Meeting the Workforce Needs of the Milwaukee Construction Industry

Case Study: The Center of Excellence

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Part of a series of reports on Advancement for Low-Wage Workers

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The Center of Excellence

Overview

In 2005, the Wisconsin Regional Training Partnership, a workforce intermediary jointly led by labor and management in the Milwaukee area, placed its 2,500th community resident into a family-sustaining job. That same year, WRTP partnered with the BIG STEP apprenticeship preparation program in launching the Center of Excellence to address both an unprecedented boom in construction and a skills shortage in advanced manufacturing. The center provides, for the first time, a single point of contact for meeting the workforce needs of skilled trades and industries. In its first year, it placed 348 community residents, at an average starting wage of $14.60 per hour plus benefits.

The center has obtained support from the governor of Wisconsin, the mayor of Milwaukee, and an unprecedented array of partners in the public, private, and philanthropic sectors. These include the state departments of Workforce Development, Transportation, and Corrections, the City of Milwaukee, and an array of national and local foundations, business and labor organizations, educational institutions, and community organizations. The center has streamlined services to the industry and to job seekers, performing such critical functions as centralizing job orders from employers and developing training certificate programs related to career opportunities in skilled trades and industries.

The pinnacle of center offerings is the BIG STEP apprenticeship test preparation program, which improves the access of women and minorities to the building and construction trades. BIG STEP focuses on developing the academic skills needed to pass the entrance exam for jobs in the field. Between 2001 and 2005, BIG STEP placed 200 of its low-income graduates in skilled trade apprenticeships, more than all the other programs in the area combined. Two-thirds were people of color and 14 percent were female. Earnings at placement varied from about $12 to $15 per hour, depending on the trade.

The Wisconsin Regional Training Partnership

The Wisconsin Regional Training Partnership, a nonprofit organization that serves the needs of Milwaukee-area employers, unions, and community residents, has three functions:

- Help local companies modernize plants and adopt new workplace practices;
- Upgrade the skills of current workers; and
- Recruit, train, and mentor new employees.

WRTP grew out of the economic devastation of the 1980s, when Milwaukee’s traditional industrial base diminished by one-third and those businesses that stayed began adopting technologies that employees lacked the skills to use. In response, labor leaders convened a group of employers and unions to strategize about how to keep companies competitive and productive. They created WRTP to cultivate the workforce necessary to meet the future needs of Greater Milwaukee’s construction, health care, manufacturing, and service industries.

WRTP is a membership-run organization, driven entirely by employers and organized labor. It uses its employer focus as a method for developing career advancement opportunities for local workers.

In 2003, WRTP became one of four organizations selected to receive support from Workforce Innovation Networks—WINs—through JFF’s Career Advancement Strategy Competition. WRTP was selected based on its track record as an intermediary focused on meeting the area’s workforce needs by cultivating the skills of the local workforce.

Through its collaboration with WINs, WRTP continued to grow and innovate strategies for providing community residents with career paths leading to family-supporting jobs. WINs was critical to the creation
of the center and enabled WRTP to further its efforts to establish clear career advancement pathways for entry-level workers, targeting three sectors: health care, manufacturing, and construction. WINs funding from the U.S. Department of Labor Employment and Training Administration enabled WRTP to move from providing pre-employment training and apprenticeship preparation to establishing the center as a model for meeting an industry’s workforce needs. With technical assistance from JFF, WRTP established a program performance system, codified the key operational and financial features of the center model, and documented the business and social case for replication of the model. These activities helped WRTP gain the support of employers and launch the Center of Excellence.

In 2006, Jobs for the Future selected WRTP as one of six founding members of the Career Advancement Portfolio, a collaborative effort to enhance, expand, and disseminate proven solutions for advancing low-income people to good jobs. Each of the organizations in the Portfolio operates advancement models that clearly demonstrate and document success, with well-delineated features that can be replicated or scaled up. JFF created the Portfolio as central to our commitment to developing, implementing, and advocating for models, strategies, and policies that enable adults to advance toward economic self-sufficiency for themselves and their families.

The Center for Excellence Program

The Center of Excellence offers assessment, job-preparation, and job-placement services for any community resident who meets minimum qualifications. In addition to BIG STEP, it provides access to a range of programs, including: preparation to earn a commercial driver’s license and permit; a program leading to an entry-level construction skills certificate; an entry-level manufacturing skills program; environmental remediation training programs; machining, welding, and other career advancement training programs in manufacturing; and programs leading to an M-TRANS Road Construction Certificate, a Sewer and Water Construction Certificate, and a Utility Construction Certificate.

