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ABSTRACT

THIS RESEARCH PROJECT EXAMINED MANAGEMENT'S ATTITUDES TOWARD GOVERNMENT TRAINING PROGRAMS AND THE SUBSIDIZATION OF INDUSTRIAL TRAINING. QUESTIONNAIRES WERE ADDRESSED TO GENERAL MANAGERS BUT MANY RESPONSES WERE FROM PERSONNEL DIRECTORS, PRESIDENTS, VICE PRESIDENTS, AND OTHERS. THE BASIC RESEARCH TOOL CONTAINED CHECKLISTS, RANKING, AND OPEN-ENDED QUESTIONS. THE SAMPLE INCLUDED 476 OF MAINE'S MANUFACTURING FIRMS THAT EMPLOY 25 OR MORE PERSONS. OF THE 159 (33.4%) QUESTIONNAIRES RETURNED, ALL BUT TWO WERE USABLE. QUESTIONNAIRES CAME FROM EMPLOYERS WITH ABOUT 50% OF THE EMPLOYEES IN THE SAMPLE. THE APPROXIMATELY 60% OF THE RESPONDENTS WHO KNEW ABOUT GOVERNMENT TRAINING PROGRAMS AND WHO WERE MORE FAMILIAR WITH FEDERAL THAN WITH STATE AND LOCAL ONES, OBTAINED THEIR INFORMATION THROUGH THE MASS MEDIA. GOVERNMENT SUBSIDY TO EMPLOYERS TO ENCOURAGE ON-THE-JOB TRAINING WAS PREFERRED TO INSTITUTIONAL TRAINING BY 65% OF THE EMPLOYERS. ABOUT 49% OF THE MANAGERS WERE WILLING TO HIRE "DISADVANTAGED" WORKERS WHEN THEIR ON-THE-JOB TRAINING COULD BE SUPPORTED BY FEDERAL FUNDS, BUT ONLY 42% WERE INTERESTED IN HIRING THOSE WHO WERE INSTITUTIONALLY TRAINED. THIRTY OF THE 157 RESPONDING FIRMS REPORTED APPLICATIONS FOR WORK FROM GOVERNMENT TRAINED WORKERS, AND OF THE 579 APPLICANTS 477 WERE HIRED.
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Management's Attitudes and Evaluations of Government Training Programs and Government Subsidization For Industrial Training

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The purpose of these bulletins is to provide summaries of research conducted by the University of Maine's Manpower Research Project which should be of interest to the general public. Most of the research has been prepared under a grant from the Manpower Administration, U. S. Department of Labor, under the authority of Title I of the Manpower Development and Training Act of 1962. Persons undertaking such projects under Government sponsorship are encouraged to express freely their professional judgment. Therefore, points of view or opinions stated in this document do not necessarily represent the official position or policy of the Department of Labor.

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Management's Attitudes and Evaluations of
Government Training Programs and Government Subsidization
For Industrial Training*

Purpose of the study

This research project examined management's attitudes toward government training programs and the subsidization of industrial training. With the current emphasis on the role of private industry in the sphere of manpower development and the concern over manpower underutilization, the success of future manpower programs is dependent, in part, upon industry's attitudes toward existing governmental training programs. Specifically, the study had as its objectives:

1. To determine the degree of acceptance of government training programs by management of manufacturing firms in Maine.
2. To determine the beliefs of management toward on-the-job training as compared to vocational training schools.
3. To determine the attitudes business holds toward hiring "disadvantaged" workers who might have undergone training under some governmental training program.
4. To get an expression from management on the quality of their employees who have had training under governmental programs.
5. To discover management's information and knowledge of government training programs and the source of this information.
6. To explore management opinion regarding training and public policy, and their beliefs regarding the capabilities of private industry to perform training effectively.

*An abstract of a thesis by Robert C. Toothaker, M.A. (Economics), University of Maine, Orono. The research was carried out in the Spring of 1968.

7. To determine whether management believes trainees need to undergo more training in order to perform their job satisfactorily.

The Methodology

The views of individuals in managerial positions who could express their firm's attitudes toward government training programs were examined. Questionnaires were addressed to general managers but many responses were from personnel directors, presidents, vice presidents, and others. The basic research tool contained checklists, ranking, and open-ended questions*. Questionnaires were sent to the 476 manufacturing firms in Maine who employ 25 or more employees. A total of 159 (33.4%) were returned, all but two of which were usable. A greater proportion of the larger companies responded. In terms of employment, questionnaires were received from employers that represented about 50% of total employment in the sample.

The Results of the Study

Who responded to the study? A total of 157 replies were received from executives in a variety of different types of industries including food and kindred products, paper, textile mill products, lumber and wood, printing, publishing and allied industries, rubber products, leather and leather products, and stone, glass and clay. Nearly 60% of the respondents were in high managerial positions such as general manager, vice

*See Appendix for a copy of the questionnaire.

president, and president. Most said they had a great deal of power in determining their firm's hiring policy.

What was the respondents' knowledge of government training programs?

