

ENGAGING EMPLOYERS AS CUSTOMERS

HOW EDUCATION AND BUSINESS CAN JOIN FORCES TO BOOST SUCCESS FOR ALL



JOBS FOR THE FUTURE

Despite national economic growth, far too many Americans are stuck in low-wage jobs or unable to find work at all. Millions of people are struggling to gain the skills and credentials they need to land middle-skill jobs that can lead to careers and enable them to support their families.

Jobs for the Future, a national leader in developing college and career pathways to middle-skill work in high-demand industries, convened education and workforce innovators to share ideas about pathway strategies that:

- › best equip underprepared youth and adults to access and succeed in postsecondary education and the workforce
- › provide employers with a strong pipeline of qualified workers
- › strengthen regional economies.

This brief is part of a series that highlights key issues, best practices, and recommendations discussed at the two-day event, Bridging the Gap: Postsecondary Pathways for Underprepared Learners, in New Orleans. Other topics include: strategies for working with employers to diversify their talent pipeline, support services to help low-income students balance the demands of school and daily life, and college and career pathways for students returning from correctional facilities.

The idea that educators and employers should work together to improve the odds of individual career success and national economic growth is hardly a new one. Yet building effective partnerships often remains an elusive goal.

"I've been in the workforce field for 20 years now, and I feel employer engagement is our holy grail," says Maria Flynn, senior vice president of Jobs for the Future. "We talk about it at every conference...and still as a field, we struggle a bit about how to make this happen."

The United States has seen "very encouraging progress but we can't stop until every adult is on a path to the middle class."

—Johan E. Uvin, Acting Assistant Secretary for Career, Technical, and Adult Education, U.S. Department of Education

But now more than ever, it is essential to figure out how to forge these relationships, says Flynn, who leads JFF's strategies to help low-skilled adults advance to family-

supporting careers while enabling employers to sustain a productive workforce. Closing the skills gap and narrowing the opportunity gap in this country requires carefully coordinated cross-sector work.

"Cooperation between employers and educational institutions has significant potential for improving student outcomes and economic success," Flynn says.

WHY TREAT EMPLOYERS AS CUSTOMERS?

Who is the customer of a community college? Historically, there has been only one answer to this question—students. Community colleges were designed as open-access institutions that would meet a broad range of student needs, from building basic skills to training for specific jobs. Students came and left, and the college would never know what happens next.

Now we know. Too many people leave these publicly funded institutions without completing a program, or they earn credentials that have little value in the local labor market. They can't find jobs with decent pay or advancement potential, and employers can't find applicants with the skills they want in their workforce.

What happens when community colleges and workforce training organizations consider employers to be their customers, too? They design courses and

career pathways that employers demand and produce candidates that employers want to hire. Ultimately, they create a regional talent pipeline that keeps businesses competitive and spurs economic growth.

U.S. Department of Labor official Kathryn Mannes, who directs the agency's new Center for Workforce and Industry Partnerships, says it's time for more energetic efforts to bring educators and employers together: "We need to serve both of those clients. And we need to think of the innovative ways we can do that."

WHAT DOES IT MEAN TO TREAT THE EMPLOYER AS CUSTOMER?

Anyone who has set foot in a restaurant or a shop knows what makes that experience satisfying. Regardless of the cuisine or the couture, every customer wants to know one thing for sure—that whatever they need will be delivered. When customers feel special along the way, this usually helps cement the relationship and keeps them coming back for more.

It's the same for employers who are involved with educators, workforce development professionals, and government officials, says Mary Wright, senior director at Jobs for the Future, who focuses on how to better link workforce training with employer demand. "Employers need to be made to feel that they are special and paid attention to and have some sense that what they need is what's going to be provided."

Speak the Same Language

We've all heard the complaints: "Oh, I can't talk to educators; they don't really understand the language of business," and,

"I find it really hard to talk to employers; they have a completely different view of my students and don't understand the pressures of education."

Just as educators converse fluently about "credits," "certificates," and "credentials," employers toss around terms like "downtime," "cycle-time," and "return on investment." Often neither knows what the other is talking about.

"The biggest struggle is that workforce connection. I believe it's because we speak different languages."

—Alison Bordelon, Louisiana Community & Technical College System

Brent Stubbs, the dean of adult education at Savannah Technical College, says this is a rocky way to start a relationship. Stubbs encourages colleagues to study up on business concepts in advance. “Don’t speak education-ese, program-ese, service-ese,” he says. “Go talk about what they’re talking about.”

Ask the Right Questions

While using a common vocabulary is an important component of employer engagement, the need to “speak the same language” is deeper than the words people use. Ultimately, it means understanding what employers need—the types of positions they are trying to fill, the technical skills required for those jobs, the professional skills preferred for all employees—and figuring out how to meet those needs by creating or modifying education and training programs.

