



PROBLEM: REPLACING RETIRING WORKERS

In 2000 and 2001, Ron Maiorano was the Human Resources Manager at California Steel Industries, Incorporated (CSI), and he faced a problem.

Due in large part to retirement vacancies beginning in the 1990's, Mr. Maiorano and CSI were in need of highly-trained craftspeople to fill key roles in their business. CSI needed welders, machinists, millwrights or heavy-duty mechanics, electricians, electronics technicians and other craftspeople to fill gaps left by **changing workforce demographics**, and they needed these workers quickly.

CSI recruited nationwide for these positions, but found the industry offered stiff competition for the few skilled people available. In addition, newly hired workers frequently had a difficult time adjusting to the high living costs and hot climate in Fontana, in San Bernardino County, where CSI is located. New hires just were not working out.

NETWORKING: FIRST STEP TOWARD A SOLUTION

As Mr. Maiorano set out to solve CSI's hiring problem, he looked toward similar businesses in the area that he suspected would have similar needs. In a step critical to the future of manufacturing industry training in San Bernardino County, Mr. Maiorano contacted Tamco Steel, Schlosser Forge, Steelscape, and the maintenance services companies Stockmar Industrial and S&D Specialties and found his hunch was right: all five of these companies, along with CSI, were facing shortages in skilled craftspeople, and they wanted to do something about it.

In a step critical to the future of manufacturing industry training in San Bernardino County, CSI's Ron Maiorano contacted five other industry stakeholders and found they had the same hiring and training problem CSI did.

Led by CSI, these six industry leaders decided, in addition to continuing searches nationally for skilled workers, to *invest in their current employees* by offering interested employees free job training that would equip them to work at a more skilled level, thereby allowing them to advance in their companies, make more money, and—in the best cases—develop a stronger passion for their work and the desire to learn even more.¹

¹ Since completion of the first round of training courses in 2001, several workers have returned to take additional courses. A few have even decided to pursue associate's degrees in their fields of specialty.

CONVENING STAKEHOLDERS TO SOLVE THE PROBLEM

Also in 2000 and 2001, Barbara Halsey² was the business services manager of the San Bernardino County Workforce Development Department. She was actively looking for ways to for the WDD to engage with various industry issues, and found the manufacturing sector represented a critical part of the county's workforce and economic health. When Ms. Halsey got word of the needs of the steel companies, led by CSI, she knew the next step was to involve area community colleges.

Led by CSI and Ms. Halsey, the six industry leaders met with Chaffey Community College and San Bernardino Valley Community College to co-create a cost-effective curriculum tailored to meet industry training needs. In the process, the group realized additional, higher-quality classroom equipment was needed to make the project successful. One provider of such equipment, Amatrol in southern Indiana, already had a training program in place that utilized a similar collaborative structure to the program CSI and Ms. Halsey were creating. Mr. Maiorano, Ms. Halsey and representatives of both colleges traveled to Indiana to visit Amatrol and their training facilities.

After visiting Amatrol, Mr. Maiorano and Ms. Halsey knew their project would be successful. All they needed now was funding for it.

FINDING FUNDING

CSI and the other companies wanted to ensure their employees would have complete access to the curriculum they had developed with Ms. Halsey and the community colleges. Ms. Halsey coordinated efforts to take the proposal to the San Bernardino County WIB. The six companies, as a group, pledged to fund 50% of the training costs, if the San Bernardino Workforce Investment Board would cover the other 50%; these percentages amounted to about \$100,000 funded by each of the two groups. In addition, the companies also paid their employees to go to the training, and even carved out special times during the work week during which they could attend classes and be mentored by current employees in the jobs for which the worker-students were being trained.

In order to purchase the necessary training equipment, Ms. Halsey secured a \$300,000 WIA 15% Governor's discretionary grant. The grant money was arranged to **benefit the whole community**: the equipment would actually belong to the San Bernardino WDD but would be housed at the two campuses—electrical and electronics equipment at Chaffey College, and mechanical equipment at San Bernardino Valley College. While the equipment would not belong to the colleges, they would be encouraged to utilize it for their regularly scheduled courses in addition to the Craft Technical Training courses.

