

Better Skills • Better Jobs

<u>Back to Work Oregon</u> is an initiative that addresses the need of businesses for skilled workers and the need for Oregonians to work and earn wages, to learn new skills and to achieve a national certificate that documents workers skills. The program consists of two components:

- <u>On the Job Training</u>, a "hire-first" program that reimburses a business for the cost of training a new employee. A detailed training plan is put in place with the business and reimbursement is based on completion of training and employee retention; and,
- Oregon's <u>National Career Readiness Certificate (NCRC)</u>, a nationally recognized certificate that documents an individual's foundational skills in math, reading and locating information, three skill areas most frequently associated with success on the job. Nearly 20,000 NCRCs have been earned to date, and more than 800 Oregon businesses use the NCRC in hiring.

Launched in 2011 with a \$3.28 million investment from the Oregon Legislature, and matched by Local Workforce Investment Boards, nearly 1400 Oregonians have been placed in jobs.

The program not only assists Oregonians in obtaining jobs, it also benefits the State by getting more Oregonians off of unemployment, earning a paycheck and contributing once again to the state's tax system and overall economic health. Statewide, over 43% were unemployed prior to entrance into the program, and 14% were taking part in SNAP or Food Stamps. **The 1400 Back to Work participants had earnings of approximately \$41.7 million, resulting in an estimated \$3.8 million in additional tax revenue in a single year, not to mention the millions in UI cost savings from Oregonians returning to work.** 

<u>Certified Work Ready Communities (CWRC)</u> is a way for communities to attract and grow businesses based on the skills of their workforce, and a way for job seekers to know their skills, increase their skills, and communicate their skills.

Certified Work Ready Communities allows for community-based solutions, as communities engage in developing the competitiveness of its industries based on the skills of its workers. CWRC **links** workforce development to education; **aligns** with the economic development needs of communities, regions and states; and **matches** individuals to jobs based on skill levels. Funding for Certified Work Ready Communities will enable Oregon to:

- Reach 100,000 NCRC in three years
- Expand business usage of NCRC to 4,000 signed letters of commitment in three years
- Certify at least 2/3 of Oregon counties as "work ready" in 3 years
- · Assure that NCRC earners at all levels are reflective of state's diverse population

Through the funding of <u>Sector Strategies and the Employer Workforce Training Fund</u>, LWIBs are able to align economic, education and training systems to meet the needs of local and regional employment sectors. Funding for sector strategies allows LWIBS to:

- Build regional sector/cluster partnerships,
- Support Skill Panels and consortia of employers by sector (such as manufacturers and health care providers),
- Develop strategies to recruit youth into sectors with large skill gaps or looming workforce shortages,
- · Help transitioning workers find training and employment in specific sectors, and
- Upgrade the skills of current workers.

Investing in the Local Workforce Investment Areas means investment in <u>local, effective, and</u> <u>targeted</u> employment and training strategies that ensures workers and employers alike have access to the skills they need for our nation to compete in the global economy.

#### About the Oregon Workforce Partnership

The Oregon Workforce Partnership (OWP) is a non-partisan, private/public, statewide association. Its mission is to build a more highly skilled workforce to support and expand the state's economy. OWP members are Oregon's seven Local Workforce Investment Boards (LWIBs), driven by the leadership of more than 160 companies representing a cross-section of industries in each region. LWIBs work to align economic, education and training systems based on the needs of local and regional communities.



#### ASK THE WILLAMETTE VALLEY BIOSCIENCE CONSORTIUM...

The Willamette Valley Bioscience Consortium formed when a group of bioscience companies asked for help finding and financing the training they needed to expand. In 2010 the Linn, Benton, Lincoln Workforce Investment Board awarded a \$78,300 matching grant to the consortium for incumbent worker training. With help from Linn Benton Community College, the consortium began training. 293 participants from 22 bioscience companies participated. Just one of the training sessions would have cost a combined price of \$17,000 if purchased individually by the companies.



By pooling training needs, the consortium bought this training from one of the top providers in the country for \$5,000.

Based on the experience of working together, five of the industry and academic partners in the consortium founded the Willamette Lifescience Collaborative (WLC) in November 2010 to accelerate to market products aimed at solving major challenges in the healthcare arena. Inspired by the success of Research Triangle in North Carolina, the Collaborative brings together the customer, the research and development, the clinical trials capacity, the manufacturing capability, the distribution channel, and the workforce pipeline from technician to graduate level scientists and business managers. The Collaborative already has two products in alpha test phase, two more being actively investigated and 30 more product ideas awaiting evaluation.

