

Case Study

August 2013

Gilchrist Construction Company Builds a Safer, More Stable, Higher-Quality Workforce with ACT Workforce Solutions

THE EMPLOYER

Gilchrist Construction Company
Alexandria, Louisiana

THE CHALLENGE

Transform hiring practices to ensure higher retention, a willingness and capacity to learn, and improved safety on the job

THE SOLUTION

Implement the following, with assistance from the Cenla Work Ready Network (a program of The Orchard Foundation and funded by The Rapides Foundation):

- Job analysis by ACT-authorized profilers to create detailed task/skill analyses of key positions
- ACT WorkKeys® assessments, both cognitive and soft skill assessments
- ACT National Career Readiness Certificates™ (ACT NCRC™) preferred for all applicants and for promoting current employees

THE RESULTS

- Retention rate improved to 75%
- Safety incidents decreased by 59%
- Quality of hires has improved
- Return on investment for training has increased

OVERVIEW

Gilchrist Construction Company (GCC) is a central Louisiana-based contractor specializing in heavy highway and industrial work throughout the state. In support of its work for the state's Department of Transportation and Development as well as private entities, GCC does asphalt and concrete production and paving, excavation, site preparation, bridge construction, and civil engineering. GCC employees—currently about 375 nonunion workers—strive to live up to the company's stated vision to be a leader in safety, quality, innovation, and efficiency.

GCC was founded in 1981 by Randy Gilchrist, president and CEO. In the early days of the company, GCC concentrated on small projects—foundations, sidewalks, driveways, and parking lots—but began focusing on “heavy highway” construction and industrial work in the late 1980s. GCC owns a fleet of construction equipment and transportation vehicles, transports all of its own material, and performs the majority of its own work. Today, Gilchrist Construction Company is one of Louisiana's top highway contractors.

Because the majority of GCC construction projects occur between April and September when weather conditions are more favorable for outdoor projects, 80% of the company's hiring also takes place in those months.



THE CHALLENGE

Valerie Aymond, SPHR, a six-year veteran at GCC, is the firm's chief resource officer. She is responsible for human resources, information technology, safety and risk management, organizational development, employee education, and the equipment and transportation divisions. Aymond describes the company's work this way: "We are a manufacturing facility without a roof."

Aymond established a set of goals related to employee hiring, retention, training, safety, and productivity and measures progress frequently.

"There was a time back in 2007–2008 when we were seeing 100% turnover in our workforce," Aymond explained. "Some of that is because the work is seasonal. Some was because we tap into the same labor pool as other manufacturing and production employers. Our goal is to attract the best and brightest, and we want to retain them at GCC and help them develop their skills. We want to ensure that the people we hire *want to learn* and *have the capacity to learn* so they can grow, be productive, and safely perform the work. We need to know they can handle the advanced training we provide so they are equipped to master the technology that is part of today's equipment and tools."

Aymond added that "at the end of the day, there is nothing more important than sending our employees home safely to their families. Our safety program will always have room for improvement, so we were looking for a way to make solid progress on both our long- and short-term goals."

FINDING A SOLUTION

In 2008, as a board member for The Rapides Foundation in Alexandria, Randy Gilchrist visited Itawamba Community College in Fulton, Mississippi. There, Gilchrist first learned about the ACT WorkKeys assessments and the ACT NCRC. When he returned to the office, he asked Aymond to look into how these tools might help GCC address its employee training, safety, and turnover issues.

The Rapides Foundation explored possible ways to strengthen workforce development across its service area. In June 2010, The Rapides Foundation Board of Trustees authorized The Orchard Foundation, its education action arm, to establish a program for developing, assessing, and certifying the region's current and future workforce. The result was the Cenla (Central Louisiana) Work Ready Network. The Rapides Foundation's funding for the Cenla Work Ready Network totals \$1.36 million to date.

Aymond's information gathering and her own experience taking three ACT WorkKeys foundational skills assessments convinced her that "This is the only proven system that links job skills to workplace success. That got my attention and was a major driver behind our decision to launch a full implementation, including job profiling, assessments, and certification."

IMPLEMENTATION

The Cenla Work Ready Network launched a pilot program in January 2011. Phase 1 focused on high school participation, which was fully implemented in fall 2011 with the start of the new school year. Phase 2 launched in February 2012 and put a focus on

adult participation, serving employers and job seekers in the service area as well as employed adults seeking new employment opportunities.

The network has created a website (www.cenlaworkready.com) showing total certificates awarded and encourages area employers to post open positions there. The site also has helpful information for both job seekers and employers seeking skilled talent.

Students in all 51 public and private high schools in the service area are able to access ACT Career Ready 101™ online training modules to prepare for and take ACT WorkKeys assessments to earn the ACT NCRC—at no cost to the schools or the students. Similarly, adults can use ACT Career Ready 101 to prepare, take the assessments, and earn a certificate at no cost. Seven campuses of Central Louisiana Technical Community College (CLTCC) and two career solutions centers offer services and testing for adults.