Approximately 60% of the respondents had knowledge of some government training program and were much more familiar with federal programs than with state or local ones. Mass media, including newspapers, radio, and T.V. was the primary technique by which the respondents obtained information about these training programs. As one might have anticipated, there was a direct relationship between size of firm and information about existing federal and state training programs.

It is clear that more effort needs to be extended in informing smaller companies of the availability of federal training programs and graduates of these various training programs.

What was management's preference on training and subsidization of training? Sixty-five percent of the respondents preferred government subsidies to employers to encourage on-the-job training. The respondents said that the federal government should financially support on-the-job training and state and local governments should conduct the institutional training programs. (Examples of institutional training programs would be the MDTA skill training center in Lewiston or the Eastern Maine Vocational Technical Institute in Bangor.) Previous knowledge of training programs had no bearing on whether or not a person favored or opposed government training. This result conflicts with a prior study which did reveal a relationship between prior knowledge and

attitudes toward training.^{1/} Size of plant was not related to preferences toward training.

Maine employers exhibit attitudes similar to other employers when they favor support for on-the-job training. Are the employers confusing actual training with the determination of training needs? Certainly a very legitimate question to raise is whether those favoring subsidization of on-the-job training are, in fact, capable of providing proper training facilities and programs. This information was not available from the results.

What did management think about the hiring of "disadvantaged" workers? About half of the managers (49%) were willing to hire "disadvantaged" workers when their on-the-job training could be supported by federal funds (only 42% were interested in hiring "disadvantaged" workers who had been institutionally trained). The term "disadvantaged" was never defined - the interpretation was left to the respondent. However when questioned about specific types of disadvantaged workers fewer employers were willing to hire them. For example only 43% would hire older workers and 38% workers with less than an 8th grade education.

Managers who expected their labor needs to increase within the next two years were more positive toward hiring the disadvantaged. Tight labor supplies do seem to alter hiring standards. There was not, however, any relationship between firm size and their attitude toward

^{1/}Edward C. Koziara, "Employer Views and Evaluations of Government Retraining Programs" (Unpublished Ph.D. dissertation, University of Wisconsin, 1965), p.68.

hiring the disadvantaged worker. One interesting comparison was uncovered. Although 42% of the managers indicated they would not hire the disadvantaged, the majority believed, on the other hand, that other employers would. There seems to exist the feeling: "Even though we won't hire them, somebody will".

How did management feel about the trainee from the governmental programs? Only 30 of the 157 responding firms reported applications for work from government trained workers. Of the total of 579 workers who had applied for work, 477 (82.4%) were hired. This is a much larger percentage than the results of a previous study.^{2/} It should be noted however, that the present results include a small number of large shoe companies who hired large numbers of trained workers from a program designed especially for them. Larger firms were more prone to hire government trained workers. There was no relationship between the hiring of government trained workers and anticipated demand for labor. This suggests that companies who expect an increased demand for workers may fail to consider government trainees as a relevant potential labor source. There was a general feeling that the workers were adequately trained. However, 70% of the firms did give the trainee additional training. Approximately 80% of the firms hired the person to do the work he was trained to do. In summary, there was little dissatisfaction with the product of government training programs.

^{2/} Ibid., p. 128

Summary and conclusions:

What, then, are the general conclusions of the study? Slightly more than one half of the respondents had some knowledge of government training programs. This seems to be a relatively low percentage when one considers that very frequently it would be to the firm's benefit to increase the scope of their recruiting practices. Small firms knew less about these training programs. More effort and improved techniques must be used to reach the small employer (under 200 employees) so that he may seek the advantages of the product of the various training programs. A sizable minority, 25%, indicated they did not want government subsidies for training programs. A further follow-up to determine the reasons for this attitude would be warranted. Those who favored subsidies preferred them for on-the-job training. These companies appear to uphold the belief they "know more" about training needs and techniques than an external agency.

Three to four times as many Maine respondents indicated they would hire disadvantaged applicants as compared to a nationwide study.^{3/} Some problems are inherent, however, in the interpretation of "disadvantaged" which was left to the respondents. In other areas in the U.S. the disadvantaged might mean a difference in race whereas this may not be likely in Maine. The number of respondents who would hire workers declined when asked if they would hire older workers or those with less than an eighth grade education. The willingness to reduce hiring standards was apparently based on the supply of workers available.

About one half of the respondents did not believe the government should provide funds to help trained workers move to other labor markets

3/ Ibid.

if there were no job openings for their skills in the local area.

There was a strong feeling among the respondents that it was the possession of a basic skill rather than a general education that was necessary for employment. This feeling exists in part, however, because many firms still require a high school education and even a higher percentage refused to consider anyone with less than an eighth grade education.

What are the policy implications? It appears that Maine management is willing to assume a larger responsibility for attacking the manpower problem. More specific information is needed relative to the particular manpower needs of the employers in the State. Greater efforts need to be expanded to reach the smaller employer and more attention and emphasis needs to be placed on on-the-job training programs. The attitudes of Maine managers toward institutional training pose some challenges for both vocational and skill training centers which do not have an on-the-job element in their training. More effort needs to be expended in adequate communication of both training programs and graduates from these programs.

