

WTP

WORKING
PARTS
MAGAZINE

A Publication of SMC Business Councils

Keeping Worker Training **On-Track**

16 COVER
STORY

**ABUNDANT RESOURCES PUT
WORKFORCE TRAINING WITHIN
REACH OF SMALLER COMPANIES**

SPECIAL REPORT

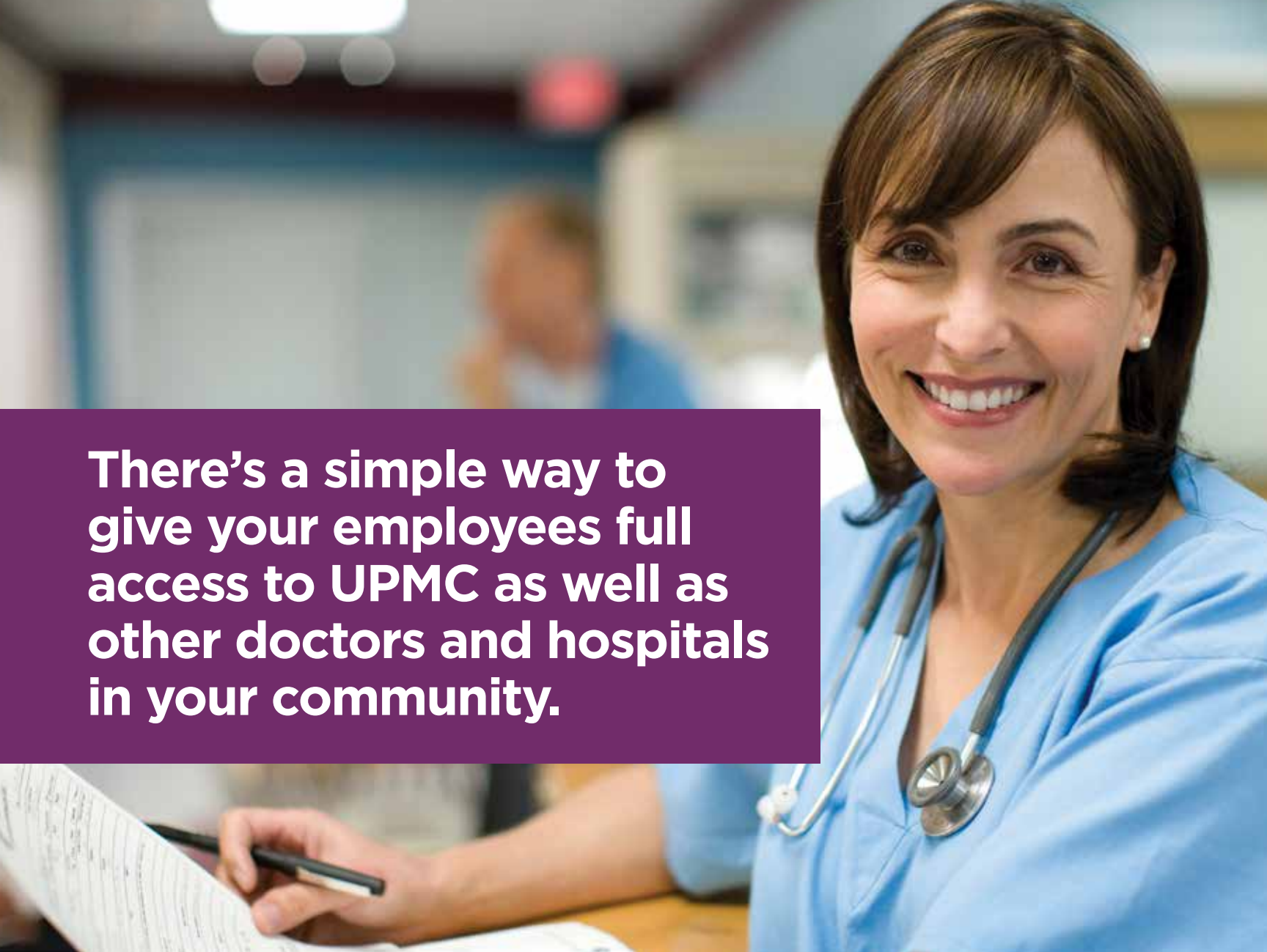
Made Right Here: Training Tomorrow's Workforce

Hands-On Experience

Helping Students Make Informed Career Choices

The Millennials

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PHOTO: Ed Rombout Photography



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Effective Training & Re-Training Demands Innovative Strategies

The news today is filled with stories about “education funding” and “education cuts.” Regardless of how much money government spends on education, the return-on-investment is questionable. How else to explain the fact that, according to the National Home Education Research Institute, some 2.3 million home-educated students in this country outscored their public-school counterparts by 15 to 30 points on standardized academic achievement tests?

What’s more, high schools, trade schools and universities often focus on the symptoms of the “skills gap” without attacking the problem, much like modern medicine emphasizes treatment over prevention. For most of us, “education” consisted of going to class, taking exams and getting graded on the results. We were never trained to think critically and develop the ability to become adaptive in a dynamic work environment. The same can be said about many “re-education” or worker re-training programs that teach technical skills which may become obsolete as technology changes but don’t help people develop the ability to use new technologies as they replace mature ones. Nor do those programs focus on “intangibles” such as meeting the employer’s or customer’s expectations each and every time.

Although there are some excellent publicly-funded initiatives, such as ones you’ll read about in this issue of Working PArts, a higher percentage of workforce preparedness education should come from



within the business community – especially from the smaller businesses that comprise SMC membership because they are the engines of job growth.

By cutting out the middle man and giving smaller businesses tax breaks and other incentives to train workers in-house, including subsidizing workers’ salaries, public funds

would be invested directly in businesses that need workers with specific skills – hard (operating production equipment) and soft (dealing with people) alike.

Reflecting upon the early days of my career, desire is why I progressed. Although I had an engineering degree, the knowledge I acquired was inapplicable to my first job, which was with a manufacturer. Feeling as if I were in kindergarten once again, I learned what I needed to know by reading books, manuals and trade magazines. I also asked questions of my experienced colleagues and requested that some of them mentor me so I could become as effective as they were in relating to customers, peers and supervisors. As a result of those efforts, I became a valued member of the team and developed the confidence to start my own business years later.

As baby boomers retire in large numbers over the next decade, workforce preparedness is becoming more significant than ever. That’s why now is the perfect time to re-think how we train and re-train the people we depend on to help our businesses reach their potential.

Brian Stein

SMC Chairman of the Board of Directors



Driving the growth of small business and manufacturing in Pennsylvania

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SMC Business Councils and BuyPittsburghFirst have teamed up with **Beverly's Birthdays** to raise money for their various birthday programs. Beverly's Birthdays, a Pittsburgh nonprofit organization, provides birthday cheer for children experiencing homelessness and families in need.

Beverly's Birthdays currently partners with agencies across the Pittsburgh region to ensure that no child is forgotten on his or her special day. Since their inception in 2012, they have created over 10,000 birthday experiences. Funds raised by the golf outing will benefit this cause.



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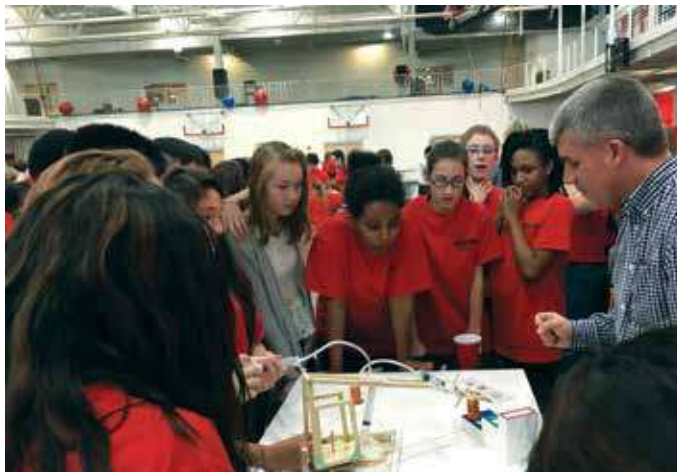
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HANDS-ON EXPERIENCE

Helps Students Make Informed Career Choices

By LYNN BEYER

Workforce Program Manager
National Fluid Power Association



As in many other industries, large numbers of the fluid power workforce will be retiring over the next ten years. Our industry has, and will continue to have, a shortage of qualified workers. That is one of the reasons that the National Fluid Power Association (NFPA) started the Fluid Power Challenge.

