



A New Approach to Job Development in Wayne County

Rena Purdy
TCED Capstone Paper

Submitted September 23, 2014

TCED Advisory Board

Martha Kelley, TCED Capstone Coordinator

Dr. Dave Kolzow, TCED Staff Advisor

Wisty Pender, TCED Capstone Mentor

The Digital Hub- A New Approach to Job Development in Wayne County

Table of Contents

Introduction	3
What is The Hub?	4
Impact on the Local Community	5
Experiences with Regional Digital Factories.....	7
The Creation of Wayne County’s Digital Hub.....	8
Conclusion and Recommendations	13
Resources	15

The Digital Hub- A New Approach to Job Development in Wayne County

Introduction

The decline of manufacturing and growth of the service industry in the United States over recent decades contributed to a substantial gap of workforce skills in rural communities across Tennessee. As traditional manufacturing companies closed or relocated, the trade skills of former employees were no longer compatible in an evolving service industry. Seven out of ten Tennessee businesses (71%) say it is “important” or “very important” for potential employees to have digital skills, while two out of five Tennessee businesses (40%) say it is “difficult” or “very difficult” to find employees with the necessary technical skills. (Connected Tennessee, 2014). To combat the growing need for technical skills, Wayne County embarked on “The Digital Hub” (The Hub) project to retool its existing workforce, create new job opportunities for its residents and become more competitive in the global economy.

The Hub gives Wayne County residents access to a facility in which to obtain the skills to compete in this changing environment. As more residents seek these skills and subsequent employment, Wayne County will become more prosperous through the development of a higher qualified workforce and the creation of local jobs. Through the collaborative efforts of local residents, neighboring industry leaders and regional partners, The Hub came to fruition in 2013 and at the submission of this report, remains in full operation with expansion plans on the horizon. The information provided here is justification for its development, and provides (1) a timeline of proceedings leading up to its formation, (2) a compilation of lessons learned and best practices, and (3) a general reference for other disadvantaged communities seeking to implement a similar project.

What is The Hub?

A digital factory or hub references a cloud contact center, more commonly known as a virtual call center. “Working in the cloud” describes the manipulation and storage of data in the virtual world rather than on a computer hard drive or other external data storage device. In Wayne County, The Hub refers to a location that physically houses the proper technology, instructional training and connections to an online platform on which participants can train for employment in a virtual call center environment. In two to four weeks, students learn how to research reputable online companies, apply and qualify for open positions and improve their technical skills to gain meaningful online employment.

The Hub mirrors digital factories in the region with three exceptions: (1) it is a scaled-down version of other digital factories, (2) training is provided one-on-one rather than in a classroom setting and (3) it does not provide secure substitute office spaces for those unable to work from home. Patrons of The Hub are trained using LiveOps, a standard cloud contact center service, which is used by other digital factories in our region. LiveOps is a provider of outsourced contact center services, subcontracting with 20,000 home-based independent agents to supply customer support to over 300 LiveOps clients. To handle its large call volume, LiveOps built its own cloud-based technology which independent agents utilize to respond to customer inquiries about select products or services (Hurst, 2014).

Through LiveOps, trainees follow a curriculum of webinars and corresponding tests on various subject matter including communication skills, data entry, customer service, proper selling techniques, FCC rules and regulations, and specific product information. Upon successful conclusion of coursework, trainees take a mandatory number of calls in The Hub to complete certification. The graduate is then ready to return home to work as a self-employed independent

agent. The agent does not work for LiveOps, he or she works as an independent contractor providing services to LiveOps' clients (LiveOps, 2010).

Initially, independent agents answer incoming phone calls on topics that vary from requests for additional information on a service or product to the purchase of a specific product. Agents follow a prepared script, maneuvering between multiple screens as the conversation progresses. Dependent upon the type of call, the independent agent enters data and submits a completed online form for processing or according to protocol, transfers the call to a properly licensed agent. Agents are encouraged to continue educating themselves on the products of LiveOps' clients through scripts used for each call and sample television, print or online advertisements of each product.