UNIVERSITY OF MAINE QUESTIONNAIRE

1. Respondent's position
2. Address of firm (city and county)
3. Industry Classification (SIC code)
4. Does your company have more than one plant in Maine? yes no. *If yes, will your response pertain to only one plant, yes, no, or all the plants in Maine, yes, no.*
5. Total number of employees in plant or company, *check one*, covered by your responses.

..... 25-50 401-500
..... 51-100 501-700
..... 101-200 701-1000
..... 201-300 1001 or over
..... 301-400	
6. Do you expect your labor needs in the next two years will, 1) increase, 2) decrease, 3) remain the same, 4) don't know
7. What per-cent of production and maintenance workers in your plant or company is: 1) skilled, 2) semi-skilled, 3) unskilled
8. How much responsibility do you have for determining your firm's hiring policy: 1) none, 2) some, 3) a great deal, 4) complete responsibility
9. Do you know of any Federal government sponsored training or retraining programs in your area, such as those under The Manpower Development and Training Act? 1) yes, 2) no

IF YES, how did you come to know about these programs?

 - 1) Through mass media (radio, TV, newspapers, etc.)
 - 2) Through the state employment service.
 - 3) Through business associates.
 - 4) By hiring government trained employees or some other kind of direct contact.
 - 5) Other (please specify)
10. Do you know of any state or local sponsored training or retraining programs in your area? 1) yes, 2) no

IF YES, how did you come to know about these programs?

 - 1) Through mass media (radio, TV, newspapers, etc.)
 - 2) Through the state employment service.
 - 3) Through business associates.
 - 4) By hiring government trained employees or some other kind of direct contact.
 - 5) Other (please specify)

11. Do you think that workers can be trained more efficiently and at less expense by private concerns than by the state or Federal government programs? 1) yes, 2) no, 3) do not know

12. Which of the following would you prefer from the standpoint of meeting your labor requirements? (Please number in order of importance, 1st, 2nd, 3rd, 4th, and 5th.)

..... Federal government training of the unemployed.

..... State training of the unemployed.

..... Federal government subsidies to employers to encourage on-the-job training of unemployed workers.

..... State subsidies to employers to encourage on-the-job training of unemployed workers.

..... No government aid for training unemployed workers.

13. Would you hire more disadvantaged workers if on-the-job training costs (or part of their wages) were absorbed by the government?

1) Would you hire more disadvantaged workers. 1) yes, 2) no

2) Would you hire more older workers (over 45). 1) yes, 2) no

3) Would you hire a larger number of less educated workers, (workers who have not completed an eight year elementary school) 1) yes, 2) no

13a. Would you prefer the costs to be absorbed by: Federal, State, or neither

14. Would you hire more disadvantaged workers if they were trained at government expense by institutional training in occupations specified by you?

1) Would you hire more disadvantaged workers. 1) yes, 2) no

2) Would you hire more older workers (over 45). 1) yes, 2) no

3) Would you hire a larger number of less educated workers. 1) yes, 2) no

14a. Would you prefer the costs to be absorbed by: Federal, State, or neither

15. Would you expect *other employers* to hire more disadvantaged workers if the training costs were absorbed by the government through such programs as The Manpower Development and Training Act or state funds? 1) yes, 2) no, 3) do not know

16. Do you think the government should provide funds to help workers move to other labor markets or even to other states if there are no job openings for their newly-acquired skills in their home area? 1) yes, 2) no

COMMENT

17. Have any individuals trained under government training programs applied for work at your plant?

1) yes, 2) no, 3) no information.

IF YES, how many In what occupations

IF NO, omit the rest of the questionnaire, except for the general comments on the last page.

18. Did your plant hire any workers trained under government training programs? 1) yes, 2) no

IF YES, how many

19. IF NO, to question 18, why did you not hire any of these workers?

1) Their skills were inadequate

2) Their education was inadequate

3) The trainees were too old

4) There were no openings for the skills in which they were trained

5) Other (please specify)

.....

20. How well qualified are the workers after training?

1) Good, 2) Adequate, 3) Inadequate, 4) Do

not know

21. Did the company hire the trained workers to do work that was directly related to the skills which the men learned in the training

course? 1) yes, 2) no

22. Has the company provided any further training for the men that were trained in the government sponsored program(s)?

1) yes, 2) no

General Comments

We would appreciate any additional comments you may wish to make on Federal or state government programs for the training of unemployed or disadvantaged workers.

Research in Progress

Labor force utilization in 12 Maine communities.

What is underemployment?

How much is there in the State?

What are some of the possible causes?

What has been the effect of migration on the labor force?

Occupational projections for the State of Maine, 1975 (under contract with the Governor's office and the Maine Employment Security Commission).

Determinants of migration among unemployed Quarry workers.

The dimensions of Effectance Motivation. A study of the psychological measurement of powerlessness.

Economic development efforts in selected Maine communities.

Plant location factors and manpower experiences of new firms in selected Maine communities.

Occupational distribution and economic development.

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