



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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GOVERNOR

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FOR IMMEDIATE RELEASE

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State Awards \$657,388 to Employer Groups for Workforce Development *Funds Target Critical Skill Shortages in Small Businesses*

HONOLULU — The Hawaii State Department of Labor and Industrial Relations (DLIR) today announced the award of six grants designed to strengthen local small businesses through training programs. The grants will be used as seed money to develop innovative education and training curricula in economic sectors identified by Department of Business, Economic Development & Tourism, the county workforce investment boards, employer organizations, industry and trade associations, and labor organizations.

"Ninety-five percent of businesses in Hawaii are small businesses that play an essential role in job creation," said Gov. Abercrombie. "I'd like to acknowledge the Legislature for identifying these funds, which this administration has in-turn expedited to support small business as our economy continues to grow."

"Too often small businesses lack the ability to provide training for their workers, which impedes their ability to both remain viable and grow," said DLIR Director Dwight Takamine. "These grants will assist small businesses and their workers by providing training that would otherwise not be available."

Act 2 (SLH 2011), introduced as part of the Governor's legislative package, authorizes the department to assess employers through the Employment and Training Fund (ETF) in 2011 and 2012 to cover interest payments. In addition, Act 25 (SLH 2013) enables the DLIR to use monies collected (\$800,000), but not used, to cover the cost of federal loans to pay unemployment insurance benefits. While \$211,000 was paid in interest for federal loans in December 2010, the director was able to waive the assessment in 2012, which left \$800,000 from the special assessment in 2011.

"Although small businesses are central to job creation, they often lack human resource staff to facilitate the upgrading of the business's workforce skills," said Workforce Development Division Administrator Elaine Young. "The grants target small businesses where there are critical skill shortages in high growth occupations and industries."

Awards

Retail Merchants of Hawaii (\$125,000) – RHM will develop a series of trainings that focuses on 1) Talent Management (management/staff retention), and 2) Business Optimization

(improvement of operations through development of business plans, proper training of employees to understand how to best provide service, focus of sales management and financial/pricing/loss prevention and risk management).

Japan Hawaii Travel Association (\$112,500) – JHTA will develop a five-component training curriculum that addresses service expectations of Japanese visitors. JHTA has contracted with LearningBiz to develop the curriculum and deliver the training statewide. Currently, there is no curriculum available for training.

Native Hawaiian Hospitality Association (\$125,000) – NaHHA will deliver their community specific Ola Hawaii hospitality and leadership curriculum, which is culturally based, for communities who have training access challenges due to location or cost prohibitive barriers (South Shore Kauai, Kaneohe, Hana Maui and North Hawaii were initially identified).

Hawaii Island Workforce and Economic Development Ohana, Inc. (\$117,502) – HIWEDO will develop technical training modules for small businesses to learn how to gain more exposure on the internet.

Hawaii Tropical Fruit Growers (\$70,886) – HTFG will develop and establish a Master Food Preserver certificate pilot program. This program will teach participants to develop and safely preserve value-added products that use undersold and underutilized produce to increase capacity and income for small agribusinesses. The intent is the establishment of a program that can be offered statewide.

Service Corps of Retired Executives Association (\$94,000) – SCORE HAWAII will provide business owners, members of management and key personnel a comprehensive business training program that covers successfully leading and operating a business. The trainings and mentoring for both for-profit and non-profits will be led by both active and retired business executives as well as entrepreneurs.

Background

The Employment and Training Fund was established to support innovative programs developed in cooperation between business and government to assist employers and workers. From its inception in 1991, the ETF has helped employers train workers to learn invaluable new skills for their jobs. With these new skills, the employees are now able to better perform in their jobs and seek out increased pay or promotions.

Currently, there are two types of ETF funding sources:

ETF Macro

ETF Macro grants provide funds for industry specific training where there are critical skill shortages in high growth or occupational or industry areas. These funds are used as seed money to develop cutting edge education and training curricula and program design and activities where none exists in the state.

ETF Micro

The Micro program is most popular among individual businesses that need to upgrade the job skills of their employees. Training courses that are available include computer, business, management, health, medical training and soft skills training. Employers are eligible to receive up to 50 percent of tuition costs provided by approved vendors.

For more information about the ETF, visit <http://labor.hawaii.gov/wdd/home/employers/etf/>.

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