

Industry Aids Manpower Programs

A Report on Companies Actively Participating at All Levels of Manpower Training

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Any analysis of manpower training programs must begin with the Manpower Development and Training Act whereby unemployed and underemployed persons are trained for full-time jobs while receiving subsistence payments from the government. As of September 22, 1965, there had been almost 9,930 projects under the MDTA; over 6,700 were institutional projects, over 3,000 were on-the-job training, and about 150 were experimental and demonstration programs.

The total cost of these MDTA programs was \$607,000,000. What did we get for our money? It isn't enough to say that some 534,226 persons were trained or approved for training. The important point is that 74% of the institutionally trained people were successfully placed. In the OJT area where the placement rate is naturally higher, over 90% were successfully placed. From the standpoint of the trainees, the way to a new economic life was opened. From the standpoint of industry and the nation, these projects assume a critical new importance as the means by which our advanced technology is kept going and our economy made to expand still more vigorously.

Let us examine each of the three types of MDTA projects enumerated above, first institutional training.

Institutional Training

One area which frequently requires clarification is the role of the Employment Service and that of Vocational Education. It is the job of the Employment Service to conduct job surveys; select, counsel and place trainees; and to handle the subsistence payments. Vocational Education develops the courses, provides the training facilities, equipment and instructional staff.

With this brief background, consider the development of two institutional training projects. The first was for chemist assistants in Wilmington, Delaware where, responding to a stated need by local companies, the Employment Service requested Vocational Education to set up a program. Utilizing the services of Karl Obold, a Wilmington High School chemistry instructor, and of Dr. John Robinson, Personnel Director of the Hercules Powder Company—as well as the advice of such companies as Atlas, DuPont, General Chemical, and Hercules—an intensive 13-week course was designed. Six weeks were devoted to

fundamentals, five to applying principles to actual lab problems, and two to actual lab tests. The trainees were high school graduates; most of them had held a variety of temporary, unskilled jobs. They were certainly far from having the two years of college which the companies had previously required of candidates for chemist assistant jobs.

A recent check on the program revealed that the graduates were working steadily and earning up to \$600 a month.

Project Prepare

The second institutional training project is Project PREPARE which was conceived and developed by the Datatrol Corporation but which is now carried on by the Institute of Computer Technology, a non-profit off-shoot of Datatrol. Datatrol officials had long mused over the paradox of a lack of trained programmers for the rapidly expanding data processing industry on the one hand and, on the other hand, a large number of persons thrown out of work by data processing, automation, etc. Could not improved selection, intensive training, and imaginative placement remedy the shortage of college-trained programmers by providing a pool of sub-professionals who could begin at the entry level and relieve the professionals from routine tasks?

Datatrol personnel developed the training techniques and material, and Project PREPARE was approved as an MDTA institutional training project for the District of Columbia. Of more than 200 applicants who were interviewed and given the General Aptitude Test Battery by the Employment Service, 75 were referred to PREPARE interviewers for further interviewing and

aptitude testing. Motivation was particularly important if the trainees were to stick out the intensive training program which was in store for them.

The trainees selected for this pilot program had a wide range of test scores, ages (18 to 46), and education. One had a college degree in music; 17 had some college; seven had completed high school; 11 had less than a high school education.

The trainees also had extremely diverse work backgrounds. Nine had not worked at all in 1963, and four of these had never been employed on full-time jobs. One student had been self-employed. The general earnings level during 1963 for the others was in the \$60 to \$75 range. Jobs held included building maintenance, landscaper, meatcutter, route salesman, truckdriver's helper, printshop worker, telephone equipment installer, clerical worker and secretary.

Data processing instructors for both the classroom and machine training were supplied by Datatrol. Classroom facilities and machine time were furnished by IBM. Neither company requested compensation for their services. Classroom instruction in English and business mathematics was conducted by the D. C. Public School System. (The Institute of Computer Technology recently added "Job Relations" to the basic PREPARE curriculum.) Classes were held five days a week and the attendance record was excellent.

