

LABOR MARKET ANALYSIS AND HUMAN RESOURCES PLANNING:
MATCHING TRAINING AND JOBS IN AUSTIN

SUMMARY AND RECOMMENDATIONS

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This report summarizes the findings of a larger report of the same title and discusses the implications and recommendations of the study overall.

This report does not necessarily reflect the opinions of the sponsoring organizations.

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I. INTRODUCTION

In the fall of 1980 the Capital Area Manpower Consortium enlisted the collaboration of the Lyndon B. Johnson School of Public Affairs and the Center for the Study of Human Resources of the University of Texas at Austin, in a project designed to assemble and analyze information which might contribute to better local labor market planning.

The project was conducted as a Policy Research Project of the LBJ School. Policy Research Projects, or "PRPs" as they are more commonly known, are a standard feature of the LBJ School curriculum, intended to provide graduate students of public affairs the opportunity to contribute, through direct involvement, to the solution of actual policy problems confronted by existing public institutions.

The staff of the project included fifteen LBJ School students, two LBJ faculty and two research associates of the Center for the Study of Human Resources. The research for the project, which consisted primarily of analyzing the best publicly available statistical sources; interviewing officers of public and private institutions engaged in occupational training in the Austin SMSA and preparing an inventory of their combined course offerings; and interviewing a sample of Austin-area employers and other sources about various aspects of the way in which the local labor market functions, consumed the academic year 1980-81. The summer months were used by a much reduced staff to assemble the results of this work into a finished report.

This report is published in two parts. This, the first, is a recapitulation of the most important findings stemming from the research, coupled with a brief statement of their apparent policy implications. It is meant to serve primarily as an executive summary.

Readers interested in examining detailed evidence for the assertions made in this summary should consult the second volume of this report, which is considerably longer. It was prepared with two aims in mind. One was to serve the needs of those readers who have a deeper interest in the detailed characteristics of the Austin area labor market. The second was to serve as a reference, or base-line document, for the staff of the Capital Area Manpower Consortium and its Private Industry Council. Experience has clearly shown that effective labor market planning is a continuous process. While the research project was as thorough as time would allow, the information contained in this report will inevitably become obsolete with the passage of time and need to be updated. Even so, the task of assembling that new information, and especially of analyzing and interpreting it, should be much easier with this report serving as a benchmark from which to work.

Summary of Research Findings

The first major task of the project was to examine publicly available statistical sources for data on the Austin Standard Metropolitan Statistical Area (Travis, Hays and Williamson counties). This task was hampered, however, by the fact that complete results of the 1980 Census were not available. This data should be incorporated into the reference document as soon as it is released by the U.S. Department of Commerce. Nevertheless, the points emerged from the analysis.

Demographic Developments

The Austin SMSA has been experiencing extremely rapid growth since 1960. Moreover, the rate of growth actually accelerated between 1970 and 1980. Between 1960 and 1970 the population of the SMSA grew by 34.9 percent; between 1970 and 1980 by 47.7 percent-- rates roughly twice as great as for Texas as a whole. As a consequence, the population of the Austin SMSA doubled in just twenty years.

While Austin is undoubtedly drawing population from other parts of Texas, the evidence also suggests that it is attracting substantial numbers of people from other parts of the U.S. as well. In 1960 roughly 80 percent of the population of the Austin SMSA was composed of native Texans. By 1970 this proportion had declined to 72.2 percent.

Although roughly 80 percent of the population resides in Travis County, the other two counties have been growing at faster rates.

Between 1970 and 1980 Hays County grew by 44.6 percent and Williamson by 103.9. The population of Williamson County more than doubled in just ten years.

In the recent past the population of the Austin SMSA was characterized by a higher proportion of individuals of working age (between 18 and 65) than the state as a whole. Conversely, the proportion of the population under 18 years of age and that aged 65+ was relatively smaller. Moreover, both of these groups experienced relative declines.

Roughly one-quarter of the population of the Austin SMSA was composed of minorities in 1970, a figure slightly below the proportion for the state. Blacks represented 11.4 percent of the total population, and hispanics 16.7 percent. However, minorities were not evenly distributed throughout the SMSA. Roughly 12 percent of the population of Williamson County was black in 1970, but only 3.7 percent in Hays. Conversely, 37.6 percent of the population of Hays County was composed of hispanics in 1970, but only 11.6 percent in Williamson County.

Educational levels and median family incomes were significantly higher in Travis County in 1970 than in Texas as a whole, but in both Hays and Williamson they were much lower. Median family incomes in both were roughly only two-thirds the level in Travis, and three-quarters of the average for Texas. As a consequence, the percentage of families with incomes below poverty in Hays and Williamson was almost twice as great as in Travis County. Rapid population growth may have changed this situation, but until the 1980 Census is available, it cannot be explored.

Labor Force Developments

While the rate of population growth between 1960 and 1970 in the Austin SMSA was brisk, it was exceeded by the rate of labor force growth. This was largely because of the rapid increase in the number of women in the Austin area labor market. The population of the SMSA grew by 34.9 percent; the total labor force grew by 40.7 percent, but the female labor force grew by 65.2 percent--in only ten years.

This growth was manifested in the very high female labor force participation rates, especially in Travis County. Women of every racial and ethnic background, including those with small children, participated at greater rates than their counterparts in Texas as a whole. By 1970 women accounted for 40 percent of the labor force of the Austin SMSA.

Moreover, fully one-half of all new entrants into the Austin area labor market between 1960 and 1970 were women. The available evidence suggests that the labor market was very tight, and that only the rapid influx of women into the job market prevented actual labor shortages from occurring during the decade.

The Industrial Structure of the Economy

Total employment increased in the Austin SMSA between 1960 and 1970 by 47.5 percent--a rate almost twice as great as that for the state. More than 50,000 new jobs appeared in the Austin area economy during the decade.

Austin began the decade with a highly specialized economy, and this concentration became more pronounced. In 1960 services and

government accounted for 42.8 percent of all jobs; in 1970, 50.0 percent.

Every sector of the Austin area economy experienced growth except mining and agriculture. The greatest relative rates of growth occurred in finance, insurance and real estate; government; services and manufacturing. However, the greatest absolute increases in employment in Austin between 1960 and 1970 occurred in services (43 percent of all new jobs), wholesale and retail trade, government and manufacturing.

The available data show that these trends accelerated during the 1970s and that the rate of job growth (at 69 percent) far outstripped the rate of growth in both the state and the nation. Furthermore, the rate of job growth exceeded the rate of population growth in the Austin SMSA between 1970 and 1980, and the labor market remained very tight. For much of the decade the officially reported unemployment rate hovered around three percent.

Growth remained brisk in nearly every sector of the local economy during the 1970s. Manufacturing, services, and wholesale and retail trade experienced particularly vigorous rates of increase. Nevertheless, the Austin area economy remained heavily concentrated. Fully half of all jobs were still to be found in services and government in 1980. Indeed, these two sectors, coupled with wholesale and retail trade, accounted for almost three-quarters of all jobs in the Austin SMSA.

The Occupational Mix

The available information indicates that the occupational mix in the Austin area is also very specialized. "White collar" occupations predominate. The clerical, professional and technical, sales and manager/administrator categories together accounted for almost 60 percent of all jobs in the SMSA in 1970.

