

The Birth and Evolution of an Electrical Apprenticeship Program

Thank you very much for allowing me to be here. Richard Lamb, my partner, and I, are extremely proud of our company and I am pleased to be able to go thru some of the trials and tribulations or opportunities that present themselves to us as we prepare a company workforce.

I suppose I really need to entitle this: The Birth and Evolution of an Electrical Apprenticeship Program.

For a little history, first on me, and then on Reddinger...

My background is fairly simple. I grew up in Evansville, Indiana, the daughter of the owner of an electrical contracting firm, Swanson-Nunn Electric Company, a large union contractor. My entire life, I can only remember wanting to work for one person, my father. I really did not know where I would fit in his organization, but I knew that I wanted to work for Dad. I began at Swanson-Nunn doing wonderful odd jobs, such as helping my older brother and sister deliver hams to the employees and customers

during the Christmas holiday. I worked in the summers during high school, first in the Estimating department counting fixtures and receptacles, then in the Engineering department as a secretary....

I went to Purdue University – I originally thought I wanted to be Madame Curie and I enrolled in the Pharmacy School. That lasted 1 semester. Then I tried my hand at Electrical Engineering – I was the only female in my class – that lasted exactly 2 semesters. I finally found my niche in the Purdue Kramer School of Business – where I graduated with a BS in Management – majoring in Labor Relations with a minor in Psychology. And when the time came to find a job – I immediately told my dad I was ready to begin work – and luckily, he made up a job for me. In 1979, I became the new and first... Director of Personnel and Safety for Swanson-Nunn. When I was hired in 1979, Swanson-Nunn had an experience mod factor of about 1.30. When I left Swanson-Nunn in 1993, Swanson-Nunn had a mod factor of about .58. Exactly 45 days into my new job – Swanson-Nunn had 9 OSHA safety inspectors descend upon our jobsite at the General Electric Plastics Plant in Mt. Vernon, Indiana. And truly, that's when my real education began. There is a lot a young person can learn in 4 short weeks, while tagging along with 9 OSHA safety inspectors. Probably the most important

thing I learned, was you can't expect employees to work safely and according to OSHA's guidelines, unless, of course you educate them in the correct guidelines. I didn't even know the guidelines, so how was our workforce supposed to know them.

My job goals began to develop, I needed to not only become knowledgeable of OSHA standards, I needed to train employees. I also learned that not all contractors trained their employees in safety, so with each new employee hired, or brought in from the union hall, I had to train them, and this training was being paid for by Swanson-Nunn. So, when they left Swanson-Nunn, maybe the next contractor didn't have to do as much training, I already did it for them. Believe me; I worked at Swanson-Nunn for 14 years – I was blessed to work with some of the finest trained electricians in the country – the electricians of the IBEW Local 16. But there had to be a way to share the cost of safety training electricians with all contractors. So, suggestions were made during contract negotiations, and a plan was implemented. The Joint Apprenticeship Training Committee for Local 16 stepped in and sent me and one local 16 electrician to a one week OSHA 500 trainer course, put on by the OSHA Training Center in Washington DC. He and I then were given the responsibility for training all of the electricians in Local 16 in the

basic OSHA 10 hour course. While I focused on Safety and Safety Training, there were other issues brewing.

In 1982, my Dad got worried that neither the Unions nor the Contractor Trade Associations were doing anything about the loss of the Union Market Share. Dad decided that Swanson-Nunn needed to own the stock of a non-union company. And thus began Reddinger Constructors, Inc. The business began in a small spare bedroom of my house. It started with one small job, the electrical installation at a fish hatchery in Glendale, Indiana in January of 1983. The entire job was subbed out to another electrical contractor, with my husband as the project manager. Once Reddinger got its feet wet, it was decided to tackle more projects, and promptly was awarded the electrical installation work for a project at Crane Naval Base. At this point, my husband could no longer manage Reddinger, and the decision was made to hire an actual Construction Manager with an electrical background. The man hired, was working for Swanson-Nunn at the time, and was a member of the IBEW in Tupelo, Mississippi. His name is Richard Lamb. Richard was hired in March of 1983, as the President of Reddinger Constructors, Inc, and every morning after my husband left for work, Richard, would pull up in the driveway and come in the back door to begin his day's work. On a side

note... my neighbors have begun speaking to me again... they were a little confused for a while. Within the year, another manager was hired, and Reddinger moved out of my house and into a new office.

