



Harper Industries

Building Training Programs with Revenue Potential

“We are dedicated to the entrepreneurial spirit that creates unique and enduring opportunities for people to make a difference.”

Billy Harper
President
Harper Industries

Harper Industries, a Kentucky-based, construction-focused holding company with eight subsidiaries across three states and projects spread out all across America, knew that to effectively manage employee growth and development, it needed a centralized training function. It found that in Director of Talent Development Bill Mogan.

With an annual budget of just under \$50,000, Mogan has formed smart, strategic partnerships with local community colleges and universities to create state-of-the-art certification and employee training programs that in 2008 served more than 400 employees. In addition, he implemented a new performance management system that focuses heavily on training and development opportunities with an impressive interactive Web-based curriculum.

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Bill Mogan

■ Teaching the Trade

Harper Industries is committed to training throughout the organization, whether it is skills-based training or dealing with workforce readiness deficits and related training concerns. The company believes, and studies show, that employees are more motivated to stay with a company that provides opportunities for professional growth and advancement. Mogan said the company’s philosophy for entry-level workers is to “hire employees we believe have a strong work ethic and

good people skills ... then, we teach them the trade.”

It is a strategy that works, and other companies in similar fields may be able to learn from it.

■ Workforce Readiness: It All Starts with the Hiring

When it comes to addressing workforce readiness concerns, the team at Harper Industries believes it is important to focus on smart hiring and prepare students before they become prospective employees. They believe you can teach someone the mechanics of almost any job, as long as they have a strong work ethic and people skills.

Using a pre-employment assessment tool called the Predictive Index, Harper Industries’ human resources staff believes they are better able to hire those who are a good fit for the company, as well as the specific job for which they are applying. Once the person is hired, management believes, these data also can help shape future training and development needs.

When interviewing, the company also employs what are known as “behavioral-based interviews.” Interviewers do not ask hypothetical-situation questions, instead drilling down to the facts to learn what a potential employee’s real-life experiences have been in problem-solving, dealing with conflict and other important aspects of an employee’s readiness for work.

Another important commitment the company has made in preemptively addressing workforce readiness issues is by hiring summer interns from local colleges. These interns not

only learn about the businesses in which they work, but they also develop a strong work ethic, a sense of professionalism and an understanding of what the working world is like.

Harper Industries has hired a number of former interns upon their graduation, and the company believes that reaching out to work with future employees while they are still receiving their education is important and valuable — not just to the business but also to the student. It gives their schooling greater context and prepares them for the future.

■ Managing Performance

When Bill Mogan joined Harper Industries, the first thing he set out to do was establish and implement an electronic performance management system to track not just employees' goals and accomplishments but also meaningful training and development goals and strategies for each employee. This new system has created a new, much-needed sense of accountability and has also created transparency in career plans/paths.

When employees join the company, they go through not just orientation and basic safety training but also job-specific technical training that includes instruction on how to use certain types of equipment or specialized software programs. Then, after 90 days of employment, employees go through their first performance review, during which there is an assessment of skills and needs.

This is a critical step in an employee's tenure with Harper Industries, because this is a point at which a supervisor or department head can determine what remedial training needs to take place, what kinds of training will advance this employee in his or her current job, and how he or she might grow and advance while at the company. Each supervisor and department head determines what training an employee gets as part of his or her overall career path at the company, and they adjust that plan accordingly during subsequent annual performance reviews.

To address any remedial or workforce readiness training issues, the company can encourage an employee to access one or more of the 100 specific interactive, Web-based training modules that are built in to its performance management system. These online courses can last anywhere from one to four hours; can be done from work or at home; and cover computer skills such as Word, Excel and PowerPoint, as well as what are often referred to as "soft skills," such as communications, teamwork, interpersonal skills and goal setting. Because these courses are available immediately, supervisors encourage the use of this curriculum to address short-term needs and can address additional training needs in the months to come.

The company also recently evaluated and strengthened its internal training programs. Every employee gets some training — whether it is orientation, job-specific or safety skills training during their first few weeks on the job, or more

advanced classes and seminars designed to retain employees longer and move them into more challenging and rewarding positions over the years.

■ Creating a Company University

Having established success in conducting orientation and safety skills classes taught by in-house, on-site experts, and having implemented a triage-type performance management system that can identify and address training deficits and needs within the first 90 days of employment, Harper Industries knew it had to reach outside the company to create a more thorough training and development curriculum on "soft-skills" training for its employees.

Because it did not have the staff capacity or experience to do the

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training internally, the company joined forces with the four local community colleges and the University of Tennessee to create a customized curriculum for Harper employees. This program is called Harper University and is available to employees that have been recommended by their supervisor or department head.

Harper University offers classes ranging from finance, computer skills and management training classes to basic presentation skills and a Six Sigma training program. Mogan worked with the colleges to review their existing curriculum and customize it for their business focus.

These courses are taught on-site at the company, and instructors are sent to a designated central location during work hours from September through May. Employees can earn college credit for these classes, and they are fully paid for by the company.

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In addition to the Harper University course offerings, the company created specialized Certificate Programs that consist of core competency courses within specific skill areas. The current Certificate Programs include:

- Basic/Advanced Supervisory Skills;
- Basic/Advanced Leadership Skills;
- Basic IT Skills; and
- Safety and Risk Management.

An employee can complete a Certificate Program within 18 months. The company plans to add Certificate Programs in specific functional areas, such as Finance and Accounting,

Safety, Human Resources, Project Management, Administration, and others.