While clerical workers constituted the single largest group of workers in the Austin area in 1970, the professional and technical group was very close behind. Indeed, the labor market as a whole contained a very high concentration of traditionally high wage, high skilled jobs. The professional and technical, and manager and administrator groups represented fully 30 percent of all jobs-- compared to only 23.1 percent in Texas. And craft workers accounted for an additional 11.7 percent.

Between 1960 and 1970 the occupations in which the greatest number of new jobs appeared were professional and technical, clerical, service and crafts. The rates of increase were also remarkable. The number of professional and technical jobs all but doubled during the decade. The number of clerical jobs swelled by 85 percent, the number of service jobs by 72 percent.

The Distribution of Jobs by Race and Sex

While the Austin SMSA has experienced a remarkable boom, not all workers have shared equally in the benefits. In 1970 nearly sixty percent of all employed women were to be found in clerical and service jobs. And although women represented 40.3 percent of the labor force in 1970, they constituted 72 percent of all clerical workers and 55

percent of all service workers, but only 19.7 percent of all managers and administrators and 39 percent of professional and technical workers. Over 20,000 women entered the Austin area labor force between 1960 and 1970. More than half of them went into clerical, service or sales jobs.

The available evidence indicates that black workers were highly segregated in the Austin area labor market in 1970. Thirty-two percent were in service occupations, 14 percent were private household workers, 11 percent were operatives, and 8.7 percent were laborers. The service, private household and laborer categories alone accounted for over 55 percent of all employed blacks. While black workers represented roughly ten percent of the labor force of the Austin SMSA in 1970, they were only 4.2 percent of all professional and technical workers, 3.2 percent of managers and administrators, 2.4 percent of sales workers, 4.3 percent of clerical workers and 7.2 percent of crafts workers. Worse, there is evidence to indicate that black workers in these more desirable jobs earned only two-thirds to three-quarters as much as all workers in the same occupational categories.

Hispanic workers were also segregated in the Austin area labor market, though not so rigidly as blacks. The largest group of hispanic workers were employed as operatives (almost 20 percent) in 1970, followed by roughly 18 percent in service jobs, 16 percent in clerical and 13.6 percent in crafts. Two-thirds of all hispanic workers were employed in jobs in these four occupational clusters. While hispanic workers represented 13.8 percent of all workers in the Austin SMSA, they were 33 percent of all laborers and 31 percent of service workers. And while it is true that they held over 16 percent

of all craft jobs, they held only 6.4 percent of all professional and technical and seven percent of all manager/administrator jobs.

II. "THE SUPPLY SIDE": VOCATIONAL AND TECHNICAL TRAINING INSTITUTIONS

Labor Force Growth

Present trends indicate that 14,000 net new workers will be added to the Austin area labor force during the next year. In-migrants to the Austin area and the entry of local residents, mostly youth and women, account for the net growth. Little can be said with precision about the skills and other characteristics of the in-migrants, but it can be assumed many are displacing Austin residents from the better jobs.

By subtracting the estimated number of school leavers from the high schools, Austin Community College, CETA training and the area proprietary schools who enter the labor market from the total net increase of new workers, it is roughly estimated that just over half the net increase is accounted for by adult women and in-migrants. Thus, there are perhaps 6,000 to 7,000 new workers who will enter the Austin labor market who are in-migrants.

Training Institutions

Because there is no information available about the in-migrants, what can be said about the skills and characteristics of the new workers in the Austin area comes from the area's training institutions. Part II, "The Supply Side", presents information on the various training programs offered by both the urban and rural school districts of the SMSA, the local proprietary schools, the Austin Community College and the CETA program. The CETA program "buys" existing training slots at the Austin Community College and the proprietary schools. The CETA trainees are included in the statistics for each place of training.

Occupational Training

Skills training offered by local institutions can be divided into two groups: vocational and avocational training. Many classes and programs cater solely to avocational interests while others, such as home economics and auto mechanics, serve both functions. There is a strong emphasis in the local independent school districts (ISD) and the Austin Community College (ACC) to serve those with vocational interests, and almost all classes are so structured.

Office/distributive training dominates the skills classes accounting for about 40 percent of enrollments in the ISDs, over 60 percent at ACC and 16 percent in the proprietary schools. Trade and industrial classes are next in importance and account for about 40 percent of the ISD vocational students, about 25 percent of the ACC students and almost 60 percent of the proprietary school enrollments. The remaining

25 percent of proprietary enrollments are in cosmetology as the proprietary schools are essentially the only trainer for this occupation. The balance of ACC's vocational students are in human or health services programs, and the balance of ISD vocational students are in homemaking courses.

Recruitment and Admissions

All three training sectors found it necessary to promote most of their programs actively, both to obtain minimum enrollments as well as to attract better prepared students. Vocational education in high schools is an elective, and as such must compete within the schools for students with other electives such as foreign languages, college prep courses, sports and music. To attract students, ACC mails a copy of its catalog to virtually every residence in the area. The proprietary schools compete by buying advertising on radio and television and in the yellow pages of the telephone directory. Few training programs were at capacity at the time of the study.

Almost all programs have minimum admission standards and require students to follow a sequence of courses by making the introductory courses prerequisites for the more advanced ones. In the high schools, admission to vocational education requires the student to be in good academic standing--i.e., up to grade level in the required basic academic courses--and often to have a career interest in the subject. Vocational and technical training programs at ACC require that the applicant possess a high school diploma, or equivalent, with the exception of the "block time" programs which are open to all applicants. The proprietary schools usually require the applicant to have

a high school diploma or GED certificate, and sometimes require an entrance exam to be sure that the student is capable of handling the material.

Planning and Curriculum Development

No vocational or technical training institution used a highly refined planning process to identify growing or declining occupational demands in the labor market or to govern their internal administrative decisions to continue, drop or expand existing programs. Fortunately, because of the consistently high levels of demand for labor in the Austin SMSA, it has not proved necessary. As a consequence, considerations of cost, the availability of instructors and student response have been the primary determinants of course offerings.

The formal planning procedures employed were largely those prescribed by outside funding agencies. Although local coordination is "required" by these outside agencies, these requirements have few practical consequences. The CETA system, ACC and the various school districts, in spite of common objectives, operate in large part independently of one another.

Costs, Students and Completion Rates

Financial cost does not appear to be a factor in students' decisions to enroll in vocational and technical education programs. High school programs are, of course, free to those eligible. ACC's tuition charges are quite modest; moreover, Basic Education Opportunity Grants (BEOG) are available for those who need help. While costs at the proprietary schools are higher, the majority of their enrollees receive financial assistance through CETA, veterans' benefit programs, the

Rehabilitation Commission or BEOGs. Furthermore, with the exception of cosmetology, ACC offers the same course as the local proprietary schools, at much lower costs, for those who cannot afford the private schools.

The decision to participate in a high school vocational education program appears to be a function of personal opportunity costs and individual maturation. A relatively small proportion of high school students who are not planning to go to college avail themselves of these opportunities. Many others probably are unwilling to forego the opportunities to pursue other high school elective activities, and defer their career choices until later. Those students who do make a commitment to a vocational education program are encouraged to do so when they are freshmen or sophomores. To make such a decision requires a degree of direction and motivation which is relatively rare in individuals who are 15 or 16 years old.