NFPA (www.nfpa.com) is a trade association that represents the Fluid Power industry. It is comprised of member companies throughout the supply chain in hydraulics and pneumatics, as well as member-partners at educational institutions and trade publications.

The NFPA Fluid Power Challenge is a competition that challenges middle school students to solve an engineering problem using fluid power. Students work in teams to design and build a fluid power machine, and then compete with other teams in a timed competition.

The Challenge gives kids experience in hands-on learning, teamwork, problem-solving and perseverance. It introduces them

to careers in the fluid power industry and allows them to get exposure to scientific concepts in a competition format that makes learning and problem-solving both fun and engaging.

The NFPA Fluid Power Challenge includes a **Workshop Day** and a **Challenge Day**. On Workshop Day, teams learn about what fluid power is and all of the everyday and incredible ways it is used. They also see how creative and collaborative fluid power careers can be. They build basic pneumatic kits and develop skills they will use in the competition. At the end of the day, they are given the Challenge problem. They are given tools and a kit of supplies and over the next few weeks the teams work together to design and build a fluid power machine to solve this problem.

On Challenge Day, the teams come together again and use the same tools and an identical kit of supplies to recreate their unique machine, which they use in the competition to pick up weighted objects and

place them on various level platforms. Teams are judged on their portfolio, design, teamwork and total machine points. They can win in any of these areas!

One student said this about the Fluid Power Challenge, "It was awesome to be able to work as a team and create our own fluid power machine. It was hard but we had so much fun!"

In a time when a qualified workforce is in high demand and will be for years to come, the Challenge is an excellent way to help develop the future fluid power workforce and encourage students to consider a career in engineering and manufacturing. And that is exactly why the NFPA Fluid Power Challenge was created. Since starting this program in 2008, over 5,000 students have participated.

NFPA Board Member John Stenz, president and CEO of FORCE America Inc., said this about sponsoring a Challenge: "Because the workforce of the future is one of our biggest challenges, if we aren't reaching out to middle schools early and making students aware of what fluid power is, and that it can power the world, then they won't spend the time in high school starting to get ready so that they can get into a college that teaches fluid power."

The NFPA currently has 19 Challenge events going on across the United States. Two of them take place in the Pittsburgh area – one is hosted by Wojanis Supply Company, Inc. in Allegheny County and the other by SMC Business Councils in Fayette County.

The Fluid Power Challenge also provides an opportunity for NFPA member companies to engage with their community and make connections with students, teachers, and parents.

The NFPA Fluid Power Challenge can be held as an event competition at middle schools, tech schools, universities or fluid power companies, or as part of a class.

For more information about the Fluid Power Challenge, contact **Lynn Beyer** at **414.778.3364** or **lbeyer@nfpa.com**

WP

Penn United Excels IN BUSINESS & IN THE COMMUNITY

by TODD MILLER



Bill Jones (second from left), president of Penn United, stands with several team members who have helped the company remain an industry leader.

When Bill Jones' father, Carl, opened a small tool-and-die shop in 1971 along with Robert Becker and Charles Barton on the Jones family farm near Saxonburg, Butler County, they had no idea the business would expand to employ 500 people at four facilities in western Pennsylvania and Costa Rica, and become known as Penn United.

Nearly a half-century later, the company is a leading manufacturer of precision components and parts for use in a wide range of applications, including aerospace and defense, automotive, medical, electronics, energy, and oil and gas. Penn United also offers contract manufacturing services. Today, Penn United derives 20 percent of its business from manufacturing progressive stamping dies, 33 percent from the production of carbide tooling and related products, 40 percent from stamping, plating and assembly work, and the balance from producing tool and die spares. To help the company remain competitive, Mr. Jones and his management team are looking at acquiring smaller companies whose capabilities they

can integrate with ones Penn United already has.

When recalling the story of the company's humble beginnings, Mr. Jones explains, "My dad and two of the guys he worked with were looking to create a business better than the one they left." Since 2004, a couple of years before his father passed away, Mr. Jones has served as Penn United's president and chairman of the board.

He joined the company in 1981 after completing a machinist's training program and working several months for a small machine shop.

Mr. Jones credits his preparation for running the company to the selflessness of several executives who worked alongside his father and freely shared their expertise with him so he was better prepared to become their boss. "They wanted the organization to succeed after my father passed away, and they took the high road."

He also credits several other mentors with helping him develop a management philosophy that puts people first. In particular, Mr. Jones has found value in his relationships with Bruce Bickel, retired senior vice president of PNC Financial Corp. and a couple of pastors.

"What each of those men has taught me is that you can have the best technologies and make the best products at the most competitive prices, but if you don't know how to treat people, you won't have a successful organization in the long run."

A Double Bottom Line

Concern for others has long been a hallmark of the company. Since 1974, three years after the business began, the founders created an employee stock ownership program (ESOP) that remains in-place. "My father and his partners wanted everyone who worked in the business to feel invested in the company's success," says Mr. Jones. "Having an ownership stake does that."

The high degrees of honesty and respect that employees show each other results in similar treatment of customers.

Penn United employee owners demonstrate their concern for others outside of work by making payroll deductions to support the Salvation Army and Children's Hospital of Pittsburgh. They are also involved in a variety of community service activities, including Toys for Tots, which provides toys for underprivileged children during the holiday season, Christmas Blessings, a program that provides needy families in Butler County with holiday dinners that include donated turkeys from the Jones Turkey Farm in Cabot, which is owned by Mr. Jones' brother, David.

In the warm weather months, employees are involved with cleaning up local parks in Butler and Kittanning.

On the business side, the company's excellence is exemplified by recognition through awards that customers have given the company for contributing to their success.

Some of Penn United's competitive advantage is derived from involvement in trade associations, including the National Tooling and Machining Association, the National Association of Manufacturers and SMC Business Councils, and interacting with other members who have given Mr. Jones and his management team insights to running a successful company.

"Without fixing the nation's trade situation, manufacturing will continue to get hurt," says Mr. Jones. "As a manufacturer, we have to do our part to help change the rules so the future of our company remains bright, and so we can continue giving back to the communities where we operate, and live."

WP

SALES & MARKETING

Setting Expectations on a Sales Call, or Framing the Conversation

by J. SCOT TEACHOUT

Sandler Sales Training

Almost all of us have attended business meetings where:

- We knew what time the meeting was going to start, but didn't know when it was supposed to end
- We might know the general topic to be discussed, but didn't know the agenda
- We had no clear concept of the intended outcome or purpose of the meeting

These types of meetings are frustrating, and when sales calls are conducted in this manner it's a recipe for disaster. As professional salespeople, it's essential that we let our prospective customers know how much time our meeting with them will take, what the agenda for the meeting is and what the possible outcome of the meeting might be. Getting mutual agreement with your prospect on these three elements – time, agenda and outcome – is what we refer to as an Up Front Contract.

Why is it so important to get agreement on the amount of time the meeting will take? What if something has changed in the prospect's schedule and he or she only has 15 minutes for the meeting that you were expecting to last for an hour? Would you want to know about this time change at the beginning of the meeting or 15 minutes in when the prospect says they have to leave? Confirming the meeting length lets you know if you have adequate time or if it's necessary to reschedule.



Getting agreement on the agenda for the meeting ensures that both you and the prospect get to discuss those things that are important to each of you. In fact, we recommend that the salesperson suggest a mutually beneficial agenda for items to be covered.

The last element of an Up Front Contract is outcome. There are exactly three acceptable outcomes for a sales call – Yes, no, and a Clear Next Step. You will notice that Think It Over (TIO) is not among the acceptable outcomes. TIO in a sales environment is really just a polite form of no.

We recommend that you start by covering both no's; yours and the prospect's. Start with your potential no by telling the prospect that based on what he or she tells you, you may come to the conclusion that while their challenges/difficulties are absolutely valid and legitimate, they're just not something you can help them with.

Perhaps more importantly, you also need to tell the prospect that it's OK for him or her to tell you no. Giving a prospect permission to say no: 1) recognizes reality – you are not a fit for every prospect at every point in time; 2) builds your credibility by communicating that you do not have to have this sale – desperation is the beginning of the end in sales; and 3) takes the pressure off the prospect by telling them that you are not going to try and twist their arm to get them to do business. Sometimes you can even see prospects visually relax when you tell them it's OK to say no. It also allows them to lower some of the defenses they put up for salespeople, to

have a conversation, and share information which, in turn, allows you to determine if your product or service is a fit for them.

