

Glaser Report

PROPOSED AUTOMOTIVE CAREERS INSTITUTE PROJECT SUMMARY

The Charles Stewart Mott Foundation asked Michigan Future, Inc. (MFI) to design a system that would provide central city youths in Southeast Michigan with the skills necessary to take advantage of employment opportunities in the automotive industry.

Mott is interested in recreating the automotive industry as a major pathway to the middle class for central city youths in Southeast Michigan. They see the current shortages of skilled automotive workers as long-term opportunity (even during downturns) to recreate this pathway.

MFI has laid out a vision and framework for the creation of an Automotive Careers Institute (ACI). The Institute would serve students starting in the ninth grade through one year of post-secondary work. Students can enter the ACI in the ninth grade as full-time students with a curriculum of both foundation and technical skills building, in a half-day technical training program beginning in the eleventh grade or for a post-secondary year technical training. Students would receive a certificate of occupational mastery at graduation.

The Institute would be centered around an employer led intermediary. It would ultimately serve youths in Wayne, Oakland, Macomb and Genesee counties who are interested in careers in plant floor production, engineering and design and service and repair.

Our recommendation is for the Mott Foundation, the McGregor Fund and the Hudson-Webber Foundation--in partnership with at least one other foundation--to fund a three year pilot program to launch the ACI starting with one campus in the Detroit area .

I. The Concept

The envisioned pathway is built on seven design principles:

1. Foundation Skills

Foundation skills, not technical skills, are the key to successful employment of students--both high school and post-secondary.

By foundation skills, we mean: a strong orientation towards work; basic academic skills, particularly in reading and math; communication and teamwork skills; the ability to solve problems; basic technology skills and resourcefulness, so as to be able to identify advancement opportunities and to learn the skills needed to take advantage of those opportunities.

2. Regional, Not Local

This project is designed to create a pathway for central city youth into the automotive industry. But a central conclusion of our work is that the training system must be regional, not local.

In Connecting the Urban Poor to Work, MFI developed an agenda for better preparing central city residents for employment. The central conclusion of

that report is that the absence of marketable skills is the key reason why far too many of Michigan's urban residents have been unable to take advantage of today's boom economy. And that concentrated poverty in housing and schooling is a substantial barrier to the acquisition of the needed skills.

A regional approach also provides the benefits of scale. Given the relatively small number of students from any one district that would be interested in an automotive careers pathway, local districts are unable to devote the resources to hire educators with the wide variety of needed technical skills nor invest in the latest technology.

Finally, a regional pathway should attract more participation by employers. Rather than deal with numerous districts, each with a program with a small number of students, a regional system should involve enough students--and potential future workers--to make it of interest to companies as employers, rather than as good citizens.

3. Employer Pulled

The current technical training model is based on the notion that the primary responsibility for technical preparation is with educators. A better model, we believe, is that which has been pioneered by the automotive industry in working with material suppliers. Called supply chain management, this model is based on the customer pulling the system, rather than the suppliers pushing out products--hoping that it will meet the needs of the customer. Those who have switched to this pull system, report terrific gains in product quality.

In a knowledge supply chain, employers are involved in far more than governance and opening work places to students. They are also involved in setting occupational standards, developing curriculum, hiring and professional development of educators, providing access to the latest technology and continuous improvement.

4. High Standards

Successful career-focused learning is built on high standards. Students, parents and educators need to know what is required to obtain good-paying employment and have the training geared to those standards.

Realistic standards that lead to good-paying occupations and careers need to be combined with programs to assist students to meet those standards. This is particularly important with many students from central city school districts who will be behind in their foundation skills compared to other students in a regional setting. There needs to be ways to help them improve their foundation skills and ultimately master the technical skills needed to get on a pathway to good-paying employment.

5. Work Experience Driven

The best place to learn work skills is by working. Students, particularly those from central cities, learn much from being able to see how the theory of the classroom is related to the actual job. Many students learn better by doing than listening. And the workplace is the best place to learn the soft skills that are so important to being a successful employee.

6. High Prestige

Low status is one of the contributing factors to the difficulty in recruiting students to an automotive careers pathway. This attraction challenge can only be overcome if the ACI is viewed as high prestige. Given that the industry offers good-paying jobs, in one of the world's leading industries, there is no reason why a career-focused learning program can't have high status. But establishing that prestige must be a priority for the creators of the ACI.

7. Employment-focused Culture

The culture of the ACI needs to be built on a shared commitment by all stakeholders to prepare students for technical careers in the automotive industry. The culture of the Institute should be built around a pride in its technical training mission and its focus on the automotive industry. Both recruitment and rewards for educators, as well as students, needs to be built around reinforcing an employment-focused culture.

II. Implementation Plan

1. Launching the Intermediary

A central principal of the ACI is that leadership will be provided by employers. The proposed intermediary is the vehicle for providing this leadership. Its governing Board will be composed of leaders from the automotive industry--with an emphasis on smaller employers where most of the new jobs are being created.

Rather than starting a new non-profit during the pilot program, it is recommended that the intermediary be a project of an existing organization--Michigan Future, Inc.

2. Selecting Campus Operator

The goal of the ACI is to provide a new model for the provision of career-focused learning. We recommend a Request for Proposal process to select innovative educators to operate a campus.

Our belief is that the concept for the ACI will stimulate innovative/clean sheet proposals and partnerships. The ACI includes many features that require interested educators to think out of the box. These include: combining secondary and post-secondary grades, combining foundation skills and technical training and requiring a regional approach that includes serving students from both central city and suburbs on each campus.

Proposals should be solicited from as many education providers as possible--local school districts, Intermediate School districts, community colleges, community organizations, charter school operators, private colleges (such as Baker College).

3. Evaluation

As a pilot program, a thorough evaluation is critical to the overall success of the program. There needs to be both an ongoing evaluation so that the ACI can continuously improve as well as an assessment of the overall results of the pilot program.

4. Project Management

It is recommended that Michigan Future, Inc. provide both overall project management as well as host the intermediary. Having a single entity overseeing all the components of the pilot program is essential to insuring that all the parts work together for the benefit of the students.

III. Next Steps

There are a several tasks that need to be completed before the ACI can be launched. It is recommended that the Mott Foundation fund a pre-launch grant during 2001. These tasks include: securing funding from other foundations, establishing the intermediary, developing a marketing plan to attract students, planning and conducting the RFP process, and selecting an evaluator

IV. Project Budget

It is recommended that the Mott Foundation fund a pre-launch grant of \$85,000 in 2001. Then, starting in 2002, with other funders, fund a \$2.1 million three year pilot program.

The main cost of the pilot will be the operations of the campus. The main source of funding for the campus will come from state aid available to all public schools, including charter schools. But supplemental funding will be needed for startup costs and extra services offered to the students--particularly those from central cities.

We recommend that the campus be granted \$ 1.5 million over the three years--\$600,000 in the first year, \$500,000 in the second and \$400,000 in the third.

The evaluation is budgeted at \$75,000 per year for the first three years. (If the funders choose to follow the students for an additional two years that will add \$150,000 to the total pilot program budget.)

Overall project management and operating the Intermediary is budgeted at \$125,000.