For those who leave high school without career direction, ACC, the proprietary schools and the CETA system offer another chance. But the low completion rates of students enrolled in these programs suggest that opportunity costs and maturity continue to be factors. The Austin labor market has provided abundant employment to individuals with few, if any, specific occupational skills. Therefore, to many young workers it must appear that to go to school in the face of this labor market requires intolerably high costs, either of leisure time, or the earnings that could be had by working full-time. It is only later, when the lack of skills begins to impede career development, that they encounter real difficulties.

The various opportunities for occupational training in the Austin SMSA can be viewed as a series of filters. The more mature and more directed young people are caught early in high school; the others pass through to the opportunities offered at ACC or the proprietary schools. Still others use the CETA program to participate in training with its financial and support services. Interviews with officials throughout this training system revealed considerable frustration. They feel greatly hampered in their ability to reach and help direct those students who are most in need of assistance. The whole community could benefit if it were possible to make youth and young adults more aware of the necessity of systematic and rational career planning.

The need for more effective intervention is most clearly revealed in the case of minority youth. The statistical profile of the Austin area labor market presented in Part I of this study showed that there has been a serious problem of occupational segregation in this community. In analyzing data obtained from local training institutions, it was found that the proportion of blacks participating in vocational and technical education programs is relatively low. Furthermore, most of the black students enrolled in programs at ACC and in the Austin ISD were young women who were pursuing courses with relatively little career potential. The evidence tends to suggest that, for some reason, young black males have a very low probability of being recruited, trained and launched into the labor market with good vocational skills by the major training "filters".

Young hispanics, on the other hand, appear to be much better oriented toward the possibilities which exist in the local labor market and were overrepresented in a number of occupational training programs.

Placements

Because of the burgeoning labor market, no sources reported that their graduates had any difficulty in finding jobs. Most students, in fact, find employment without formal assistance, and indeed many vocational and technical school enrollees can find jobs without even bothering to finish all the formal requirements of their instructional programs.

Future Trends

The future of the Austin area's training institutions is murky. The ISDs are partially dependent on federal resources which may no longer be available. The ISDs also face the demand for more class time devoted to educational basics which will reduce the number of elective hours available for vocational education. These same cutbacks in federal funds threaten the very existence of CETA as the only high-support training available to disadvantaged workers. Austin Community College was not able to get voter support for a recent bond issuance but did receive an increased allocation from the Texas Legislature. These funds should allow ACC to expand its occupational training, especially in the area of firm specific training. The number of proprietary schools in Austin has been reduced over the past years largely due to the growth of ACC.

At all levels, the training offered has become more sophisticated: clerical training includes word processors; small appliance repair has become training for the electronics industry. This is a positive development because it should assist local workers in competing with the probably older and more experienced in-migrants for Austin's new jobs.

III. THE AUSTIN LABOR MARKET: PERSPECTIVES FROM INTERVIEWS WITH EMPLOYERS

An overall objective of this study was to provide useful information so that publicly-funded training and placement efforts could be matched better to the needs of employers in the Austin labor market.

Our initial approach to obtaining employer input was to try to profile the labor market demand, wages, hiring and promotion practices within a selected set of occupations requiring less than a college degree. Regular published sources were consulted and found to be inadequate. Next, a pilot survey of 46 employers was conducted.

From this survey, we discovered that there was too much diversity within an occupational category to present meaningful information regarding the practices within occupational categories. Variations in hiring practices and procedures, wages paid, training, promotion practices, turnover rates and even the meaning of occupational titles were considerable.

Given such variation and given that some of the most effective training programs reviewed in the survey of training programs for this study were with individual employers, it was concluded that the most appropriate level on which trainers should focus is on individual employers. Case studies of two major employers in the Austin area thus were prepared and presented as suggestions for the sort of analysis that training institutions can conduct with individual firms.

Overall, the interviews with employers did yield some clues to help us better understand how the Austin labor market operates. The following general observations were indicated from the interviews conducted:

1. In all occupational categories studied within Austin, there is a demand for entry level workers. Unlike several areas of the country where trainers have to hunt and seek rare job openings in an appropriate occupation, Austin is currently blessed with an abundance of job openings so that trainers can place workers in any of the occupations listed for this study. Further, given the relatively small number of people CETA has the resources to train, lack of demand is an unlikely cause of failure to match training to jobs, at least in the occupations considered in this study.

2. Employers report little difficulty in finding workers to fill entry level jobs not requiring skills. This is particularly true for jobs that offer potential for pay increases and advancement. Often employers do not even have to advertise or recruit to fill such openings. Larger employers seem to attract a significant volume of walk-in applicants, and all employers have networks of informal sources available to them, such as referrals from current employees.

That employers should encounter little difficulty in finding entry level workers may come as a surprise, given Austin's booming economy. Despite Austin's low rates of unemployment and despite the fact that employment has grown faster than population, no significant shortage of entry level workers is apparent.

Employers recognize that the number of people who might apply for the better entry-level job openings is often staggering. Companies have dealt with this in two ways--by limiting recruitment of applicants to word-of-mouth referral or by upgrading the minimum requirements to qualify for a job. One or both of the above approaches might be used

by an employer. For instance, in manufacturing firms involved mostly in assembly and packaging, friends and relatives of persons already employed by the firm tend to apply for unadvertised openings. Only in times of rapid expansion do these firms need to take the time and expense of advertising their job openings. Companies also narrow the field of applicants by upgrading the skills and experience needed for an entry level position. Requiring three to five years of experience in the field of work sought greatly reduces the number of qualified applicants.

Third, work experience, even in a labor market where employers are absorbing workers almost as quickly as they enter the market, is often required for the better entry-level jobs. Applicants with some previous on-the-job training or two to three years of consistent employment have an edge over unskilled workers and applicants with spotty work histories. Unskilled and inconsistent workers can find employment; however, it commonly will be in less desirable, dead-end, lower-paying occupations, which comprise the so-called "secondary" labor market.

3. The key attributes employers seek in applicants for entry-level jobs are behavioral characteristics such as good work habits, dependability, ability to get along with fellow workers and supervisors and ability to learn the job. Given an individual with the proper attitudes, motivation and other behavioral traits, most employers felt that they could provide their new workers with the skills and knowledge to conduct the job.

Few of the entry level jobs examined require highly technical

skills, and most applicants for entry level positions have had no specialized training.

Although this finding may seem odd to some readers, it is consistent with past studies which revealed that such factors as interest in the job, inability to communicate during job interviews, immaturity, personal appearance, manners and mannerisms, and personality were all more important than lack of job related skills in an employer's decision to reject a job applicant.*

4. Employers prefer to find their employees through informal word-of-mouth networks rather than formal sources. Employers expressed the most dissatisfaction with formal sources of job applicants. Most employers feel that they run lower risks in finding individuals with good work habits if they use trusted informal sources such as the recommendations of current employees. Such a practice often tends to reinforce patterns of racial and ethnic job segregation, however.

A common element in the training programs identified as successful is that the programs have become trusted as screening agents.

5. On-the-job training is the most common means of skill development in the Austin labor market. Even though a large array of local training institutions exist, most job training occurs on the job. Most of it is informal. However, many employers conduct training in some formal way. Such training may be quite narrowly focused or broadly-based. It may be limited to a supervisor or fellow employee instructing a new worker how to do the job at hand.

