

NEWS AND INFORMATION UPDATE FROM THE NATIONAL SKILL STANDARDS BOARD

BOARD SEEKING PUBLIC COMMENT ON PROPOSAL FOR STANDARDS' GUIDELINES

The National Skill Standards Board is seeking public input on its proposed guidelines for a voluntary national skill standards system. The Board's proposal--adopted at its November 22nd meeting-- is the product of more than a year of debate by the Board, and incorporates the advice of employers, unions, workers, students, jobseekers, educators, trainers, community groups, and others expected to benefit from skill standards. The extensive public consultation included six public hearings and a National Skill Standards Forum held in Chicago in September (see story on p. 2).

The proposal was published in the Federal Register December 19th with a request for comments. It may also be obtained via the NSSB's homepage (<http://www.nssb.org>).

The 1994 National Skill Standards Act charged the National Skill Standards Board with "stimulating the development and adoption of a voluntary national system of skill standards." Skill standards specify the knowledge and competence required to successfully perform in a given occupation or field. By enhancing the skills of the workforce, skill standards will increase the productivity, economic growth, and competitiveness of America and American businesses.

"The NSSB proposal attempts to set forth in clear, common sense language what it will take to work effectively in the 21st century American economy," said NSSB Chairman James R. Houghton, retired chairman and CEO of Corning Incorporated. "We're promoting world class work in every workplace to meet a competitive global climate where survival depends upon results." Houghton emphasized, "This is only a first step. We need continuing feedback to move ahead, so I urge people to tell us what they think."

The NSSB sought to fashion clear, understandable, and precise guidelines that would result in standards of excellence for a variety of jobs. The Board itself will not set skill standards, but rather establish the guidelines used to endorse standards created by groups called "voluntary partnerships" in the 1994 law. The law requires that voluntary partnerships include employer, union, worker, community, and education and training representatives. The standards endorsed by the NSSB will cover workers in entry-level through first line supervisory positions.

Under the Board's plan, the voluntary partnerships would specify three types of knowledge and skill, ranging from the broad to

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BOARD PROPOSES 'CLUSTERS'

Working with stakeholders across the country, the Board has identified 16 major employment sectors for the purpose of setting skill standards:

- ▀ Agricultural Production and Natural Resource Management
- ▀ Mining and Extraction Operations
- ▀ Construction Operations
- ▀ Manufacturing, Installation and Repair
- ▀ Energy and Utilities Operations
- ▀ Transportation Operations
- ▀ Communications
- ▀ Wholesale/Retail Sales
- ▀ Hospitality and Tourism Services
- ▀ Financial Services
- ▀ Health and Social Services
- ▀ Education and Training Services
- ▀ Public Administration, Legal, and Protective Services
- ▀ Business and Administrative Services
- ▀ Property Management and Building Maintenance Services
- ▀ Research, Development and Technical Services

The Board is focusing initially on three sectors: manufacturing, installation and repair; wholesale/retail sales; and business and administrative services. (Together, these sectors employ roughly half of all front-line workers.) The NSSB will collaborate closely with voluntary partnerships developing skill standards in these sectors, learn from their experience, and use the findings to improve the standards development process.

THE BOARD'S MISSION

The National Skill Standards Board encourages the creation and adoption of a voluntary national system of skill standards which will enhance the ability of the United States to compete effectively in a global economy. These skill standards will be developed by industry in full partnership with education, labor, and community stakeholders, and will be flexible, portable, and continuously updated and approved.

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STANDARDS

Proposal for guidelines for standards emerges from national dialogue. **Cover story**

INDUSTRY SPEAKS

Employers, unions, employees, and educators work with Board to craft proposal. **Page 2**

BEST PRACTICE

Industry leader gains edge from a quality workforce. **Page 3**

Crafting an Effective Skill Standard

Under the requirements of the National Skill Standards Act, and as a result of more than a year of discussions across the country with employers, unions, workers, educators and community groups, the NSSB is proposing that voluntary partnerships apply specific criteria in crafting their skill standards. The NSSB draft proposal calls for all standards to:

- ▶ follow a common nomenclature identified by the Board;
- ▶ describe in clear terms the critical work functions specific to the core, concentrations, and specialties;
- ▶ describe the academic, employability, and occupational knowledge and skills necessary to perform the critical work functions for the core, concentrations, and specialties;
- ▶ adhere to statutory requirements and Board policy on assessment;
- ▶ be consistent with civil rights law;
- ▶ meet or exceed the highest applicable standards used in the United States, including registered apprenticeship standards;
- ▶ be benchmarked to the best international standards;
- ▶ be forward looking; and
- ▶ include a plan for the updating and continuous improvement of standards and certificates.