Within 4 years of becoming active, Reddinger, as guided by Richard, was awarded electrical installation work in Badin, North Carolina for Alcoa, electrical installation work in Rockdale, Texas for Alcoa, the electrical installation at a Lock and Dam in Louisiana, and a couple of government projects, one at Crane Naval Base in Crane, Indiana and a job at Ft. Campbell, Kentucky.

Once Reddinger began acquiring jobs, the task of finding workers and training workers became paramount. Richard's first and foremost strategy was to obtain as many employees as possible that had the highest amount of training from the so-called construction industry pool. The "pool" at the Texas operation was fairly simple – Richard hired most of the employees from a non-union company that had recently gone out of business.

Reddinger began utilizing the apprenticeship program offered by the Associated Builders and Contractors in Austin, Texas for apprentice

training. The workforce in North Carolina again was “acquired” from other contractors.

The “electrical construction” pool in Evansville, Indiana, a dominant Union area, was much more challenging.

Reddinger’s work at Crane Naval base – meant working under a government contract with a stipulated wage scale, a stipulated or required wage scale as specified in the contract specifications. To utilize semi skilled labor to perform tasks that normally don’t require all of the skills of an experienced electrician in the trade – a BAT approved apprenticeship training program must be in place and operational.

Richard called the local BAT – Bureau of Apprenticeship Training – representative and requested that he process Reddinger Constructors, Inc.’s submission of standards for an Electrical Apprenticeship Program for approval. The local representative refused to review our program, for fear of repercussions from the local union, so Richard wrote to Senator Lugar asking for assistance.

Within 1 week of Richard's letter to Senator Lugar, the state BAT Executive Director was in Evansville, in the Reddinger office, discussing Reddinger's submission of standards.

Remarkably, in December, 1987, the Reddinger Constructors, Inc. sponsored Apprenticeship Training Program standards were submitted to the US Department of Labor. And on January 28, 1988, The US Department of Labor, Bureau of Apprenticeship and Training issued a Certificate of Registration to Reddinger Constructors, Inc. We were now officially registered as part of the National Apprenticeship Program in accordance with the basic Standards of Apprenticeship as established by the Secretary of Labor...

The Standards, in an abbreviated form, submitted by Reddinger to the Department of Labor were as follows:

1. Selection and Qualifications of Applicants

How will Reddinger select applicants, and what should their qualifications be.

2. Apprentice Indentures

Every apprentice entering this system shall sign an Apprenticeship Agreement

3. Supervision and Records

The employer, Reddinger, shall designate a particular person to be responsible for the supervision of apprentices. This person shall maintain apprentice work records, evaluate progress, and shall be responsible for selecting work experience.

4. Term of Apprenticeship

The term of apprenticeship shall be 8000 hours of work experience plus 2000 hours of probationary primarily safety training.

5. Related Technical Instruction

Each apprentice must enroll and attend classes of essential related technical instruction as designated by the program sponsor.

6. Safety and Health

Self-explanatory.. the employer shall instruct the apprentice in safe and healthful work practices and shall insure the apprentice is trained in facilities that are in compliance with either OSHA or other federal standards. i.e. MSHA

7. Work Experience

A schedule of work experience was included listing work time (on the job hours) needed in every division of the trade.

8. Ratio of Apprentices to Journeymen

One apprentice for the first journeyman and one apprentice for each additional three journeymen.

9. Wages for Apprentices

An actual wage schedule was established... setting a wage scale for Journeymen and minimum wages as a percent of journeyman wages based on hours completed.

10. Registration

Registration of all apprentices will be with the US Department of Labor, BAT.

11. Adjusting Differences

This section addresses disagreements or grievances of apprentices.

12. Consultants

Lays out the people ready to assist in an advisory capacity if problems arise affecting the agencies they represent.

13. Modification

This plan may be modified – all modifications will be filed with the Department of Labor, Bureau of Apprenticeship and Training.