*For example, see Advisory Council for Technical-Vocational Education in Texas, Qualities Employers Like and Dislike in Job Applicants: Final Report of a Statewide Survey. (Austin: Advisory Council on Technical-Vocational Education in Texas, 1975).

Or, at the other end of the spectrum, a firm may provide training or pay for related education through the Master's degree level to a promising employee.

The larger the firm the more likely it is to have a formal training program with officials responsible for training supervision.

6. Most employers report that they promote employees from within to fill upper level job vacancies. The extent to which promoting from within actually occurs is often difficult to verify, however. Employers explained that hiring an outsider involves more time in orientation and even retraining than most companies care to lose and often results in morale problems. So companies cultivate current employees with the right skills and personalities for positions higher up the ladder. Employers, sensitive to the morale of their work force, are very conscious of what incentive opportunities for acquiring further skills and pay increases are to workers. Consequently, clerks, assemblers, apprentices and other helpers will very often rise within the ranks of larger firms to positions as administrative assistants, quality control supervisors, journeymen and master craftsmen. This process depends upon a high level of personal commitment on the part of the employee as well as employer practices which provide opportunities for career advancement.

7. Some Austin employers reported difficulties in retaining workers who had achieved advanced skills. Highly skilled workers can often obtain higher wages by moving to other cities such as Houston.

There are some indications that Austin may be a staging area for younger workers to gain skill and experience and then move on to jobs

in other places paying higher wage levels. This implies a significant level of out-migration of workers with relatively high skills.

As of yet, Austin employers have not responded by raising wage levels for highly skilled workers to meet the competition from other areas. Rather, they generally have been able to hire in-migrants with skills developed in schools and firms in other localities.

8. The most commonly reported shortages of workers were for individuals with advanced skill levels. These shortages occurred at skill levels which would be impossible to achieve through CETA-financed training alone, especially given the time and financial constraints under which the program has to operate. Since there is little advanced training for blue collar occupations available in Austin training institutions, many employers have relied on in-migrants to bring skills with them. Some employers reported that they recruited out of town or recruited through the military.

9. Most employers are unable to predict their employment needs very far into the future with any certainty. A few firms indicated that they would be expanding but could not foretell the timing of the expansion. Others could specify a general direction but not their level of need. Still others could not or would not even venture a guess about expansion. Given this circumstance, employers are unlikely to be a source of accurate information regarding future demand for workers. Any information beyond immediate needs or perhaps over the next quarter is suspect. Also, information regarding demand for workers that is compiled from employer interviews will quickly be out of date.

IV. IMPLICATIONS AND RECOMMENDATIONS

Even in a robust economy such as Austin, there is a need for special programs to assist groups who have not shared in this growth, groups with particular barriers to employment and those who have dropped out of regular training programs but who could benefit from another chance. The issue of the distribution of the fruits of employment growth should be an explicit part of growth policy in Austin and implemented through a collaborative effort among employers, the Capital Area Manpower Consortium, community-based organizations and the Austin Community College.

The effort should be aimed primarily at new and expanding employers. Programs should be designed to work with specific employers using techniques that have been developed and proven in past projects in the Austin area. One approach that appears to have much merit is the Combined Skills Training Program.

In view of the high level of job growth in the Austin labor market, it seems appropriate to replicate some variation of the Job Club approach to train individuals to find their own jobs. This approach has been used in rural locations in the Austin metropolitan area as well as in other CETA prime sponsors. A key to success with this approach appears to be properly trained and able staff.

Both the Job Club and the Combined Skills Training Program will provide a means for people living in Austin to become better acquainted with local job opportunities and to have improved access to them. Currently, many of the better new jobs appear to be going to in-migrants

who comprised an estimated 50 percent of all new entrants to the Austin area labor force in 1981.

Further attention and study needs to be given to making available advanced training in selected crafts through training institutions in Austin. One example is metalworking trades. Employers interviewed repeatedly noted shortages of high skilled craft workers. This is a more appropriate role for Austin Community College than for CETA, although steps should be taken to assure that CETA clients have access to any such training offered. Since some of the problem of underrepresentation is a matter of inadequate upgrading of women and minorities, providing accessible opportunities for upgrade training in craft occupations could help address issues of equal employment opportunity as well.

There is a need for some organization or group to monitor the Austin labor market from an overall perspective, with special attention focused on employer training needs and workers who have special problems or training needs. This will involve updating and supplementing the information and data gathered in this labor market analysis. The Private Industry Council, if strengthened and provided staff support from the CETA prime sponsor and the Austin Community College, could undertake this responsibility.

Finally, the issue of job discrimination and underrepresentation of minorities and women in better paying jobs needs to be brought to the attention of the Austin community and measures devised to counter it. Without special efforts, the present patterns of participation in training programs and in the jobs will persist. Employers must be

involved centrally in this effort because they are the actors who could most effectively do something about it.

The Role of CETA in a High Growth Labor Market

Unlike most areas in the United States, the Austin economy has been booming, attracting a large stream of migrants over the past two decades. Population in the Austin SMSA grew 34.9 percent between 1960 and 1970. From 1970 to 1980, the rate accelerated to 47.7 percent. These rates were more than twice the rate for Texas as a whole. During 1981, the net in-migration is estimated to amount to 1,600 persons per month.

Incredibly, the number of jobs has grown even faster than population. Between 1960 and 1970, employment grew by 55 percent. From 1970 to 1980, the rate of growth in jobs moved up to 69 percent. Unemployment has fairly consistently been below four percent. During 1981, the number of jobs has continued to grow at nearly 1,000 positions per month.

Within this very robust economy, there is less competition for workers than might be expected. To be sure, there are shortages for certain kinds of skilled craft workers, e.g., machinists. Employers report that they cannot find as many highly skilled workers as they would like, but they are getting by. That employers are getting by may seem puzzling at first glance because training institutions in the Austin area do not offer courses for advanced skill training in craft occupations such as machinists. Employers have adapted to this situation by developing in-house training through which relatively unskilled people acquire job-related skills and by hiring trained persons from outside the area. In a real sense, Austin

employers are benefiting from the training investments made elsewhere and brought to Austin by in-migrants.

At the same time, some Austin residents do not seem to be benefiting significantly from the growth in employment. Growth in Austin is widely supported because of the jobs it allegedly brings to Austinites. But our study calls into question whether the fruits of that growth have been distributed well to all Austinites.

Patterns of employment for minorities and women show strong indications of concentration in lower paying jobs and underrepresentation among many job categories. The case is not only severe for black males, but black women, hispanics and white women also have serious problems. Further, a review of the patterns of participation in training courses reveals a pattern close to that which prevails in employment. Without intervention, these patterns are likely to persist into the future.

The situation is compounded by prevailing job recruitment methods. Most job recruitment is handled through walk-ins and informal word-of-mouth networks. Many larger employers with good jobs to offer are sufficiently visible so that there is a steady stream of applicants for their entry level jobs. Medium and small employers rely more on word-of-mouth networks or occasionally on classified advertising in newspapers. These practices favor persons who have friends or relatives employed and are therefore able to refer job openings. New minority entrants learn of fewer jobs by word-of-mouth because they have fewer friends and relatives employed in the right places to be able to refer them.

