WORKADVANCE PARTNERS

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THE SKILLS GAP

Although the Great Recession hit Northeast Ohio (NEO) hard, employment in manufacturing is rebounding and driving regional job growth. Productivity is increasing, and manufacturers are demanding a more highly skilled labor force. Manufacturing employment in the region has grown by more than 7 percent, or 8,400 jobs, since 2010, but many North East Ohioans are not adequately prepared to take available openings. Forty-seven percent of Northeast Ohio adults have no education past high school and lack relevant job skills. Companies report challenges finding skilled workers to hire – a challenge exacerbated by retirements, emerging technology, and recent re-shoring (manufacturing jobs returning to the US).

WorkAdvance, an initiative coordinated by Towards Employment across Northeast Ohio, offers a continuum of appropriately aligned, sector-specific workforce services that can successfully meet business needs and move low-income individuals into quality jobs with established career pathways and supports for advancement. This case-study explores a key WorkAdvance strategy: partnering with targeted businesses to advance low-wage incumbent workers and to backfill the entry level jobs vacated by the advancing workers. With WorkAdvance graduates recruited from low-income, disadvantaged applicants. High performing, entry level employees, who have a demonstrated track record of strong work ethic and the intangible characteristics that make them a good “fit” for the business, are an ideal candidate pool to invest in upskilling to fill open middle skill positions. When investments in upskilling and advancement include a strategy to recruit and screen strong entry-level candidates from workforce initiatives like WorkAdvance to backfill the advancing workers, businesses derive value and new workers gain opportunities.

Hose Master & WorkAdvance

Hose Master is a designer and manufacturer of specialized flexible metal hoses, and metal joints. Employing on average 250 people, Hose Master utilizes one of the latest manufacturing equipment at a 250,000 square foot facility in Cleveland and a second plant in Houston, Texas. The company has persistent challenges finding skilled welders; at the same time, the proficiency of the entry-level workforce is of paramount importance to the business. Hose Master initially engaged with WorkAdvance to hire participants for both general labor and welding positions. However, because their welding processes are highly specialized, recent graduates of general welding training programs did not have the skills to immediately meet Hose Master’s needs. WorkAdvance staff recommended a customized welding program for high performing general laborers followed by targeted recruitment and preparation of new employees for the general labor positions. It is unlikely that Hose Master would have developed such an approach on their own because they are a small company and according to Production Manager, John Baker: “The resources to coordinate/manage this type of endeavor would be somewhat overwhelming to anyone here along with their normal duties.” Hose Master worked closely with WorkAdvance staff to develop the advancement and backfill model because “Towards Employment staff has the knowledge/skills and connections in the education industry to make this a viable solution,” continued Baker.

The first step in the process was a meeting to discuss general needs that included TE’s WorkAdvance staff, Hose Master’s Production Manager, and Hose Master’s front line managers to identify the overall need for the backfill model. In the identification of two strands of work: deepening WorkAdvance staff understanding of the work culture and responsibilities of the new welding positions in order to develop customized career advancement curriculum and job coaching strategies; and researching and selecting a training provider who could customize the welding instruction. Both required significant engagement and input from Hose Master supervisors and managers. Ultimately Lakeland Community College was selected as the training provider and their instructors spent time at Hose Master learning proprietary TIG welding processes and developing the customized technical training.

Hose Master worked with WorkAdvance and Lakeland Community College staff to create a schedule that would make it as convenient as possible for participating employees. Hose Master committed to hosting the training onsite, and adjusting work schedules to assure that employees could go straight from work to training. WorkAdvance committed to delivering the advancement training and coaching onsite at the workplace during evening hours. The partnership involved cost-sharing: Hose Master provides the welding booths, and pays for the consumables (~$980/per person); WorkAdvance covers the cost of both the advancement training/coaching, and the community college instruction (~$1,100/per person). Once the basics were established, Hose Master identified potential participants from the pool of general laborers based on job performance and referred them to WorkAdvance staff to provide an overview of the WorkAdvance program, the commitment required, and the opportunity for them to move from general labor jobs into welding positions paying up to $21/hour. Eleven Hose Master employees enrolled in WorkAdvance and committed to completing two-weeks of career advancement training and 200 hours of welding training. The first cohort of Hose Master incumbent workers is currently engaged in their welding training and 90% are still on track to advance.

The next step is recruiting and preparing candidates for the “backfill.” WorkAdvance staff will recruit 15-20 new applicants based upon Hose Master hiring criteria. These applicants will be recruited from neighborhoods surrounding Hose Master—many with high poverty and low labor-force participation rates. Once enrolled, WorkAdvance will provide selected applicants with career-readiness training customized for the manufacturing environment, including an enhanced level of shop math provided by our community college partner on this program (Lakeland Community College). Hose Master has agreed to interview participants who successfully complete the WorkAdvance workshop. The backfill first cohort is currently being recruited and is expected to start in early 2015. Any not hired by Hose Master will be placed in other manufacturing positions.

WorkAdvance is coordinated by Towards Employment, a Cleveland-based nonprofit organization whose mission is to empower individuals to achieve and maintain self-sufficiency through employment. TE removes barriers and builds skills to help individuals to reenter the workforce, advance in their careers and achieve financial independence, while meeting the staffing needs of local employers. With a 37-member staff and an annual budget of $3.7 million, TE has served more than 120,000 people in its nearly forty-year history.

WorkAdvance seeks to boost the earnings of unemployed and low-wage working adults by helping them obtain quality jobs in targeted sectors with opportunities for career growth. WorkAdvance prepares, trains, and places unemployed and low-wage workers in good quality jobs with established career tracks. After placement, the program continues to assist participants to help them advance in their chosen careers.

IMPACT

WorkAdvance has helped Hose Master solve a gap in its workforce by creating a two-tiered career pathway: a step-up for incumbent workers and an on-ramp for lower-skilled workers to gain general labor employment. Hose Master Production Manager John Baker says the partnership with WorkAdvance enables the company to provide training opportunities for its workers that would not have occurred without it due to cost and management time to coordinate. Through WorkAdvance, Hose Master had the opportunity to learn about and connect to community resources that helped address its workforce needs, while also broadening their recruitment pool and providing opportunities for new entrants to the workforce. After hiring several WorkAdvance participants that performed well in their jobs, Hose Master was willing to deepen the partnership and pursue the internal advancement/backfill relationship.

Moral is higher. Our people are motivated by the opportunity to participate in this program. We’re filling hard-to-fill skilled positions. And the backfill candidates from Towards Employment are strong. It’s a major win for us.

– John Baker, Production Manager

NEXT STEPS BEYOND WORKADVANCE

Additional cohorts will be trained in the future at Hose Master. As a result of the funding model, the cost of training and placements has been reduced for both parties. The model is viewed as an effective way to leverage private funds to create opportunities for low-skilled individuals. TE seeks additional business partners to replicate a similar model.

Footnotes:
1 Economic Modeling Specialists, Inc. Analyst, accessed November 12, 2014