The Orchard Foundation service area includes nine parishes in central Louisiana. A tenth parish, Concordia, is adjacent to the service area, is served by CLTCC, and is part of the Central Louisiana Economic Development Alliance. For these reasons, Concordia was added to the Cenla Work Ready Network serving adults, but high schools in the parish are not yet included.

GCC was one of the first employers on board when the Cenla Work Ready Network was launched. Today, more than 25 area employers have signed a letter of commitment to accept the nationally recognized ACT NCRC from applicants and employees.

GCC began testing applicants in September 2011 and now advertises itself as an “ACT NCRC Employer Advocate,” letting applicants know the importance of earning the credential. Since the beginning, GCC has used three ACT WorkKeys foundational skills assessments: Reading for Information, Applied Mathematics, and Locating Information. Three ACT WorkKeys soft skills assessments were added in late 2012. “It’s well known that if you want to work for Gilchrist Construction Company,” Aymond said, “taking the assessments and earning the credential is part of the employment process.”

“We now use these tools across the board for all external hires, as well as for internal promotions,” Aymond continued. “That means every location, every position, without exception. The system is in place and working for us.”

In June 2012, GCC invited ACT-authorized job profilers to visit its facilities to perform detailed task and skill analyses of two key positions: heavy truck drivers and transportation dispatchers. “The profiling process, which involves the input of those already performing the job successfully, showed us exactly what skill levels we needed to look for in selecting external candidates,” Aymond said. “Now we have more confidence that a new hire can perform the tasks successfully.”

OUTCOMES AT GILCHRIST CONSTRUCTION COMPANY

We like to measure things,” Aymond said. “We’re a visual industry, and I believe visual evidence has value.” So Aymond charted the results of the first 12 months of ACT NCRC implementation. She said the company would have discontinued the assessments if improvements weren’t apparent, but that was far from the case. She explained: “Everyone could see the value.”

The individuals we have hired after implementing testing appear to be more engaged and eager to learn. By applying the safety training and on-the-job training they receive from day one, there has been a direct impact on decreasing safety incidents.

Christina Goodrich, PHR,
HR generalist, Gilchrist Construction Company

ACT NCRCs Earned

In the first year, 175 applicants took the assessments. Although 13% of them failed to qualify for a certificate, the remainder earned the credential at the following levels:

- Bronze 29%
- Silver 48%
- Gold 10%

GCC hired 57% of the applicants, 99 of whom had earned the certificate at these levels:

- Bronze 32%
- Silver 59%
- Gold 9%

“We’re impressed by the level of certificates our employees have earned,” said Aymond. “Clearly, the level of talent we now have may not be reflected in formal education credentials, but it certainly is in the level of certificates our people have earned.”

Retention

Among the individuals hired who took the assessments, GCC had a 75% retention rate in the first 12 months. Aymond explained, “That’s phenomenal for our industry, especially given our troublesome turnover rate of nearly 100% several years ago.”

Christina Goodrich, PHR, HR generalist at GCC, added, “Employee retention is of the utmost importance to our company. The combined costs of recruiting, onboarding, training, and mentoring are just some of the factors for which we can calculate savings. Plus, the longer people work for us, the more training they receive and the better they are able to work safely and more efficiently.”

Safety

“In our industry, you can’t eliminate the risks entirely,” Aymond explained. “Unfortunately, accidents can and do occur. Our teams are working at heights on bridges and elevated sections of highway. Crews are working beside live traffic and often work in constrained areas with heavy equipment moving about. GCC teams often work at night to diminish delays for the public. All these factors contribute to increased risk and make working safely even more critical.”

GCC incorporated several changes to their company safety program during the same time period, but according to Aymond, “We consider the implementation of ACT WorkKeys to be a significant factor in improving our safety stats.” She compared four safety metrics from the preceding year to the first full year of ACT WorkKeys implementation:

- Safety incidents decreased by 59%
- Recordable incidents decreased by 55%
- Incident rate per working hour decreased by 41%
- Recordable incident rate per working hour decreased by 35%

Goodrich said, “The individuals we have hired after implementing testing appear to be more engaged and eager to learn. By applying the safety training and on-the-job training they receive from day one, there has been a direct impact on decreasing safety incidents.”

Quality of Hire

Aymond reports that supervisors often tell her that they are seeing a higher caliber of workers than before. For example, they see fewer “no call/no show” instances, where an employee doesn’t call in and doesn’t show up for work. According to Goodrich, hiring supervisors often comment that the tested applicants are a “solid group to interview and select from.”

