line and scheduled updated data on turnover, absenteeism, promotions, and other quantitative and qualitative indicators of benefits accruing to workers and firms from these activities.

The RAD project would be concurrently evaluated by Abt Associates with support from the John D. and Catherine T. MacArthur Foundation. Abt would collect hard data as well as qualitative assessments of the process of the project (Abt's report is in process). CWS would monitor and provide technical assistance to the associations and write case studies and an interpretive overview of their work (the latter are now in development).

FINDING #1: RECRUITMENT WAS MUCH MORE DIFFICULT THAN EXPECTED

The associations and CWS had initially projected that the complement of 15 or more firms and 225 or more targeted positions and incumbents would be assembled in three or four months. One RAD project leader said, "Here we were offering essentially free, intensive services to employers. We thought they'd be lining up for the project, but this turned out not to be the case. We were surprised at how difficult a sell it was."

There were several reasons for this, some expected, some less so. One reason that was not surprising was the impact of the recession. The RAD project had been designed and funded in the longest economic expansion in US history, during which many employers were both growing and scrambling to find and retain workers. But as the participating associations were selected and began their preparations, the present recession hit. It has been especially severe in manufacturing, the main RAD target.

The recession drastically impaired the recruitment of firms and the timetable of project implementation because of the organizational chaos caused by closures, layoffs, and turnover of both the wage and salaried personnel of actual and potential participating

firms. Many firms said economic conditions precluded their involvement; they could not start something complex and new when they were in survival mode, laying off employees, and drastically cutting costs (traditionally, training budgets are among the earliest candidates for cutbacks in tight times). Some firms signed up only to withdraw, days or weeks later, either because they were cutting back operations or even going out of business. For a time, these conditions actually threatened the viability of the RAD project.

But there were other, less expected reasons as well. Project staff in all three projects testified that some employers did not know much about the problems of their entry- and near entry-level workers or, more often, knew they had problems of absenteeism, turnover, skill deficiencies, and low productivity but accepted them fatalistically as “facts of life,” feeling that not much could be done about them. Many employers routinely spent little attention and few resources on workers at this level, and were suspicious of a project that would call on them to do more. Further, in general, the firms had not experienced an outside entity approaching them offering an intense advisory relationship and an array of unfamiliar services. Participating would take time, attention, and resources and perhaps require substantial internal changes, with no guarantee that the effort would “work” and be worth the investment. Even in good times these factors would have given employers pause; in a recession, they were barriers not easily hurdled.

Nonetheless, by late 2002 and early 2003, almost a year later than projected—and, we stress, by dint of persistent and creative effort by the participating associations—the RAD projects had exceeded the number of firms targeted (signing up 18) and more than tripled the number of employee positions targeted (over 750). While the project has proceeded, the recession has continued, even in recent weeks, to hamper the ability of some firms to participate effectively, chiefly because of layoffs and management changes. Some participating companies suspended their RAD activities for a time but later renewed them; a few dropped out permanently (some even being merged or closing their business) but were generally replaced by new recruits.

FINDING #2: FIRMS PARTICIPATED FOR DIFFERENT REASONS THAN EXPECTED

The RAD projects and their premise were conceived in boom times with tight labor markets. CWS anticipated firms’ enrolling in order to cut absenteeism and turnover among workers whose skills were limited or who often shifted jobs because of dissatisfaction with the work or the working conditions or for small pay increments, better working conditions, or more convenient hours or locations.

These were indeed the main motivating concerns of some employers who enrolled. The preponderance of employers, however, participated for a deeper reason—sheer survivability. Most firms that enrolled did so because they were concerned to improve productivity or quality or customer service. Their survival was threatened, and a more effective workforce was of critical importance to their ability to compete. While these

concerns stimulated greater commitment by many firm managers than might have been elicited in boom times, these crisis conditions also often drastically limited what they could do in response to the project.

