



# Workforce Readiness in Arkansas

## Leveraging Government Training Resources

By Dr. Derek Crews

When the economy is in a slump, and businesses are looking for ways to reduce expenses, what is the one of the first areas to be cut back? We probably all know the answer...training and development. Most organizations view investments in training employees as a discretionary expense. A business has to continue to pay salaries, operating expenses, transportation of goods, etc., but training expenses can be cut without a negative impact on the overall operation of the company in the short-term. The problem with this approach is the impact that a reduction in training has on the long-term profitability and productivity of the organization.

According to the Bureau of Labor Statistics, U.S. companies invest between 34 and 50 hours of employer-sponsored training per employee annually. What is the long-term impact of reducing this training? The Austrian-American economist Fritz Machlup first coined the term "half-life of knowledge" in 1962. The half-life refers to the amount of time that elapses before the half of the knowledge in a particular area becomes obsolete, and has to be replaced. In business, the half-life varies depending on a number of variables related to technological advancements, and the speed of change. Estimates place the half-life of knowledge for most industries somewhere between 3 and 5 years. Just to cite one example of the pace at which new information is created: in the ancient world, information was created at the rate of 1 character per second. By 1500 AD, information was created at the rate of 3000 characters per second. Today, new information is being created at the rate of over 20,000 characters per second.

To be on the conservative side of the half-life of knowledge, let's use 5 years. This would mean that 10% of what your employees know has to be replaced every year. What happens if you do not do any training this year? Then next year, you would need to replace 20% of their knowledge. Skip two years of training, and you are now 30% behind the curve. What if your competitors are continuing to train their employees? At the end of one year, your workforce is now 10% less knowledgeable than the competition, 20% behind after two years, etc. Can you afford to have a workforce that is 10, 20, or 30% less knowledgeable and skilled than your competitors? Rather than reducing training expenditures during tough

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economic times, there is another option: leverage government resources that are available for training and development of your employees. There are a variety of federal and state programs designed to supplement (not replace) your investment in training your workforce.

### Federal Programs

The Employment and Training Administration of the Department of Labor administers several programs that provide funding for workforce development. The largest of these programs is the High Growth Job Training Initiative. President George W. Bush laid out the main objectives of this approach for closing skills gaps: "The High Growth Job Training Initiative in this administration is aiming to give workers the skills they need to realize their dreams. It's a collaborative effort to help team up people with the jobs that are needed, to make sure that the changes in our economy don't leave people behind."

This Presidential initiative is a strategic effort to prepare workers to take advantage of new and increasing job opportunities in high growth, high demand and economically vital sectors of the American economy. The High Growth Job Training Initiative targets worker training and career development resources toward helping workers gain the skills they need to build successful careers in these and other growing industries.

To put this approach into action, the High Growth Job Training Initiative identified 14 sectors that fit within the following criteria: (1) they are projected to add substantial numbers of new jobs to the economy or affect the growth of other industries; or (2) they are existing or emerging businesses being transformed by technology and innovation requiring new skills sets for workers. The sectors include: Advanced manufacturing, aerospace, automotive technology, biotechnology, construction, energy, financial services, geospatial technology, healthcare, homeland security, hospitality, information technology, retail, and transportation.

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# Workforce Readiness Activities across the State

*Job Shadow Day was  
a huge success!*



## NOARK NEWS...

NOARK in collaboration with Upward Bound Rising Seniors of Fayetteville, AR High School created job shadowing opportunities. The two-day event allowed 20 students to participate in a variety of career shadowing opportunities including engineering, optometrist, nursing, band director, veterinarian, cardiologist, police officer, lawyer, architect, accountant and pet groomer. The event concluded with an employer appreciation luncheon that featured the students sharing stories about their experience.

This was the second year to host this event.

The committee worked closely with the Upward Bound staff but only had about two months to coordinate the event. The committee recruited NOARK membership to make the job placements and utilized the monthly meetings to communicate the need for placements and recruit the participants. Chamber of Commerce staff (also NOARK members) worked closely with the committee to identify and contact potential participants.