The matter cannot be explained fully as discrimination by employers although that is involved. But there are supply dimensions to the problem as well. Employers report that few qualified minority applicants apply; minority spokespersons point out that minorities don't apply or enroll in appropriate training because there is a perception that they won't be hired for these jobs anyway. The shape of the problem quickly becomes circular. Solutions will come only when and if problems of underrepresentation are addressed squarely both in the minority community and by employers. CETA can play a role in dealing with the problem, but the problem is clearly larger than CETA alone can effectively deal with.

The Capital Area Manpower Consortium estimates that about 15 percent of the population in the SMSA is eligible for its services. While not all of these individuals are minorities, minorities are more heavily represented among this population.

Finally, our survey of training institutions revealed a high proportion of "drop-throughs" in almost all programs. These are individuals who miss opportunities for employment at one point or another, but who, given some time for maturing, may be able to launch a career, given another chance.

All of these factors point to a need for some sort of special training efforts for special groups even in the booming Austin labor market. It would seem to be appropriate activity for CETA working in conjunction with other training institutions.

The population eligible for service by CETA reflects wide diversity, ranging from those nearly job ready to individuals with

special and profound barriers to employment. Similarly, the requirements of individual employers regarding characteristics of entry level workers varies as well. While all employers consider behavioral characteristics of workers to be important, employers offering better career opportunities can be selective--demanding job applicants with skills prior to coming on the job. Finally, proper screening or matching of workers to jobs is important and costly to most employers. Demonstrated success in properly matching workers to jobs by training agencies will prompt further requests from employers.

Building on Past Successes

Several programs and courses provided in the Austin SMSA have been successful in helping people become aware of and consider a wider range of job opportunities. These programs and courses have also helped employers find, screen and train permanent employees. In designing future programs, it seems appropriate to build on the achievements that have been made in the past. Two approaches have particular appeal in this regard: the Job Club approach and the Combined Skills Training Program.

The Job Club: Self Directed Placement

One program model that has attracted considerable attention nationwide is the Job Club,* an approach that has been used in the Austin area as well.

The Job Club approach is based on the premise that jobs exist and that the clients could do them. What they need is to be able to find the job opportunities and then to have the confidence and capability to communicate their abilities to prospective employers. The Job Club teaches self-directed job search. It informs, instructs and provides practical experience in identifying employers, initiating contact and interviewing with prospective employers. Under the guidance of a trained instructor, the Job Club involves a group of ten to 20 people who take on the job of finding themselves a job over a two

*Much of the information about the Job Club approach described in this section was adapted from Self-Directed Job Search: An Introduction, Employment and Training Administration, U.S. Department of Labor, 1980.

to four week period. The approach involves using group peer pressure and constructive criticism to hone an individual's job search skills. It also intends to provide the support and comfort of positive reinforcement from the group to motivate the individual in what is normally a lonely and discouraging activity. The Job Club also provides service support to the job seeker, including clerical and duplicating services for producing resumes; telephones; newspapers; worksheets and occupational counseling materials.

The first week of the program is designed to teach the "what, where and how" of effective job seeking. Through a series of skill identification exercises, participants are assisted to define clear job objectives. Next they learn to identify employers who can meet their job objective.

Finally, they are taught how to make contact and present themselves to employers. They are especially encouraged to develop a network of informal leads through friends and relatives and other sources. They also spend considerable time in simulated interviews with fellow Job Club members.

Discipline in the Job Club is heavily emphasized, much as it is in most real job environments. Individuals who violate standards for attendance or punctuality are dropped from the program. Participants are encouraged to take their job search seriously.

Individuals are responsible on their own initiative to apply and interview for jobs. Once reassembled with the group, they go through debriefings, comparing experiences and providing one another with peer support.

Part of the appeal of the Job Club approach is that it teaches individuals job search skills which they can use for the rest of their lives. It also uses a self-help approach, placing responsibility for placement directly on the individual participants rather than encouraging passiveness and dependence on the agency.

The Job Club approach is very suitable to a labor market such as Austin where a high proportion of the unemployment is frictional. Jobs are expanding more rapidly than population and direct application and informal channels of job information prevail. Jobs Clubs teach clients to make better use of such informal channels. The Job Club does not offer training in job skills but Austin employers expect to have to train workers once on the job.

The Job Club approach has been used in the rural areas of the metropolitan area operated by staff of the Williamson-Burnet County Opportunities, Inc., a CETA subgrantee. The course is short, and since it is conducted as a group activity, costs are low, averaging about \$300 per placement. As many as 80 percent of the participants have found jobs by the end of the program. In view of the recent reduction in CETA funding, this appears to be a means of reaching many people with limited resources available.

Evaluations of early experiments with the Job Club have revealed that though there is little difference between types of jobs obtained by Job Club participants and their counterparts in control groups, the Job Club members were able to find more jobs and find them faster. Since the patterns of employment for women and minorities raise a concern about the quality of jobs that these groups obtain, the Job

Club design used in Austin should be devised to emphasize finding careers rather than merely jobs, and the program should be evaluated according to the quality of placement obtained rather than solely the speed with which participants find jobs or the percentage of placements.

Designing Training Programs that Channel Individuals Directly into Employment

We suggest offering a multiple option training and placement system patterned after the better practices found in the existing programs.

This section presents supporting materials and arguments for such a system. First, summaries of three successful programs/courses in the Austin SMSA are presented. Second, common elements among these cases are examined. Third, the structure and content of the system and its options are proposed.

Past Successes with Training

1. The electric car case involved a division of labor among the CAMC, SER, the ACC and Jet Industries. Jet Industries is an expanding, medium-sized local corporation. They needed a stream of new workers as they expanded their operations in the conversion of new gasoline powered automobiles to electric power. An agreement was reached where the CAMC, SER and the ACC would cooperate to provide them up to 120 workers in groups of ten to 12 per week. Jet viewed the program as being superior to their own "hire off the street" efforts because the program produced workers who were better matched to their jobs. The CAMC was able to establish a relationship with a private sector employer where a substantial number of their clients

could find permanent work. The CAMC contracted with SER to provide recruitment, screening, employment orientation and counseling. The ACC designed the course, arranged for an instructor and certified the plans suggested by Jet and the CAMC. The program worked essentially as follows.

CAMC contracted with SER to recruit and screen each week ten to 12 people eligible for support from CETA. The CAMC certified their eligibility.

During the first week, each cohort of enrollees attended a pre-employment seminar at the SER facilities. This seminar focused on individual motivation, building personal confidence, explaining career ladders at Jet Industries, stressing the importance of regular work habits, and solving specific problems such as transportation to work, child care and medical needs. Car pools were arranged to share the available cars, and child care vouchers were made available. There was near consensus among participating organizations that this seminar was a crucial factor in the overall success of the program.

The next seven weeks were spent in on-the-job training in the Jet Industries plant. The skills taught were not highly technical or advanced, but they were also not routine and repetitive. A person typically learned to use several pieces of equipment during this training period. For income maintenance, grants through CETA were paid in the form of wages.

There was a primary "teacher" during the seven week on-the-job training. He was a regular employee of Jet Industries and was also

designated by the ACC as the teacher for the trainees. The ACC reimbursed Jet Industries in part for the time he spent teaching.

