

SAVING DOLLARS \neq EFFECTIVE TRAINING

A state's ability to deliver pre- and poststartup training programs anywhere and anytime to meet a manufacturer's needs is the real measure of effective training.

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Traditionally, companies have been attracted to a region because of the inherent attributes of the community and state. One of the most important of these attributes has been the availability of a skilled work force capable of quickly mastering a company's manufacturing process.

A variety of circumstances, however, has altered this formula. The most notable circumstance is probably the willingness of states to provide training to bring a work force up to par in a timely manner and with the specific skill set required by a company. As a result, whole new areas of the United States that previously might have been eliminated have opened up as potential locations for new manufacturers.

Depending on the nature of the project, professional site selection consultants spend an equal amount of time these days evaluating not only the availability of various worker skills but also the quality of state training programs. For companies seeking to totally reorganize their operations as well as overhaul manufacturing processes and methods, a state's ability to assist in both short-term and long-term work-force development is extremely important. The quality of these programs is measured not only in avoided cost to the company but also relevant past or similar experience; the availability of qualified staff to organize, create, and deliver training; and a flexible infrastructure to deliver the programs anywhere in the state — both now and in the future.

DELIVERING THE GOODS

A novice will evaluate state training programs strictly on the amount of dollars a company saves for the delivery of

very basic training methods and procedures. What is overlooked is the commitment by the state to transfer these programs so they can be delivered anywhere at any time and the ability to eventually transfer the programs to local

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technical-vocational schools and/or community colleges — and subsequently institutionalize them into the curriculum on an as-needed basis. Many states give the impression that a particular capability or strength at one local community college or vocational-training center can easily be delivered throughout the state at any educational institution, when in fact it is only a capability at a particular locale.

A good training program delivers trained employees with specific, basic manufacturing skills relevant to a manufacturing concern — anywhere, anytime, and with very little advance notice. A great training program carries this one step further by making sure that high school technical programs and local community colleges provide the

opportunity for continued development of the work force — not only for plant startup but also for future and anticipated needs.

Each state differs in both its willingness and capacity to provide effective worker training. Some states rely almost exclusively on federal programs that utilize on-the-job training with little state funding or financial participation. Other states have custom programs providing a depth and breadth of training that absorb virtually all costs associated with recruiting, screening, training, and retraining. Typically, there is a significant difference between states that offer new and expanded industry training through a consolidated state-level training agency and those that offer training support through existing local vocational/technical centers and/or community colleges.

NEED-BASED FACTORS

In our experience, the importance of state training programs in the siting process should be evaluated in the context of a company's actual needs. Some companies have in-house training capabilities that are unsurpassed, with both the resources and the staff to provide worker training. For such a firm, a state's ability to provide training obviously has less meaning.

At the opposite end of the spectrum are firms that have proprietary technical knowledge but not the means of delivering training within the company. In these cases, the state's ability to provide training takes on a significantly more important role. A company's internal ability to perform training or the absence of training capability will determine the importance of a state's capabil-

ities during the site evaluation process.

PRE- AND POSTSTARTUP PROGRAMS

It is important that manufacturers evaluate a state's ability to provide not only prestartup training but poststartup training as well. Poststartup training offers advanced skills not typically found in most prestartup programs and may also include cross-training to develop a multiskilled work force. Poststartup training not only provides greater skill development in specific manufacturing processes but also the capability to quickly adapt to changing technology as it is introduced into the manufacturing process.

Another important characteristic of a state training program is the ability to support or provide prescreening and selection methods that identify high-potential employees and quickly upgrade skill levels on a case-by-case basis.

There are many states that provide preemployment training to assist companies in identifying and selecting highly motivated candidates for employment. These preemployment programs also offer basic skill training in communications, safety, measuring, basic

mechanical/electrical skills, team building, and other targeted skills important to the hiring company. States that offer preemployment training typically provide instructors, facilities, and curriculum development at no cost to a prospective employer.

These programs are generally targeted at candidates who are already employed but are seeking upward mobility and higher paying employment opportunities. Companies are not required to hire these individuals simply because they complete a preemployment training program, nor are participants required to accept a job with the new employer if it is offered. The experience factor of these programs, however, indicates that approximately 85 percent of those completing preemployment training are hired by the new company.

LOOKING AT FUNDING

The funding of training programs for new and expanding industry is another key indicator of a state's ability to provide effective training programs. It is important to determine whether a startup training program is funded by a local community college/vocational school or

through state funds allocated specifically for new and expanding industry training. If funding is subject to the student enrollment, budgeting, or current staffing of a particular educational institution, then the viability and effectiveness of the program should be questioned. In contrast, if the program is funded through state-allocated monies and the strength of the program is based on the expertise, resources, and staffing from within the state agency, then the program is probably much more viable and significantly more effective.

In addition to the source of funding, evaluators should determine the amount of funding available statewide for new and expanding industry training. An important message is delivered by the states, keyed to the amount of funds they have available. In some states, new companies must compete with other new industry moving into the state to receive "grants" to offset training costs. In other states, a training plan approved by the state becomes the mechanism to qualify for and receive funding for training. The amount of bureaucracy involved in receiving the funding and the amount of money available typically are direct indicators of the state's ability

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(or lack of) to support the development of a new work force.

UTILIZING EDUCATIONAL RESOURCES

Another indicator of the ability to provide adequate training is the emphasis in a state's high schools and junior high schools to design and develop training programs leading to skill development. Several states have adopted school-to-work programs that identify students with particular interest in developing a technical trade as opposed to entering college immediately after

graduation.

These programs are typically conducted in conjunction with local manufacturers who can forecast specific employment needs over a defined period of time. School-to-work programs offer high school graduates the opportunity to compete for jobs equipped with specific technical knowledge. It also gives graduates the opportunity to continue their education or advanced training at a local community college with greater emphasis on a particular skill or trade.

In either event, funding that is committed to provide technical training throughout the educational process is a plus and contributes significantly to the overall success of a state's training effectiveness.

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THE WHOLE PICTURE

Certainly, the avoided cost to a new or expanding manufacturer should be a consideration when evaluating state training programs. However, as indicated above, avoided cost should not be the only or overriding consideration.

A state's ability to provide training anywhere at anytime within the state, regardless of the location of a particular educational institution, is critical. Equally important is the state's commitment to ensure that skill development is an ongoing program that focuses as much attention on prestartup training as poststartup training. Other considerations include the level of staffing and resources at the state level that are devoted to meeting the training needs of a new manufacturer — whether or not that manufacturer has the in-house resources. A state's ability to address both the immediate and long-term needs of a company's work force should also be taken into account when evaluating training programs.

Avoided costs and state budgets are not the only indicators of effective training. Look past the budgets and the avoided costs, and look directly at the state's ability to deliver training — anywhere at anytime — to meet a manufacturer's needs. These are the real measures of effective training. □

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