



VIEW*S* & VISIONS

A publication of Bowles Rice LLP

Spring 2013



Skilled Degrees Offer Advantages and Opportunities

Aimee Boyd Johnson, Human Resources Manager
Whayne Supply Company

Aimee Boyd Johnson is the human resources manager for Whayne Supply Company. She is responsible for overseeing Whayne's medical insurance, performance reviews, employee development programs, succession and career planning, and all other tasks related to caring for the company's 1,300-plus employees.

Ms. Johnson joined Whayne in August 2010 as a management trainee. During that time, she worked in most areas of the company, including various operational and support departments, gaining valuable experience. She assisted or led several major special projects during that time, including a warranty analysis/reimbursement project, an e-business/Facebook project, standard operating procedures updates and the company's dealer management system project. In November 2011, Ms. Johnson was promoted to manager of employee development. In this position, she was responsible for expanding the company's employee development programs, succession and career planning and management recruitment.

She is a CPA and earned a bachelor of science degree in accounting from the University of Kentucky and an MBA from the University of Louisville. Before joining Whayne, Ms. Johnson was employed for three years by PricewaterhouseCoopers in Louisville, Kentucky, as an external auditor and Brown-Forman in Louisville, Kentucky, for two years, working in their internal audit department. She is a member of the Louisville Downtown Rotary Club, and an active member of her church and community.

In today's competitive workforce, possessing a skill is more essential than ever. The days of spending four years in college and walking into a ready-made career have passed for most. With the cost of tuition rising faster than inflation, one can question the cost-benefit of attending a traditional university only to graduate with a very generalized bachelor's degree, significant student loan debt and fair job prospects. With such a focus on obtaining a four-year college degree, many skilled trades, such as welders, mechanics and electricians, have found their relative percentage of the workforce decreasing. As demand has accelerated, these skilled technical trades have become highly sought after and are reporting early and midcareer earnings at or above those possessing a baccalaureate degree. Clearly, the question should be asked, "Is a traditional college degree the only path to a successful, well-compensated career?"

In the United States, the average starting salary of a heavy equipment technician is \$16 per hour, according to the U.S. Bureau of Labor Statistics. Working a standard year (2,080 hours), this is \$33,280 before adding any overtime hours. With a general four-year college degree, the average starting salary in the United States, per the National Association of Colleges and Employers, is \$40,352.

Throughout the region, we have started to see more technical programs in colleges and high schools. Prosser Career Center in Indiana, East Side Tech Center and Letcher County Area Technology Center in Kentucky; Putnam County Career Center in West Virginia; and Tri-County Career Center in Ohio are high schools with diesel technician programs. Elizabethtown and Somerset Community and Technical Colleges in Kentucky; Bridgemont Community and Technical College in West Virginia; and Washington State Community College in Ohio, are colleges with technical degree programs.



Whayne Supply Company (WSC), the Caterpillar dealer for Kentucky and southern Indiana, works with many of these high schools and colleges. We have begun to see a trend of fewer high school graduates entering technical training programs, which has, in turn, affected the company's recruiting and hiring of skilled technicians. One of WSC's and Caterpillar Inc.'s solutions is "Think Big," a two-year program sponsored by Caterpillar dealers and technical colleges. At Illinois Community College (ICC) in East Peoria, students are sponsored by WSC for two years while attending school. During this time, students rotate in eight-week intervals between the classroom and a WSC branch, gaining hands-on work experience. Classes include mechanical and technical classes as well as math, English, and other general studies. Students graduate with an associate degree and, if they meet the academic and skills requirements set by WSC, they are typically offered a full-time position with the company, with a starting salary between \$14 to \$17 per hour.

During this program, depending on the student's GPA, WSC may pay up to 100 percent of the student's tuition and at graduation provides a tool voucher for the purchase of essential tools. WSC started the program in 1999 with one student, and since has sponsored 90 students. The retention rate is approximately 70 percent, with about 20 percent leaving to pursue a different degree/career. The remaining 10 percent did not successfully meet the requirements of the program and were not offered employment.

Four of the program's successful students have gone on to the "Think Bigger" program at Pitt



Ray Genet, the technical recruiter for Wayne Supply Company and Walker Machinery, speaks to attendees at a recruitment fair

State University in Kansas, also sponsored by WSC. Here, students transfer their credits from ICC and, after two more years of school, obtain their bachelor's degree. All four students are currently working for WSC in technical supervisor roles. Derrick Chesser, Employee Development Manager for WSC and Walker Machinery, explains, "This understanding of the technical side of the business, coupled with continued education and progressive work experience, can become the foundation for a very successful and lucrative career."

Ray Genet, technical recruiter for WSC and Walker Machinery, states "We are very proud of these programs and our employees that completed them. In fact, we are evaluating technician training programs in the territory of our sister company, Walker Machinery, the Caterpillar dealer in West Virginia and southeastern Ohio. We believe that future involvement with a "Think Big" program could offer similar successful employee development opportunities."

Through the "Think Big" program and the support of local high schools and technical colleges, education is about the advantages and opportunities that a skilled

degree can offer. WSC believes we will start to see more students entering these fields as earnings and benefits approach or surpass positions filled by four-year degree holders. Employees may still obtain a four-year degree through the "Think Bigger" program – it may take a little longer, but during this time they will obtain hands-on experience in a field, possess fewer student loans, and have a career to fall back on or move ahead with. WSC and Walker Machinery look forward to encouraging and supporting more students to take this path. ▽