ACC has had considerable experience in arranging on-site vocational training with specialists from the firm teaching. The ACC works cooperatively with the firm--as they did with Jet Industries in this case--on scheduling, curriculum, meeting places and course requirements. The salary paid to teachers (about \$10 per hour) for these courses seldom covers their actual salary. The ACC evaluates course plans and forwards them to the Texas Education Agency (TEA) for certification. After approval by the TEA, the ACC is eligible for reimbursement of their costs, based on the flat rate (\$2.04) for each student contract hour.

After completing seven weeks of training, over 90 percent of the participants have been hired by Jet Industries for a 30 day probationary period. Supervision was progressively reduced during this period. Upon successful completion of the probationary period, they were hired as regular, full-time employees with earnings of about \$190 per week.

Few trainees dropped out of the program. Among those who completed the first week's orientation, there was an attrition rate of only ten percent. Costs per placement, including income maintenance and child care vouchers, are about \$2,100.

2. The handicapped worker cases involved Marc Gold and Associates, Goodwill Industries, the CAMC, Motorola, Texas Instruments and Eagle Signal. The division of labor among these organizations

was similar to the electric car case. Recruitment, income maintenance, training and employment were handled by different organizations.

There were two different courses provided. The organizations involved were different, but the procedures followed were similar. In one course, Marc Gold and Associates contracted with the CAMC to train and place ten to 12 handicapped workers on the assembly line at Motorola. Training was designed on the basis of a detailed task analysis of the jobs which broke down each job into a series of simple steps. Teachers were provided in the early period by Marc Gold; later teaching was done in cooperation with foremen at Motorola. Motorola also provided equipment in their plant for use in the training.

In the other course, Goodwill Industries, Texas Instruments and Eagle Signal entered into a contract with the CAMC to train and place 15 handicapped persons as electronic assemblers. Each participant received three months of classroom training at Goodwill Industries, followed by three months of on-the-job training. No subsidy was provided the companies during the on-the-job training.

In both courses nearly all participants entered full-time, permanent employment at the conclusion of the training. The combination of careful orientation and training before the trainees entered the plants and the selection of jobs they were capable of performing contributed to high levels of success.

3. Industrial Cooperative Training (ICT) courses have been combined with general classroom instruction in several local school

districts to provide opportunities for vocational instruction and subsequent employment. The ICT courses at the Taylor Independent School District (TISD) are some of the better such courses.

At TISD a classroom course in a related skill was almost always a prerequisite for an ICT course. For example, a tenth grade student would enroll in a general carpentry course. The fundamentals of carpentry are taught through classroom teaching and a teacher directed project where the class does the beginning skills tasks in building a house. To learn more specialized skills in carpentry, such as cabinetmaking or brick laying, a student enrolls in an ICT course as an eleventh grader. He or she will spend three hours a day working directly with a skilled cabinetmaker or brick layer in a regular work place. The student receives course credits but no remuneration. A third year of training and on-the-job experience is also available through cooperative (Co-op) education courses. The student (usually a twelfth grader) works directly with a craftsman for half a day. Co-op students receive course credit and can be paid by the employer.

ICT and Co-op courses are supervised by teachers who divide their time between the classroom, arranging field placements and supervising the students placed in these positions. The skills of these teachers in making contacts with employers and craftsmen are critical to the success of the ICT and Co-op courses. In Taylor these contacts are close and involve mutual trust. In a good placement, students have opportunities to learn. If they are relegated to menial tasks, they are transferred to another field position. On

the other hand, if students do not measure up, an employer can rely on the ICT instructor to work with any problems.

The mutual trust between the ICT instructors and employers is in part indicated by the number of students who remain as permanent employees after finishing Co-op and ICT courses at the TISD. Over 50 percent of the students remain with the employers they worked with in ICT or Co-op courses. There was initial concern on the part of the ICT teachers that opportunities for field placements would "dry up" if students stayed in the jobs, but this has not occurred. Because of the rapport established through the ICT and Co-op programs, employers come to the vocational education department in the school when they need employees or want to suggest new training programs. School personnel help employers with a wide range of these problems. In recent years, in response to these contacts, the TISD has only adjusted its daytime programs and has developed a large evening program for adults. Also, when the Employment Service greatly reduced and then closed its offices, the natural place for employers to turn for placement services was the school district. One of the vocational counselors informally runs a general placement service for the city. As a result of these many contacts, the ICT teachers always have had a sufficient number of field placements.

Common Elements

A number of features are shared among these three cases.

First, all cases relied on multi-organizational cooperation.

Second, there was a rather extensive division of labor among the organizations. In the Jet Industries case, one organization

recruited, screened and counseled participants; another provided income maintenance; a third planned and supervised the training; and a fourth provided equipment, on-the-job training and eventual employment.

Third, there was a sequence which the activities followed, namely:

- Agreements are struck among the initiating organizations to cooperate;
- Resources are tentatively allocated;
- Plans for the actual course are made and approved;
- Participants are recruited and screened;
- Income maintenance, if any, is begun;
- Pre-employment orientation;
- Training;
- Permanent placement.

Fourth, there were a series of relationships with individual employers. The electric car, handicapped worker and the ICT cases rely on one-to-one relationships with employers. The specific needs and hiring patterns of employers are known.

Fifth, the basis of the relationship was a quid pro quo informally struck between the needs of trainer, trainee and employer. In the electric car and handicapped worker cases, the terms of the quid pro quo are in large part specified in a contract. In the ICT case, agreements are much less formal, more numerous and cemented through mutual acquaintance and trust.

When employers are hiring semi-skilled persons, they usually must do so on the basis of quick "seat of the pants" judgments. Employers without personnel offices and/or with needs to hire substantial numbers of workers are greatly assisted if they are helped in the recruitment, screening and orientation. Turnover rates are lower, and a more appropriate work force is found. Employers were able to avoid high turnover rates through participation in programs which allowed employer and employee some time to get better acquainted with each other.