"During the 'great recession' we did significant belt tightening and were able to avoid a lay-off only through creative planning. That being said our employee training was cut to the bone for 2009/2010. But with the help of this resource we were able to continue to increase the value of our human assets – the most important component of Tec Labs success."

> Steve D. Smith, President, Tec Laboratories, Albany, OR

A relatively small investment of Workforce Investment Act dollars invested into the Employer Workforce Training Fund to support a growing cluster of companies resulted in new products, potentially millions of dollars of growth, new jobs and a more highly skilled workforce.

**Does Workforce Investment Work?** Ask the Willamette Valley Bioscience Consortium.

Or better yet, hear their story on <u>YouTube</u>.

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#### ASK MOTORCYCLE SUPERSTORE USA...

Motorcycle Superstore USA, an e-commerce company located in Medford, Oregon has one of the top 100 rated websites in the U.S., and a diverse set of training needs: everything from call center to purchasing to Information Technology.

Southern Oregon has a high concentration of e-commerce companies, making the competition for skilled workers fierce. "Trying to skill the existing staff to meet our needs is very important to continuing as a business in this area,"



states Suz Montemayor, Motorcycle Superstore's Human Resources Director. Unfortunately, the type of training these companies need is hard to source locally. Therefore, Motorcycle Superstore asked the Local Workforce Investment Board, the Rogue Valley Workforce Development Council, for help.

"Internet-based companies are critical to our local economy," Jim Fong of The Job Council explained. "They have shown the ability over the past three years to keep growing despite extremely adverse economic conditions."

In partnership with The Job Council, the Workforce Board provided Employer Workforce Training Fund matching resources to bring trainings, like Microsoft .NET, to Medford. "Usually, we would send one or two employees to San Diego, San Francisco or Portland and hope they could bring the others along until we could send some more. We needed a faster and more cost effective way to get our employees trained," stated Jason Miller, Motorcycle Superstore's Chief Technology Officer.

"If we can't source and train the employees here locally that we need to do the job, we have to go to where we can source them to get those employees. You end up moving to San Francisco, San Jose - somewhere down the coast - where you have a larger tech base of people to pull off of."

Jason Miller, Chief Technology Officer Motorcycle Superstore USA, Medford, OR "Retention has gone crazy as far as people coming back (from training) knowing that we have a value in them," states Suz Montemayor. "We see them moving up. We don't want this to be a job for them. We want it be to a career. We want to build them."

Jason Miller notes that the type of training that has been brought into the region with support from the Employer Workforce Training Fund is critical to keeping e-commerce and other high-tech companies in Oregon.

**Does Workforce Investment Work?** Ask Motorcycle Superstore. **Or better yet, hear what they had to say on <u>YouTube</u>.** 

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#### ASK KEITH MANURACTURING...

KEITH<sup>®</sup> Mfg. Co., headquartered in Madras, Oregon, encompasses five international locations, a global network of dealers and over 250 worldwide patents. The company's WALKING FLOOR<sup>®</sup> system is a staple in the waste and recycling industries, with its popularity growing worldwide.

KEITH<sup>®</sup> is faced with all of the challenges of staying competitive in the global market as well as those created by headquartering in a small rural town. To continue to grow, the company needed to become more efficient and implement newer manufacturing techniques. "One of our core competencies is innovation, and training goes hand in hand with innovation," stated to Lindsay Foster-Drago, Value Stream Group Lead, and granddaughter of company's



founder. However, KEITH<sup>®</sup> needed help to cover the costs of a new, comprehensive training program and was having a hard time finding it.

The company turned to the local workforce system for help. It received an Employer Workforce Training Fund matching grant to implement lean manufacturing, leadership and other trainings.

KEITH<sup>®</sup> reorganized its plant and the way that teams work together in order to continuously improve efficiency and reduce waste in the manufacturing process. The culture of the company has changed as a result of the training program, and morale has improved.

"One of our core values is promoting from within and training allows us to do that and the more trained your people are the more competitive you can be in the global market place."

Lindsay Foster-Drago, Value Stream Group Leader, KEITH® Manufacturing Co., Madras, OR The Employer Workforce Training Fund has allowed KEITH<sup>®</sup> to continue to compete globally, even with the limited workforce available in its small rural headquarters. True to its philosophy of growing its own and promoting from within, KEITH<sup>®</sup> has a 1% turnover rate, which Foster-Drago attributes to the training program.