Phase A-1 of Project PREPARE began May 18, 1964. Working at the IBM center, the trainees dealt with the electronic accounting machines (EAM). They began to develop a familiarity with basic concepts and the vocabulary of the industry; they began to develop

habits of accuracy and of efficiency of equipment usage. They were given weekly tests and at the end of ten weeks, took aptitude tests provided by the manufacturers of computer hardware. Based on motivation, classroom performance and test scores, the trainees were divided into two groups as follows:

1. Students showing greater aptitude for EAM work than for the more difficult computer programmer and operator work went into Phase A-2, an intensive, more sophisticated course on unit record equipment.
2. The remainder of the trainees went into Phase B-1 where they received computer programmer and operator training.

Both Phase A-2 and Phase B-1 continued for 20 weeks.

Following the successful placement of all but one of the trainees, the U. S. Office of Education and the Institute of Computer Technology contracted for another Project PREPARE in the District of Columbia which began on August 23, 1965.

On-the-Job Training

Under MDTA, OJT is defined as the actual performance of work duties in any occupation, under the supervision and guidance of a trained worker or instructor. When the program is formal, long-term, and in a traditional craft, it may be called "apprenticeship." The responsibility for administering OJT lies with the Bureau of Apprenticeship and Training, U. S. Department of Labor, working closely with the State Bureaus of Apprenticeship. Either government body stands ready to provide employers with the requirements and regulations for approved OJT programs.

Let us again look at some typical programs. In Michigan, the Bay City Milling and Grocer Company needed more clerical employees during their busy season when they were too busy to give any systematic training. Like many other companies, Bay City was reluctant to add to the payroll during the slack season by hiring trainees. The solution was an OJT program whereby State and Federal MDTA people recruited, screened and tested the applicants, as well as assisted with the training problems which are inevitably encountered. MDTA also paid Bay City approximately \$535 per trainee, reimbursing the company for all instructional costs. The company hired 12 receiving-clerk trainees, paying them \$2.38/hour during the first eight weeks, \$2.60/hour during the second eight weeks, and \$2.65/hour for the next 26 weeks.

At the other extreme is a huge Chrysler Corporation OJT contract for the training of 1,000 automobile mechanics and body repairmen for the service departments of Chrysler dealers. Although Chrysler will bear 80% of the \$7,850,000 total cost of the program, the corporation feels it is good business because it is turning out automobiles at a rate which taxes the ability of its dealers to provide trained service personnel. Applicants will be screened by State Employment Service local offices. Trainees will attend approved Chrysler training centers two nights a week for one year, receiving formal instruction from trained instructors and using Chrysler engines and components, special tools, service manuals, etc., in addition to their 40-hour week in the dealers' shops.

Supplementing the OJT contracts with various individual companies has

been the simultaneous development of national programs involving master training plans designed to meet an industry's regional or national needs but implemented by local training facilities. Typical of such national programs is the National Tire Dealers and Retreaders Association's training of 150 unemployed, and the National Tool, Die, and Precision Machining Association's training of 400 people in Bridgeport, Conn.; Rochester, N. Y.; Dayton, Ohio; and Indianapolis, Ind. A contract with the American Hospital Association calls for the training of 4,000 persons in 50 occupations for 300 hospitals; the Department of Labor has underwritten the cost of instructor salaries only (\$1.6 million).

Experimental and Demonstration Programs

Experimental and demonstration programs seek to discover new ways to impart skills to those who might otherwise never obtain regular employment. After the determination of which techniques are effective, the task becomes one of making the method known and stimulating its duplication. Particular efforts to assist migrant farm workers, high school dropouts, rural poor, and older workers have resulted in the Secretary of Labor's contracting with colleges and universities, the YMCA, Jewish Vocational Service, Goodwill Industries, and other community organizations.