The Composite System

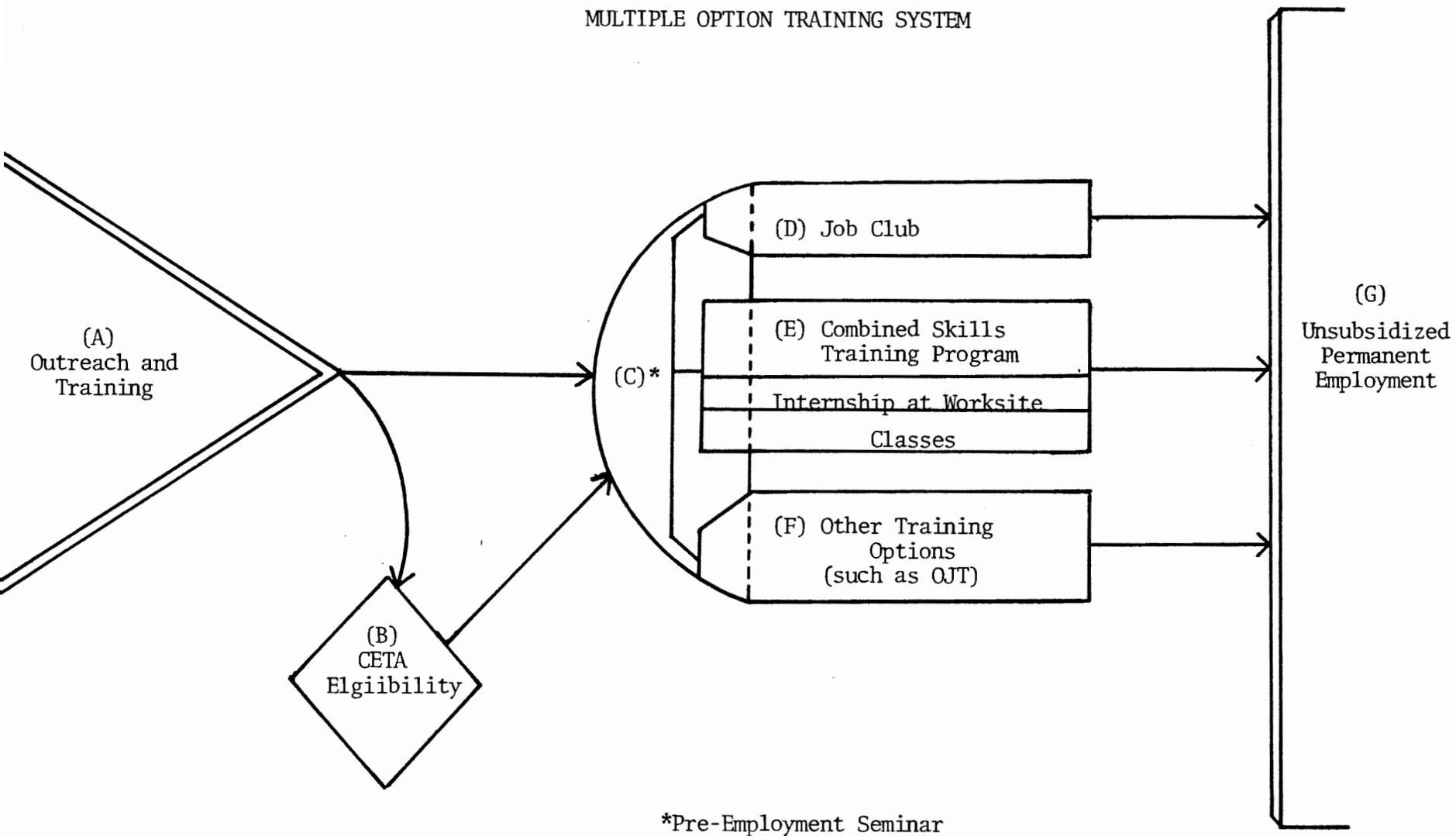
This would be a vocational orientation and training system, beginning with a pre-employment seminar, offered on a regular basis. The CAMC and one or more of the CBOs, for instance, could offer elements of this system. Given the resources and constraints of the various training institutions, the ACC seems in a strong position to offer some of it as well. It is unlikely that any one organization would do all functions.

The main objectives of the system would be:

- To assist expanding or new employers recruit, screen and orient new workers;
- To help workers more intelligently choose among the employment opportunities in the Austin SMSA;
- To distribute information on employment opportunities more equitably, and specially to build institutions where minorities and women will have opportunities for work in occupations or locations which they have previously not considered; and
- To give people living in Austin a better opportunity to obtain the jobs available.

The system would have three options, built around a common one week pre-employment seminar. Figure 1 shows the major elements of a multiple option program which makes it possible to assist clients with a variety of different characteristics. Also, there is no necessity that all elements be performed by a single organization. In the Austin SMSA, many organizations are involved in programs and courses which served as precedents for this proposal. For instance, outreach and recruiting (A in Figure 1) are now being performed by all of the CBOs, the CAMC and the ACC. Such a pattern could continue,

FIGURE 1
MULTIPLE OPTION TRAINING SYSTEM



*Pre-Employment Seminar

but consideration may be given to a process which would minimize problems associated with a "client shuffle". For example, this can occur when a person is recruited by one organization, forwarded to a second for certification of eligibility, then sent back to the recruiting organization for an orientation. From there they may be sent to a third organization for training, and then a fourth for employment. With each forward pass and lateral, the chances of a fumble increase. And, unlike football, a clients have a will of their own and will not always hit a target, even if thrown straight. If several organizations are involved in elements A, B and C, it is advisable to allow a client to remain within a single organization for as many of the functions as possible.

The Pre-employment Seminar: Entry Point to a Variety of Program Options

All students would go through the pre-employment seminar. The pre-employment seminar could meet in a classroom. Activities would focus in three areas--self-understanding, expectations of employers, and employment and training opportunities in Austin. There would be formal tests given of values, aptitudes, attitudes toward work and individual job preferences. Most of these tests, and the overall content of the seminar, have been used successfully in the electric car case (and its predecessors). Depending on the needs and preferences of students, one of the three options (D, E or F in Figure 1) could be followed. Accurate assessment, screening and referral of clients requires skilled staff. Such skills can be obtained in a

number of ways, but training in vocational rehabilitation appears to be one of the most effective sources.

The first option (D), the Job Club, has already been described in some detail. It would be appropriate for those who are judged job ready and not in need of training in job skills to secure employment.

The second option (E), or Combined Skills Training Program, has the greatest potential for assisting persons with less work experience in the primary labor market, and for helping minorities and women enter new areas of employment. Under this option, students would enter "intern" assignments of fixed duration with local employers. These internships would most resemble the ICT case. The teacher would work with employers who are expanding or just coming into the Austin area. Arrangements would be made to assist them with their recruitment, orientation, screening and on-the-job training. Trainees would be expected, in most situations, to be able to gain an acquaintance with a number of tasks/skills during their internships. The teacher's responsibility would include helping employers provide a good experience for the interns and assisting the interns to deal with any problems in adjusting to a particular work situation. A second aspect of the Combined Skills Training option would be a series of in-class sessions conducted during the internships. Work experiences and common problems would be discussed, and job related training would be provided.

The third option (F) as displayed in Figure 1 is a catchall--a variety of other training options, such as contracted on-the-job training which could be made available as needs and resources permit.

A wide variety of organizations could undertake the pre-employment seminar. The CAMC and several of the CBOs have experience in this area. It would probably not be desirable for the pre-employment seminar and all the training options to be offered by any single organization. Indeed, as shown in Figure 1, the latter portion of the pre-employment seminar should be conducted by the organization taking the client through the rest of the program. This will enable the counselors/trainers who will remain with the clients for the rest of training and placement to become better acquainted. It will also allow for moving from general orientation, assessment, screening, counseling and support initiated at the beginning of the seminar to become more specific as the focus narrows to a specific training/placement option.

In conducting the Combined Skills Training Program, the ACC has special advantages. It already has an existing program through its Business, Industry and Government Division to conduct such training for new and expanding businesses. Another important consideration, given recent federal cuts, is that such courses could be self-supporting at ACC. Tuition fees are \$11 per credit hour, and ACC receives just over \$2 per student contact hour in appropriations from the Texas Education Agency. For a group of 12 students in the intern option, tuition and TEA reimbursements could generate more than \$2,000 per course.

In a sense, CETA has the opportunity here to piggyback on an existing training program. Other training institutions can readily cooperate with ACC in the recruitment of students. Students who are eligible for support through CETA or WIN could be placed in the ACC course. Their tuition and income maintenance could be supplied by the supporting agency.

Advantages may accrue to other participating organizations. Problems sometimes arise among the CBOs, for instance, in finding appropriate programs for clients who are not eligible for support through CETA or WIN. CETA and WIN also experience problems sometimes when only persons eligible for their programs can participate in a program; the programs are sometimes stigmatized as being exclusively for disadvantaged in the eyes of some employers. A course sponsored through the ACC would make it possible to bring together a broader mix of students in any one class.