“No matter how much we train or encourage people to go out and do that, that is still very much where the disconnect is,” Mannes says. “If we’re honest with ourselves, [educators often] feel they have to go through the litany of the whole course catalog with each company. We are still not starting with the need of that business and how we can fill that need.”

Listen to the Answers

Businessman Stephen Toups, who is closely involved with both sets of stakeholders as an employer and a member of the Louisiana Community and Technical College System Board of Supervisors, couldn’t agree more. The senior vice president and CIO of Turner Industries Group, LLC, a large industrial construction company based in Baton Rouge, encourages educators to be prepared to listen to employers explain their needs. He acknowledges that business leaders can be just as apprehensive as education leaders about forging new partnerships.

“The key is to reach out to business and industry, determine what their needs are, and then not so much talk about what you do, but what you can offer the business and the industry partner.”

—Jennifer Foster, Illinois Community College Board

Joking about the disciplinary role of teachers and administrators in his elementary school, Toups says that educators can be intimidating. “You guys were scary people when we were in fourth grade; you’re scary people now,” he says.

But Toups, whose company has collaborated with Baton Rouge Community College to develop a “Women in Welding” program and other training initiatives, says the results are well worth the effort.

“I’ve got a dozen stories about how it didn’t go right and some of them are pretty funny. But at the end of the day, it all came down to someone not communicating with someone else,” Toups says. “It can be painful. But we all work through it.”

Make the Process as Painless as Possible

Kansas recently created a pilot program borne of the frustration that the governor and other officials heard from employers about the urgent need for a continuously flowing pipeline of skilled workers to drive economic development. “Employers were telling cabinet secretaries, ‘We can’t find the skilled workforce we need. They don’t have the technical skills. They don’t have employability skills. They don’t show up on time,’ ” says Zoe Thompson, director of workforce training and education for the Kansas Department of Commerce and the Kansas Board of Regents.

Under “Workforce AID” (the initials stand for “Aligned with Industry Demand”), employers drive the training process. When a company needs employees with certain skills—say, 30 welders—the business outlines exactly what they are seeking and the agency develops a program tailored to the employer’s needs.

This requires visits to employers from one end of the state to the other—a distance of 700 miles—to discuss the specific skills the employer needs. Thompson provides a list of commonly requested technical and professional skills, and the employer edits as needed, including adding any necessary proprietary training. Using follow-up phone calls, emails, or a second meeting, Thompson says she listens as long as the employer has something to say. By the end of the process, “The employer has been heard by me, as many times as they want to talk to me about what it is they need,” she says. “I try to make it as painless as possible.”

“Go ask any business. If someone has a remote inclination to work with you, use them! Now, they’ll tell you you’re a little scary looking, you don’t know how to engage. But then tell them, ‘I’m going to hold your hand. It’s ok. Don’t be scared.’ ”

—Stephen Toups, Senior Vice President and CIO, Turner Industries Group, LLC

Thompson sends the information to the state's 26 community and technical colleges, collects proposals, and looks for a good match in the same geographic area. Because the postsecondary system delivers the training, the potential employees can accumulate credit, which gives them a leg up if they continue their education later. Participating employers guarantee an interview to everyone trained for them. In some cases, the employers "pre-hire" a trainee after an initial screening.

The Kansas system has created 130 jobs in 15 months. The next step is sustainability. Employers like the program so much that they have agreed to contribute to the cost, and now are paying about one-third of the cost, or \$1,000 per person.

"If I go in there and say, 'I'm from the Department of Commerce, I'm here to help you,' it does not go over well. I say, 'I have money,' and they don't care," Thompson says. "You have to go in there and say, 'What do you want? How can I help you today?' You have got to listen to them and it has got to be their idea."

Be Nimble in Meeting Needs

Ramping up and ramping down according to employer need is essential, agrees Stubbs, of Savannah Technical College. His new program offers training in three pathways—aviation, welding, and health care—for adults who are completing a GED. In just over a year, 40 people were hired to work full time, earning \$12 to \$20 per hour. Another 80 students are in the pipeline.

But when the area's largest aviation employer, with 10,000 employees, told the college earlier this year that it had to slow down on hiring for a while and would ramp back up in early 2016, the dean agreed not to run a particular certification program in fall 2015. Neither wanted to flood the market with people with a certain credential who then would not be able to get a job.

How About a Money-back Guarantee?

Savannah Technical College uses another strategy that elicits gasps of disbelief. It's literally a money-back guarantee. In fact, the entire technical college system in Georgia offers the same "warranty," Stubbs says. So if an employer hires a STC graduate and ends up dissatisfied because the training did not meet

the company's needs, the college re-trains the individual for free.

