



# Report of Activities

(October 2007 – December 2008)

Prepared on behalf of  
**NH Department of Resources & Economic Development**

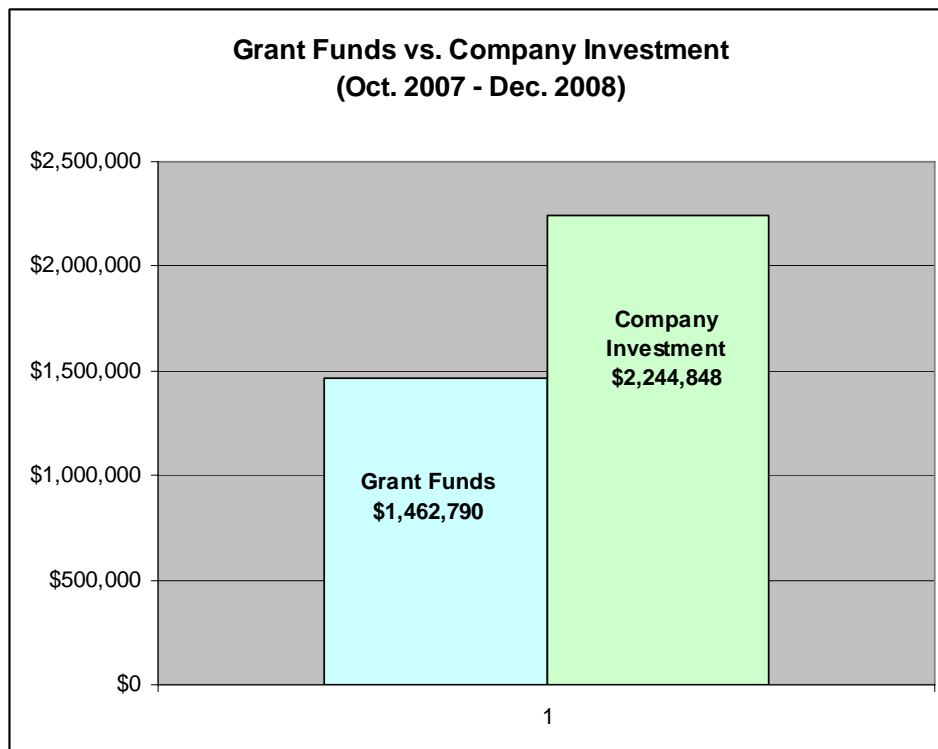
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## Introduction

In 2007, in an effort to assist New Hampshire's businesses in obtaining and retaining highly-needed skilled workers, as well as to provide economic incentives for businesses to locate in New Hampshire, the state's job training program was revived. Funded through NH Department of Employment Security's administrative funds, which are drawn from the state's unemployment compensation trust fund, the legislature enacted several revisions of the program that previously operated throughout 2001 and early 2002. Two significant revisions included the removal of funding restrictions based on the balance of the trust fund and also a change in the designated administrator of the program.

First, the threshold for funding the program was removed. Previously, if the trust fund's average daily balance fell below \$275 million in a calendar quarter, the funding for the program was suspended for that quarter. This funding restriction ultimately caused the program to cease operation after approximately 18 months due to a downturn in the economy. Second, the administration of the program was moved from the Community College System to the Department of Resources and Economic Development (DRED), who subcontracted the daily management of the program to the Workforce Opportunity Council.