■ Job and Specific Skills Training

Recognizing that outside training schools and programs did not adequately prepare new hires for the higher standard of excellence at Harper Industries, the company decided to create its own CDL truck-driver training program for its concrete ready-mix operations, focusing on safety, efficiency and concrete production, as well as its own welding school for its steel fabrication business. Doing this enables the company not only to teach the basic skill and do it right but also to integrate other related skills and aspects of the company culture not found in external curricula.

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At one Harper subsidiary, Frontier Materials Concrete,

the majority of new employees were being recruited from other transportation industries or straight out of a local community college truck-driving school. Unfortunately, neither group understood the ready-mix culture and demands of producing quality products in the manner the company expected. The company needed its concrete mixer operators to be more than just drivers — they are customer service, quality control and production crew.

So, the company created FACTS: Frontier Advancement Career Training System, an employee-development training program that includes state-of-the-art simulation training for mixer operators that not only addresses specific driving issues but also provides an overview of the concrete industry from the ground up, including production, customer service, quality control and safety.

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Another Harper subsidiary, Precision Steel, formed an internal welding academy. The training coordinator, one of the company's top welders, also expressed a desire to move into the training field to help new employees in the trade.

Working with management to ensure all areas of the business culture were covered in the training, the training coordinator designed an internal certificate program to train new welders and then assign each one to a mentor upon completion of the program. The class size is small — usually no more than seven individuals — and runs two to four weeks.

These new hires are taught on the job, in the actual welding shop with one-on-one instruction. Each new hire is then assigned to a mentor, who will monitor the employee's progress over the first 90 days of employment to ensure success.

Creating this program has enabled Precision Steel to double the number of welders, which was critical to meeting increasing business demands and increasing top-line revenue. Company management report that the overall quality of work has improved since the program began. They believe this method of training has been the most successful to date, and they look forward to sharing their program with other competencies and trades within the Harper family of companies.

■ Preparing Future Leaders

In addition to the Harper University training for all employees and the specific skill-set, trade training programs, Harper subsidiaries — including Metro Ready Mix and Frontier Materials Concrete — also have implemented a Future Managers Program. Having faced recruiting challenges in the past, they created this program to recruit the best people available and train them in a manner to create the best team possible for the combined success of the company and the industry in general.

Their leadership believes that the future of Frontier — including strategic growth, diversification and succession planning — depends on the quality and abilities of its management and leaders. However, they also recognized that not everyone learns in the same way or at the same pace, so they wanted to develop a structured training program that is strict enough to meet the company's needs in the end but flexible enough to accommodate the individual's character and learning style.

This Future Managers training is divided into segments that allow a certain amount of specialization yet encourage a broad spectrum of exposure and basic education in the processes and purposes of the organization. Each segment of the program consists of training with one of the various business departments and covers different responsibilities and procedures of different job descriptions and functions within each department.

Business areas covered by this program include:

- Quality Assurance;
- Sales;
- Customer Service;
- Accounting;
- Safety;
- Ready-Mix Operations;
- Company Culture;
- Human Resources;
- Plant Maintenance;
- Fleet Maintenance;
- Construction Products;
- Materials; and
- Environmental.

Employees selected for the Future Managers program keep a daily journal so that they can outline and identify key learnings in each business area and skill set and then use the journal as a form of evaluation by management before moving on to the next segment of the program.

Since the Future Managers program began, one participant has now become a plant manager, another advanced to become a customer service manager and a third employee has moved into the position of customer service representative. The company also recently placed an employee who had been a two-time summer intern into the Future Managers program, showing that working with students early on in their development can pay off for both the employee and employer.

■ What's Next for Harper Industries?

"As for our future plans, we're hoping to offer even more courses and be able to better target them to employees who will benefit the most from the training," said Mogan.

Mogan believes the company is on target with its training and development and plans to add more targeted, focused functional training. The company also is working with its community college partners to customize then add training around sales

and marketing, business development, and more "corporate" functions for those who are ready to make the move into management and high-level leadership roles. It also plans to expand its internal professional certification program offerings.

Having seen great success in recruiting and retention since implementing the performance management and training programs, Bill Mogan and the team at Harper Industries thinks they may have created a new revenue stream for the company — they are in the early planning stages of offering this customized curriculum to other companies in similar industries. Mogan sees this potential revenue generator as something that could augment the training budget for different, more extensive programs in the future.

In all, Mogan believes there are three key learnings from the Harper Industries experience:

- A holistic, integrated program linking performance evaluations to training and development is essential to both employee and company growth.
- Look externally for partnerships and solutions; handling everything in house is not always the way to go.
- Integrating training into an employee's career plan is essential to improved retention and loyalty.

About Harper Industries

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Harper Industries is a holding company with eight construction- and infrastructure-industry subsidiaries. Headquartered in Paducah, KY, the company employs more than 800 and maintains subsidiary-located operations in three states, with projects across the United States and in Puerto Rico.

About Corporate Voices for Working Families

Corporate Voices for Working Families is the leading national business membership organization representing the private sector on public and corporate policy issues involving working families. A nonprofit, nonpartisan organization, we improve the lives of working families by developing and advancing innovative policies that reflect collaboration among the private sector, government and other stakeholders.

Find Out More

This case study is part of the comprehensive research report *The Ill-Prepared U.S. Workforce: Exploring the Challenges of Employer-Provided Workforce Readiness Training*. This research study and publications, other research studies and toolkits on a host of workforce readiness, flexibility, family economic stability, and work and family balance issues are available on the Corporate Voices Web site at www.corporatevoices.org.

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