**Does Workforce Investment Work?** Ask KEITH<sup>®</sup> Manufacturing Co. what a difference it's made for them.

Or better yet, hear what they had to say on <u>YouTube</u>.

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### ASK ESCO...

ESCO, headquartered in Portland, Oregon, is a metals manufacturing company with factories in twenty-six countries. Its two Portland foundries employ over 1,000 workers. As ESCO faced changes in the industry, it realized that it needed to retool its workers as well. With high costs and a challenging economic environment, ESCO turned to its Local Workforce Investment Board, Worksystems Inc., for help. Worksystems provided a federally funded Employer Workforce Training Fund grant for ESCO to create and implement a training program based on lean manufacturing principles and leadership training. The program addressed the need for ESCO workers at all levels to be actively engaged in problem solving and recommending continuous improvements. ESCO was so pleased with the results of the program that the company implemented the training as the standard for all of its sites.



As ESCO continued its efforts to increase competitiveness through worker training, the company recognized that it was not alone in the workforce challenges facing the metals industry. So it returned to Worksystems Inc. to partner in a new way. They helped to convene other metals companies as the Portland Metals Manufacturing Consortium. The consortium members work together on common training needs and industry challenges. Worksystems provides staffing to the consortium to help member companies pool training needs and implement high quality, lower cost solutions for more employees than companies would be able to provide individually.

"I think of Worksystems as a reliable right hand person. I feel like they're on top of what's out there. They let us know. They bring opportunities to us. They're great communicators, great project coordinators. They've done a great job of providing a platform for companies to work together."

> Heather Noel, ESCO and the Portland Metals Manufacturing Consortium, Portland

ESCO considers Worksystems a strong partner in building a more competitive industry base for the Portland area. Training has helped workers grow and take on new responsibility. Facilitation and project management from Worksystems has allowed companies to expand training options and explore new opportunities for additional skill development.

Does Workforce Investment Work? Ask ESCO.

Or better yet, hear what they had to say on <u>YouTube</u>.

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#### ASK PIONEER PUMP...

In 2009, Pioneer Pump, in Canby, Oregon, turned to the Workforce Investment Council of Clackamas County (WICCO), its Local Workforce Investment Board, for help. Recent growth in the mining and oil extraction industries was fueling worldwide demand for pumps. The company needed to position itself by improving productivity and reducing waste. It was impressed with the results other companies achieved with lean enterprise training. But transitioning to lean is a major expense, and Pioneer Pump wasn't sure it could afford to invest.



WICCO provided \$50,000 in matching Employer Workforce Training Funds over a two year period to help Pioneer Pump hire the Oregon Manufacturing Extension Partnership to train staff for a "lean transformation." As a result of the training, workers standardized operating procedures, reduced waste and increased production. The result was spectacular.

Since 2009, Pioneer Pump has doubled its workforce to more than 80 employees, with plans to hire more. It grew from \$12 million per year in income to an anticipated \$55 to \$60 million by the end of 2011. An expansion will add 43,000 square feet of production space to its facilities in Canby and create jobs in the hard hit construction industry.

"I won't say we haven't been fortunate with the marketplace. We have. But we've been able to scale the business based on the things we learned."

> Paul Schlumpberger, Vice President, Pioneer Pump Canby, OR

"The success of Pioneer Pump speaks to the power of private public partnerships," states Kim Parker, Executive Director of WICCO.

**Does Workforce Investment Work?** A public investment of \$50,000 match by Pioneer Pump led to more than \$60 million in new revenues, more than 40 new jobs, and a big construction project - creating even more jobs in Oregon. If you're still wondering whether Workforce investment Works, ask Pioneer Pump.

Or better yet, hear what they had to say on <u>YouTube</u>.

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#### ASK THE MCMINNVILLE ECONOMIC DEVELOPMENT PARTNERSHIP...

Jody Christensen of the McMinnville Economic Development Partnership has a challenge. As an economic developer in a small town, she has few resources available to help local companies grow. However, she has one tool that she feels makes a critical difference: the Employer Workforce Training Fund (EWTF) EWTF, provided by the Local Workforce Investment Board, supports training for local industry consortia. Christensen states that these trainings are "essential to the economic development strategy in McMinnville." As she puts it: "For cities our size that don't have Enterprise Zones or tax abatement programs, this is key. This is a game changer for us. It lets us play in the economic development field with others because it's a strong tool and what we've found is that our companies are demanding this resource."