Dealing with new and expanding employers under the Combined Skills Training Program has several inherent advantages. First, these employers often have need for large numbers of workers, thus providing economies of scale in training and preparation. Training can be established to meet minimum class size standards at Austin Community College. Follow-up and support services are facilitated for staff because the placed workers are together at a single location. Also, the quality of jobs offered is likely to be better. Generally, larger employers have more sophisticated personnel systems including formal job ladders.

Another advantage may be that minorities and women may be able to establish "beachheads" in areas where they are not now employed. Many women refuse to consider, for instance, non-traditional female occupations because they "cannot imagine being a welder". Employers are often less hesitant in trying women in such jobs but have not found applicants. The internship option would allow groups of five or ten women to try such occupations together. An employer would have enough women at one time to make a more informed judgment on how well they performed and make the few adjustments that may be necessary in the work place. Also, the placed individuals would provide a critical mass for effective peer support which should lead to better job retention.

A similar pattern may develop for minority workers. Interviews with employers consistently showed that a substantial proportion of recruiting for new workers was through referrals from present employees. If minorities have not been hired in a particular establishment or occupation, this kind of referral system will not work for them. Through internship assignments, five or ten minority workers can go to an unfamiliar area of employment and feel the comfort of peer support. Other minority workers may follow through subsequent internships and the natural process of informal job referral from employees to friends and relatives.

Potential Pitfalls

Although the proposed system has much appeal, there are some potential disadvantages. These include availability of transportation,

considerations in working with specific employers and the place of small business in this system.

Availability of transportation. Since most of the new employment seems to be locating on the edges of Austin in the urban fringe and much of the CETA eligible population lives in East Austin, transportation to work could be a barrier to employment. If the Combined Skills Training Program with expanding firms is to be adopted on a larger scale, the issue of transportation must be addressed.

Considerations in working with specific employers. Working with specific employers using the sort of training model previously described offers several advantages. First, it provides built-in assurances that jobs are available for the trainees who complete the program. Secondly, by using company personnel to help design and conduct the training, the curricula is likely to be job relevant. Finally, because permanent staff do not need to be hired and because equipment does not need to be purchased (rather, the employer's equipment is used), such courses can be mounted quickly or terminated quickly in accordance with labor market demands.

However, there are some potential pitfalls in such a training design. For one, an individual employer is likely to train narrowly to meet his own requirements. Thus, skills useful to that employer only may be conveyed and transferability of skill to other employers or jobs could be minimal.

It is generally unrealistic to expect employers to pay all the costs for training workers broadly in an occupation or trade. Employers look for returns to their investments in training to be

reflected in the balance sheet of their own operations. Workers who are broadly trained may be able to demand higher wages because they are employable at a larger number of firms. Society also gains if the work force has a higher level of skills. The benefits for broad vocational training accrue to individual employees and society are often not reflected in the income statements of the firm.

In jointly sponsored training, where public funds are involved, it is reasonable for agency officials to negotiate for "occupationally oriented" training instead of "job oriented" training. However, given other goals--such as gaining access to jobs for local residents or disadvantaged groups--there may be limitations on what can be achieved in the negotiations. The issue of specificity of training is an area that needs careful consideration in each particular case.

The role for smaller businesses. The strategy involved in the Combined Skills Training Program seems inappropriate for businesses with few employees. Given limited resources, it is difficult to use individual small businesses in a training effort although small businesses can offer excellent experience, especially for younger workers. Perhaps a more feasible strategy may be to work through trade associations of small businesses. Smaller businesses might be approached best through on-the-job training programs (offered as Option F in Figure 1).

Concluding Note

The multiple option training system proposed provides a means for people living in the Austin SMSA to become acquainted with local job

opportunities. At present, many of the better new jobs appear to be going to in-migrants.

As acceptance by employers and referring organizations grows, the training system proposed could be expanded. Depending on the availability of personnel and finances, it is conceivable that one or two sections of the pre-employment seminar could begin each week.

Resistance to growth has been voiced among some Austin citizens, but the cost of curtailing growth would involve fewer jobs for the less advantaged. A strategy of combining a program of vocational orientation training and placement with a policy of careful industrial growth may be more effective than a policy which stresses one or the other independently.

The Overall Perspective

Although several training and placement institutions in Austin exist, none has considered it their charge to maintain an overall view of the area's training and placement efforts.

One way to manage more effectively may be to more explicitly develop an overall coordinated system. Even individual programs, in our view, are not implemented by single organizations. For example, take a program to recruit and place minorities and women. Such a "program" is already in existence. As part of their activities, the CAMC and the CBOs with employers and ACC have worked at implementing part of it. Our observations were, however, that there is no "program manager". No person or organization sees it as their interest or obligation to coordinate the activities of the whole cluster of organizations now involved in a program.

Each organization participates in a program for its own motives. Employers, for instance, want reliable employees. Many willingly accept help from one of the CBOs in recruiting and screening of new applicants.

The main point, though, is that no single organization provides management for the overall system. A minimum amount of planning and coordination is necessary for effective individual programs as well as the overall system. Without some overall planning, for instance, people may be trained for unemployment or placed in dead-end jobs. Such planning depends on current information, quantitative and qualitative, on the labor market in the Austin SMSA. Resources need to be assessed from an overall perspective to be sure they are available at the right time

and place, or adjustments made when one source of funds/resources ends and another must be sought. Successful execution of individual programs relies on coordinating the various organizations which are performing the functions of recruitment, screening, training, placement and employment.

Obviously, no single organization can assume a "commanding" position as program manager. Too many autonomous organizations (public and private) are involved. But one organization reasonably could develop an expertise in providing information, assisting in planning and coordination. These efforts could perhaps persuade many actors now involved in the program to adopt common objectives helping more minorities and women, and in the process help themselves. Many local employers badly need more workers and would hire and train minorities and women (in non-traditional occupations) if they were given some ideas and help in recruiting, screening and orientation.

Actually assisting persons needing employment is facilitated by developing and sharing information. A knowledge of individual employers, their hiring practices and their training programs will be more directly useful to workers, counselors and planners than information on the occupation as a whole. In practical terms, this means that among the organizations providing counseling and placement services there needs to be a sufficient number of placement counselors whose primary responsibilities are maintaining contacts with employers who have appropriate jobs available and second, have (or would adopt) hiring and training practices consistent with the needs and abilities of minority and female workers. Considering all organizations who may have such counselors--

e.g., the CAMC, SER, the Urban League, the ACC and the school districts, about 15 to 20 such counselors might be working in this area independently at present.

Strengthening the Private Industry Council

One possible focus for lodging responsibility for examining global data on the Austin labor market is the Private Industry Council and whatever staff support it can obtain from the CAMC and from the ACC.

If the PIC were to undertake this function, it probably should expand its employer representation, perhaps add a representative from the Austin Independent School District and establish closer relations with the Austin Chamber of Commerce and the Austin Personnel Association.

The present project has assembled much useful data as a baseline for study, but continuous collection of data is essential.

In short, someone needs to examine the larger picture and effectively communicate that to individual training organizations. The PIC may be a good candidate for undertaking this function.