Now everything was in place to offer current steel industry employees the training their companies desperately wanted them to have: a financially supportive county WIB; six

² In May 2007, Ms. Halsey became executive officer for the California Workforce Investment Board.

financially and personally supportive industry-leading companies; two community college campuses and their faculty and administrative staff; and WDD-owned equipment provided for the use of trainees and students from the community alike.

INITIAL SUCCESS, BUT...

The first cohort of trainees completed their coursework in 2002 at nearly a 100% success rate. These trainees returned to the companies by whom they were already employed, now ready for promotion to higher-level crafts positions. Mr. Maiorano, Ms. Halsey and the group of companies were very pleased with the skills their workers now had. All parties involved hoped that the training model they had developed would, in the words of Mr. Maiorano, “catch on” and continue to function...but it did not.

Companies and Agencies Currently Sitting on the Advanced Manufacturing Council

- California Steel Industries, Inc.
- Core-Mark International
- Able Industrial Products, Inc.
- Brithinee Electric
- Vista Metals Corporation
- Causey Electric/S&D Specialty
- Tamco Steel
- Advanced Innovations West
- Steelscape
- California Quality Plastics
- Harpure Enterprises, Inc.
- Dietrich Industries
- California Portland Cement
- Bentley Prince Street, Inc.
- Northwest Pipe Company
- Ventura Foods, LLC
- Schlosser Forge Company
- Stockmar Industrial, Inc.
- Roller Technologies
- Cliffstar Corporation
- Mervyns Distribution Center
- Southern California Gas Co. (a Sempra Energy Utility)
- Southern California Edison
- The Inland Empire Utilities Agency

As time passed, the WDD had other projects on which to focus its attention and the six companies had other issues to deal with in addition to their hiring and training problems. Even Mr. Maiorano himself says he “got distracted at work.” Looking back on it, he feels the program floundered because its industry partners were no longer actively overseeing and energizing it, allowing the connection to community college training and WIB funding to be lost.

A PROGRAM REBORN; AN OVERSIGHT COUNCIL OF STAKEHOLDERS CREATED

By the end of 2005, Mr. Maiorano recognized that CSI still faced the same hiring and training problems it faced five years earlier. This time, he knew what to do.

In November of that year, led by Mr. Maiorano and CSI, the ten entities that created the original training program reconvened. These included the six steel industry companies, two college campuses and the San Bernardino County WDD and WIB. They checked everything off their list: the curriculum was still effective; the equipment was still housed at the colleges and working fine; and the companies still needed highly-skilled workers.

Supported once again by 50% funding from the industry partners, Ms. Halsey went again to the WIB to ask for their 50% funding, but this time, *the WIB decided to*

advertise the program to other companies. Ms. Halsey and the WIB wanted to make the program more sustainable by garnering more industry involvement.

Mr. Maiorano, too, wanted to ensure training would be permanently available for his employees and for employees of the other industry leaders, so he decided the growing number of industry partners needed to meet with community college and WIB representatives once each month, over lunch, to keep tabs on this project and to continue to support each other in other training and employment needs. The *Advanced Manufacturing Council* was created, with Mr. Maiorano as its chair.

By the end of 2005, the Council had grown from its original six to include three more companies, and since then has grown to over 20 companies from the steel industry as well as manufacturing and logistics companies. Each company involved sends one representative to the monthly meetings, along with representatives from both community college campuses and the WIB. Rod Hoover, who took over for Mr. Maiorano at CSI, has continued CSI's leadership role by serving as the council's current chair.

COMMUNITY BASED ELECTRICAL and MECHANICAL CRAFT TRAINING PROGRAM

For its second run, which began in May 2006, the training program was given the name it has today: the *Community Based Electrical and Mechanical Craft Technical Training Program*. It is a one-year program in either electrical or mechanical craft training, though some employees take some or all of the classes from both training areas. Twenty-four people were enrolled in the electrical program, and twenty-four in the mechanical program, plus some extra employees taking a class here or there. All 48 of the fully-enrolled workers were on track to complete the training program in May and June of 2007.

H.B. Smith of the San Bernardino County WDD believes this high success rate is due in large part to the companies' consistent support of their enrolled workers. In addition to paying their workers to be in class, industry partners also provide maps to the college campuses, orientations on company premises for enrolled workers, and assist in enrolling each worker in his or her desired program. Mr. Smith believes that the Craft Technical Training Program runs smoothly these days because every entity understands its role—thanks to the commitment of the Advanced Manufacturing Council.

