

I ndustry Snapshots

- The automotive industry is one of the largest industries in the United States. It creates 6.6 million direct and spin-off jobs and produces \$243 billion in payroll compensation, or 5.6% of private sector compensation. For every worker directly employed by an automaker, nearly seven spin-off jobs are created. (Alliance of Automobile Manufacturers)
- Employment of automotive service technicians and mechanics is expected to increase about as fast as the average (10 – 20%) through the year 2012. This amounts to 82,000 – 164,000 new jobs between 2002 and 2012. (Alliance of Automobile Manufacturers)
- According to the *Career Guide to Industries*, automotive service technicians employed by automobile dealers should have a high degree of job security, since “changes in economic conditions have little effect on this part [repair and maintenance] of the dealer’s business.” (U.S. Bureau of Labor Statistics, 2004-05 *Career Guide to Industries*)

High Growth INDUSTRY PROFILE

W orkforce Issues

Image and Promotion

- Combating negative public perception of the industry due to stereotypes and misinformation
- Increasing awareness about viable occupations that pay well and have growth potential
- Recruiting young people and transitioning workers

Diversity of the Workforce

- Tapping new pools of labor to diversify the demographic make-up of the workforce
- Supporting individuals with limited English proficiency

Capacity and Instruction

- Providing resources and curriculum to stay current with today’s technology
- Recruiting more teachers and trainers
- Offering continuing education for instructors so that they remain industry-certified and are current in their field of knowledge
- Exploring other curriculum delivery methods such as distance learning and on-line modular courses

Training and Education

- Focusing on employability or job readiness skills such as communication, reading, writing, math, problem solving, team-building, and customer service skills
- Addressing concern about the skills gaps of new employees and the retraining (or “up-skilling”) of incumbent workers
- Ensuring that all training and education programs are industry-certified and that standards are set by industry leaders

S kill Sets and Training

(Source: U.S. Department of Labor, Bureau of Labor Statistics, *Occupational Outlook Handbook*)

- Some automotive manufacturers and their associated dealers sponsor two-year Associate degree programs at postsecondary schools. Students enrolled in these programs typically spend alternate 10- to 12-week periods attending classes full-time and working full-time in the service departments of participating dealers.
- Most new sales workers receive extensive on-the-job training, beginning with mentoring by sales managers and experienced sales workers. In large dealerships, beginners receive classroom training to learn the models for sale, methods for approaching prospective customers, negotiation techniques, and ways to close sales.
- For trainee positions, dealerships increasingly prefer to hire automotive service technician graduates of postsecondary automotive training programs. Good reading and basic math skills are required to study technical manuals, keep abreast of new technology, and learn new service and repair techniques as vehicle components and systems become increasingly sophisticated.
- Production workers account for three out of five motor vehicle and equipment manufacturing jobs. They receive most of their training on the job or through apprenticeship programs.

E TA in Action

Over the past two years, U.S. Secretary of Labor Elaine L. Chao announced a series of new investments totaling approximately \$12 million to help automotive workers to transition quickly and efficiently to new production processes as well as to develop industry-standard automotive technician training programs at technical high schools.

DOL has sought to understand and implement industry-identified strategies to confront critical workforce shortages. It has listened to employers representing dealerships, manufacturers, and suppliers, industry association representatives, educators, the public workforce system, and others associated with the automotive industry regarding some of their efforts to identify challenges and implement effective workforce strategies.

DOL's Employment and Training Administration is supporting comprehensive business, education, and

workforce development partnerships that have developed innovative approaches to address the workforce needs of business while also effectively helping workers find good jobs with good wages and promising career pathways in the automotive industry. This set of workforce solutions is based on the automotive industry's priorities that address issues such as:

- expanding the pipeline of youth;
- helping alternative labor pools gain industry-defined skills and competencies;
- developing alternative training strategies;
- developing tools and curricula for enhancing skill sets;
- enhancing the capacity of educational institutions;
- developing industry-defined career ladders and lattices;
- developing strategies to retain and retrain incumbent workers; and
- assisting transitioning individuals from declining industries to high growth industries.

I nvestments

Total Industry Investment is \$11,915,104
Total Leveraged Resources are \$39,599,991

Automotive Retailing Today (VA, national)
Building America's Auto Dealership Workforce
Grant amount: \$150,000; Leveraged amount: \$323,070

Automotive Youth Educational Systems (MI, national)
On-Line High School Certification Program
Grant amount: \$600,000; Leveraged amount: \$1,050,000

Automotive Youth Educational Systems (MI, national)
Ramping Up AYES as the Exemplar Industry-Driven School-to-Career Learning Model
Grant amount: \$2,200,000; Leveraged amount: \$5,170,315

Downriver Community Conference (MI)
AutoAlliance International Vehicle Production Training
Grant amount: \$5,000,000; Leveraged amount: \$25,000,000

Eastfield College (TX)
Automotive Technologies Technical Education Partnership
Grant amount: \$837,424; Leveraged amount: \$2,770,705

Gateway Technical College (WI, national)
Upgrading the Nation's Automotive Program
Grant amount: \$900,000; Leveraged amount: \$2,110,000

Girl Scouts of the USA (NY, national)
"On the Road" Initiative
Grant amount: \$200,000; Leveraged amount: \$400,000

National Institute for Automotive Service Excellence (national)
ASE Bilingual Outreach Program
Grant amount: \$300,000; Leveraged amount: \$300,000

Pennsylvania Automotive Association (PA)
Building Business and Education Partnerships in Urban Communities to Meet High-Skill 21st Century Workforce Demands: A Model for the Automotive Industry
Grant amount: \$95,000; Leveraged amount: \$121,200

Shoreline Community College (WA)
Auto Sales and Service Training Pathways
Grant amount: \$1,496,680; Leveraged amount: \$1,615,778

U.S. Hispanic Chamber of Commerce Foundation (CA, FL)
Metro 2-Step (Service Technician Education Program)
Grant amount: \$136,000; Leveraged amount: \$246,000

R esources

For additional background information about the industry and details on the grants, information about employment and training opportunities, and workforce development tools for employers, educators, and workforce professionals please refer to the following: www.doleta.gov/BRG, www.careervoyages.gov, www.careeronestop.org, and www.workforce3one.org.