Stubbs says this is where the proverbial rubber meets the road: "Do you stand behind the product? That's a really objective metric for saying, are we training people the right way?"

The college has a 92%-94% job placement rate. Only a handful of employers have ever asked for an employee to be retrained.

"What motivates employers in partnering about career pathways is money. They really are going to want to do what's right for you. But we have to help them see how it's going to help their bottom line."

—Brent Weil, Senior Vice President and Treasurer, Manufacturing Institute

AN EMPLOYER REACHES OUT TO RAMP UP CAREER EDUCATION

While some employers are reluctant to get involved in educational initiatives, others have collaborated successfully for years. Technology giants IBM and SAP are just two examples of corporations with thriving education partnerships, including work with [early college high schools](#) in major U.S. cities. Many smaller companies also contribute on a significant scale.

In New Orleans, the industrial processor Laitram, LLC, whose founder invented the shrimp peeling machine in the 1940s, did not wait for educators to come knocking. Company leaders reached out themselves.

In 2010 and 2011, Laitram began facing difficulty finding qualified candidates to fill advanced manufacturing jobs, especially machinists and mold makers, says Frank LaBiche, director of human resources. For several years, nearly half of their 1,200-person New Orleans workforce came from out of state, and asking so many people to relocate brought extra costs and risks.

LaBiche traces the problem, in part, to Hurricane Katrina, which devastated the local school system. Rebuilding career and technical education programs, with million-dollar-machinery, was not the top priority, especially at a time when all students were encouraged to reach for a four-year college degree.

Employer Myths Vs. Facts

Educators and employers often seem to speak different languages, with different objectives. But when it comes to preparing people for work, they do have the same outcome in mind, says JFF's Mary Wright, who focuses on how to better link workforce training with employer demand. The goal of both groups? Helping learners gain the skills and opportunities they need in order to succeed in the workplace long term.

"This gives us a significant opportunity to improve the relationship between business and education," Wright says.

Here are several misconceptions that educators have about employers that could damage the potential for productive partnerships—and data to correct the record:

Myth #1: Employers don't contribute much to the education of their workers or the workforce in general.

- **FACT:** Businesses spend about \$590 billion each year on formal and informal postsecondary education.¹

Myth #2: Employers who do contribute to the education of their workers pay primarily for company-specific training.

- **FACT:** A significant portion—nearly 20%—of company-sponsored training covers remedial topics—information and skills that employers expect workers to know before they get on the job.²

Myth #3: Employers rarely invest in K-12 or higher education.

- **FACT:** The largest U.S. businesses donated \$17.6 billion in cash, goods, and services to charitable causes in 2013. Some 96% of those companies made a contribution to K-12 or higher education.³

ROOM FOR IMPROVEMENT

Skepticism remains that the majority of business involvement amounts to little more than "checkbook philanthropy," Wright says. A national survey of K-12 school superintendents on the role of business in education revealed the widespread perception that corporate involvement was broad, though not particularly deep.⁴

- 95% of superintendents reported "some form of business involvement" in their districts
- 12% of superintendents said that businesses were "deeply involved" in their districts
- Superintendents reported nearly three times as many business efforts to donate money and goods as efforts that involve intensive engagement in curriculum design, teacher development, and district-level management assistance.

¹ A.P. Carnevale, J. Strohl, & Artem Gulish. 2015. *College Is Just the Beginning: Employers' Role in the \$1.1 Trillion Postsecondary Education and Training System*. Washington, DC: Georgetown Center on Education and the Workforce. <https://cew.georgetown.edu/wp-content/uploads/2015/02/Trillion-Dollar-Training-System-.pdf>

² J. Casner-Lotto, E. Rosenblum, & M. Wright. 2009. *The ILL-Prepared U.S. Workforce: Exploring the Challenges of Employer-Provided Workforce Readiness Training*. New York, NY: The Conference Board. https://www.shrm.org/Research/SurveyFindings/Articles/Documents/BED-09Workforce_RR.pdf

³ Committee Encouraging Corporate Philanthropy (CECP). 2014. *Giving in Numbers: 2014 Edition*. New York, NY: Author. www.cecp.co/research/benchmarking-reports/giving-in-numbers.html

⁴ Harvard Business School. 2014. *Partial Credit: How America's School Superintendents See Business as a Partner*. Cambridge, MA: Author. <http://www.hbs.edu/competitiveness/research/Pages/research-details.aspx?rid=4>

"We suddenly realized there was no one filling that void," LaBiche says. "There was no one educating the elementary school and high school kids about the great opportunities in career tech, the great earning potential you have, the great career it could be."