Defining yes lets you paint a picture of what yes looks like. Remember you have already told your prospect that it's OK to say no. Now you want to describe the specific actions necessary for them to do business with you. This means there will be no surprises when it comes time to close the sale.

Last, you need to define a Clear Next Step of what needs to happen if, at the end of the meeting, you haven't mutually agreed to yes or no. "Call me next week . . . or after the holiday . . . or after the first of the quarter" are really TIOs — a polite no. A Clear Next Step is a clearly defined, in the calendar, next step. Rather than an unclear, non-specific "call me later," we want to know that we are meeting again on a specific day, at a specific time for a specific purpose.

If we can develop a habit of taking a few minutes to set expectations — Up Front Contracts — at the beginning of our sales calls, we will go a long way towards ensuring our success as salespeople. **WP**

ABOUT THE AUTHOR

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HEALTHCARE

Managing Absence Becoming More Complex

by LINDA CROUSHORE
Director of Disability Services
UPMC WorkPartners



Linda Croushore

Managing employee leaves of absence is becoming more complex for employers of all sizes. Almost every day it seems we see updated interpretations and applications of the Family and Medical Leave

Act (FMLA) and Americans with Disabilities Act and Amendments (ADA/ADAAA). That's why more employers, large and small, are looking to outsource leave management services.

The Disability Management Employer Coalition (DMEC) found in its 2015 employer survey that 25 percent of all employers with 50-or-more employees are now outsourcing FMLA management. Employer groups with more than 1,000 employees are also looking for help in managing the ADA leave accommodation process.

The DMEC study confirmed that one of the most difficult things that managers and supervisors face is accurately tracking intermittent leaves.

Employees themselves may also have difficulty accurately accounting for their time away from work. It is frequently a manual process, and the timeliness of the reporting becomes another issue. Failure to accurately account for missed time leads to missed opportunities for the employer to evaluate the validity of the time being requested against the FMLA. Accurate and timely completion

of the medical certification needed to support the intermittent leave can also be a stumbling block.

According to the DMEC study, the top 10 challenges facing organizations are:

- Managing intermittent leave
- Relying on managers for leave enforcement
- Keeping up with new federal, state and/or municipal/county laws
- Controlling employee abuse
- Ensuring consistency of applying FMLA across the organization
- Receiving adequate documentation to substantiate requests
- Interpreting FMLA regulations
- Granting too much time away from work (i.e., being lenient in management of the program)
- Maintaining adequate records
- Communicating with employees while out on leave.

An area of increasing litigation is the end of leave process used by employers in relation to ADAAA. In many cases, employers do not offer an extension of the federally mandated FMLA time as an ADAAA accommodation. In addition to time away from work, other situations may arise where an employee asks for accommodation for a protected disability.

While some requests are straightforward and require little interaction, many of the disabilities for which an employee may request accommodation are not clearly recognized and could easily be ignored. These situations require discussion with the employee and the health care provider to determine functional abilities and possible accommodations. The employer is obligated to provide a reasonable accommodation that allows the employee to function in the work place. However, the requested accommodation may or may not align with that definition.

In seeking a third party administrator, look for one that can provide a streamlined process that centralizes intake, and integrates management of leave and short-term disability claims. Look for one that can act as a single point of contact for employees, their health care providers and front line managers. **WP**

ABOUT THE AUTHOR

Linda Croushore is Director of Disability Services for UPMC WorkPartners. For information about UPMC WorkPartners' full suite of integrated absence management services, visit <http://workpartners.com/products-services/absence-management/> or contact Linda at croushorelj@upmc.edu



The DMEC is a valuable source of information and support for employers. It delivers trusted strategies, tools, and resources to minimize lost work time, improve workforce productivity, and maintain legally compliant absence and disability programs. DMEC is in the process of establishing a new member chapter in western Pennsylvania. If you would be interested participating in this chapter please contact either DMEC at www.dmec.org or Linda Croushore at croushorelj@upmc.edu.

TECHNOLOGY

The SMB Difference-Maker: Strategic IT Planning

by MICHAEL HALPERIN

In this day and age, most small and medium businesses (SMBs) in the manufacturing sector have some type of IT management in place. You may have a managed services provider, an internal IT person, a small in-house team, or a combination of vendors working with you. But regardless of the IT setup you've chosen, there should be three pillars of your IT management:

1. Investing time and effort to establish an IT roadmap and strategy that will work for your business one, two, and five years down the road.
2. Planning and proactive management, such as prescheduled maintenance, to prevent issues and build your IT the right way, time and again.
3. Effective reaction and response to IT issues when they arise, because no matter how well you manage your IT, there will always be problems to address and users who need support.

Of course, the order of these three pillars as listed here is the exact opposite of how most IT staffs spend their time. Resolving issues reactively is certainly important. But the first two items – having a long-term IT strategy and roadmap, and working proactively to avoid issues in the first place – are critical to keeping the IT environment stable.

Recognizing a Single Staff Member's Limits

IT strategy is the place where far too many manufacturing companies fall short. Yes, it is hard because it takes time away from dealing with day-to-day issues, and many manufacturing businesses run their



IT on shoestring budgets. But it is also hard because the technicians on a small, internal IT team rarely possess the strategic vision and perspective needed to help a company develop a long-term IT plan.

Yet having that vision is one of the single most important ways to ensure your IT investment delivers a long-term impact for your company's efficiency, productivity, and overall success.

If you have one internal IT person, chances are they are constantly operating in a reactive state. They may be really good at helping your users with the applications critical to your business operations. Truth is, application support alone can be a full-time job. It may be hard for your IT staff to find the time to manage your security, backups, infrastructure, and tools, let alone think about your long-term IT strategy (if that is even part of their skill set).

For too many SMBs, IT strategy is a "someday" function. But with every day that goes by you run the risk of impeding productivity, leaving your cybersecurity to chance and costing the business more money in the long run.

IT Strategic Advisement: Another Way

A managed services provider (MSP) handles all three components of your IT management: strategy, proactive management and reactive issue resolution. The MSP

should help you address strategic questions such as:

- What is your security posture and is it appropriate for your company and your risk tolerance?
- Do you have a business continuity/disaster recovery plan appropriate for your risk tolerance?
- When should you upgrade your software applications and is your IT infrastructure ready to handle it?
- What should you budget for new products, equipment, or upgrades this year, next year and beyond?

Positioning Your Business – and Your Staff – for Success

If your strategic IT plan is lagging (or doesn't exist), it's time to think about how to make it a priority. Technology has already become a driver of success for companies across the manufacturing sector and it's only going to become more important over time. See if an MSP can help bring your business IT up to par and use it to drive your company's future. **WP**

ABOUT THE AUTHOR

Michael Halperin is the CEO of Apogee IT Services, an award-winning managed services provider headquartered in the Pittsburgh suburb of Sewickley.

MADE RIGHT HERE

Trains Tomorrow's Manufacturing Workforce

by TODD MILLER

At a time when small-batch customization is gaining popularity in the realm of beer-making, a similar trend is happening in manufacturing. The growing use of inexpensive 3D printing, or additive manufacturing as it's often called, has resulted in the formation of the Maker Movement. This transformation of people's relationships to things, brought about by technological advances, allows individuals or groups of like-minded people design, produce and market products crafted by hand or with the help of computer equipment.

As technology enables society to return to localized production, and as large employers continue to decrease the number of jobs they create, Made Right Here, a Pittsburgh-based not-for-profit organization with offices in the Bakery Square office and retail complex in Pittsburgh's Larimer neighborhood, is providing customized apprenticeships that equip individuals with skills, knowledge and other resources to help startup companies and established

manufacturers thrive in today's dynamic business environment. More than half of the individuals trained through Made Right Here have at least some college experience and are transitioning to new careers or acquiring new skills to become "future-proof" in a fast-changing global economy.

"One apprenticeship program doesn't fit the needs of every company," says Bernie Lynch, CEO of Made Right Here. "While startups may be focused on additive manufacturing and next generation technology, an established manufacturer may want to find additional applications or markets for the technologies it's already using, or determine how to integrate new technologies with mature ones."