Christensen adds, "The single most effective resource to support the retention and expansion of local businesses is the High Performance Consortium funded with Employer Workforce Training Funds by Job Growers Incorporated (the Local Workforce Investment Board). I can identify at least 300 jobs retained in this community as the result of lean manufacturing. Lean has become our business retention and recruitment tool. Things happen as a result of lean that are so valuable you can benefit from them by just being here in our community."

"As resources become less available for these types of investments, we want to make sure that our state is strategic in finding the highest return on your investment dollars. This is it. It's been proven over and over and over again. This could be, to me, the top incentive Oregon could offer."

Jodi Christensen, Director, McMinnville Economic Development Partnership McMinnville companies that have participated in the training consortium, report that the training they received helped them weather the economic downturn. Several are seeing growth. Christensen is clear that a more highly skilled workforce is critical to the continued prosperity of the region. She notes that this program is so effective, in part, because it is so flexible. Companies determine what they need and then receive support in sourcing and implementing the training.

*Does Workforce Investment Work?* Ask the McMinnville Economic Development Partnership. *Or better yet, hear what they had to say on <u>YouTube</u>.* 

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#### ASK LANZ CABINETS...

In 2002, Lanz Cabinets, in Eugene, Oregon was in growth mode. The company makes, distributes and installs custom cabinets. At the time, Lanz Cabinets wanted to buy new milling equipment, but faced expensive training costs on top of the outlay for the equipment. It turned to the Lane Workforce Partnership to access Employer Workforce Training Funds to help off-set some of these costs. "The program pushed us over the edge to purchase the computerized equipment we may have held off (buying)," said Brent Lanz, co-owner of Lanz Cabinets, which received \$84,135 for training at its 250-employee facility in west Eugene.



Lanz used the money on programs to train 200 employees in such skills as basic

woodworking and using new computerized equipment to reduce waste and production cycle times. The company used Employer Workforce Training Funds to develop a series of in-house training videos to reduce new employee training time and ensure consistency.

The effort was part of Lanz's strategy to offer quality products and quick delivery to compete with cheaper cabinets made in countries with low-cost labor. The company offers competitive wages as well as an excellent benefits package. It is committed to its workers and its community.

"In companies in the past that I've been with, when things get hard, training was the one of the first thing to go. By having this (program), you are assured that training's going to continue."

> Tom Carmichael Lanz Cabinets Eugene, OR

Since the initial training grant, Lanz has continued to invest in worker skill training and advancing its employees. The recent economic downturn has hit the industry hard. But Lanz has continued to compete by reducing waste in manufacturing processes, and increasing the accuracy and quality of its production. The company has also opened its doors to internships for at-risk youth and provided learning tours to promote manufacturing as a viable career option.

Does Workforce Investment Work? Ask Lanz Cabinets.

Or better yet, hear what they had to say on <u>YouTube</u>.

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#### Job Seeker: Jo Randall Tualatin, Oregon

Jo Randall was working as a construction project coordinator until she was laid off due to downsizing in the industry. Knowing that construction jobs would be hard to come by, Jo turned to WorkSource Oregon for help. While at WorkSource, Jo learned about the Back to Work Oregon Program, Governor Kitzhaber's program to provide financial assistance to companies in their efforts to create new jobs by offsetting some of their upfront training costs. Through the program, potential employees earn a



portable, industry-recognized National Career Readiness Certificate (NCRC) while receiving on-the-job training in their new position.

Jo found her experience in obtaining the NCRC to be highly worthwhile as it gave her insight on her skill levels and where she might need to seek out help to brush-up on and improve upon certain skill areas. Jo also needed to find a job that would provide her with benefits and was pleased to find that most of the on-the-job training opportunities through the program were positions that did offer benefits. Through the program, Jo was hired to work as a shipping and receiving clerk for A-1 Coupling & Hose. The on-the-job training gave her a chance to learn the background for this job and while she is still learning to drive a forklift, she is enjoying the process and says the company is very willing to teach her the skills she needs while providing a great work environment. Jo also appreciated knowing that WorkSource staff serves as a liaison between employers and employees and that they screen employers interested in participating in the program as it "offers some protection for job seekers". Jo credits the staff at WorkSource for the high level of support that they provided to her as it has led her to where she is today.

