



Statement for the Record for Associated Builders and Contractors

Testimony of
Michael Bennett

Before the
House Committee on Education and the Workforce
Subcommittee on Higher Education and Workforce Development

On
“Expanding Options for Employers and Workers Through Earn-and-Learn
Opportunities”

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Good Morning Chairman Guthrie, Ranking Member Davis and members of the Subcommittee on Higher Education and Workforce Development. Let me begin by thanking each of you for the opportunity to testify before you today on how to expand opportunities for workers through workforce development and the earn-and-learn model.

My name is Michael Bennett. I am the vice president of the Cianbro Companies, based out of Pittsfield, Maine, and have been with the organization for 21 years. Today I am testifying on behalf of Associated Builders and Contractors. I serve on the board of directors of ABC's Maine Chapter; I chair the National ABC Workforce Development Committee; and I serve as a trustee of NCCER, created as the National Center of Construction Education and Research.

As an employee/owner, I am pleased to share with you that Cianbro is one of the United States' largest, most diverse, open shop, 100 percent employee-owned construction and construction services companies. Cianbro operates in 41 states and employs more than 4,000 team members, managing and self-performing heavy civil, structural, mechanical, electrical, steel fabrication and coating work. Ranked #103 on Engineering News-Record's 2017 Top 400 Contractors, Cianbro is best known for managing major construction projects along with self-perform capabilities and hands-on construction techniques.

Throughout its 68-year history, Cianbro has safely and efficiently planned, managed and constructed many technically complex, historic and environmentally sensitive projects for a wide variety of public and private clients. A total commitment to safety, combined with the enthusiasm of an innovative team of construction professionals, has enabled Cianbro to build a durable reputation for completing projects safely, on schedule and within budget.

Cianbro is a nationally recognized leader in pursuing health and safety in the workplace with such distinctions as the Healthiest and Safest Company in America, awarded by the American College of Occupational and Environmental Medicine. We are one of 11 contractors in the country to receive ABC's highest level of safety performance award. The International Risk Management Institute honored Cianbro with the distinguished Gary E. Bird Horizon Award for excellence in innovative risk management in the construction industry.

I do not share these accolades with you to seem arrogant or pompous. Cianbro is actually a very humble organization. I share these with you to demonstrate that we are simply hardworking Americans who believe in the spirit of teamwork. We have a placard in every Cianbro conference room and classroom that reads, “No One Is Smarter Than All of Us.” I would like to think that applies here today with our discussion.

Our focus on safety innovation goes back many decades. We took these lessons learned and applied those to our company when we established an Employee Stock Ownership Plan, our wellness program, and today we apply these same leadership skills to our workforce development efforts. We do this because we must evolve and we believe it is our responsibility.

Again, I consider myself very fortunate to be here with you today to share our story. Our workforce development model is successful and can be replicated. For that reason, I would like to share a few details about what works, what does not work, and what the government and private sector can improve upon.

To set the stage for you, we believe we have a moral obligation to ensure the safety of our team members and business partners. Our philosophy is that everyone deserves to go home in better condition than when they arrived.

Cianbro has been committed to workforce development since its inception. Early in our history, on-the-job experience developed many of our skilled construction veterans. Over time, our workforce development has become more and more structured. Today, the company’s commitment to developing a safe, highly skilled construction workforce is greater than ever, and as we proudly anticipate the grand opening of our new Cianbro Institute, a state-of-the-art workforce development facility that combines classroom, hands-on labs and simulated work environments as well as a wellness center. Our Cianbro Institute provides more than 75 different educational classes and professional programs that include skilled trades, safety, supervisor and leadership as well as annual compliance updating.

While I would love to talk about my company for the duration of my testimony that is not why I am before you today. I’m here to talk about a serious issue that I know everyone in this room is aware of: the skills gap and worker shortage. Or, on a more macro level, developing the next

generation of skilled crafts professionals in a way that promotes safety, continual learning and career development.

As our nation confronts the skills gap and workforce shortage, Cianbro has always looked at this issue as an opportunity rather than a problem. This attitude has served our company well over the years and created many great opportunities for our organization. We view the growing skills gap as an opportunity for our company, the industry and the country.

Great attention is being paid to the value of career and technical education and the need to evolve our educational system as new technologies, means and methods are being introduced. The recent re-authorization of the Perkins Act is a significant step in the right direction. Thank you to all of you who contributed to that success.