Under Item 5, Related Technical Instruction, the classroom training for the Reddinger Program was being provided through an established program with the Evansville Vanderburgh County School System Adult Education and with coordination with a local group of contractors, affiliated with the Independent Electrical Contractors, or IEC. We utilized their instructors, their curriculum, but had our own record keeping system for on-the-job training. Reddinger reported directly to the BAT representative in Indiana. Believe me; Reddinger was subjected to numerous compliance audits due to complaints being filed by the local IBEW. Reddinger's records were always in order – there were never any questions asked – and we were told that our records were the best in the state.

Every apprentice that enrolled in the Reddinger Apprenticeship Program, signed an Apprenticeship Agreement. This agreement set forth the terms and conditions of the apprentice indenture. Reddinger's Agreement said:

Employees enrolled in the Apprenticeship Program are expected to pay for the cost of these courses. However, Reddinger will pay the tuition and

deduct from the apprentice's paycheck on a weekly basis as any other payroll advance.

At the end of each school year (two semesters), apprentices will be reimbursed 50% of the amount deducted. This reimbursement is conditional on satisfactory completion of the year's curriculum and the apprentice is employed at the end of sixty days.

Once the employee has graduated from the program and has successfully completed the curriculum and is still employed after sixty days, he/she will be reimbursed 50% of the cost of the final school year. In addition, six months after successfully passing the Journeyman examination the employee will be reimbursed the remaining 50% of the cost of all 4 years of tuition, as long as they are still an employee of Reddinger.

In other words, the employee will be reimbursed 100% of the cost of the Apprenticeship Program.

Individuals who take the journeyman test, and receive a passing grade, will be reimbursed for the cost of the test once the employee has worked with the

company for sixty days after taking the examination. Reddinger Constructors will only reimburse employees who receive a passing grade and who are employed with the company at that time.

In November of 1993, when I joined Reddinger full time, the city of Evansville – Vanderburgh County Building Commission proposed Amending the Building Code – to include amendments to licensing requirements. There proposal included a new section of the Municipal Code to read – No person shall be issued a journeyman license unless he establishes that he has had at least four (4) years experience in the applicable trade. No helper shall install any work regulated by the subchapter. No apprentice shall install any work regulated by this subchapter except under the supervision of a journeyman or master employed on the same job. An apprentice must be enrolled in an Apprenticeship Training Program.

These changes to the Building Code did not affect Reddinger’s workforce, or apprenticeship program. It was, however, the first time in the Building Code that apprentice guidelines were spelled out. Again, in a very dominant Union market, we could see the beginnings of future apprentice regulations.

In the fall of 1996, Richard Lamb and I purchased the stock of Reddinger from Swanson-Nunn Electric Company and are now the sole owners of the company.

Reddinger continued to utilize the IEC's curriculum and in class training program, until the fall of 1999. We discovered that the class schedule being utilized was not working with our company's work schedule. Our apprentices were working 4 days a week, 10 hours a day, and were struggling trying to make their apprentice training classes on time. That's when our Human Resource Vice President, Lee Lamb, turned to ABC, the Associated Builders and Contractors and requested information on ABC's Wheels of Learning, an educational program that utilizes classroom instruction materials developed by the National Center for Construction Education and Research.

Lee first requested setting up a remote training facility program that would provide classroom training that can be adjusted when work schedules conflicted. Our office was the perfect training spot. To become a remote training site – Lee requested that the ABC approve the site, and then the

ABC gained the approval of the BAT to accept the program as meeting our apprenticeship standards, the ones that were submitted back in 1988.

Next, Lee was required to become a Master Trainer. A master trainer is an individual who has been certified in accordance with NCCER's Instructor Certification Training Program (ICTP). Lee needed to be able to train craft/technician instructors to teach our apprenticeship classes. Master trainers are trained and certified directly by NCCER. These classes are offered in 4 or 5 different locations in the United States with a cost of about \$500 per class, not including expenses... i.e. motel, food, time... so to become a Master Trainer is an expense of about \$1500.

I guess I need to mention cost now. Because Reddinger is a “small” merit shop electrical contractor, with Sales of about \$3.5 million per year, you will see that having our own Apprentice Program is expensive, but necessary.