By leveraging a three-year U.S. Department of Labor (DoL) grant that was awarded in 2012 and ran through last summer, Made Right Here has been helping hundreds of people, mostly in western Pennsylvania, develop the abilities to make prototypes and manufacture marketable products. The apprentice program is called

the "Maker Professional" and seeks to train individuals to earn a living by making. The organization provides training directly to students (a combination of young people beginning their careers and adults transitioning to second or third careers due to downsizings by their previous employers) or on a sub-contracting basis through other organizations and employers.

Made Right Here is one example of the cutting edge new apprenticeships emerging in new industries," says John Ladd, administrator of the DoL's Office of Apprenticeship. "Because many employers, particularly small and medium size employers, in the manufacturing, insurance, technology and healthcare sectors, among others, lack the internal resources to develop their own apprenticeship programs, the organization is meeting a vital need by working across an industry to provide registered apprenticeships which meet federal and state standards for quality and rigor."

Mr. Ladd's office is working to achieve the President's goal to double the number of Registered Apprenticeships over the next five years to 750,000 million. These goals are supported by an initial Administration investment of \$175 million and an additional \$90-million bipartisan investment Congress has made this year — and identical amounts proposed for each of the next two fiscal years — to help individuals “get an education without the debt,” as Mr. Ladd puts it, and to earn at least \$300,000 in lifetime earnings. Employers also benefit from a skilled workforce with greater loyalty and lower turnover. Finally, “for every federal dollar spent on apprenticeships, there is a \$27

“When people understand how their work affects individuals in other aspects of the manufacturing process, people become better at their jobs, and more appreciative of their colleagues,” says Ms. Lynch.

An Innovative Approach to Training & Re-Training

As a result of training opportunities available through Made Right Here, workers who have been downsized out of call center and manufacturing jobs, among others, have taken their artistic and technical aptitudes and passions, and have applied them to mastering digital modelling and making skills.



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www.maderightthere.me



return-on investment. By anyone's standards, this investment is a win for everyone involved.

The Maker Professional Training program that impresses Mr. Ladd and his colleagues is an intense competency-based model which focuses on the development of 100 Points of Competency demonstrated both in training and on the job with employers. This program educates participants about disciplines related to digital tooling like laser, 3D printing, CNC equipment, the methods and processes of digital equipment which includes Inventor, various CAD/CAM software programs and at least 3 materials. Teamwork is a vital part of training as well.

The organization also offers a “passion track” apprenticeship program for people who want to learn a craft and to use those skills for full-time economic value over the long-term.

“We're one of the few organizations in the country that's focused on helping people develop the skills they need to work in startup manufacturing,” says Ms. Lynch, who got the idea for starting the mission of developing startup local and domestic manufacturing while working as a consultant with Carnegie Mellon University (CMU).

“I noticed that startups were not making products in the United States,” she remembers. “I thought that was problematic

Continued on page 14 >



large hotel in Hawaii, and other program participants have applied their newly-acquired skills to creating CAD/CAM drawings and other forms of digital modeling for a wide range of customers and clients.

“One of the most desirable aspects of our program is that we take individuals with no skills and train them to be employable on the shop floor of startups and traditional companies,” says Ms. Lynch.

and brought it to the attention of CMU’s administration. They also agreed it was a problem, and that’s how the idea for Made Right Here was hatched.”

Besides teaching people how to manufacture products in a startup environment, training courses at Made Right Here teach students how to interact with the supply chain, and how to become startups themselves.

“Oftentimes, someone working in manufacturing will hit upon the idea for a product,” says Ms. Lynch. “By devoting a part of our training program to equipping students with the knowledge and confidence to start their own businesses, we’re playing a role in growing the economy.”

In fact, one of the trainees who graduated from the program made sushi tables for a

Collaborative Efforts

By offering its own training modules, Made Right Here connects with Pennsylvania CareerLink, the Pennsylvania Department of Labor and Industry’s service that is a conduit for unemployed, underemployed or dislocated workers seeking training and employment.

Made Right Here’s Maker Professional apprenticeship training programs differ from those offered by other organizations in several ways by:

- Preparing students to work for multiple startup and making employers by placing them on the Maker Bench
- Equipping students with skills and knowledge to become product firms or supply chain fabricators if they so choose.

- Providing high specialized skill set valued by startup product firms with certifications that are transferrable from one employer to another

A key benefit of receiving training thorough Made Right Here is that individuals can create Maker Profiles which reside on Made Right Here’s website (www.maderighthere.me) and enable them to network with potential employers or customers.

“A Maker Profile is a powerful way for trainees to connect themselves to opportunities,” says Ms. Lynch. “That’s because the profile allows the Maker to tell the world: here’s who I am, here’s what I make, skills and abilities, type of equipment I can run, materials I work with, projects I’m working on and what I’ve made.”

Whether a graduate of a Made Right Here training program or as someone who’s interested in plying his or her craft skills, an individual can list himself or herself on the Maker Bench. In doing so, he or she can be matched with opportunities that fit his or her skills, join teams to work on new projects, connect with other “makers,” startups and established manufacturers, search manufacturing resources that other Maker Professionals have used successfully, learn about new apprenticeship opportunities and find maker spaces.


To replicate Made Right Here in other parts of the country, the organization is in the early stages of collaborating with community colleges and community-based education groups in Chicago, Dallas, Tampa and Seattle. The purpose of these joint efforts is to develop apprenticeship programs which create a workforce prepared to serve some of those regions’ most predominant business sectors. (e.g., energy in Dallas, underwater robotics in Tampa, aerospace in Seattle) To strengthen this effort, Ms. Lynch hopes to tap into federal funds available from the Workforce Innovation and Opportunity Act (WIOA) in the same way individual manufacturers have been able to do so since President Obama signed the WIOA nearly two years ago.

As for startups, Made Right Here allows fledgling companies to access knowledge and resources, including traditional contract manufacturing companies who have worked successfully with other startups, and that have the capabilities to do small and large production runs. Additionally, startup companies can create and submit online RFQs that manufacturers in the Made Right Here network receive, as well as search the Maker Bench to find Maker Professionals looking for new opportunities and find maker spaces for developing new products or modifying existing ones.

Established manufacturers can take advantage of Made Right Here by letting the community of participants know about their production capabilities and staffing needs, as well as earn Made Right Here certification and become part of the Made Right Here supply chain for startups looking to manufacture domestically. In fact, over the past several years, Made Right Here has facilitated the training of dozens of individuals needed to fill manufacturing

positions in the robotics, medical device and equipment, and energy sectors.

Going forward, Ms. Lynch would like to expand Made Right Here's offerings to include one-year apprenticeship programs with high school students, such as the one currently underway in cooperation with Neighborhood Allies, a Pittsburgh-based community development organization. She is also optimistic about the possibility of collaborating with the armed services to develop certification programs which formalize recognition of the training enlisted military members receive in apprenticeship programs offered on ships and bases.

"It's gratifying to help individuals at all stages of their careers find fulfillment in their daily work," says Ms. Lynch. "With renewed interest in locally-manufactured products and locally-produced food and beverages, success today means you're making things down the street instead of on the other side of the world." 

Made Right Here allows fledgling companies to access knowledge and resources for doing small and large production runs.

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COVER STORY

Keeping Worker Training



Abundant Resources Put Workforce Training within Reach of Smaller Companies

A “All companies want to become employers of choice, but only those that encourage employee engagement and value professional development really are.” So says David Rea, a senior organizational development consultant with Catalyst Connection, a Pittsburgh-based not-for-profit organization that provides consulting and training services to small to mid-sized manufacturers in southwestern Pennsylvania. “With approximately 25,000 manufacturing workers in the Pittsburgh region projected to retire over the next five years, manufacturers need strategies for attracting, hiring and retaining their workforce.”

Many of these resources are available to businesses at a nominal charge, or for free and can help companies leverage their tax dollars in ways that improve efficiency or profitability.

Department of Labor & Industry resources include the Job Gateway website that lists job openings throughout the commonwealth and also helps job seekers assess their skills and find training. Job Gateway is complemented by Pennsylvania CareerLink® centers that connect employers with people who are looking for work and offer workshops, job fairs and counseling services.

other firms to make those efforts affordable. To meet that need, the Department’s Industry Partnership programs (IPs) provide grants to multi-employer collaboratives for education and training. Secretary Manderino says, “These programs are beneficial to small employers in like industries, or among industry clusters with similar training needs, because it allows employers to pool their resources instead of developing their own training programs to train one or two employees.”