Most participating firms were small and medium-size manufacturers; a few were local facilities of international corporations. Some were relatively new, a year or two old, and still putting systems of all kinds in place; they grasped at help in setting up effective HR policies and practices. A few were in turn-around situations, attempting to become competitive by shifting from old-line, autocratic cultures with old technology and fragmented, routine jobs, to new, participative, team-oriented, high-performance cultures with higher technology; for them, the RAD project was a “Godsend.” Others were established organizations with reasonably well-led and well-developed HR functions that were facing stiffening competition and needing to upgrade the skills of their workers. Several had large immigrant populations who needed both English language and job skills.

Attachment A is a brief descriptive listing of these employers without identifying them by name.

FINDING #3: SEVERELY LIMITED AND STRESSED HR SYSTEMS

CWS and the RAD association leaders knew that small and medium-sized employers often have HR systems and supervisory practices that are rudimentary, underbudgeted, and overwhelmed in normal times. Traditionally, HR is of low priority compared to what it takes to get the product built and out the door or the service properly provided; and times of recession and global competition exacerbate these conditions. (In the latter circumstances, this applies even to some facilities of large corporations.)

Even knowing this, RAD project leaders in all three associations expressed varying degrees of “shock” at what they found in the preponderance of the small and medium-sized participating firms— severely limited, stressed, overly informal, and reactive HR systems and HR personnel. (Some firms had professional full-time HR personnel; many had full-time HR personnel who were not trained HR professionals. For some, however, HR was a collateral duty of a manager with other duties as well.)

All three associations agreed with one of their project leaders who said, “With a few exceptions, these folks only have time and resources for a kind of ‘just-in-time’ HR. That is, they can generally do only what is required by law and regulation and then ‘fight HR fires’ as they break out. This leads to a high degree of frustration among the HR staff who are professionals, who know they should be doing more systematic and proactive things.”

Among the concerns observed in numerous firms: job descriptions that were inadequate or lacking; the actual skills required by jobs were often unknown or inaccurately specified; hiring requirements were thus inaccurate, leading to mismatches between

new hires and job requirements; employee handbooks were rudimentary or did not exist; HR policies that were informal and unwritten; new hires who were signed in, received little if any orientation or preparation, thrust out on the production floor, and turned over rapidly (some turnover rates exceeded 40 percent per year); training that was nonexistent or limited and informal and inconsistent; supervisors who were untrained in modern leadership and motivation skills; performance evaluations that were rudimentary; inflexible discipline; distrust and miscommunication between workers and management; a lack of employee assistance programs for workers' personal and family problems; and, where there were unions, labor-management relations that were dysfunctional.

As the RAD projects have evolved, they have addressed many of these issues.

FINDING #4: THE RAD PROJECTS BECAME ORGANIZATIONAL DEVELOPMENT PROJECTS

All of these circumstances taken together meant that the RAD projects would, in general, not follow a simple model of “arranging education and training and other services for entry- and near entry-level workers.” One RAD project leader said, “Even though company managers usually expressed their top priority as skills upgrading, we usually had to work our way toward the front-line work force, fixing up various HR systems along the way. It would do little good, and probably be impossible anyway, to mount effective training initiatives if the underlying HR systems and supervisory practices wouldn't support or take advantage of such efforts.”

The RAD interventions thus frequently took on the characteristics of broad organizational change initiatives utilizing organizational development approaches—building trust with key leaders, developing an understanding of the overall cultural and systemic problems in the organization and a vision and commitment for improvement; repairing HR systems, practices, and procedures; training managers and supervisors; understanding skill needs; putting internal and external supports for personal and family problems into place; and providing skills training and other employability services.

Such broad organizational and cultural changes required an intense relationship between the key association RAD project staff and company leaders. This relationship is costly and very different from the normal relationship between the association and those member firms that come to it to “buy” its services. In the latter, normal relationship, companies come to the association, generally knowing their needs and what they want; they “visit the store.” In the RAD relationship, the association sought out firms who often did not know what they needed and were not in a competitive position to seek and pay for the intensive relationship being offered. This pro-active approach was new to the associations and to the firms—and both say they have learned and benefited from it.

PROJECT ACTIVITIES AND IMPACTS

Since firms signed up piecemeal, over a year or more of time, the employer organizations decided to begin to work with each of the firms as they enrolled in the project, rather than waiting for the full complement to be assembled in each area.