With his Master Trainer Certification, Lee began the task of training Craft Instructors. A craft/technician instructor is an individual authorized to teach the Contren[®] construction, maintenance, and pipeline curricula. All NCCER Craft/Technician Instructors must successfully complete the Instructor

Certification Training Program (ICTP) for craft/technician instructors conducted by a NCCER Master Trainer. This training is an 8 hour training program – 8 hours for Lee, 8 hours for each instructor. Currently, Reddinger has 4 electrical instructors. Again, as you look at cost, 8 hours, 4 instructors, 1 trainer. An approximate cost of \$1,000.

Once classes were established, the ABC sent all classroom instruction materials, ie. Instructors manuals, training materials, apprentice books.. all necessary materials to complete one semester of instruction. Craft Instructors have been paid by Reddinger, 144 hours per year @ \$20 per hour or \$2,880 per year for the instructor. Grades, records of attendance, on the job training forms, absence reports, final exams, etc are submitted to ABC for review and for recordkeeping purposes. The administrative costs are about 8 hours per week to keep OJT information and track grades. This cost is about \$4,800 per year. Should the BAT request a review of our compliance of our recordkeeping and compliance with our standards, the ABC has our records.

Earlier in this talk, I commented on the Evansville / Vanderburgh County Building Commissioners and their licensing requirements. On December

13, 2004, the Vanderburgh County Board of Commissions met, with an item on their agenda entitled: “First Reading of an Ordinance Concerning Registration of Apprentices.” This new ordinance presented, was deemed necessary, because the License Disciplinary Board that monitors the Trade Licenses, did not have any standards that outlined what an apprenticeship training program had to be. The new ordinance proposed, stated that City Apprentice Licenses would only be issued to those apprentices enrolled in a BAT approved program.

For Reddinger, this was not a problem. However, for those apprentices currently enrolled in the apprenticeship program affiliated with the school system and the IEC, they no longer would be able to work as an apprentice electrician in the City. Numerous heated discussions were held about the additional costs to contractors, additional record keeping costs to audit compliance costs.

On December 29, 2004, the Vanderburgh County Board of Commissioners adopted the new apprenticeship registration ordinance that states, “In order to receive an apprentice license to work in the city of Evansville / Vanderburgh county, an apprentice must be enrolled in a BAT approved

Apprenticeship Program. Apprenticeship programs not registered with the United States Department of Labor, Bureau of Apprenticeship Training (BAT), but actively operating in Vanderburgh County, Indiana prior to the date of the final passage of this ordinance shall be permitted until July 1, 2006 – “ which in turn will give 18 months for people to operate and become approved by, and registered with the BAT.

I guess I need to try to wrap this up. Reddinger is very proud of our Apprenticeship Training Program. We have worked long hours and diligently to provide employees the opportunity to become educated in the electrical trade. We are very happy with the curriculum that we are using. The ABC and the NCCER have a fabulous program. And we are extremely proud that we went the extra step to become BAT approved – it has paid off in the long run, without it, we would not be able to license our apprentice electricians in Evansville, Indiana.

But here are some very hard facts. For all of the monies that Reddinger has spent over the years, we have had exactly 34 employees enter our Apprenticeship Training Program. And here is the toughest fact of all.. we've had exactly 8 complete the course – graduate. Of those 8 that

graduated – 6 are still employed at Reddinger. Currently enrolled in the course – 2. Reddinger has a labor force of about 35 – that labor is made up of electricians and machinery movers – millwrights. Besides electrical work, we specialize in machinery moving. It’s a great package, we can unhook equipment, move it, and re-energize.

Finally, as I recognize that this meeting is sponsored by the AFL-CIO Building Trades, I suggest that the matter of union versus non union is a bigger discussion than I am prepared to discuss, however Reddinger Constructors, Inc is operating as a free enterprise organization paying good wages and determined to compete fairly and ethically with our union competitors. We have a strong contingent of long time employees who have strong loyalty to our organization. And folks, we have earned that loyalty with good pay, good benefits and a well trained work force.

Again, I thank you very much for allowing me to present “The Birth and Evolution of an Electrical Apprenticeship Program” by this small Electrical Contractor.