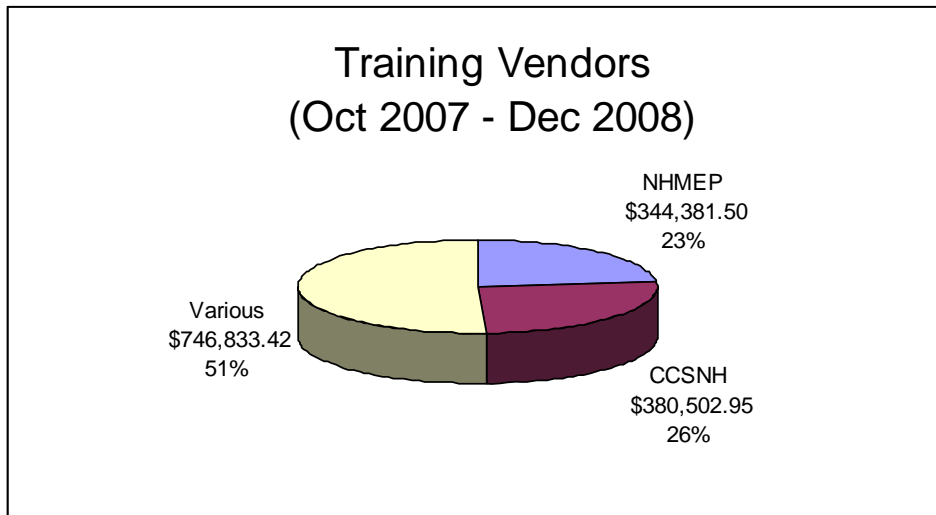
Members of the NHJTF review committee are designated by legislation. In October 2007, the committee began their monthly meetings. In addition to completing a formal written application, businesses requesting grants are required to meet with the Committee. The Committee makes funding recommendations to the Commissioner of DRED, who is tasked with approving or disapproving those recommendations. The program requires a minimum 1:1 match of funds by businesses. By December 19, 2008, a total of \$1,462,798 in grant funds was committed, leveraged against funds of close to \$2.25 million provided by the 66 grant recipients.



## Training Provided

As of December 19, 2008, companies had committed to training 3,158 workers. With the assistance provided by these grant funds, and based on specific needs identified, New Hampshire's companies have invested in a variety of training opportunities, ranging from specific technical skills (CNC machining, blueprint reading, software applications, etc.) to the more "softer skills" of management and team-building.

The legislative intent of the program was to build capacity at the community colleges by naming them as trainer of first choice. However, recognizing that, for various legitimate reasons, the colleges would not always be able to meet the training needs of companies, a waiver system was created so that companies could pursue training appropriate and specific to their needs. This has resulted in a surprising seventy-four percent of grant funds invested in trainers *other* than the community colleges.

