

Statement of MARK SIEBER Plant Leader, GE Aviation-Yakima

Before the

AVIATION SUBCOMMITTEE Committee on Commerce, Science and Transportation U.S. Senate

Hearing on

The Aviation Workforce: Industry and Labor Perspectives on Training Needs and Challenges

Monday, October 24, 2011

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Closing the Gap: The Need for Worker Training and Education

Chairman Cantwell, Ranking Member Thune, and Members of the Committee, my name is Mark Sieber, and I am the plant leader for GE Aviation's Yakima, Washington site. Thank you for inviting me to speak about the growing need to develop a well-trained aviation workforce.

GE's history of powering the world's aircraft features more than 90 years of innovation, from the turbo supercharger to the world's most powerful commercial jet engine. Our innovation is not limited to aircraft engines; GE Aviation's Systems business is a leading global provider of electrical power systems, avionics, actuation and landing gear, aerostructures and propeller systems. GE Aviation's technological excellence, supported by continuing substantial investments in research and development, has been the foundation for growth, and helps to ensure quality products for customers.

YAKIMA'S PROUD HISTORY:

The Yakima plant was founded in 1921 by two brothers making irrigation and coal furnace equipment, products that served needs of the region's agriculture industry. Our transition to aerospace started in 1941 when Boeing recognized that our manufacturing capabilities could be used to produce valves and mechanisms for the B-17. In the decades that followed, the aerospace industry grew and the Yakima facility expanded manufacturing capacity. By the late 60's, the facility had its own design engineering capability and we started developing our niche in locking actuators. Yakima-based engineers developed locking actuator technology that provided the right solutions to our customer's needs, and we continue to evolve those solutions to use in today's applications. In 2007, the Yakima plant became part of the GE Aviation family, and currently part of GE Aviation's Systems business unit, which designs and sells avionics, electrical power, and mechanical systems for commercial and military aircraft. Products currently manufactured at Yakima include holdback bars used to launch aircraft like F18 from aircraft carriers; hydraulic fuses used to

protect aircraft control systems on the Boeing 737, 747, and 777; and actuators used for landing gear on the V22, A380 and 787.

Our Yakima plant currently provides 270 high tech aerospace manufacturing and engineering jobs, with payroll in excess of \$14 million to central Washington economy. High tech manufacturing is not common for this region of the state, and we take pride in what we've built in this community. We are also proud to serve in our community. Last year, our employees logged more than 1,600 hours in events such as United Way's Day of Caring, Operation Harvest community food drive, March for Babies, Yakima Greenway beautification activities, and construction of a new playground at Kiwanis Park.

We are fortunate to have technology, products, and services that are in demand. Contracts on new programs like the 787 are helping us grow. Having access to a well-trained, educated workforce is critical to our continued growth.

TRAINING IS ESSENTIAL FOR OUR EMPLOYEES:

The work we do in Yakima is specialized and technical. It can be difficult finding someone who arrives with the expertise we need, so we must invest heavily in training our employees. An incoming employee's background can vary anywhere from 0 to more than 100 hours of actual experience, so the amount of training that is required varies by position and level of skill coming in the door.

Most of our engineers join us right out of college or from other aerospace companies. The majority of our manufacturing employees come to us from our local community population, where some of our hiring decision is based on their mechanical aptitude and if they are trainable for machinist and assembly positions.

FINDING QUALIFIED WORKERS CAN BE DIFFICULT:

The Yakima site has historically struggled to fill positions for qualified, experienced aerospace engineers and technicians, which are skillsets that are not common to central Washington. Winning the contracts for A380 in 2002, and 787 in 2004, drove requirement to expand our engineering and manufacturing capacity . . . more than the handful we could recruit locally. We incur a higher cost for recruiting outside the region, and outside the state.

TEAMING INCREASES PRODUCTIVITY:

We have found that using a teaming approach helps to increase worker productivity. Teaming is one of GE Aviation's key initiatives to drive increased involvement, development and empowerment of employees. Within our teams, we experience greater creativity, improved work processes and increased plant performance when we maximize the diverse talents of our employees and increase their involvement in problem solving and decision-

making. Yakima currently has nearly 40% of our workforce organized in high-performance teams and we continue to move in this direction with all employees.

As a global company, our talent must reflect the communities we serve and with whom we do business. We are actively engaged in various outreach efforts, some of which include the City of Yakima's Worksource job fair, South East Community Center's 100 jobs for 100 kids' summer program, and the New Vision Yakima county development association.

Our diversity within GE is about the power of the mix – the strength that results from an internal and external team with varied experiences, backgrounds and styles.

UNIVERSITY PARTNERSHIPS ARE KEY:

We are fortunate to have great educational institutions nearby, such as Perry Technical Institute and Yakima Valley Community College.

Perry Technical Institute has a two-year Machine Technology program that prepares students for entry-level positions making machined products. We participate in their Program Advisory Committee by providing feedback on the skills we need and this feedback provides guidance on the program's curriculum.

Summer interns and students in our leadership programs provide an excellent pipeline for talent and this is an area where we rely heavily on our partnerships with colleges and universities. We anticipate having 15 interns in Yakima this summer and six additional students in our Operations Management Leadership Program (OMLP's).

Central Washington University, Washington State University and Montana State University are also strong proponents of ours who help provide talented interns and engineering candidates.

GE AVIATION'S COMMITMENT TO STEM EDUCATION AND WORKFORCE TRAINING:

We are proud to be a part of the GE Aviation family, which believes strongly in Science, Technology, Engineering, and Mathematics (STEM) education, training its employees, and developing a strong workforce. As a leader in technology and innovation, we strongly value the need for tomorrow's leaders to be equipped with skills for the 21st century, such as an ability to think critically and solve complex problems creatively and collaboratively. These skills are predominately developed in the mathematics and science disciplines.

Regarding training, GE is investing more than \$1 billion annually in our training and development programs, helping our employees to have a greater impact in our businesses & community.

In closing, aviation continues to be a growth industry, but in order to remain competitive and strong we need a well trained workforce. Continued investment for STEM education and employee training is necessary to help us fill the gap.

I thank the committee for its time and would be happy to answer any questions.