The best part for Jo was getting a job, having a structured training program, and knowing that she's still capable of learning new skills in a job that she enjoys. Since the program, Jo has been enjoying her new job and is now confident in her shipping and receiving skills and willing and hopeful to take on more responsibility in the company. Her future plans include staying at A-1 Coupling & Hose long-term while looking into volunteering at a hospital in her free time. Jo would highly recommend this program to others looking for a job, and says that she does so often.

#### **Employer: Mike Campbell, A-1 Coupling & Hose** *Tualatin, Oregon*



Mike Campbell from A-1 Coupling & Hose in Tualatin, Oregon was trying to fill an open position within the company and was willing to provide ample training to do so. Recognizing the considerable cost of hiring and training a new employee, he heard about the Back to Work Oregon Program from Worksource Oregon in Tualatin and was willing to try out the program to see if it would meet their needs. WorkSource staff worked with him to identify candidates who had earned the **National Career Readiness** Certificate (NCRC) and were interested in learning the job.

Campbell was pleased to find that the NCRC takes a lot of the mystery out of the candidate selection process and provided him with the opportunity to know what the candidate's abilities were upfront and where they needed additional training and support.

A-1 Coupling & Hose continued on to provide their future employee with extensive training in pallet/skid freight shipping, vendors, company part numbers, logging in data, stocking and transfers, computer system training, forklift and pallet jack operations as well as inventory backup. The on-the-job training component of Back to Work Oregon made it more cost effective for A-1 Coupling & Hose to get a new employee up to speed. Mike says he would not hesitate to use the program again in the future and has recommended it to other businesses.

#### Job Seeker: Calder Karber

Clatskanie, Oregon

Calder Karber used to work as a belt technician for Transco Industries of Gresham, Oregon. With a twohour commute to and from work, he often stayed at a co-workers house to avoid the long drive home each day from Gresham to Clatskanie. Despite the commute, he never complained because he was simply grateful to have a job and to be able to provide for his family. When he was notified that he had been laid off due to lack of work, Calder found himself on long-term unemployment and in need of additional skills in order to obtain a new job. He had heard that Columbia Pacific Bio-Refinery, a new Clatskanie-based company producing ethanol fuel, was hiring but unfortunately, he had no experience in this industry or the positions they were hiring for. Calder decided to take a chance and apply for the position anyway.

When Dan from Columbia Pacific Bio-Refinery interviewed Calder, he could see that while Calder lacked some of the necessary skills for the position, he appeared to be a hard worker who would be worth investing in. Dan contacted MTC Works and was pleased to learn that Calder qualified for on-the-job training through the Back to Work Oregon Program.

Calder was hired on at Columbia Pacific Bio-Refinery and obtained his National Career Readiness Certificate after MTC Works came out to Clatskanie to proctor the exam. After three months of on-thejob training, he was able to gain the skills necessary to excel in his new position. He now works as an assistant to the material handlers and has even received a raise prior to his completion of the ninety day, on-the-job training. Calder is grateful to have been given the opportunity to advance his skills and acquire a good job and would recommend this program to anyone looking for a job. "I work close to home, with people that I like and for a company that seems good to work for and is willing to train people to do the job the right way".

#### Job Seeker: Shawn Welch, Home Comfort Hearth & Patio Grants Pass, Oregon

Shawn Welch had previously worked as a wholesale plumber, manager, purchasing agent and salesman. After getting laid off in 2008, he was forced to get by on odd jobs after an unsuccessful attempt to start his own business. After filling out over 200 applications in December of 2010 and not receiving a single phone call back, Welch began to feel as though he had exhausted nearly all of his resources in trying to find a new job. That was until he learned about the Back to Work Oregon Program through his employment specialist at The Job Council.

Welch began on-the-job training as a service technician for Home Comfort Hearth and Patio. He also obtained his National Career Readiness Certificate and was pleasantly surprised to learn he had scored gold on the exam. The Back to Work Oregon Program provided him with an opportunity to apply his skills in a different industry while acquiring hands-on experience and training to ensure his success in that process.

Welch has continued to have a great experience through his on-the-job-training and is now employed as a service technician for Home Comfort Hearth and Patio. Before starting the program he wasn't familiar with pulling apart, replacing and troubleshooting stoves, fireplaces and hot tubs; all of which he now performs on a daily basis. For him, the Back to Work Oregon Program was able to provide him with a permanent job and opportunities for future advancement. But most importantly, it provided him the ability to pay his bills and take care of his family. In the future Welch hopes to learn to estimate jobs and plans to continue to advance his career at Home Comfort Hearth and Patio.