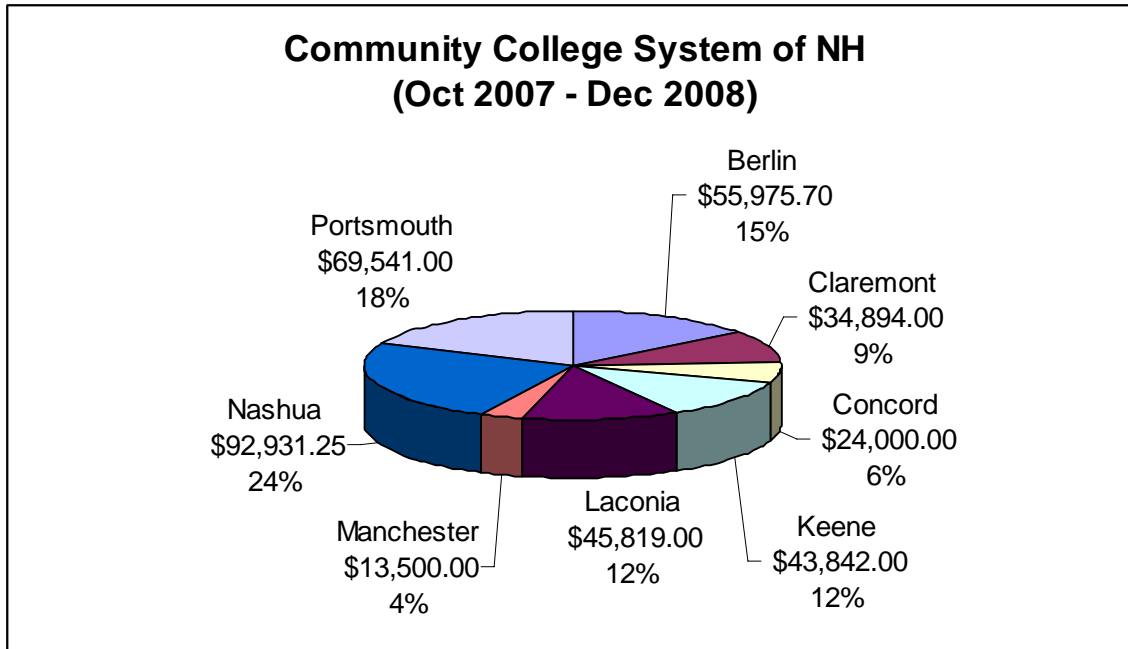


While this may not have been anticipated, it likely indicates that companies need more specialized training than what can often be found in the local community colleges. This does not mean that the colleges do not (or cannot) play a strong role in training New Hampshire's workers. Instead, it appears, at least in these early days of the training program, that companies are looking for short-term training, targeting needs very specific to their operations, and that some of this training requires vendors specializing in those needs.

Of the training conducted, or scheduled to be conducted, by far the largest type of training has been in lean manufacturing and related products. Twenty-three percent of available grant funds have been invested in lean training provided by New Hampshire Manufacturing Extension Partnership (NHMEP). The colleges have not been completely shut out of this training, however, as additional lean training, resulting in individual certifications, has been provided by the various community colleges (CCSNH).

CCSNH has also provided, or is scheduled to provide, significant training in supervisory/management skills, team-building activities, and MS Office suite software. Approximately twenty-six percent of the available grant funds to date have been invested in

community college course offerings (including the previously identified lean certificate training), and the graph below indicates how each college has fared in the investment of those funds. Also, keep in mind that the invested grant funds represent, at a minimum, 50% of the total funds received, as the program requires a match of at least half the cost of training.



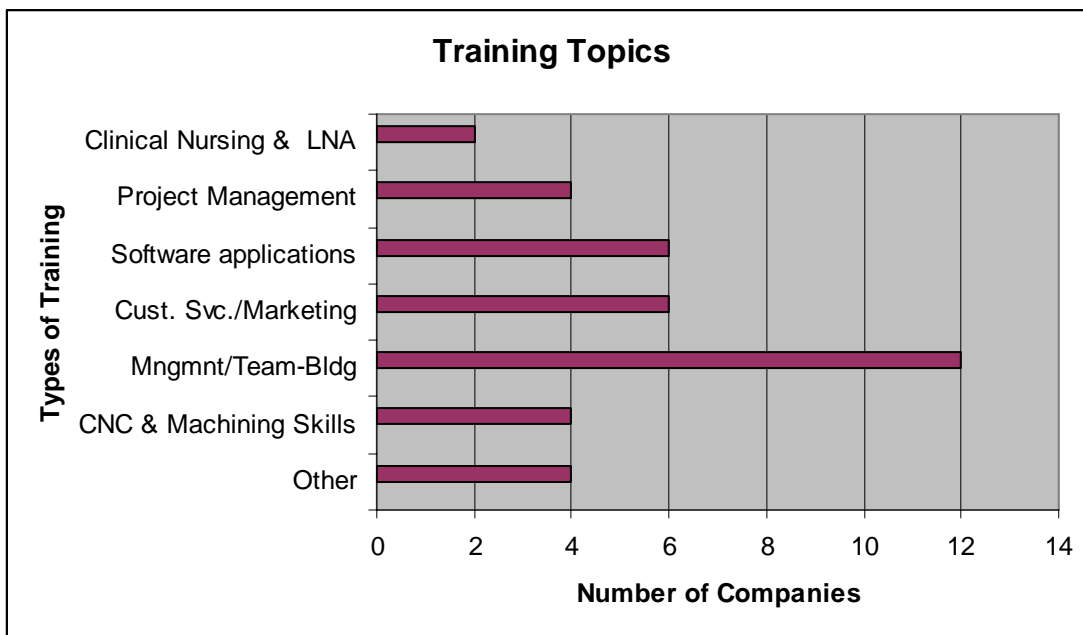
It is also interesting to look at the above information from the perspective of how many companies, as well as individual workers, each college has served in relationship to the grant funds received.