The RAD employer organization demonstration sites have roughly similar scenarios for proceeding, scenarios that make sense to the participating firms in their circumstances. Generally, these scenarios began with a diagnostic and trust-building phase that has led to various interventions to address the problems and issues that were disclosed. The following are some examples:

- One association conducted extensive interviews from which a roster of issues and actions to address them was developed.
- Two other associations began with a formal assessment of the HR policies and practices of the participating firms, usually a mini-version offered *gratis* for this project of the full and formal assessments these associations do for larger firms on a fee basis. This led to a set of recommendations and advice for modifications and improvements in a step-wise way—the most critical improvements that the firm was most ready for first. Almost all of these assessments have been completed and reported back to the firms and many changes have been made or are under consideration.
- Two of the associations assessed skill needs of the employees. One did this through informal interviews, the other through a sophisticated formal process of analyzing the skills required for the targeted jobs and the skills of their incumbents. This led to a gap analysis implying skills training needs. As of this writing, these gaps have been reported back to most of the firms and various kinds of basic and job skills training have been undertaken with more planned.
- One site developed a Barriers to Success Inventory through which employees indicated on-the-job and at-home issues that impacted their success on the job. This has led to a number of interventions to address such issues, including promoting the Earned Income Tax Credit. Another site has put a case manager in place to respond to such individual needs with sometimes-dramatic impact (e.g., getting a worker's drug addicted son into treatment).

(Interestingly, the diagnostic phases did not identify inadequate basic reading and mathematics skills among problems requiring early, top-priority attention. Project staffs say such deficiencies exist but that the firms ranked them below other pressing needs more directly affecting productivity and competitiveness. Project staffs expect that basic educational remediation and improvement will increasingly come to the fore in later months.)

As 2003 progressed to mid-year, and despite the recession's continuing impacts, the RAD projects hit their stride as originally envisioned, although roughly a year late. At

this writing, the RAD projects have helped implement a broad array of improvements as listed below (see Attachment B for more detail):

- Job-related “hard skills” training: on-the-job and classroom training aimed at filling numerous job skill gaps using NAM sub-grants from its foundation support, other grants obtained by the association, and training and other services from local resources. Subjects include Business Writing, Blueprint Reading, Quality Control, Customer Relations/Service, Basic Plant Metrics/Measurables, Statistical Process Control, Lean Manufacturing, Continuous Improvement, and Train-The-Trainer (training employees to train other employees, generally as part of an effort to formalize informal on-the-job training).
- English as a Second Language and personal/family financial management training for immigrant workers (ESL is especially important in Connecticut where many entry-level workers are immigrants, some illiterate in their own languages).
- Supervisory training in modern leadership skills and diversity issues.
- “Soft skill” training for management, supervisory, and workers in interpersonal relations, workplace communications, conflict resolution, problem solving, and team-building. This includes “Managing to Work It Out,” a Piton Foundation developed training program to help supervisors relate effectively to minority disadvantaged workers.
- Better hiring/selection practices, better orientations, improved disciplinary procedures, and new employee and supervisory handbooks. (One site arranged hiring for specialized skills from the local Job Corps.)
- Identification of labor/management problems and bringing in mediators.
- Identification of problems in organizational cultures and provision of organizational development services to address them.
- Employee assistance programs for personal and family problems as well as individual case management for personal and social issues at work or home. Referrals have been made to legal services, social services, aging services, housing agencies, childcare services, mental health and addiction services, transportation agencies, United Ways, and other community services.
- Information (in multiple languages) for employers and workers about the Earned Income Credit and other public benefits for both.

Concrete benefits to the firms and the individual workers from these interventions are emerging, reflected in anecdotal/qualitative reports of improved productivity and quality, reduced scrap, improved organizational cultures, improved morale, better communica-

tion, improved skills, and less adverse impact at work of at-home problems. Managers, supervisors, and workers express sometimes heartfelt satisfaction with the projects.**

PROSPECTS FOR CONTINUATION

By the end of their originally funded period (January 31, 2004), these RAD projects will be mid-stream, with less than a year of full operations within most the firms, rather than the almost two years originally anticipated. The trust building, relationship building and diagnostic phases are in most cases complete and substantial HR system changes have begun as have a range of education, training, and other services. But, without further funding, the work of these RAD projects will cease—and their results will be truncated. There are thus strong arguments to continue these projects for another year or so to fully play out these demonstrations and harvest their experiences for lessons that can inform and guide other employers and employer associations contemplating similar innovations.