Due to its initial successes and to recently expanded WIB funding and additional grant funding through the Industry Drive Regional Collaborative (IDRC) program, the Craft Technical Training Program now accommodates an entry-level program in addition to the original, mid-level training. Trainees completing this program help to fill the spaces left as a result of other workers advancing in their companies after completion of the original training program. Kathy Dutton, director of Economic Development at Chaffey College, describes this new program:

Entry level training is provided through a California Community College Industry Driven Regional Collaborative Grant. The purpose of this grant is to provide a short term 10 week, 320 hour training to individuals desiring to enter the Advanced Manufacturing Industry. Training includes Basic Electricity, Basic Mechanical, Manufacturing Skills Standards Safety and Quality training, work ethics, math, computer literacy and communications. Industry partners offer tours of facilities, participate in mock interviews and address the classes as guest speakers. We have had great success with this program with 100% of our students receiving offers of employment from our industry partners. Industry has responded that these entry level workers are far superior to the average entry level worker and are usually placed on a fast track to craft training.

Ms. Dutton reports that “the strength of this effort is due to industry taking the lead” and that “the colleges respond by offering training in a format that is conducive to industry participation.”

CURRENT ISSUES FOR THE ADVANCED MANUFACTURING COUNCIL

Advanced Manufacturing Council Vision Statement

The participants on the Manufacturing Council, both as representatives of their organizations and as citizens, have a responsibility to contribute to the improvement of their communities and agree to work together in a collaborative manner on regional workforce development issues that will mutually benefit the participants, their respective organizations and subsequently, the community at large.

To support this vision and properly represent our respective organizations, those participating on the Council agree:

1. To attend and contribute to team meetings ensuring communications that will facilitate informed decision making;
2. To participate in a positive and constructive manner that will build trust among organizations by maximizing the open exchange of information;
3. To complete all paperwork required to support the programs we are working on;
4. To approach professional activities with truthfulness, honesty and integrity, and safeguard restricted or confidential information;
5. To refrain from activities that harm a fellow participant's organization or professional relationship with other businesses, vendors, and clients including the recruitment of employees;
6. To speak on behalf of their organizations only. Since the Council consists of many autonomous organizations, individuals should not speak or commit anything on behalf of the Council. (The exception would be to share the history of what the Council has accomplished.)

Now that the Advanced Manufacturing Council has addressed their need for moving mid-level craftspeople into highly-skilled positions (the goal of the original training program) and for bringing in entry-level (“unskilled”) workers, the Council has identified a need for entry-level craft training in order to bridge the gap between the entry-level employee and the advanced (or “highly skilled”) craftsperson. The Council, together with the colleges, is currently seeking funding for this additional training. The Council is

also looking into developing training at the level of supervisors and office staff. Due to the *high value of minority workers* in these industries currently, courses such as Vocational English as a Second Language are being considered for curriculum designed to help workers advance within their companies.

In addition, Council Chair Mr. Hoover sees a need for new equipment to accommodate additional training, as well as duplicates of original equipment to reduce the student-to-equipment ratio and allow for more student experience. The Council has asked Chaffey and San Bernardino Valley Colleges to assess their needs for such equipment, and to write grants to get state funds to support the purchase thereof; it is hoped that industry partners will also agree to contribute.

“EVERY PROJECT NEEDS ITS CHAMPION”

These are the words of both Ron Maiorano and Barbara Halsey when they were asked (independently!) about their experiences with this project. Even though Mr. Maiorano has recently retired, California Steel Industries, Incorporated – now represented by Rod Hoover – continues to lead the Advanced Manufacturing Council to be the manufacturing and logistics industries “champion” when it comes to training and workforce needs.

However, as anyone can see, when it comes to the Community Based Electrical and Mechanical Craft Technical Training Program, everyone – the companies involved in the Advanced Manufacturing Council, the employees of those companies, the community colleges who enroll those employees and the communities to which those employees belong – every one of those groups becomes a winner, a champion.

For more information:

WIB Administration
215 North "D" Street, Suite 301
San Bernardino, CA 92415-0041
Sandy Harmsen, Interim Director
(909) 387-9862
<http://www.co.sanbernardino.ca.us/WIB/>

Or

Rod Hoover
Advanced Manufacturing Council Chair
(909) 350-6465