As we look at the holistic picture of workforce development, successful models combine technical knowledge with technical proficiency through hands-on application and on-the-job experience. When you employ the earn-while-you-learn model and support individuals with lifelong learning and mentoring, the opportunities are endless.

We just have to believe. If we believe in our youth, the underemployed and the unemployed and if we're willing to invest in their development, this country can outsmart this skills gap and workforce shortage.

To do this we must have flexibility. The construction industry is dynamic. Our clients are sophisticated. The rate of change in our society is greater than ever. Our workforce development models must evolve to meet these demands. As a self-performing contractor, we are builders who employ skilled craft professionals and this is vital to our future success. You may be surprised to hear that as an organization we provide both apprenticeship programs registered with the Department of Labor, which meet the needs of state licensing requirements, and non-registered, industry-recognized programs to best meet the needs of our clients.

Although Cianbro uses DOL registered apprenticeship programs, we do feel there are some impediments to using the system and we see room for improvements. For example:

- Current apprenticeship programs are state-licensing driven, not necessarily-business and industry-need driven. Sometimes we are teaching people skills that will not be valuable in the market.
- Time requirements are rigid and not always business-relevant. Nor do they allow for individuals to excel and progress if they are excellent students.
- Requirements for on-the-job hours and artificial ratios of journey level to apprentice do not always align with the scope of work on a project.
- Enrollment numbers are limited due to high costs and administrative burdens on employers.
- There is an inconsistency of programs. Multiple states have registered apprenticeships with the same title (carpenter, for example) that teach a variety of different tasks within each program. A contractor who sits on the State Apprenticeship Council told me his frustration was that hiring individuals with apprenticeship credentials did not necessarily mean that they possessed the same level of knowledge and/or competency that he needed them to know. He stated there is clearly no consistency among states. Compare that to an industry-recognized credential, such as the NCCER, in which a contractor knows exactly what skills a person possess.
- There is no consistent reciprocity among states. In today's mobile environment, it is very common for craft workers to work in multiple states in a single year. Their ability to do so is restricted by the lack of consistency.
- Program approval in some states has all but eliminated the possibility for merit shop contractors or associations to get approval for a registered apprenticeship. For example, a business associate recently shared with me some of their challenges attempting to register their carpentry apprentices with the state. The state approver demanded that they add residential and commercial tasks to their industrial carpentry apprenticeship program. These were skills they had no intention of utilizing. This one individual's opinion or subjectivity created an undue hardship on this particular contractor.

- Another business associate was attempting to register their pipefitters. A requirement demanded that the apprentices must also have steam fitting and copper pipe experience in the program. The contractor was working on heavy carbon pipe only for the duration of the job for this particular client. The skills of steam fitting and copper pipe added no value to the individual or business.

These unnecessary requirements are a burden to the government and taxpayers because they're being forced to regulate programs that provide little to no value in the marketplace.

Why do we value industry-recognized programs?

Because they work.

Industry-recognized programs come in all shapes and sizes, and that is the beauty of them: they provide for the highest level of flexibility that benefit the worker, their company and their client. Industry-recognized programs give students, veterans, second-chance seekers and the entire American public an opportunity to learn a skill, develop themselves and build their careers. I am not here to criticize registered apprenticeship programs; rather, I am here to demonstrate that industry recognized programs are the best tools available to the industry right now.

An important part of industry-recognized programs is that they allow for multi-skill learning. This means that a person can be a skilled carpenter and enter a program to become a competent instrumentation fitter. It also means that a carpenter who is in a program to be a fitter may also become skilled in equipment operation or rigging. This provides the flexibility to mix and match the necessary skills our organization requires to build each project. It is extremely valuable in today's marketplace for an individual to be proficient in multiple crafts; not only for the company but the worker themselves.

Industry-recognized programs also allow for competency-based learning. This method of development is invaluable to contractors. A project can sometimes take years to develop. During this time a company's resources can be redeployed to meet the demands of other projects. Having the ability to deliver competency-based programs allows us to quickly develop and mobilize the talent necessary to meet the demands of the project. The team member also benefits as they develop new skills, diversify their abilities, enhance their earning potential, and create work opportunities for themselves.

For several years the industry and the country have discussed the impending skilled labor shortage. That shortage of skilled labor is now upon us; there are approximately 500,000 jobs in the construction industry ready to be filled today. That is half a million good-paying, stable jobs that could be filled if there were an adequate supply of skilled workers. Furthermore, according to market projections, if there is a large-scale infrastructure bill passed, the amount of jobs that need to be filled would balloon to one million by 2020.

