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## Supplements

### Employing a Strategy

The Jobs Outlook for  
the Year Ahead

By JOSEPH BEDNAR



Potential applicants for jobs at the L.S. Starrett Co. learn about modern machining on a bus that had been converted into a mobile training center.

The L.S. Starrett Co. in Athol, a maker of precision tools, needed an influx of talented workers. Plenty of folks living in or near the town on the border of Franklin and Worcester counties needed a job — but lacked the necessary skills.

So they hopped a bus to a better future.

Michael Truckey, director of the Franklin Hampshire Career Center in Greenfield, said his agency worked with the Mass. Manufacturing Enterprise Program to set up a training center on wheels — a converted bus, actually — and boarded nine people at a time for two-week training cycles to bring them up to speed on necessary manufacturing skills. The result? After two months, Starrett was able to hire 27 new workers.

"It was about showing people what the opportunities are right there on ground level," Truckey said. "A lot of machine shops have an aging workforce, so they're trying to figure out creative ways to meet their employee needs."

It's a story being told over and over across the Pioneer Valley: good jobs are available, but job seekers remain plentiful, in part because they lack the skills necessary to take on the work. It explains why many fret over the region's employment outlook at the same time that others report positive signs.

Consider Manpower Inc., for instance, which recently reported that Springfield-area businesses expect to hire at a bullish

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rate early in 2008, with 53% of the companies surveyed planning to hire more employees and only 7% looking to reduce payroll. But even those projections come with a caveat.

"It seems positive, but when you dig into the results, it does show that most of these intentions are slight," said Cathy Paige, a local spokesperson for Manpower. "So I don't want to put an overly optimistic spin on this, like companies are planning to hire hundreds of people at a time. Some of this is replacement of attrition, not necessarily additional hiring."

Still, she said, the survey results show a more-positive outlook, particularly in the manufacturing sector, which, while not booming, is showing signs of life.

"Even if it's one head, I'll take it, because it's not a decrease," Paige told BusinessWest. "Those [in manufacturing] are the best kind of jobs for an economy, because they spin off other jobs, like taking orders, shipping, and receiving. Studies have shown that 100 manufacturing jobs lead to 25 to 40 support jobs, in most cases."

### Mixed Signals

Still, on the ground in Springfield, reports remain mixed. "At the beginning of the year, we started off gangbusters, but it's not ending the year that way," said Mary Ellen Scott, president of United Personnel in Springfield, which works with employers to find administrative, warehouse/light industrial, and medical office support workers. "And I would say it's like that across the board."

Scott attributed that trend to some anxiety among employers about a possible recession looming. "What I've heard is people predicting that 2008 will not be a booming year, and I think the more we hear the 'r-word,' the more we talk ourselves into it," she said. "And any time there's talk about a business outlook that's not positive, people get very nervous about what they're spending, and hiring is one of those things they look at."

Even strong pockets of hiring aren't necessarily good news, Paige noted. "Most of the hiring activity has been in the service sector, which is typically not a great sign because service jobs don't pay as much as, say, durable and non-durable goods."

But obscured in these trends is the fact that many employers, particularly in manufacturing, want to hire new workers, but continue to grapple with a skills gap in the Pioneer Valley — one that the region's career centers are trying to close through training and awareness programs.

"After the downsizing that happened in the 1980s and 1990s, when a lot of mass production moved elsewhere, you still have a hub of niche companies that survived — but you don't just walk in without skills," Truckey said. "Those companies don't employ hundreds anymore; they might hire 15 or 50, so their margins are tighter. Their machines do more than they used to, and they need people with technical skills, a background in math, computers, or programming ... it's a

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specialty thing.”

Truckey said his agency still has “eight or nine pages” of job postings — heavily weighted toward hospitality, service, and health care, but including some solid manufacturing jobs as well — and is working with employers on training programs.

“We want to upgrade the skills of people presently employed, and we’re also looking at ways to train unemployed people for these types of jobs,” he said. “When you had larger machining companies, they used to bring trainers in and had their own apprentice programs. But that doesn’t happen as much now.”

Part of the problem is simply attracting job seekers to the manufacturing field, because many of them hold outdated perceptions of what such jobs are like.

“Machining is a clean industry now, and I don’t think the public knows how clean it is — and you can make some pretty good money working for these companies,” Truckey told BusinessWest. “At a recent legislative breakfast, we talked about trends over the past 25 years like green products and recycling. One owner of a machine company talked about how they used to use oils, and the toxicity of those products, and how it’s totally different today; his oils are of a non-toxic nature now. People don’t know that.”

Rexene Picard, executive director of FutureWorks Career Center in Springfield, said manufacturers are taking the problem seriously.

“Local employers are coming together and forming partnerships, saying, ‘we just can’t keep stealing people from each other; we’ve got to have a pipeline.’ So they’re partnering with trade and vocational schools, as well as offering training for their own incumbent workers to bring them up to the next level.”

Picard noted that 26,000 new jobs were created in Massachusetts over the past year, but at the same time a similar number of job vacancies persist.

“That’s a sign of a chronic skills gap,” she said, noting that FutureWorks plans multiple job fairs to raise awareness of the opportunities available in Western Mass., as well as launching some cross-border initiatives in Northern Conn.

“These jobs have been out there for awhile, and the job seekers are out there too, but they don’t have the necessary skills to close the gap. Still, I’d say there’s more good news than bad.”

### **Labor Daze**

The skills gap isn’t just a regional problem. Gov. Deval Patrick’s administration has made it a focus of its economic development efforts, attempting to get people trained for the most in-demand professions. Of particular interest in Boston is health care, which continues to be the state’s top-employing industry, encompassing 450,000 workers, or 15% of the state’s workforce — a trend not expected to let up in the

coming years.

"Closing the skills gap in Massachusetts is our top priority," asserted Suzanne Bump, secretary of Labor and Workforce Development, in a statement last month. "It is important that we pursue sector training through programs such as the Workforce Competitiveness Trust Fund to bridge that gap. Additionally, we are working with the Board of Higher Education and regional workforce boards to increase post-secondary educational opportunities."

"Long-term investments in training and education go a long way toward easing the skills gap," agreed Nancy Snyder, president of the Commonwealth Corp., a statewide workforce-development agency. "A strong economy requires a competitive business community and well-paying jobs for residents; upgrading workers' skills in coordination with our employers serves both."

Picard said those goals can't be met soon enough, with area employers reporting fewer hires at the moment than they did late in 2006, although health care, warehousing, education, government jobs, and — to some extent — manufacturing all show positive signs. FutureWorks has begun working with some larger employers, such as Big Y and the Sisters of Providence Health System, to assess their needs and help them meet their hiring and growth goals.

Meanwhile, by using grant money for education and training programs, "we're trying to get people to consider skilled manufacturing as a career path," she said. "But things don't turn around quickly; they take a little bit of time." And sometimes a bus.

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