During another year, RAD project personnel say they would expect both more of the same kinds of changes but also a progression more deeply into firm systems and a greater concentration on direct education, training, and other services to entry- and near entry-level employees. As systems are improved and aligned in support of the development of employees, we expect another year would also see a substantially larger application of formal education and training services as well as greater attention to off-the-job barriers to worker success.

CWS is thus delighted that a major workforce development foundation has expressed willingness to consider an extension of and a supplement to its grant for RAD to enable these projects to continue their activities for another year, more fully exploiting the groundwork they have laid, and thereby more fully test the hypothesis cited at the outset of this document.

FINDING #5: PREFERRED PROVIDERS: COMMUNITY COLLEGES

The RAD projects to date have utilized a range of providers of education, training, and other supportive services. The associations themselves offer human resource consulting, organizational development interventions, supervisory training, and soft skills training. Private providers, both individuals and training firms, have also been engaged. Public agencies have provided an array of social services.

By far, however, the provider preferred by both the RAD associations and participating firms are community colleges and technical institutes. They are deemed flexible, re-

** The forthcoming evaluation being conducted concurrently by Abt Associates is aimed at documenting these benefits, as well as impacts on turnover, discipline, retention, and advancement. But the projects are essentially a year behind their development because of the recession, which also confounds assessment of the projects' impacts on turnover, retention, and advancement. It is not clear at this juncture to what degree the Abt evaluation can discern and capture quantifiable impacts of this project, though it is likely to present a useful qualitative assessment of activities and impacts to date.

sponsive, employer-oriented, and effective at customizing training programs to meet worker needs. This finding is consistent with CWS survey findings over the years. Employers like community colleges.

As noted above, we anticipate that an additional year of funding will see these projects evolve into deeper and broader education and training services, many of which will be provided by such institutions.

FINDING #6: POLICY AND COST IMPLICATIONS

As stated at the outset of this report, most disadvantaged clients of the workforce development system commence their careers with small and medium-sized employers who comprise the vast majority of employers and provide most entry-level jobs. Relatively few such clients go to work for big companies, where there are more often (though not always) well-developed human resource systems and good supervisory practices.

As also detailed above, the small and medium-sized employers who employ the bulk of the graduates of the public workforce development system often have human resource systems and supervisory practices that are rudimentary, underbudgeted, and overwhelmed in normal times. The head of one employer organization's workforce department (not a part of the RAD project) thus appropriately said, "My job is placing people with multiple barriers to employment with employers with multiple barriers to hiring and utilizing them successfully," which nicely encapsulates the issue.

Moreover, many of these employers feel that little can be done to reduce turnover and absenteeism and improve productivity at the lower end of the labor market—and they have limited knowledge and resources to apply to problems they often consider intractable "facts of life." They need help in understanding that changing such conditions is possible—and in taking the steps to do so.

Since the 1960s and the Manpower Development and Training Act, the public workforce development system has trained and placed people (to varying degrees and effectiveness) and paid little further attention to them. In the 1990s, welfare reform added concern for post-placement supports—mainly, though, the external support of external needs like childcare and transportation (an agenda far from completed). Education and workforce development policy is also paying greater attention to education and training for incumbent workers, especially but not only at entry- and near entry-levels.

These RAD projects add an important new perspective to this progression of services and a potential new domain to the workforce agenda of policy and practice. Simply adding education and training for disadvantaged incumbent entry-level workers to the workforce agenda is not so simply done; it is very important to consider the organizational context of that training. The RAD experiences argue the importance of making early entry- and near entry-level organizational cultures and work environments more welcoming, supportive, and developmental by upgrading human resource systems and

supervisory practices so as to better enable disadvantaged new workers to take full advantage of education and training and adhere successfully to the labor market.