<u>College Location</u>	<u># of Companies Served</u>	<u>Total Grant \$ Invested in Training</u>	<u># Workers Trained</u>
Berlin	3	\$55,975.70	49
Claremont	1	\$34,894.00	42
Concord	4	\$24,000.00	143
Keene	1	\$43,842.00	235
Laconia	5	\$45,819.00	66
Manchester	1	\$13,500.00	15
Nashua	3	\$92,931.25	110
Portsmouth	6	\$69,541.00	97

Looking at the segment of training conducted by trainers other than CCSNH and NHMEP, the vendors are so varied that it is impossible to see a pattern. The only two vendors that provided training to more than one company are UNH and VT HITEC. Even the actual training covers multiple topics, however here, a slight pattern does emerge.

The chart below indicates the number of companies choosing training in the listed topics. Some companies trained in several categories, so a particular company may be counted twice for

purposes of illustrating the “demand” of the training topics. Please note that this chart does not include training in lean or related products.



## Outcomes – Company Perspective

Companies are required to provide a summary report on the outcomes of their training in order to receive the final and full amount of their reimbursement. Of those companies who have finished their training, the following excerpts are offered from their reports:

*“...The impact of this training on individual worker’s skills and the bank as a whole was invaluable. For example, the Loan Operations Area was able to work on two initiatives, including the insurance process and the payment posting. They completed the insurance process with the following results:*

- *9 handoffs of documentation to 4*
- *reduced 13 decision points to 6*
- *reduced the information round-trip flow*
- *reduced cycle time from 5 days to 2 days*

*More importantly, this group, along with the Deposit Operations Area, learned the process of objectively evaluating a current procedure, assessing improvement options, creating and utilizing an improvement road map, and eventually realizing an improved state to increase efficiency and effectiveness for both individual employees and throughout our organization. ...”*

**Cynthia Stuart, Vice President**

**-Connecticut River Bank (on Value Stream Mapping training)**

*“...It is getting more and more difficult to keep manufacturing jobs in the United States. Those jobs that are staying require high Quality levels and are very complex to manufacture. This*

*requires a higher skill of engineer that is trained in both project management and Failure Mode Effect Analysis (FMEA). This training has provided more skills to our engineers...”*

**Kathleen Strevel, Director of Operations**

**-HiRel Systems** (on Advanced Product Quality Planning training)

*“...Both experienced and new employees gained significant skills through this training by examining fundamental concepts in a broad range of areas, new developments in the field, case studies, and industry best practices. Employees are already exhibiting greater confidence and diversity of thought in executing responsibilities. ...”*

**John E. Hennessey, Vice President of Marketing**

**-Littleton Coin Company** (on Direct Marketing training)

*“...During the last two years, Microspec has experienced significant growth. We have added nine jobs... [a]nd expect to hire more people in 2009. ...While the direct training costs constituted a major investment, the greatest costs were less tangible. We shut down production lines in order to free employees to participate at a time when our customer demand was high. We asked people to work together in ways that were new to them. During the process, we managed uncertainty and created a safe space where our employees could learn and grow, problem solve and create together. How did we do?”*

*The Tech assigned to the line said, “It is the best thing we’ve ever done in extrusion.” The managers involved became advocates. Those employees who were not involved in the initial implementation, but were witnesses from the sidelines are asking when they will have their turn. This has turned out to be successful in every way you can measure.*

- *Employees in the training cell have accepted responsibility for managing their scheduling relative to the customer demand.*
- *They not only caught up on orders, but built a “super market” inventory that has reduced the customer order lead time from weeks to one day.*
- *They have neatly organized their workspace along 5S guidelines, and their work area remains neat and orderly.*
- *They continue to meet regularly to keep their team on track, and their problem resolution progressing.*
- *Managers have noted that they are spending significantly less time with these employees helping them to manage their behaviors and their work, freeing them to become more strategic in their support roles.*