GCC also has seen a change in voluntary versus involuntary terminations. “We used to see a greater proportion of involuntary terminations where we made the decision to let someone go,” Aymond said. “Now, with a higher-quality workforce, the tables are turned—and that’s a good thing. If we are going to lose someone, we’d prefer to have them leave us voluntarily, with the appropriate notice, for another opportunity. This contributes to the safety component because we have additional time to backfill the position. There is a direct correlation between safety and turnover; they are interrelated.”

In Aymond’s view, a higher quality of hire is a contributing factor in the improved safety metrics. “We need workers who are 100% present every day if they are to remain safe and keep their coworkers and the traveling public safe.”

We’re hearing good feedback from employers as they begin to ask for the certificate from applicants, even for summer jobs. Employers are gradually catching on that this documentation has value in establishing the workplace skill levels of candidates, and that helps students see the value as well when an employer asks them for their certificate.

Marjorie Taylor, executive director,
The Orchard Foundation

Training Investment ROI

An additional benefit has been a greater return on the investment GCC makes in training employees. “If you’re keeping your people longer,” said Aymond, “and they truly have the capability to learn new skills because their foundational skills are documented, then you’re really able to maximize your training dollars.”

OUTCOMES OF THE CENLA WORK READY NETWORK

In the first two full years of implementation, approximately 6,000 high school students have participated each year in ACT Career Ready 101 skill building modules, and nearly 5,200 NCRCs have been awarded to high school students, including 525 ACT NCRC Plus certificates (which require the ACT WorkKeys Talent assessment) awarded.

Approximately 500 adults in the 10 parishes are actively involved in developing their skills using ACT Career Ready 101, and about 250 have earned a certificate. The Cenla Work Ready Network has also begun offering the Talent assessment for soft skills. Of the 250 certificates awarded to adults, 135 are the ACT NCRC Plus. This designation goes beyond certifying cognitive skills and provides information on the individual’s work discipline, teamwork, customer service orientation, and managerial potential.

“The high school graduating class of 2012 was the first where exiting seniors had the ACT NCRC or ACT NCRC Plus in hand,” said Marjorie Taylor, executive director of The Orchard Foundation. “We’re hearing good feedback from employers as they begin to ask for the certificate from applicants, even for summer jobs. Employers are gradually catching on that this documentation has value in establishing the workplace skill levels of candidates, and that helps students see the value as well when an employer asks them for their certificate.”

COMMUNITY COLLABORATION

Thanks to funding from The Rapides Foundation and The Orchard Foundation, employers like GCC can send applicants to be tested at no cost to the individual or the hiring company. This funding allows each adult participant to take each of the four tests once for free; high school students can take each assessment twice at no charge.

Funding also supports the employment of two part-time technical assistance personnel to travel to all 51 participating high schools and assist administrators and teachers in integrating ACT Career Ready 101 and the testing process into the curricula of each school.

To promote high school student awareness, participation, and excitement, the two foundations have implemented two creative campaigns:

- A masked character called “The Jobinator” was created to visit area schools and spread the word about the advantages of finding employment with the certificate in hand.
- High school students were challenged to create a 60-second video demonstrating the importance of getting training and skills to prepare for a career. In 2012, the first-place video won a \$10,000 prize for the school, second place won \$5,000, and third place won \$2,500.

The preliminary results are powerful and show that we are basing our hiring decisions on facts, not feelings.

Valerie Aymond, SPHR, chief resource officer, Gilchrist Construction Company

Employer outreach has been key to success. In 2012, a workforce summit was held to gather business and education leaders in an effort to gain support from employers. Taylor and Aymond often present at civic organization meetings to spread the word and share results.

NEXT STEPS

Aymond reports that GCC intends to assess 100% of its existing workforce by the end of 2013. “Thus far, we have assessed 44% of our total workforce, and given the competitive nature of the GCC team, I have people frequently stopping in asking when they can be assessed.”

Taylor of The Orchard Foundation has aspirations as well. She intends to apply for regional status in the ACT Work Ready Communities initiative. “I was thrilled to learn that ACT will now consider applications from regions rather than statewide participation,” said Taylor. “I fully believe that all of our parishes can eventually become ACT Work Ready Communities and would be very proud to have the area known as the Central Louisiana Work Ready region.”

RECOMMENDATIONS

According to Taylor, “It is vital to have an employer champion on board early in the process, just as Gilchrist Construction Company was for us. The high school piece is critical since those are the workers of tomorrow, but it’s also a fairly easy thing to do because the audience is captive. However, until you have employers on board, asking for the certificate as part of their selection process, the full value of the system can’t be realized.”

Goodrich of GCC added, “It has been so helpful to have the foundation help lead this initiative. It sends a message to area employers when a nonprofit steps up to support employers because they believe in the solution. And employers who may not yet be believers can get on board and try it with little or no risk or cost.”

Finally, Aymond recommends capturing data and posting results for everyone to see. “The preliminary results are powerful and show that we are basing our hiring decisions on facts, not feelings.”