BOARD SEEKING COMMENT

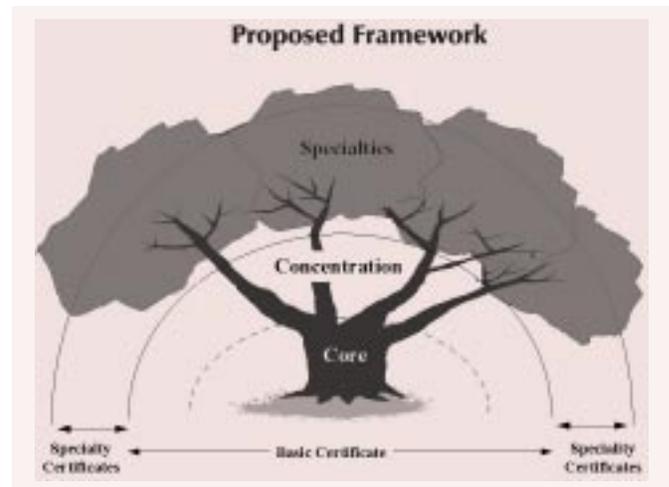
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the specific: core, concentrations, and specialties. The core would cover the knowledge and skills common to, and essential for, an entire sector of the economy (listed in the box on p. 1). Concentration knowledge and skills cover a broad area within the sector. Such knowledge and skills would be more targeted than the core level, but less specific than the specialty level described below. For example, in manufacturing this might cover a broad function, such as product assembly. Specialty knowledge and skills are the most detailed component in the skill standards framework, targeting particular jobs or perhaps the needs of specialized firms. An example might be the knowledge and skills necessary for a specific occupation in steel production.

The plan calls for voluntary partnerships to describe the standards in terms of the academic, occupational, and employability skills and knowledge required to perform the critical work functions for the core, the concentrations and the specialties. "Critical work functions" mean the major chunks of the work that must be performed and which, taken together, constitute the critical or principal responsibilities of the individuals involved.

The Board envisions two types of certificates for individuals who meet the skill standards: a basic certificate covering the core on concentration skills, and a specialty certificate reflecting more detailed skills and knowledge (see Figure).

After revising its proposal to incorporate public comment, the Board will elaborate the guidelines and address further issues such as certification.



NSSB ON THE WORLD WIDE WEB

You can now access key documents, news, and meeting dates of the National Skill Standards Board on the Board's new Internet web site at <http://www.nssb.org>. The NSSB site also offers links to leading workforce development programs and projects in education, the private sector, and government across the country. The NSSB site is still under construction, with research resources, databases of skill standards information, and a user-response component coming soon. Look for a web page update in the next issue of WorkWise.

INDUSTRY INPUT LAYS GROUNDWORK FOR STANDARDS' GUIDELINES

More than 180 representatives of large and small businesses joined labor unions, trade associations, community organizations, and educational institutions in Chicago during September to grapple with skill standards issues at a forum sponsored by the National Skill Standards Board.

The forum was an intensive two-day working session used to seek feed-

back from stakeholders about how to encourage the development of a national system of skill standards that will reflect the perspectives and meet the needs of employers, unions, employees, job seekers, and students. (See lead story on page 1.)

"The National Skill Standards Board received vitally important feedback at the Chicago forum," said NSSB Chairman

James R. Houghton, Retired Chairman and CEO of Corning Incorporated. "We asked people to roll up their sleeves and help us evaluate what goes into making a skill standard, and they did a tremendous job at it. We are very grateful for all their hard work and insightful comments, because those contributions provided the real-world reactions the Board needed to revise and reshape its thinking and to build the proposal we are now putting forward."

THIS COMPANY IS LEAN, AGILE, AND CRAZY ... LIKE A FOX

WorkWise Quiz: Name a large American company that fits the following description.

1) Its new headquarters were designed by a newly-minted college graduate; 2) its employees saved a million dollars by assembling desktop computers for the firm from component parts; 3) it has amassed the best timeliness, safety, and customer service record in its industry, in part through continuous "Cutting Edge" training that shows employees how their jobs interact with many others to produce the high-quality results the company seeks; 4) a team of employees figured out how to eliminate a huge ongoing overhead cost, enabling the company to become the first "ticketless" service of its kind; and 5) it was the first in its sector to initiate profit-sharing for everyone on the payroll.

It's also the organization whose CEO dresses in outlandish costumes at company parties and whose hiring materials say: "Work at a place where wearing pants is optional. Not to mention high-heeled shoes, ties, and panty hose." Have you guessed its name yet? (Answer: Southwest Airlines.)