**Diane Fukuda, President**

**-Microspec Corporation** (on Lean Manufacturing training)

*“Our objective coming out of this training is to develop a standardized system for managing projects. We feel project management is key for the success of our ongoing initiatives such as Lean Manufacturing and new product development. Before we initiated the training, we had a few people who had project management skills. The problem was that they all used a different system. It was very important to us that we create a standardized system that would be*

*sustainable throughout the organization ....We are still in the development stage of our new product development system. But we now have the main tool in place. We are in a position of having extra capacity.....[t]he biggest payoff for the project planning training is when we start filling the extra capacity with new products. ...”*

**Scott Monk, Director of Operations**  
**-Wire Belt Company of America** (on project management training)

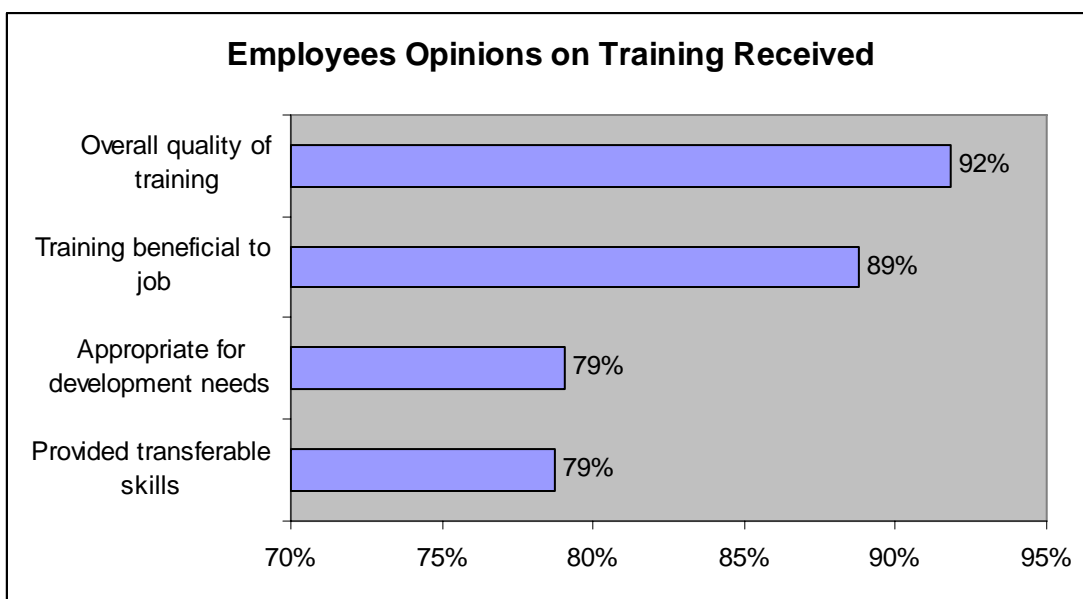
## Outcomes – Employee Perspective

Company employees who receive training are also asked to complete surveys to determine how effective, from the individual’s perspective, the training was. Companies had their choice of providing their employees with the surveys and a stamped addressed envelope to individually mail them directly to the Council, or to collect the surveys from their employees and mail *en masse* to the Council. Approximately half of the companies chose to collect the surveys and mail them; the other half chose to allow the employees to individually mail the surveys.

As of December 31, 2008, ten companies had completed their grant-funded training programs. Of those ten, employee surveys have been received from six companies. Response rates varied in each company from 2% to 100% of the workers.

Questions asked of the workers ranged from specific information on course presentation and instructor delivery to general questions on the overall helpfulness of the training. Employees had five choices of answers, which were rated from “strongly disagree” to “strongly agree” on each question.

Below are the results of the employee surveys received from six companies who had completed their training programs. A total of 110 surveys were received. The answers displayed represent responses in the “Agree” and “Strongly Agree” categories.



As can be seen, the vast majority of individuals responding to the surveys agreed or strongly agreed that the overall quality of the training received was high. A similar strong showing occurred on the question as to whether the employees thought the training was beneficial to their jobs.