That is why the construction industry is so excited about President Trump's executive order to expand apprenticeship opportunities for all Americans. By encouraging industry-recognized programs and embracing an "all-of-the-above" approach to workforce development, the President's executive order shows a commitment to innovation and embracing the methods that work.

There are ways that future programs can embrace the innovation of the private sector while keeping the focus on what is best for American students and workers.

- Align our apprenticeship programs to support both our educational system and business workforce development efforts.
- The programs must be industry/market-driven and flexible in structure, scheduling and duration to address the changes in industry means, methods and technology.
- Programs should be competency-based, allowing those who quickly master a skill set to progress quicker than those who may require more time.
- Allow the nationally recognized curricula and credentials already being utilized in the industry to provide the foundation for this new, flexible, third-party oversight.
- Any government-funded programs should establish a partnership between the educational entity and the employer to ensure job placement during or upon completion of the program.
- Allow for targeted programs to be developed. Competencies evolve quickly with changing business demands, and employers should be able to build those targeted competencies for those high-demand positions to meet the client's needs.

- As in education, creating multiple pathways for our students has proven successful. Creating multiple pathways for our apprentices will also be beneficial to our country. Some thoughts on how we could accomplish this:
 - Establish standardization of skill requirements across traditional crafts among federal and state apprenticeship councils.
 - Establish a non-registered, industry-recognized federal committee or task force consisting of educators, non-profits, industry members and union and merit shop representatives to develop a set of guidelines and metrics for an industry-driven peer auditing process to approve and monitor programs for rigor, relevance and integrity.
 - Allow for the utilization of nationally recognized, portable, industry-recognized credentialing programs.
 - Create reciprocity among all states that provides opportunities for craft professionals and reduces burdens on business and government.

As a contractor building projects of scale across the country, we have needs for skilled craft professionals who are proficient working alone and those who are proficient working with others. Our ability to leverage the flexibility of non-registered industry recognized programs provides us with the structure to develop skilled workers who must demonstrate their competency before putting work in place at a rate sometimes years ahead of a registered program.

For example, we recently completed the largest upgrade to an oil refinery of its kind in decades here in the United States. The project required us to staff 250 pipe welders. As we strategized with other professionals outside of our company, we were told it would be impossible to develop a pipe welder in 12 weeks. The traditional model for this skill was very lengthy, and in a registered apprenticeship program would require 144 hours of classroom time and a minimum of 2,000 work hours. Cianbro not only developed the 250 welders within a 12-week period, but many of those welders learned a new skill that doubled their earning potential. Skeptics of our process would claim that these new welders lacked adequate development, but please listen to

this: in construction, there are cycles within the project schedule when the demand for certain skilled labor has ebbs and flows. This is the nature of our industry. When the next downturn hit, one might have thought that Cianbro would sideline the newest hires first. However, based on our company's detailed metrics of performance, 14 out of the 15 top performing welders came from this new industry-recognized program, not our veterans. The model works.

In closing, I'd like to leave you with these sentiments: When I woke up this morning, I was comforted knowing I had a good night rest, thanks to the skilled carpenter who built my house, which keeps me warm and dry. I was thankful my alarm clock had power and went off and that the lights came on when I threw the switch, thanks to the skilled electrician who wired my house. I am grateful every morning I have a warm shower, thanks to the skilled boiler technician and plumber. I am thankful to my automotive technician, who keeps my vehicle in good working condition so that it starts every day. I appreciate the road and bridge builders, as does my family, knowing I can travel safely to and from work. I am also thankful for the dentists, doctors and other professionals who look after my health.

Regardless of the work that I need performed personally, I want to be confident that these professionals have the skills and competency necessary to perform the task. I am appreciative that their development contained rigor and relevance to their skill sets. Our society highly values our doctors, lawyers and dentists. We sometimes take for granted our other professionals. I think you would agree, our country requires and deserves to have the best of the best at all levels of these professions, and none should be taken for granted. So as we work together to enhance the quality and quantity of our skilled vocations in this country, I offer you the support of ABC and myself in helping to structure a flexible, industry-recognized, non-registered model that warrants the same level of recognition and respect that our current registered programs provide.

I'd like to thank the subcommittee for holding today's hearing on this important subject. Mr. Chairman, this concludes my formal remarks. I am prepared to answer any questions you and the other members of the subcommittee may have.