Laitram officials started visiting high schools and community colleges to talk about reenergizing the programs, but soon became overwhelmed. "We were hitting our heads against the wall, trying to do it all," LaBiche says. "We figured out quickly we had to find someone else that had a much greater regional approach to this."

Enter GNO, Inc., the regional economic development organization for Greater New Orleans. With GNO, Inc.'s assistance, Laitram formed partnerships with local community colleges and four-year colleges offering engineering technology and industrial technology.

Now Laitram offers full-year, paid internships to their students. LaBiche says the idea emerged after speaking with college seniors who were trying to support themselves by working at McDonald's or other low-wage jobs while finishing school. "For the majority of young folks I talked to, none of them were working in an area where they were applying what they were learning. And we said this is crazy," LaBiche recalls.

It did not take long to convince frontline supervisors and others inside the company to welcome student workers, especially after they saw initial results. Many have requested year-round interns for their own departments. "That's the worry . . . can they contribute? Can they bring value?" LaBiche says. "And for the most part they are all bringing value."

The company launched the program in August 2013 and now has 30 year-round interns and 20 summer interns. They have hired 15 to 20 former interns as full-time employees so far.

SEEING THE BOTTOM LINE—A RETURN ON INVESTMENT CALCULATOR

The Manufacturing Institute, an industry trade organization, believes that employers want to do the right thing when it comes to community partnerships, but acknowledges that some might need a nudge, says Brent Weil, senior vice president. So the institute is developing a tool to show employers what's in it for them.

The "Return on Investment Calculator" is designed to help manufacturers see how much the skills gap is costing their company and how much the company could save by investing in certain education and training programs. By tracking overtime, cycle-time (how long it takes to produce a product), and downtime (how long equipment is not in use), the "calculator" can compute the expense of not having the right worker in place. A 2014 study by Accenture determined that the skills gap was taking an 11 percent overall bite out of industry earnings potential.

"Trust me, most manufacturers want to do right. They take part in their communities responsibly, they do all that stuff right," Weil says. "But if you can really hit them with helping to solve a challenge [they] have, then that's a huge advantage for you. This is really all about how we can put ourselves in the [position] of manufacturers and think about what's in it for them."

RESOURCES

These publications and tools highlight promising models of employer engagement to improve college and career outcomes for underprepared students. For information on JFF services to build employer partnerships, see “[Addressing Employer Needs](#)” on www.jff.org.

- > **Harvard Business School:** [Partial Credit: How America’s School Superintendents See Business as a Partner](#) (2014)
- > **Jobs for the Future:** [A Resource Guide to Engaging Employers](#) (2015)
- > **Kansas Department of Commerce and Kansas Board of Regents:** [Workforce Aligned with Industry Demand](#) (Workforce AID)
- > **Savannah Technical College, Adult Education, Accelerating Opportunity:** Career pathway programs for adults to earn a technical certificate simultaneously with a GED
- > **U.S. Department of Education, Office of Career, Technical, and Adult Education:** [MakingSkills Everyone’s Business: A Call to Transform Adult Learning in the United States](#) (2015)

PRESENTERS

The following leaders from business, higher education, workforce development, nonprofit organizations, and state and federal government led conversations at Bridging the Gap about employer engagement. Material for this brief was drawn from their sessions. More information about their backgrounds is available on the list of [biographies](#).

Maria Flynn

Senior Vice President, Jobs for the Future

Frank LaBiche

Director of Human Resources, Laitram, LLC

Kathryn Mannes

Director, Center for Workforce and Industry Partnerships, U.S. Department of Labor

Mary Ann Pacelli

Manager, Workforce Development, National Institute of Standards and Technology, Manufacturing Extension Partnership

Brent Stubbs

Dean, Adult Education, Savannah Technical College

Zoe Thompson

Director, Workforce Training & Education, Kansas Department of Commerce; Kansas Board of Regents

Stephen Tucker

Senior Manager, Industry Partnerships, Partners for a Competitive Workforce

Stephen Touns

Senior Vice President and CIO, Turner Industries Group, LLC; member, Louisiana Community and Technical College System Board of Supervisors

Johan E. Uvin (video presentation)

Acting Assistant Secretary for Career, Technical, and Adult Education, U.S. Department of Education

Brent Weil

Senior Vice President and Treasurer, The Manufacturing Institute

Mary V. L. Wright

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Jobs for the Future works with our partners to design and drive the adoption of education and career pathways leading from college readiness to career advancement for those struggling to succeed in today’s economy. Across the country, we work to improve the pathways leading from high school to college to family-supporting careers. Our work aligns education and training to ensure that employers have access to a skilled workforce.



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