In sum, if, as a matter of national policy, the nation wants disadvantaged people to succeed at work, then attention must be paid to the *quality* of their early work experiences and environments. The RAD experience to date makes clear that many of these are unlikely to be improved by employers responding to their normal incentives, past experiences, and organizational cultures—and that recessions and globalization pressures intensify these conditions. The RAD experience is also demonstrating that it is possible to help such employers improve early work experiences and environments and recognize the economic and social impacts of so doing. There is thus a strong public interest in publicly or philanthropically supported efforts to help such employers understand the need for and make such changes; such efforts can both save jobs and make them more conducive to disadvantaged people succeeding in them.

A prime vehicle to improving those work environments is the employer organization with human resource skills playing the workforce development intermediary role for small and medium-sized employers. Such employer organizations have the trust of employers and speak their language. They thus more quickly and readily engage such employers than do community groups or service providers. (One employer said, “We’re using a commercial provider who was brought in by my association but who never would have gotten in our door on his own”). Such employer organizations can thus more effectively advise and assist employers in cost-effective ways to make the entry-level job environment more supportive and nurturing, with concrete benefits to both firms and workers. The RAD projects, particularly if continued for another year to realize and harvest their initially projected potential, provide powerful examples of employer organization success in these roles.

At this early stage of developing this role of intensely working with small and medium-sized employers to upgrade their human resource systems and practices, the RAD employer association leaders all report that a degree of subsidy—of social venture capital—is essential. Of course, as the role is developed over the longer run, efficiencies will emerge and costs decrease—a pattern familiar in developing most new products and services. Further, increased cost sharing by employers and increased leveraging of local public and other workforce development resources is likely.

It is unlikely, however, these association leaders assert, that employers can be expected to eventually pay the full costs of interventions, assistance, and supports like those being applied in these sites. The fact remains that this role is resource intensive and cannot be undertaken or sustained without a degree of external support. One reason is that many small and medium-sized employers are not aware that they need such services and unaware of the benefits that can justify their costs. Further, many—especially manufacturers—are under severe cost pressures from global competition even in non-recessionary times. Hence, a degree of public and philanthropic support is justified for these services in order to preserve the jobs provided by such employers. Another reason, however, is that the social benefit from enabling disadvantaged popula-

tions to successfully adhere to the labor market and attain family supporting incomes justifies some degree of continuing public or philanthropic subsidy for these activities as they may spread in response to these demonstration projects.

ATTACHMENT A: PARTICIPATING FIRMS

(Note: Employers are often leery of having sometimes sensitive internal matters publicized; so, to facilitate employer cooperation in the RAD project, we have adopted a coding system to identify employers in documents intended for public distribution. Each participating employer is identified by a letter indicating their city (“H” for Hartford, “P” for Pittsburgh, and “D” for Detroit), a number ranging from 1 to 9 to distinguish the employers within a city, and a brief description of what the employer does. Thus, “P3” is a manufacturer of plastic injection molded consumer products in the Pittsburgh area.)

Connecticut Business and Industry Association, Hartford, CT

- H1 Specialized paper maker
- H2 Manufacturer of high tech fluid filters
- H3 Manufacturer of kitchen cabinets
- H4 Call center and a delivery packing/insert center
- H5 Manufacturer of mattresses
- H6 Manufacturer of metal handles, clips, latches, and fasteners
- H7 Manufacturer of garment fasteners
- H8 Specialized printer of business gifts
- H9: Manufacturer of diverse components for cable/fibre optics, parachute hardware, mechanical timers, etc.

SMC Business Councils, Pittsburgh, PA

- P1 Tool and die manufacturer
- P2 Electric power equipment manufacturer
- P3 Plastic injection molded consumer products manufacturer
- P4 Manufacturer of mirrors for automotive industry

American Society of Employers, Detroit, MI

- D1 Manufacturer of plastic injection molded automotive parts
- D2 Light assembly of automotive components
- D3 Light assembly of automotive components
- D4 Light assembly of automotive components
- D5 Training organization for home care aides

ATTACHMENT B: RECENT SUMMARY SITE REPORTS

Connecticut Business and Industry Association, Hartford, CT

Number of Companies that participate in CBIA's RAD program: 9 companies (with one in the wings).