Last year, more than 6,300 companies representing 20 industries participated in 72 IPs to close the skills gap and address other workforce challenges. Nearly 73,000

On-Track BY TODD MILLER

In addition to leadership, management and technical training that Catalyst Connection offers, the Commonwealth of Pennsylvania’s Department of Labor & Industry, as well as county and city-based organizations provide education and training resources that manufacturers and service businesses alike can use continually to help ensure that management and staff have the skills necessary to remain competitive in an increasingly dynamic business environment. When it comes to providing employees with management skills, the Workforce and Economic Development Network of Pennsylvania (WEDnetPA) partners with universities and community colleges, as well as consulting firms such as Bridgeville-based Development Dimensions International.

Job Gateway and CareerLink are designed to help anyone who is looking for work, including individuals who have been receiving unemployment compensation, dislocated workers who have skills but whose industries have declined or employers have gone out of business and young people ages 16-24 who need literacy and numeracy skills, as well as general education development tests (GEDs) to enter the workforce.

Kathy Manderino, Pennsylvania’s Secretary of Labor and Industry, said the programs targeted to those three categories of workers meet federal performance standards with ratings of at least 95 percent.

While large employers have their own apprenticeship and training programs, smaller companies need to partner with

employees from those companies completed or are engaged in training through an IP. On average, those participants have increased their wages by almost 13 percent. Boding well for the future is the fact that almost 90 percent of the participating businesses report being very satisfied or satisfied with their respective IPs, and 76 percent of the companies report that the partnerships have helped them increase productivity.

One of the most successful IPs is the Keystone Utility Partnership. For the past decade, this group of employers that provide electric, natural gas and water services to commercial and residential customers

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HOTTEST JOBS

According to the PA Department of Labor & Industry, these business sectors are likely to receive the most Industry Partnership program funding over the next year due to their strong growth potential.

- **Advanced Manufacturing**
- **Agriculture**
- **Building & Construction**
- **Health Care**
- **Information & Communication**
- **Logistics & Transportation**

has trained nearly 4,000 workers in the construction trades and supply chain management.

Although state funding of IPs has declined from \$20 million at its peak in the 1980s to \$1.6 million that supports 20 programs, Secretary Manderino is optimistic that higher levels of funding could occur in the upcoming fiscal year and beyond.

“Gov. Wolf has asked the legislature for an additional \$10 million for this line item in his 2017 budget. We need this kind of support to help more industry and employer groups join together to help workers throughout Pennsylvania obtain the skills they need to be employable and re-trainable.”

Some of the companies in western and central Pennsylvania that have used IPs

successfully include Ace Wire & Spring, Solar City, TAKTL and Huntingdon Fiberglass.

In the meantime, to offset training costs, Secretary Manderino recommends that employers take advantage of on-the-job training dollars available through the Department of Labor & Industry, as well as the Pennsylvania Department of Community and Economic Development’s programs and services for business attraction, retention and growth.

Secretary Manderino is also a strong proponent of employers establishing relationships with intermediate units (regional educational service agencies that serve public school districts) adopt-a-school programs, career days and

internships to help young people understand career opportunities available to them.

“Pennsylvania has a large and diverse group of businesses that many people — parents and educators included — don’t realize are here. In particular, there’s a lot of advanced manufacturing occurring throughout the commonwealth, and these companies need to connect with future labor sources and show prospective workers a pathway to employment.”

Last year, Pennsylvania was one of six states that received a \$6 million Innovation in the Workforce grant. The Department of Labor & Industry used the funds to partner with community colleges and Workforce Development Boards (WDBs, formerly known as Workforce Investment Boards or WIBs) around the state and develop micro-credentialing programs so workers can get training and develop skills “in small bites on the job,” as Secretary Manderino puts it. “This approach allows workers to earn while they learn and prepare themselves for certification programs gradually. These days, many people want to build careers, but they can’t afford not to work because they have families to support and other obligations.”

Although such apprenticeship and training programs have been most

While large employers have their own apprenticeship and training programs, smaller companies need to partner with other firms to make those efforts affordable.

successful in the construction sector, they are also being used effectively in a wide range of manufacturing and machining environments. Secretary Manderino expects this approach to expand to the social services and healthcare sectors because of the growing need for workers in those fields.

Local Investment

To create a national system that helps to increase people's employment prospects, retain their jobs and maximize their earnings potential, Congress passed the Workforce Innovation and Opportunity Act in 2014 to replace the Workforce Investment Act of 1998. One of the original law's provisions calls for the establishment of WIBs. The main purpose of these organizations is to direct federal, state and local funding to workforce development programs. WDBs, as they're now called, also conduct and publish research on job training programs relative to the needs of the regional economies they serve. Additionally, WDBs in Pennsylvania manage CareerLink centers where job seekers can learn about employment training opportunities which are low-cost or free to them, and employers can find qualified or trainable workers.

The Youngwood-based Westmoreland/Fayette WDB, for example, oversees three CareerLink centers and supports the Southwestern Pennsylvania Manufacturing Partnership Alliance with New Century Careers (NCC), a workforce development organization based on Pittsburgh's South Side, as the managing partner. This sector-based initiative brings together metals manufacturers to help them understand workforce development needs and provides companies with financial assistance and other resources to facilitate classroom and on-the-job training of incumbent and new workers for mid-skill and entry level positions. To a lesser extent, the Alliance also provides management training under an H-1B Technical Skills Training Grant from the U.S. Department of Labor.

According to Bill Thompson, executive director of the Westmoreland/Fayette WDB, 20 percent of employers in the two counties are registered in the CareerLink database. "CareerLink has been a critical resource for

matching workers with employers, particularly in the manufacturing sector," says Mr. Thompson.

Each year, more than 17,000 people use the Westmoreland and Fayette County CareerLink centers' resources in-person or online, and 1,500 people participate in training programs annually at community colleges, NCC and on the job. According to Mr. Thompson, "Demand for training is ongoing and will continue to increase." Funding comes from a combination of public and private sources.

In neighboring Allegheny County, the Three Rivers Workforce Investment Board (3RWIB), based in Downtown Pittsburgh, helps to match employers and job seekers in Pennsylvania's second most populous county. Through CareerLink centers and some 80 organizations with which it is allied,



the 3RWIB services 20,000-30,000 people. These dislocated or entry-level workers come from diverse populations, including disabled veterans and low income communities.

With two-thirds of the population the 3RWIB serves having basic skills deficiencies, the organization's 20 staff members use much of the \$12 million annual budget (\$9 million from federal, county and municipal sources, with the balanced raised from private contributions)

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to equip individuals, many of whom face a variety of obstacles compared to workers elsewhere, with basic skills.

According to Stefani Pashman, CEO of the 3RWIB, “We have the resources to screen employees and match them with customized training across a variety of occupations. We also provide scholarships to help workers acquire new technical and ‘soft’ skills that help them advance in their careers.”

For instance, someone working in a hospital’s dietary department can learn medical coding and acquire a new position which pays better than the one he or she previously held.

The 3RWIB also offers youth programs during the summer to help teenagers in the City of Pittsburgh and throughout Allegheny County develop interests which can help them set goals focused on preparing for a job or career, as well as educate them about the types of behavior employers expect from their workers on the job and after hours.

To make certain that the 3RWIB is at the forefront of workforce training, Ms. Pashman serves on the U.S. Conference of Mayors’ Workforce Council, which is comprised of 25 workforce development professionals from larger cities.

“It’s helpful to know what my counterparts in other cities are doing so we can adapt best practices elsewhere to our own work.”

As for the future, Ms. Pashman foresees an increasing need for workforce training of young people who may not thrive in traditional classroom settings but are capable of acquiring skills that employers need in the healthcare, high

technology and manufacturing sectors, among others.

“Specifically, we’ve raised \$3 million to help homeless children and others from disadvantaged backgrounds master STEM subjects so they’re prepared to develop websites, video games and other technology-based products,” Ms. Pashman explains.

Much of that education is expected to occur through an online high school in partnership with the Allegheny Conference

on Community Development and some of the 14 universities in Pennsylvania’s State System of Higher Education. (e.g., Indiana University of Pennsylvania, Slippery Rock, Shippensburg)

Ms. Pashman believes that the 3RWIB’s current and future programs can be replicated in suburban and rural areas because “the skills gap is everywhere.”

The Way Forward

Regardless of political developments, Secretary Manderio believes that Pennsylvania’s economy can grow most effectively if clusters of employees in similar industries, or in different industries and with similar training needs, collaborate with assistance from WDBs, the Department of Labor & Industry, community colleges and other resources.