The students were asked to identify a first and second choice for placements. Success for the committee was defined as getting the students their first-choice and ensuring that all of the students were given placements.

NOARK had allocated funds for this project which the committee used to host the employer appreciation luncheon. Neither the students nor the employers had to pay for lunch. The luncheon was held at the Arkansas World Trade Center so the students were able to learn about the WTC programs in addition to the Job Shadow.

At the luncheon, students were able to present to the group what they did and how it affected them. The experiences shared by the students were very moving. Many of them talked about how the experience exposed them to career opportunities that they did not know existed. Many stated that the experience made them realize the importance of college and/or career training and that they had a renewed enthusiasm for their chosen career paths.

Students were given a survey to complete and the feedback was fantastic. The student survey indicated that they were very appreciative of the opportunity. The students that participated in the program benefited a great deal from the event. The students shared their experiences

and a few examples stood out to the committee. One student shared that she came from a family where both of the parents were “factory workers,” and she always assumed that her future was to follow in their footsteps. She made a motion to the surrounding office buildings and said that until that moment, she never realized that each one of the windows represented a person doing a job and that those jobs were within her reach if she applied herself.

Another student had the opportunity to work in law enforcement, specifically in crime analysis. Until the Job Shadow, her perception of that career was what she had seen on television. The audience laughed when she shared that if her day had been filmed, no one would watch. The Job Shadow day gave her a realistic view of that career path and she concluded that perhaps she should consider another path.



***Mark your calendar for the  
remaining 2008 Workforce Readiness  
Core Leadership area Conference  
Calls and Webcast.***

- *December 10, 2008—Webcast 4:00 pm ET*

**(Leveraging government con't)**

The Bureau of Apprenticeship and Training (BAT) is the Federal agency responsible for the administration of the National Apprenticeship System in the United States. BAT was established by the National Apprenticeship Act of 1937, as amended, by Public Law 75-308, commonly known as the Fitzgerald Act. There are currently over 431,000 U.S. apprentices receiving registered apprenticeship training in 36,900 programs.

Apprenticeship programs are a partnership between employer sponsors, educational institutions (most often community colleges), and state agencies. In the state of Arkansas, there are currently 861 employer sponsors, training employees in 72 different occupations.

The programs and grants managed by the Office of Vocational and Adult Education support a wide range of activities that help prepare young people and adults for further education and successful careers. These investments total approximately \$1.9 billion annual. Programs include: Adult education and literacy, career and technical education, and tech-prep. Some of the programs require the creation of training consortia that include educational institutions and business partners.

State Programs

The Existing Workforce Training Program (EWTP) provides financial assistance to Arkansas's businesses and eligible [consortia of businesses](#) for upgrading the skills of the existing workforce. Skills upgrade training is instruction conducted in a classroom environment at a work site, an educational institution or a neutral location, that provides an existing, full-time employee with the new skills necessary to enhance productivity, improve performance and/or retain employment. The training helps a company and its employees to: (1) Adapt to new or altered technologies of management and supervisory systems, continuous improvement or production needs, and (2) Acquire the new skills needed to remain competitive, productive and economically viable.

EWTP reimbursements are calculated according to a set of scoring criteria. For companies that use a state-supported educational institution, the program pays up to 50% of the cost of the training. The maximum funding for any one company site cannot exceed \$50,000 per calendar year.

To be considered for EWTP financial assistance, a company must submit an application 10 business days before training begins, provide assurance that the participants involved in the proposed training program possess the prerequisite literacy skills, and clearly tie the proposed training to specific business goals and performance objectives.

Eligible companies include: manufacturing – NAICS codes 31-33, biotechnology – NAICS code 541710, national/regional corporate headquarters – NAICS code 551114, air transport – NAICS code 488190, and building trades – NAICS codes 236 and 238 (23899 not eligible). The following companies must derive at least 75 percent of sales revenue from out of state: computer firms, intermodal Facility or distribution center, office sector (non-retail business), scientific & technical services, and motion picture production. Training is for full-time, permanent employees who work at least 30 hours a week and are subject to Arkansas's personal income tax.