There is so much zaniness and eccentricity in the Southwest saga that it is easy to lose sight of the extraordinary bottom-line success that the upstart Texas-based airline has achieved since its first flights in 1971. But underlying all the maverick attributes of Southwest's unusual corporate culture is a sharp focus on customer service (featuring low fares across the board), efficiency, and high-quality workmanship that has made Southwest the airline industry's star economic player.

It is the only U.S. airline to turn a profit every year since 1973. And between 1990 and 1994, when the industry as a whole posted a \$12.8 billion loss, Southwest was in the black each year - with net profit margins, the industry's highest, above 5 percent annually. Its stock is up 300 percent since 1990, and it holds the industry's highest Standard and Poor's rating (A-). Its workforce has more than doubled since 1991, from under 9,000 to some 22,000 employees.

Early on, the entrepreneurs who launched Southwest - including the celebrated Herb Kelleher, CEO since 1978 - concluded that their venture could succeed only if it were both

lean and agile. Years before these ideas became fashionable, Southwest's leaders knew they had to employ people at all levels who were not only willing to work hard but, what is more important, to think creatively and risk failure in testing ways to make the company run more productively. One principle of the corporate philosophy - in addition to "irreverance is OK," "have fun," and "take the competition seriously, but not yourself" - is "do what it takes to get the job done."

The airline is about 85 percent unionized, but union and nonunion workers alike embrace the agile company style, which rejects hierarchy, bureaucracy, and work rules and embraces worker flexibility, constant internal communication, informal decision-making, and individual ingenuity.

A case in point: Southwest became the first ticketless airline when other major electronic ticketing vendors sought to bar Southwest's use of their systems. Inventive Southwest employees devised a computer system to log passenger reservations without accompanying paper, and the airline had it up and running within weeks.

Southwest officials reinforce the egalitarian, can-do spirit and informality with an intensive emphasis on employee learning. The company's "University for People" in Dallas provides a catalogful of ongoing training programs in job skills, leadership skills, business management, and academic subjects. And all employees are urged to pursue both personal and professional growth as long as they are at Southwest.

It is an employee culture that emphasizes how effectively people work and learn together to solve problems, rather than how well they dress or how high their corporate rank.

Data in this article reported in *Nuts 'Southwest Airlines' Recipe for Business and Personal Success* by Kevin Freiberg and Jackie Freiberg, Bard Press, Austin, TX, 1996.

'AN ENVIRONMENT THAT PEOPLE WANT TO WORK IN'

Tennina M. McAnany was barely out of her teens when she came to work for Southwest Airlines at Hobby Airport in Houston as the carrier's first female "provisioning agent," the person responsible for getting all the necessary beverages, snacks, and other passenger service items on every out-bound plane. Now, 15



McAnany

years and three increasingly responsible positions later, she is in charge of all Southwest operations at the Ft. Lauderdale, Fla., airport. As Station Manager, she manages a staff of 62 people working in three different areas of activity: customer service; on-the-ground, or "ramp," operations; and administrative operations.

"What's incredible and unique about Southwest is the encouragement, the empowerment that is given to each and every individual," she says. All new employees start off with a formal orientation followed by intensive training programs focused on specific skills. But in addition, McAnany explains, the company communicates a powerful "learning for leadership" ethos that calls on each employee to take full responsibility for doing the best work they are capable of. And it bolsters their efforts with an atmosphere of 100 percent support in which risk-taking and failure are not sins; only rudeness and arrogance to fellow workers are. The constant focus on workers' autonomy and initiative is also built into managerial and supervisory roles. "My job," McAnany says, "is to come in every day and encourage leadership on my staff. If each person here isn't able to do great work and solve problems effectively when I'm not around, then I'm not doing my job right."

McAnany, a high-school graduate who for seven years before becoming a supervisor was a shop steward in one of the unions that represent about 85 percent of Southwest workers, says union-management relationships are not adversarial because "Southwest does not treat employees as children."

"There is an incredibly high level of trust here," she adds. "Employees are treated with respect, and that creates an environment that people want to come to work in. My basic belief is that people want to do good work and to feel proud of it."

NSSB MEETINGS

Friday, May 30, 1997
 Friday, September 26, 1997
 Friday, November 14, 1997

Locations to be determined.

Correction

The Manufacturing Extension Partnership (MEP) was incorrectly referred to in the July 1996 issue of *WorkWise*. MEP is a U.S. Department of Commerce/National Institute of Standards and Technology-funded initiative comprising more than 60 regional extension centers, many of which are nonprofit. The centers provide expertise and technical assistance to small manufacturing firms to increase their competitiveness with advanced techniques for growth and development.

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