BIG STEP exemplifies how an individual might move through the Center of Excellence. Individuals with an interest in the skilled trades come to the center through a widespread referral network, including Joint Apprenticeship Committees for each of the building trades, job centers, the Urban League, and community-based organizations. BIG STEP, one of four possible next steps, is for individuals who have the highest basic skills and are interested in an apprenticeship. To be accepted into BIG STEP, candidates must test at or above the eighth-grade level in both reading and math. Those who do not meet these entry requirements are referred to one of the center’s in-house education partners for remediation. About half of BIG STEP participants previously failed an apprenticeship exam. Most participants are already employed, usually in entry-level jobs in construction or other sections. They come to BIG STEP with one major objective: to get help that enables them to advance.

Following each student’s initial assessment, staff design a program of study that addresses his or her deficiencies in a range of areas, including math, reading, and spatial reasoning. The basic program lasts 12 weeks. Because each person’s academic skills and challenges are unique, support is delivered in a one-on-one tutoring format that enables students to learn at a pace tailored to their schedules and abilities. Typically, students receive one to three hours of tutoring each week, and they devote an additional two to six hours to homework. Counseling helps each participant identify which trade best suits his or her interests and abilities. Counseling includes coaching for job interviews and assistance with job placement.

Upon completing BIG STEP, most participants become candidates for apprenticeship in construction, and they are either placed on ranked lists at hiring halls or conduct their own job search with what the industry refers to as a “hunting license.” To improve the placement prospects of those on the ranked lists, the program makes various courses (e.g., hands-on mechanical aptitude, construction math) available to BIG STEP graduates.

The trades present unique job placement environments. For each trade, a Joint Apprenticeship Committee maintains a ranked list of qualified individuals and determines the number of apprentices on a regular basis. In many trades, such as electrician, the JAC assigns and often rotates the apprentices. In
others, such as carpenter, the JAC gives individuals their papers authorizing them to enter into an apprenticeship. The JAC may help an individual get an apprenticeship, but the individual is responsible for actually establishing a specific apprenticeship with an employer. Contractors may seek the highest ranked individual if the job has specific hiring requirements for women and people of color.

For entry-level construction jobs that are not apprenticeships, known as non-indentured jobs, employers and unions regard Center of Excellence training certificates as evidence of specialized skills. A union can encourage employers to ask for individuals who have such a credential. Employers can scroll down the ranked lists until they locate someone who has a certificate. This mechanism has a major impact on diversity, because the center is in Milwaukee and graduates are likely to be people of color.

WRTP is exploring additional career avenues for BIG STEP graduates. An important consideration is that not everyone who passes an apprenticeship exam gets a placement. The ranked list is often much longer than the number of candidates who are accepted. For those who do not get an apprenticeship, center staff provide advice on how to improve their ranking.

To further improve its graduates’ positions on the ranked lists, the center has established a centralized database of all community residents who have passed an apprenticeship test and are on a ranked list, but who have not been placed into an apprenticeship. This database will expand over time as more and more trades provide their apprenticeship and unemployed lists. The database is an invaluable industry resource for meeting employers’ social and business objectives and for individuals who are beginning a career in one of the trades.

The database also helps staff make referrals to employers for directly hiring graduates and for other non-indentured jobs in construction, manufacturing, and related sectors, such as utilities and telecommunications.

Center of Excellence staff also use the database to recruit for classes that might either improve positions on the ranked list for a trade or help get people into a different trade or industry. For example, WRTP began a pilot project for a hands-on apprenticeship preparation program for the carpentry trade in fall 2005.

Outcomes

- In 2005, WRTP placed its 2,500th community resident into a family-sustaining job in the Milwaukee area.
- The Center of Excellence placed 348 community residents at an average starting wage of $14.60 per hour plus benefits during its first year.
- Between 2001 and 2005, BIG STEP placed 200 low-income BIG STEP graduates in skilled trade apprenticeships, more than all the other programs in the area combined. Two-thirds were people of color and 14 percent were female. Depending on the trade, earnings at placement varied from about $12 to $15 per hour.

Financial Structure

WRTP has refined the key financial components of the Center of Excellence, with technical assistance from Jobs for the Future, to improve the model’s long-term financial viability. In fact, the trades have committed substantial funding to the expansion of BIG STEP and the center. In practice, the center can offer training free of charge because the model blends a number of funding streams, including private philanthropic support, state funds, and contributions from employers (see table).