“Many good things can happen when people work together,” says Secretary Manderino. “If business owners know they need to provide worker training but are unsure how to start a program that meets their needs and is affordable, WDBs are a great place to start because their staff knows the local labor market and can provide employers with ideas for collaborating.”

In fact, many of the federal grants the Department of Labor & Industry receives are divided and disbursed to WDBs for local use. **WP**

KEY RESOURCES

These websites contain information that can help employers find qualified workers and train them through apprenticeship programs.

Catalyst Connection — www.catalystconnection.org

Job Gateway — A Service of PA CareerLink® — www.jobgateway.pa.gov

PA CareerLink — www.pacareerlink.gov

Three Rivers Workforce Investment Board — www.trwib.org

Westmoreland/Fayette Workforce Investment Board — www.westfaywib.org

Workforce Economic Development Network of Pennsylvania (WEDnet PA) — <http://wednetpa.com>

Industry Partnership Programs



Participating Employees

73,000

Participating Companies

6,300

Industry Partnerships

72

Industries Represented

20

Satisfied Companies

90

Participant's Wage Increase

13%

Productivity Increase

76%

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GOVERNMENT RELATIONS

SMC Board of Directors & SMC Government Relations Committee IN ACTION

by EILEEN ANDERSON
Director, Government Relations
SMC Business Councils

For the past several months, SMC's Government Relations Committee has been evaluating potential issues for our 2016 legislative agenda. Members contributed many hours to the discussions and assembled a list of issues. A brief summary of each issue was sent to the Board of Directors, who identified these issues as top priorities:

2016 STATE ISSUES

Reform Pennsylvania's state and municipal pension systems.

- The state's number one fiscal problem is pension-related costs, and they must be solved before taxes are increased for small employers. At the end of 2015, the state employee and teachers' pension systems had an unfunded liability of more than \$63 billion. Mandated spending that grows faster than revenues results in the crowding out of funding for education, infrastructure, human services, etc., and reduces Pennsylvania's ability to invest in its future.
- In 2014, 562 municipalities administered distressed pension plans amounting to an unfunded liability of \$7.7 billion. The result of pension liabilities is that money in local budgets is diverted from other

purposes, taxes are increased, and often the number of public safety employees is reduced.

Ensure fair treatment of businesses that file at the individual rate as pass-through entities under Governor Wolf's 2016-2017 budget.

- The budget relies on an 11% increase in the personal income tax (PIT) from 3.07% to 3.4%, and expansion of the sales tax base. This will have a detrimental impact on small businesses and affect all who file as pass-through entities. Many elected officials are not aware that 79% of PA's small businesses are organized as Schedule Cs, Subchapter S Corporations, Limited Liability Corporations (LLCs) and partnerships, and pay at the individual rate.

Rectify problems with the PA Department of Revenue.

- The department routinely sends out thousands of computer generated tax notices to businesses. Often the notices, which generally demand payment, are completely inaccurate and may make tax adjustments to taxpayers' accounts without any explanation. Business owners are left defending themselves, and the costs required to resolve these notices are rising as it often takes numerous letters and calls to the Department to achieve resolution.

Oppose a mandatory increase in the minimum wage.

- An increase from \$7.25 to \$10.15 would impact the smaller business and manufacturing communities more than any other segment of the economy because they offer many entry-level positions.

2016 FEDERAL ISSUES

Ensure fair treatment of businesses that file at the individual level under business tax reform.

- The tax rate for pass-throughs should be equal to or below the corporate tax rate. If pass-throughs are taxed at a higher rate than C corporations, those entities will lack the incentive to expand and grow their business.
- Reduce the complexity and cost of tax compliance.

Make improvements to the Affordable Care Act (ACA) to ease compliance with the law.

- Examples include elimination or modification of the tracking of full time employee (FTE) hours, a return to the 40-hour work week, a change in the benefit plan age-rating ratio, and exemption of small businesses from the 90-day rule for eligibility for health insurance.

Undo the recent National Labor Relations Board ruling that expanded the definition of a "joint employer."

- Under the recent interpretation, thousands of businesses are now responsible for the working conditions of employees of firms they do business with even if they only influence employees indirectly. Companies now face potential worker-related liability that they sought to eliminate by outsourcing certain functions. Instead of classifying businesses as employers, new legislation would force the return to a definition in which companies can only be considered employers if they have "direct and immediate" control over workers.

Repeal the health insurance tax (HIT).

- The HIT falls directly on the small business community in the fully-insured marketplace where nearly all small businesses and the self-employed purchase coverage. **WP**

The state's number-one fiscal problem is pension-related costs, and they must be solved before taxes are increased for small employers.

GOVERNMENT RELATIONS

PENNSYLVANIA:

Examining Approaches to Career and Technical Education to Prepare for the Economy of Tomorrow

by SETH GROVE

Pennsylvania State Representative,
196th District

The House of Representatives passed House Resolution 102 to create a Select Subcommittee on Technical Education and Career Readiness. This Subcommittee was created to study and review the Commonwealth's career and technical education policy. It is critically important, in this dynamic and competitive global economy, to ensure our workforce is prepared to meet the needs of our evolving business communities.

House Resolution 102 was unanimously adopted by the House of Representatives on March 3, 2015. The Committee is comprised of six members; four Republicans and two Democrats. Since the creation of the Select Subcommittee, we have held a number of hearings across the Commonwealth to carefully evaluate the educational approach to career and technical education (CTE) in Pennsylvania and create proposals to better promote science, technology, engineering and math (STEM) education.

One of the Subcommittee's most important tasks is to work toward eliminating negative biases held by parents and students regarding technical education. While there is a greater emphasis on the need for post-secondary education, far too often parents are only considering traditional four-year programs when guiding their children to higher education. What parents and students need to know is that today's CTE programs are highly technical and focused and offer much more than the traditional wood or metal shop classes of

old. Unfortunately, that outdated perception still negatively impacts enrollment in CTE programs and is one of the factors behind the widening skills gap.

For example, due to the retiring baby boomer generation and business growth, nearly 3.5 million manufacturing jobs nationwide will need to be filled. According to a recent study conducted by The Manufacturing Institute and Deloitte, finding the employees to fill those vacancies will be challenging. Estimates suggest a skills gap of 2 million indicating there will be 2 million more manufacturing jobs available than qualified applicants to fill them. The impending skills gap also applies to other sectors of our economy.

As our workforce begins to transition, we must intensify our efforts to promote and improve CTE and STEM programs. The Select Subcommittee recently held a hearing in Pittsburgh to learn about the impact and efforts of local policymakers to address the skills gap. The testimony the committee received demonstrates the need to increase CTE and industry partnerships. Career and technology centers, community colleges and business leaders must work together to ensure that local students

are prepared to enter the workforce after graduation. Dual enrollment programs, an increased emphasis on teacher certifications, rigorous curriculum and emphasized accountability for student education are just a few suggestions Subcommittee members received to improve CTE programs throughout the Commonwealth.

As the Select Subcommittee continues its work throughout the legislative session, I invite all business and community leaders to offer their thoughts and suggestions to ensure students are prepared to enter tomorrow's workforce. **WP**

ABOUT THE AUTHOR

State Rep. Seth Grove is serving his fourth term representing York County in the 196th Legislative District. He serves as Chairman of the Select Subcommittee on Technical Education and Career Readiness, and is a member of the House Education, Appropriations, Labor and Industry, and Finance Committees. Contact Rep. Grove at 717.767.3947 or www.RepGrove.com

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HUMAN RESOURCES

THE MILLENNIALS: Facts Employers Should Know

by RAY AMELIO

SMC Human Resources Consultant

The Millennials were born between 1982 and 2003 and are a cohort that will make its presence known for the foreseeable future. Employers need to understand this generation and the values and beliefs they hold, as well as some important statistics about this very large demographic. This generation is larger than the Baby Boomer Generation by about 7 million (76 million vs. 83 million).

Here are some of the key facts about Millennials:

- Account for more than \$1 trillion in U. S. consumer spending.
- More than 75% of them disagree with the statement that money is the best measure of success.
- They will make up more than 75% of the U. S. workforce by 2025.
- A vast majority of them said they would buy from companies that supported solutions to specific social issues.
- Nearly 75% would rather make \$40,000 per year at a job that they love than \$100,000 at a job that they believe is boring.
- When asked if “most people can be trusted,” only 19% agreed with that statement compared to 31% of Generation X (the cohort born right before the Millennials), 37% of the Greatest Generation (those people born during the Depression and World War II) and 40% of Baby Boomers.