Shawn says "he would absolutely recommend the program to anyone as it gives you an advantage over other job seekers". And as Welch says you never know, "you might just get that call you've been waiting for."

### **Employer Success: Mike Kohn, Home Comfort Hearth and Patio** *Grants Pass, Oregon*

Mike Cohn works for Home Comfort Hearth and Patio. He wanted to be able to hire on additional technicians so he could provide better service for his customers. He believed it was necessary for any new employees to be uniquely trained from the ground up but also recognized that he couldn't afford to provide for the level of training that would be required. He found out about the Back to Work Oregon Program from another local business and decided to give it a try. Back to Work Oregon is Governor Kitzhaber's program to help companies create new jobs and hire on new employees by offsetting some of their upfront training costs. Potential employees earn a portable, industry recognized National Career Readiness Certificate (NCRC) as part of the program.



Back to Work Oregon sent him three qualified candidates so he could select the potential "best fit" for his company. One of those candidates was Shawn Welch, a former wholesale plumber, manager, purchasing agent and salesman who had been laid off for several years. And while Welch had previous sales and warehouse experience, he needed additional technical training necessary to perform the job. Thanks to Back to Work Oregon, Cohn was able to hire an

employee with the right skills to learn the job, and was able to provide that training at a reasonable cost.

Cohn says the Back to Work Oregon Program was a great experience, simple process, and allowed him to hire on and train the right employee for the job. The business has not only been able to improve upon their ability to provide a higher level of customer service, they have also seen sales of service parts increase 35%.

And although his company didn't utilize the information provided by the NCRC in the hiring process, Cohn says that after learning how it demonstrates an individual's basic skills, the company will view the certificate as an added benefit for hiring of future employees. He believes that as a taxpayer, the onthe-job training program is a great investment in our economy and would definitely he would definitely recommend the Back to Work Oregon Program to other businesses.

#### Job Seeker: Sharon Read Medford, Oregon

Sharon Read has been working in the dental field as an office assistant since 1972, but was laid off in January of 2011 due to a slowdown in the industry. In the past, Sharon had never had difficulty in finding a job, but after distributing over 100 resumes without receiving a single response, she began to worry. She



even applied for a position as a package carrier at UPS without any luck.

Luckily, Sharon heard about the Back to Work Oregon Program from her employment specialist at the Job Council. The Back to Work Oregon Program was created by Governor John Kitzhaber to help companies create new jobs and hire on new employees by offsetting some of their upfront training costs. Potential employees earn a portable, industry-recognized National Career Readiness Certificate (NCRC) as part of the program.

After taking the NCRC exam, Sharon passed with silver and believes that the process of receiving her certificate forced her to "think outside the box" about her skills and areas that she could focus on and improve upon. Sharon now works for Northwest Dental Solutions as an office assistant and values the on-the-job training that she has received as it has allowed her to brush-up on her computer and processing skills while also giving her the opportunity to improve upon her communication skills.

The program provided Sharon with a certificate to add to her resume and feels having it on your resume opens eyes to an employer that you are willing to take the initiative. She now feels great about the skills that she has gained and feels a lot better about herself in return. "When you feel better about yourself," Sharon says, "you project yourself differently".

Sharon had a great experience with the program and would recommend it to anyone looking for a job as it is "a great tool for presenting yourself to a business owner."

#### Job Seeker: Aimee Lawson

Salem, Oregon

Aimee Lawson was previously employed as an administrative/contract liaison when she became too ill for work. She needed an opportunity to get on her feet again and refresh her skills to find a job. Fortunately, the Back to Work Oregon Program gave Aimee the help she needed. The Program, which was created by Governor John Kitzhaber, helps companies create new jobs and hire on new employees by offsetting some of their upfront training costs. The program consists of an on-the-job training subsidy for qualifying businesses and assists in the screening of candidates through the National Career Readiness Certificate (NCRC).

For Aimee, the NCRC not only provided her with a portable skills certificate that she could use for in the future, it also served as a positive reinforcement of her skills, giving her confidence in her abilities in the workplace.

Through the program, Aimee was able to find a job working for Robert L. Armstrong P.C. as an office assistant. The on-the-job training allowed her to brush-up on her job skills after years being unable to work. Aimee says she would recommend the program to other job seekers. She hopes to continue her education in the field in which she now works.