Number of Employees Receiving Training: 110 unduplicated individuals have participated in training.

Number of Employees Receiving Wage Increases and Being Retained: There was one promotion (no wage increase) from the ESL class at firm H5 and two participants from the Business Writing class at H4 who received wage increases. We would anticipate some wage increases and promotions following the second ESL classes at H7 and H2. At the newest company, H9, we expect to see some promotions among the 15 star employees who have been targeted for ESL and the 10 chosen for blueprint reading, as the company policy is to promote from within. At the Train the Trainer classes at H8 and H2, employees with demonstrated expertise in their specific areas were chosen based on potential for promotion. We would also expect wage increases at H2 where Train the Trainer and three classes of Continuous Improvement have been completed; a fourth CIT and an additional ESL class is planned for the fall. We expect most, if not all, of the individuals in training to retain their jobs. We expect to see individuals move up the career ladder at H2, H9, and H7.

Training Offered to Date: Thirteen training programs have been concluded.

Findings to Date: Based on a CBIA Employee Attitude Survey showing little employee trust in upper management, H1 conducted a one-day Team Building session for front-line supervisors and plant management. This is just the first step in involving plant employees in company decision-making and problem-solving teams.

CBIA has been successful in getting the Vice President at H5 to draw upon the expertise of CBIA's HR consulting arm— H5 is privately held, 115 employees and without an HR department. The V.P. is extremely guarded and defensive about any trouble spots at the company.

As a result of highly successful Lean Manufacturing training and the promotion of a sales executive to COO at H7, this firm is undergoing a complete culture change. The antagonism between union and management has all but disappeared; employees are working in teams to solve problems and finally feel they are an integral part of the plant's decision-making structure. Productivity has dramatically increased with large reductions in scrap; on-time delivery improved from 40 to 7 days; the need for overtime was cut by three-quarters. The workplace is now clear, more organized and nearly hazard-free. Participating employees say they look forward to coming to work for the first time.

SMC Business Councils Inc., Pittsburgh, PA

Number of participating companies: 4 firms

Number of entry-level targeted employees: 342 employee files established.

Employees participating in training: Production: Number of individual employees who have received OJT training will be provided with Sept. report, however, 200 OJT training sessions have been conducted.
Non-Production: 35 employees.

Number of training sessions completed: 6 Train the Trainer sessions; 2 Practical Coach; 2 Accountabilities the Works!; 2 Policy & Procedure Orientation; 3 Building Positive Labor Relations; 3 Understanding and Meeting Supervisory Challenges / Leadership Roles & Building Trust; 4 Communicating Effec-

tively; 4 Conflict Resolution; 3 Group Problem Solving Skills; 1 Time Management; 3 Danger Zones for Supervisors and Managers; 2 Managing Workplace Performance; 200 On-the-Job Training Sessions

Other types of services provided: HR Assessments (3); Employee handbooks (2); Supervisory Team Operational Procedure Manual (1); Earned Income Tax Credit and Child Care Assistance Information Packets (4); Employee Opinion Survey (1); Contact with Greater Pittsburgh Literacy Councils for literacy training proposal; Workforce Capacity Monthly Reports; Employee Skills Mastery Reports; HR Consulting – e.g., Rewards and recognition, Recruiting, hiring & selection, labor relations, customer service training / development; Contact with Job Corp, including Warehouse job candidates / training program; Collaboration with Federal Mediation Conciliation Service; Employee Assistance Plan (1); Structured OJT program to include individual training manuals (Checklist/binders: 4 companies for 8 jobs, 342 employees); Pre-hire assessments.

American Society of Employers, Detroit, MI

Number of Companies Being Served: 5

Number of Employees Targeted for Services: 382

Service Rendered: *Barriers to Success Inventory* administered to all companies.

Findings to Date (aggregate data from all five companies): The 14 Off-the-job barriers listed in the Inventory (e.g., lack of transportation, lack of affordable child care) were cited with more frequency than the 16 on-the-job barriers (e.g., trouble getting along with the boss, difficulty showing up for work on time) by targeted employees (29.7% vs. 21.4%).