What these findings indicate is that Millennials look at the world differently from previous generations, creating change in how

work gets done. Here are some facts about how they work:

- Favor teamwork and use more technology
- According to Leigh Buchanan in *Meet the Millennials*, besides being masters of digital communication, they are primed to do well by doing good. Almost 70% say that giving back and being civically engaged are their highest priorities.
- Desire to be creative, and growing up with information at their fingertips, Millennials are a group that wants to work on new and challenging problems that require creative solutions.
- Want feedback on their performance beyond what the traditional performance appraisal provides. They want to know that they did a good job and they want to know it now, not 4 to 6 months from now. The feedback that is given must be clear and specific if it is to be effective.

- Millennials want to share responsibility, so find ways to make this happen. They were raised in a home environment where decisions made included their input and they expect the same from their work environment.
- They desire work/life balance. Having watched their parents sacrifice happiness for career advancement is something that they are not willing to buy into.
- They desire to work for ethical organizations and are concerned with organizational ethics and social responsibility. The extent to which an organization can satisfy these concerns will determine a significant part of its success in recruiting and retaining this generation of employees.

There is a great deal of information being written about this generation, and employers and managers would do well to understand what is important and what motivates Millennials.

WP

Millennials desire to work for ethical organizations and are concerned with organizational ethics and social responsibility.

REGISTER TODAY!

On **Tuesday, June 14, from 8:00-10:30 a.m.**, Jan Ferri-Reed, Ph.D. will be conducting a seminar at the SMC offices on the topic **Engaging Millennials**. In this presentation Dr. Ferri-Reed will share:

- What makes Millennials a generation you want to engage — and keep
- Why you should care
- Five ways to Millennial-ize your workplace
- Some best practices

Jan is a seasoned consultant and President of KEYGroup, an international speaking, training, coaching and assessment firm that has been in business for 35 years. She is also a co-author of *Keeping the Millennials: Why Companies are Losing Billions in Turnover to This Generation and What To Do About It*, and the author of *Millennials 2.0: Empowering Generation Y*.

To register for the seminar, which includes a continental breakfast, presentation and Q&A session, visit <https://www.smc.org/events/>

INSURANCE

BENEFITS COMPLIANCE

A Growing Concern for HR Managers

by ALICIA LINSENBIGLER
Director, SMC Insurance Agency

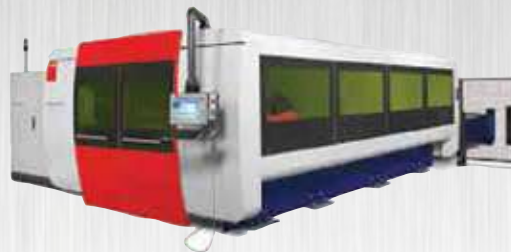
Human Resources Departments carry the heavy burden of maintaining compliance with the endless number of regulations relating to employee benefits. The Affordable Care Act (ACA) has added to this burden with the additional mandates it has imposed and it has brought to the surface many regulations already in place that have not been strongly enforced. There is now greater fear of a U.S. Department of Labor or IRS audit and businesses are asking if they are doing everything required to be in compliance. I recently received the Mandated Benefits 2016 Compliance Guide that outlines the federal regulatory issues companies must address. The Guide measures 8½" x 11" and is 3 inches thick!

To help you determine if your company is in compliance with the mandates related to your Health Care Benefits, here are some questions you should ask yourself:

- Are we distributing these documents to our employees?
 - Notice of the Federal Facilitated Marketplace to all new employees within 14 days of hire
 - Summary Benefit Comparison (SBC) to each eligible employee at initial enrollment, during open enrollment or if significant changes are made to the health plan
 - Summary of Material Modifications Notice (If you have reduced the health plan's covered services or benefits, no later than 60 days after the effective date of those changes.)
- Medicare Creditable Coverage Notification to all employees and their dependents that are Medicare eligible
- Notice of Grandfathered Status to all employees covered on the health plan (If current plan offering is considered a "grandfathered" plan and not subject to all ACA mandates)
- A Summary Plan Description (SPD) that includes the Statement of ERISA Rights information required by the HIPAA act of 1996.
- Women's Health and Cancer Rights Notice
- COBRA Initial Rights Notice
- **Is the eligibility waiting period less than 90 days from the date of hire for our company's health insurance plan?**
 - Do we have a Section 125 or Premium Only Plan in place (If employee contributions for insurance premiums are made on a pre-tax basis)?
- Are we considered an Applicable Large Employer (ALE)? If yes, are we offering affordable, minimum value coverage to every employee who works 30 hours or more per week?
- Are we reporting the cost of healthcare on W-2s? (Required if you issue 250 or more W-2s based on filings in the previous calendar year)?
- Are we required to report under Section 6055 or Section 6056?
- Are we required to pay the Patient-Centered Outcomes Research Institute (PCORI) fee?
- Are we required to pay the Transitional Relief Fee?
- Are we withholding the additional Medicare Payroll tax on high income earners where applicable?

This list is a partial one that will help get you started with your compliance review. Your insurance broker, insurance carrier, benefits attorney and accountant are excellent resources to tap for additional information. **WP**

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Bulldog: FROM BASEMENT TO BILLIONS

by KATHY SERENKO



Pittsburgh is home to one of the country's largest family-owned office supply companies. Bulldog Office Products (Bulldog) and its extended American Office Products Distributors (AOPD) network rack up annual sales of over \$1 billion dollars, quite a departure from the company's humble beginnings in the basement of a Mt. Lebanon home. Today, Bulldog is headquartered in Robinson Township and employs more than 80 people.

Founded by Frank N. Fera in 1968, the company was originally a distributor of office forms. It wasn't long, though, before Mr. Fera recognized that customers were eager to consolidate their office needs with a single vendor. In 1979, the company was rebranded as Bulldog Office Products, a full-service office products supplier. Today, Bulldog is equipped to provide printing, promotional products, office supplies, furniture, janitorial supplies and breakroom accessories, including the coveted Keurig coffee brewing systems.

In 1979, Bulldog was a newcomer in an industry led by giants like Boise Cascade and soon to be "big box" national suppliers such as Office Depot and Staples, both of which have approximately \$15 billion in annual revenue. Bulldog initially gained traction as a certified Women Owned Business Enterprise, but it wasn't long before the company outgrew its "small business" designation. A healthy pattern of growth has continued in the wake of industry consolidation, as the number of national companies has dwindled from seven to two.

Part of Bulldog's success has been its ability to control costs. Its business model saves massive amounts of overhead by eliminating a reliance on brick-and-mortar retail locations. Also, the company's regional focus limits the need for advertising dollars and creates more flexibility to support local causes.

As a member of the AOPD network, Bulldog has the ability to provide customers with a high level of service on a regional or national basis. AOPD member dealers, including Bulldog, can purchase products directly from manufacturers at the same costs as the national chains. This competitive advantage translates into less overhead for Bulldog, an efficient delivery system, and the ability to cost-effectively manage operations, even as the company's client base grows.

To date, more than 2,000 companies in the Pittsburgh region have awarded office supply contracts to Bulldog, including household names such as CONSOL Energy, First National Bank, Eat'n Park and



Nine second-generation family members are part of the team that allows Bulldog Office Products to compete with national chains. The company has been in business since 1968 and has had its current name since 1979.

Duquesne Light. Other companies, such as Giant Eagle and NVR/Ryan Homes, have also called on Bulldog's quality designers to outfit their companies with Bulldog's unique line of furniture.

Frank L. Fera, Bulldog's director of sales and a son of founder Frank N. Fera, sheds some light on the company's growth. "We find that regional companies like to do business with us. We are a part of their communities, and we work alongside them to support the local economy." Bulldog also lends its support to numerous social causes, including Auberle, the YWCA and The Education Partnership, which allows teachers to shop for donated supplies that supplement their classroom needs. **WP**

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Pestco

HOLISTIC PEST CONTROL FROM PITTSBURGH'S BEST



by KATHY SERENKO

We know them by name: bedbugs, cockroaches, fleas, flies, ants, gnats and fruit flies. Unwelcome pests that multiply rapidly and spread filth and disease wherever they go. They are nuisances at best; for businesses, the higher cost can be the loss of reputation.