A good example is Philadelphia's Opportunities Industrialization Center, Inc. where the director, Reverend Thomas Ritter, was fortunate in obtaining vocational training equipment and funds from such companies as Bell Telephone Company of Pennsylvania, the Budd

Company, RCA, the Philco Division of Ford Motor Company, General Electric, and Western Electric. At the same time, the minister's neighborhood church volunteers assisted by motivating inexperienced youths and long-term unemployed alike to appear for training.

Company-Sponsored Training

Business and industry have also been doing their share to combat unemployment directly, especially among the younger segment of the labor force. Using the company training program as their primary weapon, these firms—a utility, two department stores, two insurance companies, a bank, a hotel, a greeting card company, etc.—are not entirely altruistic. As an officer of one company has said: "We feel it's in our own long-range interests to do what we can about school dropouts. Our company, as well as business generally, stands to benefit if these youths can be turned into productive, self-reliant members of society; if a corporation has the facilities to help, it should."

There is no set pattern of operation. Some companies merely hire dropouts on an experimental basis. Others are working with the schools to prevent potential school-leavers from actually doing so. Still others are conducting training for dropouts who have been unable to find employment. Several of these programs deserve our examination.

Prudential Insurance Company of America

At the request of Prudential, the Youth Career Development Center of the N. J. State Employment Service refers to the company recent dropouts with some knowledge of typing. The

number of trainees in the clerical course at any time is held down to ten, with replacements made whenever a trainee completes or leaves the program.

Sessions are held for two hours, five nights a week. Instruction in other office procedures such as filing and telephone techniques are part of the course. Completion time depends upon the progress of the individual trainee. The trainee does not receive compensation and is not guaranteed employment with the company.

Carson Pirie Scott & Company (retailer)

In originating the "Double E" (Employment-Education) training program for high school dropouts in Chicago, the company and the Chicago Board of Education set the following guiding principles:

1. Students would earn their own way in existing job openings at Carson Pirie Scott.
2. Students would be required to attend classes and would be judged on their total performance on the job and in the classroom.
3. Education would be related to work experience whenever possible.
4. The understanding and support of parents, relatives, and friends would be enlisted.
5. Counseling help would be provided by both the company and the Board.

After an initial grant of \$50,000 from the Ford Foundation to cover the first year's cost of teachers' salaries and special materials, all subsequent costs have been assumed by the company and the Board.

After selection by school counselors, the trainees attend an orientation ses-

sion to learn what the company expects of its employees. There is also a "kick-off" buffet for the trainees and their parents at which the purposes of the program are explained. Trainees are assigned "Big Brothers" or "Big Sisters" in the form of college-level junior executives who have volunteered to assist. During the school year, in order that two trainees can cover one job, each trainee goes to school two days a week and works three. The starting salary is \$1.00 per hour with salary and performance reviews at the end of the third, sixth, and ninth month of service.

Campbell Soup Company

Campbell Soup's decision to develop current employees rather than recruit new ones recognizes the need for preparing employees for the more complex assignments that are inescapable by-products of the technological change which has been sweeping the food processing industry. To lessen the chance for failure in this venture and to provide all employees with equal opportunities to qualify for upgrading, employees had to be given a solid foundation upon which to build, a foundation which could be developed through education alone. Instead of achieving minimal success from rushing head-on into specific training programs, management and employees agreed that long-range success would be greater if education rather than training was first emphasized.

Participation was voluntary, and classes were on the employees' time, two hours two days a week. The course content was of the grade school level and included reading, arithmetic, spelling, English, and social studies. Class-

rooms, textbooks, and initial supplies were provided by the company, while teachers were provided by the Chicago Board of Education. An indication of the program's accomplishment is the fact that it has been expanded to include grades seven to twelve.