#### Employer Success Story: Robert L. Armstrong, P.C.

Salem, Oregon

Robert L. Armstrong, P.C. provides taxes, accounting and public relations services in Salem, Oregon. Recently they were experiencing challenges in trying hire on an office assistant as it was difficult to find an employee with the right skills for. The company was willing to provided training, but also recognized the considerable costs to do so.

A business representative from Job Grower's Inc. encouraged the company to use the Back to Work Oregon Program to hire on a new employee. The Program was created by Governor John Kitzhaber to help companies create new jobs and hire on new employees by offsetting some of their upfront training costs.

The program helped connect the company to Aimee Lawson who is now an integral part of the team and their accounts collections department.

#### **Employer Success Story: Agate Health Care**

Eugene, Oregon

Agate Health Care, based out of Eugene, Oregon, is a third party administrator of insurance funds with roughly 135 current employees. Recently they were challenged with the task of filling two auditor positions and had conducted over 60 interviews without success. Finally, they turned to the Back to Work Oregon Program for help. Back to Work Oregon is Governor Kitzhaber's program to get Oregonians back to work faster by helping companies with their hiring and training of new employees. The program helps companies create new jobs and hire on new employees by offsetting some of their upfront training costs. The program consists of an on-the-job training subsidy for qualifying businesses and assists in the screening of candidates through the National Career Readiness Certificate (NCRC).

By joining the program, Agate Health Care was able to work with the Lane Workforce Partnership, who provided them with five qualified candidates to interview. Within two weeks, both auditor positions were filled. The company provided their new hires with on-the-job training that focused on the complex rules of Medicare and Medicaid claims. As a result of hiring the right candidates for the job combined with the on-the-job training, both employees have since excelled in their positions and the company is delighted with their performance. The on-the-job-training program was a good fit for Agate Health Care because it provided them with the opportunity to have their employees trained to the company's preference and it provided the structure and guidance for new hires to really learn the job.

The company says it plans to continue using the program for future hires and would certainly recommend Back to Work Oregon to other employees.

# **Back to Work Oregon**



The following information is presented by the Oregon Department of Community Colleges and Workforce Development to describe the Back to Work Oregon program and its impact on Oregonians.

## A Success Story

The *Back to Work Oregon* program was one of Governor Kitzhaber's first five job creation strategies, launched in 2011, to get the Oregon economy back on track. The program was resourced with a \$3.28 million investment from the Oregon Legislature matched by Oregon's Local Workforce Investment Boards to place 1,325 Oregonians into long term jobs.

Given the goal of 1,325 placements, a year and a half into the two year program, *Back to Work Oregon* is exceeding the original goal with almost 1,400 unemployed Oregonians placed into permanent jobs, 931 earning a National Career Readiness Certificate (NCRC). "I must have filled out over 200 applications. I didn't get one phone call in return. Now I'm in a job with an opportunity for advancement, and it feels good to be able to pay my bills and take care of my family again."

Shawn Welch, Program participant Service Technician Home Comfort Hearth & Patio Medford OR

## Value-Added Training -

*Back to Work Oregon* addresses both the needs of business for skilled workers and the needs of Oregonians to have job-specific, certified, transportable skills.

The program consists of two components:

• **On-the-Job Training (OJT)** which is a "hire-first" program that reimburses a company for the cost of training a new employee. A rigorous training plan is put in place by the company which leads to employee retention in the job. The employee becomes a taxpayer by drawing a paycheck during training and beyond.

" The National Career Readiness Certificate helps validate critical foundation skills. It fits right into our model and overall training strategy."

> Jon Ostling, Employer Training Manager Cascade Steel Rolling Mills McMinnville OR

• Oregon's National Career Readiness Certificate (NCRC) which demonstrates that an individual has the foundational workplace skills necessary to succeed in the training plan and on the job, and provides the individual with a national portable credential for future career growth.

The Oregon Department of Community Colleges and Workforce Development (CCWD) oversees and manages the program from the state level and Oregon's seven Local Workforce Investment Boards operate the program locally.

## A Workforce Challenge

In the fall of 2011, Oregon's unemployment rate was 9.3 percent. There were 30,400 job openings in Oregon and 175,100 Oregonians looking for work. That's nearly a six-to-one ratio of unemployed workers to job openings. At the same, time many companies indicated they had a hard time finding workers with the right skills.