For nearly 70 years, Pestco Professional Services (Pestco) has served Pittsburgh's commercial establishments by providing a unique holistic approach to pest control. "We offer Complete Facility Care™," explains Vice President Jeff Petti, "that includes detection, pest control, prevention, odor control, scent systems, and other building maintenance solutions."

The company employs 125 people and is headquartered in 80,000 square feet of a building in RIDC Park, located in O'Hara Township near Fox Chapel.

Arnold Zlotnik, third-generation owner, sheds light on the 70-year history of Pittsburgh-based Pestco. Mr. Zlotnik's uncle and grandfather invented the first fan-powered air freshener in 1946. Two years later, Mr. Zlotnik's father, Milton, advanced sales of the family's air freshener invention and tapped his military training to launch a pest control service. Now four generations proud, Pestco has built and maintained its status as a leading pest control provider for some of Pittsburgh's largest venues and companies, including PNC Park, Consol Energy Center and UPMC.

Pestco technicians, licensed by the Pennsylvania Department of Agriculture, are

trained to identify environmental factors that increase the potential for pest infestation. "Customers see the pests, but our technicians look further to determine what environmental factors might be contributing to the problem," says Mr. Petti. "We make recommendations to help businesses manage environmental factors to prevent future infestations." Those considerations range from maintenance and sanitation concerns, such as dumpsters and drain blockages, to an ongoing food supply and unseen pest habitats.

Pest control is important to every company, but safe control solutions can be especially critical in the medical and food industries. Pestco technicians are trained to identify the most effective and safe solution for every environment.

While it's not something we like to think about, motels, apartment buildings, dormitories, hospitals and long-term care facilities are more susceptible to bedbugs. "Bedbugs," notes Mr. Petti,



Radar the bedbug dog, one of several like-named canines used by Pestco Professional Services, can search a room and quickly identify an infestation.

"require a unique system of detection and treatment."

Enter Radar, the bedbug dog. In less than two minutes Radar (a generic name for the company's multiple bedbug-detecting dogs) can search a room and identify an infestation that would otherwise require a significant amount of time and yield less-accurate results.

Pestco's Complete Facility Care™ goes beyond pest control to include Air-Scent® air fresheners, the latest iteration of the original invention. These commercial-grade, expertly installed products provide low cost, continuous air freshening and odor protection for medical facilities, restaurants, public restrooms, nursing homes, fitness centers and more. **WP**

SMC Welcomes these New Members

(as of Jan. 31, 2016)

Steel City Safety

www.SteelCitySafety.com

8K Miles Software Services

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Access Systems Integration

www.AccessSI.com

C.W. Howard Insurance Company

www.Howardinsurance.com

Gretchen's Good Eats, Inc.

www.GretchensGoodEats.Com

PA Commercial Real Estate, Inc.

www.Penncom.com

Step2Branding

www.Step2Branding.com

Strategic People Solutions

www.StrategicPeopleSolutions.com

The Credit Junction

www.TheCreditJunction.com

ThistleSea Business Development, LLC

www.Thistlesea.com

TrueBlue Inc.

www.TrueBlue.com

Valadian

www.Valadian.com

Elliott Group

www.Elliott-Turbo.com

Heartland Payroll/Heartland Payment Systems

www.HeartlandPaymentSystems.com

Ideal Integrations

www.Idealintegrations.net

Dale Carnegie Training offered by JR Rodgers & Associates, Inc.

www.Pittsburgh.DaleCarnegie.com

Perfect 10 Nail Salon

www.perfect10nailsalon.net

Priority Two

www.Ptwo.org

Roth Construction, Inc.

www.RothConstruction.com

SynergIT, Inc.

www.Synergit.com

The Wilson Group, LLC

www.TheWilsonGroup.com

Metal Solutions, Inc.

www.MetalSolutionsInc.net

SAVE THE DATE

Breakfast Roundtable with the National Ombudsman

Small Business Office of Advocacy
June 3, 2016, 8:00 a.m-10:00 a.m.
600 Cranberry Woods Drive
Cranberry Township, PA 16066

As a follow-up to the 2015 SMC Town Hall on Regulatory Issues, SMC is pleased to host the U.S. Small Business Administration's National Ombudsman, Earl L. Gay. This meeting will give you the opportunity to air regulatory problems that are impacting your business directly to an individual who is in a position to act on the issues and seek solutions.

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SMALL BUSINESSES NEED Innovation Infusions to Thrive

by STEFANI PASHMAN

Chief Executive Officer

3 Rivers Workforce Investment Board



If you're in business, chances are you've struggled to find talent with the right skills; wanted to build diversity; wished to influence training options; and hoped to understand trends and forecasts

in the regional labor market.

Chances are also strong that if you're one of the many small businesses in Allegheny County, these issues have taken a backseat as you've focused more on your mission and bottom line.

Small businesses provide the lifeblood to the region's economy but they face challenges not shared by their larger counterparts. Training, talent acquisition and succession planning challenges aren't always top-of-mind.

If you're among the small businesses in the region, are you doing what it takes to make sure you're successful today and tomorrow?

Three Rivers Workforce Investment Board (3RWIB) brings innovations that make sense to help small businesses thrive and grow.

Get Ready for the Rush

The region's labor pool is growing older and is expected to leave the workforce without an adequate supply of younger workers with the skills needed to step in. This gap is expected to increase significantly in the next 10 years and impact the region's economy.

This challenge isn't unique to manufacturing. It's a common challenge facing employers in health care, education, construction, IT and others.

Do you know who will step in where others leave off? Who will take your business to the next level?

Open Your Doors to Bridge the Gap

Locally, 3RWIB and its partner organizations work to train or find qualified talent for local employers through a coordinated system. This is done by connecting complex and often fragmented systems including education, government, economic development, and public and private philanthropy and infusing the system with innovation.

3RWIB's Business Solutions service not only provides prescreened and pre-qualified talent, we can help you pay the wages to onboard and train a new hire. Funding also is available to employers to upskill existing talent to offer more entry-level opportunities. If you're looking to staff up, we can help you build a customized training plan that best suits your needs. This service is offered at no cost and cannot be found through any other avenue.

Our Pittsburgh Works initiative connects employers with frontline workforce development staff of more than 80 community-based organizations. This initiative connects employers with untapped and often overlooked pools of talent. It opens the doors to opportunity for job seekers while helping employers meet talent demands.

We're also proud to be a part of TechHire Pittsburgh, a national endeavor to bridge the talent supply-demand gap in technology and related fields. Pittsburgh and 19 other communities across the country will pilot and scale innovative models to train and connect new and underused talent pools to

tech jobs. With our partners, we will provide a systematic approach to match job seekers, workers and even students with in-demand IT jobs that do not require a four-year degree.

And we're helping to build the pipeline of tomorrow by connecting 2,000 young people each year with career opportunities in the region through Learn and Earn, a summer employment program.

It's this kind of innovation, system building and out-of-the-box collaboration that will prepare a qualified pipeline of workers to bridge the gap.

Get to the Table

Forging the connection between employers looking for talent and people looking for jobs — bridging the skills gap — is at the heart of what we do. But we can't do it alone.

We need employers to come to the table and help inform training providers (including career and technology centers, as well as two and four-year institutions) on the skills and qualifications needed to fill the jobs of today and tomorrow. Through our Sector Strategies, we provide the forum for like employers and educators to advise the training, share best practices and tackle common challenges.

Together, we can ensure the success of small business and ensure an economically vibrant region. **WP**

ABOUT THE AUTHOR

Stefani Pashman is CEO of Three Rivers Workforce Investment Board (3RWIB — trwib.org). The organization works to ensure that current and future needs of businesses and job seekers in the City of Pittsburgh and throughout Allegheny County are met by bridging the gap between companies in need of talent and people looking for work.

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The International Marketing to Pacific Alliance Countries for Trade (IMPACT) initiative gives Pennsylvania companies the opportunity to develop customers or clients in Mexico, Colombia, Peru and Chile — the Pacific Alliance Countries. These nations have signed a Free Trade Agreement with the U.S., eliminating or reducing tariff barriers on at least 80% of products, and on many services.

If your company is in one of these sectors, participating in the upcoming trade missions could pay off:

- > Construction & Infrastructure
- > Engineering
- > Equipment Manufacturing
(Transportation & Power Generation)
- > Mining
- > Oil & Gas
- > Petrochemical

To achieve the growth you need to stay competitive, contact Brent Rondon, Duquesne University SBDC, at **412.396.5670** or **rondon@duq.edu** or visit **www.sbdc.duq.edu/impact**

IMPACT