Center of Excellence Revenue, FY 2005

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation</td>
<td>$730,392</td>
</tr>
<tr>
<td>Public</td>
<td>$1,030,339</td>
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<tr>
<td>Trades (negotiated funds)</td>
<td>$185,500</td>
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<tr>
<td>Fee For Service/Consulting</td>
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<tr>
<td>Grants</td>
<td>$176,667</td>
</tr>
<tr>
<td>Other/Interest</td>
<td>$3,196</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$2,183,294</strong></td>
</tr>
</tbody>
</table>
Partnerships

WRTP attributes the success of the Center of Excellence to the relationships it has brokered among employers, their affiliated unions, the public workforce system, and training and support providers.

For example, the Wisconsin Department of Workforce Development, an active partner in the Center of Excellence, has convened a task force of its own job center staff to plan training sessions on construction opportunities for department staff and job seeker orientations to recruit trainees for the construction industry. The department also mobilizes local Job Service staff, along with other job center agency personnel, to actively recruit candidates for center training programs, and they assist with placing center graduates in high-paying construction jobs.

Each partner has distinct needs that are met by their participation in the center. BIG STEP exemplifies this: the recruitment of community residents interested in construction careers is streamlined through the Department of Workforce Development and the Private Industry Council of Milwaukee County; program content and training curricula are driven by industry input; and graduates of BIG STEP have immediate market value to the region’s employers. The payoff is that employers have a base of skilled workers from which to hire, participants have improved job prospects, and unions can build their membership.

WRTP also has forged a partnership among the public, private, and philanthropic sectors to support the expansion of pre-employment and apprenticeship preparation programs in the Milwaukee area. BIG STEP is a beneficiary of this work, but the entire Center of Excellence demonstrates the power of cultivating such relationships.

Replicability

The Center of Excellence model demonstrates how consolidating employment and training services can effectively meet the workforce needs of a particular industry. WRTP has expanded the array of industry-focused services available and houses them under one roof. It has established a performance tracking strategy, codified the key operational and financial features of the model, and responded to employer needs. With assistance from JFF, WRTP has moved from providing a few construction employment programs to establishing itself as the center of workforce services for the construction industry in the Greater Milwaukee area.

Although WRTP does not have plans to replicate the Center of Excellence itself, it has documented the business and social case for its replication.

Challenges and Lessons for the Field

Key lessons for the field from the Center of Excellence are:

- **Intermediaries can be the solution to categorical funding issues:** WRTP has served as an intermediary that blends multiple funding sources in the interest of meeting industry needs. This has made public resources for addressing workforce issues more readily available to the private sector.

- **Workforce initiatives need to be employer-driven:** The Center of Excellence is an employer-centered initiative, and this is clear to the employers as well as to the other partners. This means that program accountability is clearly defined.

- **Create a good climate for investment:** By streamlining services and creating a consolidated model, WRTP has used the Center of Excellence to encourage the city and state to develop a regional funding initiative to coordinate public, private, and philanthropic resources.

- **Tie workforce development and economic development:** The Center of Excellence works well because it is linked to a major public and private construction infrastructure initiative in Milwaukee. The public and private sectors, as well as philanthropic entities, are making significant contributions to workforce development, and the Center of Excellence has positioned itself as a key partner in this effort.
Advancement for Low-Wage Workers: A Series of Reports from Jobs for the Future

Jobs for the Future develops models, strategies, and policies that enable adults to advance toward economic self-sufficiency for themselves and their families. Drawing on innovative workforce development efforts around the country, our publications, tool kits, and other resources respond to the challenges to advancement for low-wage workers. With the series Advancement for Low-Wage Workers, JFF seeks to elevate discussion of this critical issue within and outside the workforce field. Elaborating upon the themes in the series introduction, The Next Challenge, these occasional papers address public policy and on-the-ground practice.

Titles in the series include:

The Center of Excellence: Meeting the Workforce Needs of the Milwaukee Construction Industry (2006)

The Right Jobs: Identifying Career Advancement Opportunities for Low-Skilled Workers (2005)

“Our Success Is Our Graduates”—Case Study of Year Up: A Career Advancement Model for Low-Income Young Adults (2005)

From the Entry Level to Licensed Practical Nurse: Four Case Studies of Career Ladders in Health Care (2005)


The Next Challenge: Advancing Low-Skilled, Low-Wage Workers (2004)


Workforce Intermediaries and Their Roles in Promoting Advancement (2004)


Low-Wage Workers in the New Economy (Urban Institute Press, 2001)

Public Views on Low Wage Workers in the Current Economy (2001)

About the Author


Acknowledgements

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