The numbers are slightly lower for whether the employees thought the training was appropriate for their career development needs or provided skills that were transferrable to other jobs. This may indicate a small disconnect between the employee and company beliefs that the provided training offered these qualities. During the grant application process, companies are required to explain their thoughts on what benefits to the workers the proposed training would provide. Companies generally believe the training will provide transferable job skills to their workers.

These slightly lower scores also appear to contradict the employees' answers given on whether the training was beneficial to their jobs. Further research would be needed to discern the true meaning of these differences. What is encouraging is that the workers, overall, believe the training they are receiving is valuable. This is further supported by the following comments extracted from employee narrative responses to the following questions:

**What is the course's greatest strengths?**

*"...the hands on training. The classroom part is very informative, but lengthy at times and very fast paced. I feel I definitely learned the most out of the hands-on experience. ...I learned a lot and I appreciate the effort they put into it."*

**- Hypertherm employee**  
(CNC training)

*"...everything that was shared in the course was directly related to the areas where we needed assistance in order to increase our effectiveness and ability to accurately forecast the needs of Inbound Fulfillment."*

**-Littleton Coin employee**  
(Customer Service/Marketing training)

*"Giving people the ability to step back and dissect the work they're doing and then allowing them control to make changes and increase their efficiency in the company. ...I have become a better team player."*

**-Microspec employee**  
(Lean training)

*"...[m]akes you rethink old writing habits. Teaches how to write for today's reader. Learned to be thoughtful to others when we write..."*

**-NH Federal Credit Union employee**  
(Professional writing skills training)

### How could the course be improved?

*“Could be longer. ...there was a lot of information to take in, in only five days.”*  
**-NH Precision Metal Fabricators employee**  
(laser tech training)

*“...longer sessions...consistency in participants....more examples and practices.”*  
**-NH Federal Credit Union employee(s)**  
(Professional writing skills training)

*“..more time for in-depth background”*  
**-Microspec employee(s)**  
(Lean training)

*“...more hands-on things to do....more time for each individual topic....fewer topics for more concentrated classes....more interactive situations... follow-up sessions”*  
**-Littleton Coin employee(s)**  
(Customer Service/Marketing training)

*”...having people like me who have graduated come back and tell others what they have achieved by persevering and hard work. ...[m]ore graded material handed out. ...more hands-on practice in the environment we’ll actually be working in....”*  
**- Hypertherm employee(s)**  
(CNC training)

### How will the training affect your work environment?

*“...most certainly took me from a limited knowledge to a full understanding and a level of confidence necessary to perform my job. ...[i]t helps out your career and gives the opportunity to advance somewhere else...”*  
**- Hypertherm employee(s)**  
(CNC training)

*“...the skills learned are transferrable to other jobs and future projects. ...[W]e will be better at anticipating needs and reacting less. ...I already have started using and applying many of the ideas and techniques I learned. ....[M]akes me stop and think about the way we currently do things and makes me want to test and improve in some areas...”*  
**-Littleton Coin employee(s)**  
(Customer Service/Marketing training)

*“..This training is transferable to any career path. It’s more than just a way to improve manufacturing work. It’s a way of thinking. ...[b]ecoming a better team player.....on time deliveries...”*

**-Microspec employee(s)**  
(Lean training)

*“...it will keep me more mindful of my verbal grammar skills in conjunction with my written ones.....[W]ill improve the work environment...provides consistency in writing styles.....[I]t helped to focus on positives outcomes, not negatives...”*

**-NH Federal Credit Union employee(s)**  
(Professional writing skills training)

## **Summary**

As businesses continue to express their need for a highly-skilled workforce, the New Hampshire Job Training Fund has assisted those businesses by providing a timely and practical tool to meet their needs. Upgrading the skills of our state’s workers not only allows businesses to expand and grow, thus improving New Hampshire’s economy, but it provides transferrable skills to the individuals who will likely experience opportunities for advancement within their current and/or future employment.

The Department of Resources and Economic Development has enjoyed its role in contributing to the state’s economic health and vitality. Application materials and other information may be found on the website, located at [www.nhjobtrainingfund.org](http://www.nhjobtrainingfund.org).