E. I. du Pont de Nemours & Company

When any industrial plant must be closed, there are bound to be problems. DuPont's Old Hickory (Tenn.) cellophane plant was no exception. Many of the plant's employees were older men, had started with the company many years ago, and had a limited amount of formal education. The other production units at the Old Hickory complex involved more complicated processes, and called for different skills than those used in cellophane production. Displaced employees had to pass the qualifying tests for re-employment by other units of the company. Advance planning for the closing, therefore, had to include plans for a massive retraining program which included both classroom instruction and on-the-job training.

When it was decided to close the plant, there were 674 employees on the rolls. Of these, 449 were retrained and qualified for other DuPont jobs; 155 went on pension; and only 70 had to be given termination pay.

Conclusion

In a free society like ours, it is the private forces of society which will lead in the campaign for full utilization of manpower in the face of accelerating automation and technological change. We have reviewed some of the steps taken by one of these private forces, American business. Individual executives also are actively participating. Just a few of the top flight management and training men on the National and Regional Manpower Advisory Committees are: William G. Caples, Vice President of Inland Steel Company, Felix E. Larkin, Executive Vice President, W. R. Grace and Company, Ralph E. Boynton, Vice President of Bank of America and past president of ASTD, and Dr. Charles V. Youmans, IBM's Manager of Education. Other companies and executives are invited to join the campaign.

Federal Youth Opportunity Program

In August, President Johnson announced a major campaign to get young Americans to return to school. He appointed Vice President Hubert H. Humphrey to direct the campaign, and he called upon employers, unions, civic, trade and religious organizations and state and local governments to "exert every influence that they command to

bring to our young people facts on the importance of education."

The facts to which the President referred are these:

— Lifetime earnings:

— A college graduate earns nearly two-thirds more than a high school graduate.

— The high school graduate earns

over three-fourths more than a person who did not finish eight years of school.

-Employment and unemployment:

-In July of 1965, the unemployment rate for young people was 12.3 percent, more than two and one-half times that for all workers in the labor force.

-The unemployment rate for school dropouts, age 16 to 21, is 16.6 percent, almost four times the national average.

-The unemployment rate for everyone 18 years and over who do not finish high school is 6.6 percent—as compared to 3.4 percent for high school graduates.

-The scope of the dropout problem:

-In October of 1964, 14.1 million young people, 16 to 24, were out of school. Some 5.1 million, or 36 percent of them were school dropouts.

-During the coming school year, more than 750,000 boys and girls will drop out of school without having attained a high school diploma unless something effective is done about it. Many of these will not even begin the new school term.

-Six of ten of the Nation's school dropouts are in the 16-to-17 year-old age bracket.

-If the problem of school dropouts continued at its present pace, we could anticipate having 32 million adult, non-high school graduates in the labor force by 1975.

The U. S. Dept. of Commerce has issued the following list of suggestions to industry for helping to keep young people in school:

1. Post Return to School signs on bulletin boards in your organization.

2. Encourage the drive by speaking openly about it at business forums, trade association meetings, etc.
3. Draw attention to the drive by using posters in store window displays. Retailers of merchandise and products used by teenagers may incorporate the education theme into fashion shows, other back-to-school fall promotions.
4. Use return to school slogans in commercial advertising, such as newspaper advertising, radio and TV commercials.
5. Suggest incorporation of Return to School campaign in any local community activity in which the Board of Trade, Chamber of Commerce, and other business organizations may participate, such as parades, joint promotions, dedication of new buildings or recreational centers, etc.
6. Address youth groups, such as local 4-H Clubs, Boy and Girl Scouts, on the advantages of a good education.
7. Offer special inducements in your organization to summer job trainees who are returning to school in the fall.
8. Make your personnel people available for counseling teenage children of your employees.
9. Issue statements endorsing the Return to School campaign for use in your local news media.
10. Use "Return-to-School" flyers in your direct mail advertising, billing, and delivery of merchandise.
11. Stamp "Return-to-School" slogans on all mail envelopes.
12. Suggest a "Stay in School" day in your community.