*Back to Work Oregon* was created to address these factors by helping companies find and train the right candidates more efficiently. The program offers an efficient way to move unemployed workers more quickly into jobs, earning paychecks and contributing to the economy.

Forty-three percent of OJT trainees were either receiving Unemployment Insurance or had exhausted their claim prior to being placed into a job.

Preliminary Results (July 2011 through August 2012):

- number of new trainees placed into jobs \_\_\_\_\_\_ 1,390
- percentage of OJT goal reached to-date \_\_\_\_\_ 107%
- number of businesses providing OJT openings \_\_\_\_\_\_ 509
- number of businesses preferring the NCRC in their hiring process \_\_\_\_\_ 403

## Addressing Barriers to Employment

Participants in *Back to Work Oregon* were Oregonians who were at least 18 years of age and had been unemployed an average of 11 months. Forty-three percent of trainees entering the program were receiving unemployment benefits or had exhausted their claims. In addition, 14 percent of participants statewide were receiving food stamps with **some rural areas reporting as many as 34 percent of program participants receiving food stamps.** Clearly *Back to Work Oregon* has impacted the lives of those living with diminished incomes.



Source: U.S. Census 2011 and WorkSource Oregon Management Information System (WOMIS)

#### Back to Work Oregon was also quite

effective at serving those with lower levels of educational attainment. In 2011, 12 percent of all Oregonians had less than a high school diploma or GED. In that same year **54 percent of those who received training through** *Back to Work Oregon* did not have a high school diploma or GED. Despite the lack of a credential to indicate a level of education completed, *Back to Work Oregon* participants had the opportunity to earn a National Career Readiness Certificate (NCRC) enabling them to document their employable skills in reading, math and problem solving.

## **Trainee Wages**

When dislocated workers enter new jobs, they typically have to start over and as a result, start at a lower wage. For example, the average Dislocated Worker Wage Replacement rate from July 2010 through June 2011 was 80 percent, according to the Department of Community Colleges and Workforce Development. In contrast, *Back to Work Oregon* participants were able to start new jobs at 97 percent of their previous earnings. **Two of the seven workforce areas increased the average wage of trainees.** Those in rural areas of the state were able to replace almost 90 percent of their previous earnings despite the much more significant impact of the recession in these communities.

Back to Work Oregon participants were able, on average, to start new jobs at 97% of their previous earnings.



As a strategy to meet the ongoing business demand for skilled employees, *Back to Work Oregon* has strengthened working relationships between businesses and the workforce system resulting in increased prosperity for workers, businesses and the public.

## What does this mean for Oregon?

In 2011 the Oregon Legislature invested \$3.28 million in *Back to Work Oregon* (matched by Local Workforce Investment Boards). The return on this investment to date has been:

- 1,390 OJT participants earned an average wage of \$14.33/ hour (about \$30,000 annually). In one year, this resulted in earnings of approximately \$41.7 million for *Back to Work Oregon* program participants.
- At Oregon's nine percent tax rate, this would result in an estimated \$3.8 million in additional tax revenue in a single year.
- *Back to Work Oregon* also reduced reliance on public assistance and Unemployment Insurance.

"The NCRC takes a lot of the mystery out of selecting candidates. I can feel comfortable that they are at a certain level of ability and I only interviewed those who had the NCRC certificate or indicated that they were willing to take it."

> Mike Campbell, Employer A-1 Coupling and Hose Tualatin, OR

### **Occupations and Industries**

"Back to Work Oregon has helped us find the right workers, with the right attitudes to fit our work culture, for the right positions with our company!"

Steve Cary, Employer Vice President Feeney Wireless Eugene OR The largest number of participants were hired into the manufacturing industry, followed by professional business services, financial services, trade, transportation, and utilities. Of the top 30 occupations program participants entered, 14 are categorized nationally as having a "bright outlook" and 11 are categorized as "green" occupations.

"Bright outlook occupations are expected to grow rapidly in the next several years, will have large numbers of job openings, or are new and emerging occupations. Green economy activities and technologies are increasing the demand for occupations, shaping the work and worker requirements needed for occupational performance, or generating new and emerging occupations." (*Source:* O\*NET OnLine)

## **Back to Work Oregon Recommendations**

- Expand the program to serve as many Oregonians and businesses as possible.
- Continue to evaluate program outcomes as more data becomes available

For additional information please contact: Dr. Camille Preus, Commissioner Oregon Department of Community Colleges and Workforce Development 503-947-2433 or camille.preus@state.or.us