The Business and Industry Training Program (BITP) is a flexible program designed for new and expanding business and industry. BITP helps these companies with recruiting workers, pre-employment training, on-the-job training, and train-the-trainer. The program also provides training assistance for existing businesses with new technology needs. Eligible companies include: manufacturing firms, corporate headquarters, distribution centers, intermodal facilities, knowledge-based companies, biotechnology companies, office sector businesses, and scientific & technical services.

For more information...

On both the federal and state levels, government agencies are looking toward two-year colleges to serve as the leading provider of workforce development programs. In the state of Arkansas, workforce development is a priority of the state's technical colleges and institutes, which work with local business and industry to meet existing and new workforce needs. More than 95% of the state's population lives within a 30-mile radius of one of these institutions. To learn more about these and other federal or state programs that provide training/development assistance, contact the workforce development division of your local community college.

*Dr. Derek Crews is a Visiting Professor in the School of Management at Texas Woman's University. He has worked for several colleges and universities as faculty, dean, and Vice President for Workforce Development.*

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<b>Useful Websites</b>	
<b>Program</b>	<b>Website</b>
Employment and Training Administration	www.doleta.gov
Registered Apprenticeship Program	www.doleta.gov/OA/
Office of Vocational and Adult Education	www.ed/gov/ovae
Arkansas Existing Worker Training Program (EWTP) and Business and Industry Training Program (BITP)	www.arkansasedc.com

**From the Editor...**

## Workforce Readiness: A Working Definition

- Insure that today's and tomorrow's workforce has the skills, competencies and behaviors in order to succeed in today's and tomorrow's workplace.
- Insure that today's and tomorrow's workplace maximizes the potential of today's and tomorrow's workforce.

## Your volunteer role...

- Be sure that every chapter has a Workforce Readiness advocate and their name is in the SHRM database as such
- Continue to hold at least one communication activity (send written information, hold conference call, or hold web cast) session per quarter with chapter WR advocates in your state. Communicate the SHRM goals and progress to your state/chapter.
- Work with chapters to promote/implement one SHRM WR initiative at the chapter/community level.
- Develop list of state workforce readiness resources for chapters and members. Add to your state website.
- Participate in at least one web cast *and* one teleconference for workforce readiness. Share the information with your state/chapter and discuss potential next steps for your chapter.

Hope everyone finds this newsletter helpful. If you have comments, questions, or ideas for this newsletter please let me know.

Thank you...

Cathleen

[choffman@daisy.com](mailto:choffman@daisy.com)

## National Employer Team

### What is the AARP National Employer Team?

Mature workers make good employees! You know it, and AARP knows it.

But when you're 50+ and in the job market, it often feels harder to find a company that understands how valuable you are. To help, AARP created the National Employer Team (formerly the Featured Employers program) to help you connect to companies that value your experience and abilities.

We have collaborated with companies that appreciate the talent mature workers bring to a job. To be eligible, all companies completed a long application about their hiring practices, benefits, and opportunities so that we can give you this information to help you make an informed choice about your future employment.

Once we were assured each company wants to recruit and keep mature workers, they entered a National Employer Team agreement with us. These employers have jobs to fill. We're satisfied that they want you to apply for them. No, AARP cannot guarantee they'll offer you a job. The individual company makes all the hiring decisions, but each company has different jobs available which require different skills. Each has a different application process. They offer different benefits. Some want full-time workers. Some hire seasonal workers. Others are looking for part-time all year.

To help you with your job search, there's a Web page for each company with basic information about the company, its hiring needs, and some of its benefits.

They promised us that you'll be given fair consideration.

## 2008 Arkansas Workforce Investment Board Statewide Conference

October 29-31, 2008

Little Rock, Arkansas

For more information go to...

[http://awib.arkansas.gov/statewide\\_conference.html](http://awib.arkansas.gov/statewide_conference.html)