Off-the-Job Barriers

- The most frequently cited off-the-job barrier was “dealing with a money problem” (64.1%). It was also described as the most serious barrier (with 45.2% describing it as a barrier to more than a small extent (i.e., either “to some extent” or “to a great extent.”)
- The second most frequently cited barrier was “having to take care of a sick or elderly family member” (43.3%) with 30.1% describing it as either “to some extent” or “to a great extent.” This barrier was cited by more participants, and identified as a more serious barrier, than those who cited “finding good, affordable child care” (see below).
- The third most frequently cited barrier was “Lack of reliable transportation” (42.8%), which was cited 44% of the time as a barrier, although only 23.2% cited it as either “to some extent” or “to a great extent,” which makes it a somewhat less serious barrier than either “finding good, affordable child care” or “having to take care of a sick or elderly parent.” (See below)
- “Finding good, affordable child care” was the fourth most frequently cited off-the-job barrier (36.8%) with 25% citing it as either “to some extent” or “to a great extent.” Note that fewer participants identified this as a *serious* barrier than those who cited “having to take care of a sick or elderly family member.

On-the-Job Barriers

- Surprisingly, the most frequently cited barrier was “Disagreeing with your company’s ethics or morals.” (40%). This was also cited as the most serious barrier (25.2%).
- The second-most cited barrier was “Boredom on the Job” (35.4%). It was also identified as the second-most serious barrier (18.6%).

- The third and fourth-most cited barriers were “Difficulty making your needs known on the job” and “Getting along with the boss” (30.1% and 27% respectively). They were also cited as the third and fourth-most serious barriers (17.2% and 17.3% respectively).
- The fifth and sixth barriers were “Mood swings (your own) at work” (25.8%) and “Controlling your temper” (24.6%). In terms of seriousness they came in at 10.7% and 12.6% respectively.
- It should be noted that “Difficulty making your needs known on the job” is probably not related to language barriers. “Understanding English well enough” was cited by only a little over 12% as a barrier, with a little under 10% citing it as a serious barrier.

Service Rendered: The Assessment of Human Resource Practices, an instrument for evaluating the structure and effectiveness of the Human Resources function in the organization, was administered at four of the five companies. It was not administered at D5, where the “targeted employees” are not employees as such but trainees. D5 does not have a human resources function.

- In the four companies studied, it was found that most basic human resource policies and practices are in place, but the implementation of those policies and practices varied significantly, from consistent (D1) to inconsistent or virtually non-existent in the other three companies. ASE made a total of 26 separate recommendations to add new practices or, in most cases, to improve the administration of existing practices. A relevant new practice that we recommended was to implement outside reference checking services for new hires. All companies have agreed to implement that practice, although the D2-4 companies have done no hiring since then due to a recent downsizing.

Service Rendered: On site visits

- Approximately 80 on-site visits at participating firms by ASE personnel have been conducted since the beginning of the project in November 2001.

Other Services Rendered:

- A workshop was conducted for all participating companies entitled “Designing a Retention Program for Your Entry-Level Workers.” Four of the five participating firms attended. In addition, at the request of the Executive Director of D5, the same workshop was conducted for all of the trainers at D5. Twelve trainers attended that session.

Other Information

- D5 conducts a 7-step process to recruit, screen, train, and place Home Health Aides. The first step is attendance at an open house and the last step is placement. In the two-year period beginning July 1, 2000 and ending June 30, 2002, D5 placed 150 trained Home Health Care Aides either at [its parent organization] or some other employer. During that period, 1,744 candidates attended the open house events. This means a total attrition rate of 91%. The attrition rate during the last phases of the process, which are the classroom training and supervised work phases, was 22% (192 began the training, 150 completed it successfully). *Statistics are not yet available for the year ending June 30, 2003.*
- During the last not-quite two years, turnover at D1 is running at approximately 3% per month. Turnover at D2-4 has run at approximately 4% per month. This translates to 36% and 48% per year, indicative of the high turnover rates these companies are attempting to reduce.