In The Hub, participants must pass a preliminary work test, criminal and financial background check and voice audition before being eligible to train through the LiveOps platform. Those who cannot meet LiveOps' qualifications learn to perform online piece work (crowd sourcing) through MTurk, an online marketplace where businesses post tasks for individuals to complete for pay (Amazon, 2014). Program facilitators continuously research additional companies and relay information to graduates of The Hub to assist them in perfecting their skills and expanding their range of employment opportunities.

Impact on the Local Community

Rural communities all across Tennessee struggle with very similar education and workforce issues. Even as Wayne County's unemployment rate rose to 11 percent statistical reports indicated the community as having an underqualified, unskilled labor force. On the contrary, for decades people have commuted or relocated to where the work is, whether it be a

nearby county or another state altogether resulting in the continuous brain drain of the community. An estimated 2000 Wayne County residents commute to neighboring counties or work out of state each day (Tennessee Department of Labor and Workforce Development 2010).

Wayne County is home to 2400 retirees receiving social security benefits and approximately 855 residents receiving social security disability benefits (Social Security Administration 2010). In many instances, the issue is not that one is completely unable to work but unable to perform labor intensive jobs conducive to traditional industry in the region or she may not be able to work a consecutive eight hour shift due to physical limitations. Wayne County also has a high percentage of households with only one working parent. Explanations vary from single parenthood to cost prohibitive or absence of quality childcare, to a perceived loss of benefits as more detrimental than employment at a lower than compatible wage. Underemployed residents seek ways to supplement their existing income as well.

Through online work, trained agents have the flexibility to work when they choose, as much as they want or need to fulfill their individual needs. As online work evolves, a person living on a restricted income can become a thing of the past. The Hub is a common sense approach to combating these issues. Equipped with the proper skills for today's work environment, many could find suitable work performing at their own pace, in their chosen environment at their own comfort level. Work times could be planned around family schedules and commitments. Through the availability of skills training related to online employment, every resident would be given an opportunity to better themselves and contribute to the economic growth of their community.

Experiences with Regional Digital Factories

When faced with 26 percent unemployment in 2010, Perry County representatives from the public and private sectors joined forces to create Tennessee's first digital factory in Linden (Vision Perry). The facility opened in July 2011 with the vision of retaining its youth entering the workforce and re-tooling its adult workforce. Faced with increasing unemployment due to layoffs, company closures and the lack of employment options for residents unable to perform traditional work, members of the Wayne County Chamber of Commerce (WCCC) met with officials from Vision Perry to learn more.

WCCC took its findings, and held a public information meeting, hosted in the city of Waynesboro, to gain public input. Approximately 60 public officials and local residents attended and 15 Wayne County residents expressed an interest in training for online employment at that time. Meanwhile, Vision Perry scheduled free training sessions at its Linden facility. Wayne County residents that had previously expressed an interest, declined the opportunity being placed before them due to travel expenses, the difficult travel route from Waynesboro to Linden, four to six weeks of unpaid training associated with the program, scheduling conflicts and other reasons. Without funding nor the ability to demonstrate a return on investment to potential stakeholders, the idea to build a similar digital factory in Wayne County came to an immediate halt. The WCCC continued to promote the services and mission of Vision Perry through periodic email blasts and by providing a link for more information on its website.

A relevant discussion between fellow chamber colleagues in 2012 opened communications with Parson, Tennessee's REDI Digital Factory facilitators. Representatives from Wayne County and South Central Tennessee Workforce Alliance visited the neighboring community to learn more about its programming. This meeting revealed possible options: The

Regional Economic Development Initiative (REDI) Digital Factory received funding from the regional development district and the necessary Internet access via a local cable provider.

However, similar cable service was not available to the majority of Wayne County residents and no estimated date could be given as to when such service might become available.

In each case, start-up funding was in the range of \$100,000 to properly equip a facility, cover overhead costs and pay an on-site facilitator. Both communities had offered to assist Wayne County for a reasonable partnership buy-in. These fees were unattainable and the project was put on hold until further research could justify estimated expenses. Between 2011 and 2013 additional digital factories opened in the Tennessee communities of Ripley (REDI), Trenton (Vision Gibson) and Dresden (Vision Weakley) establishing a Digital Factory Network in 2012 (Dumont 2012).

The Creation of Wayne County's Digital Hub

An increasing threat of the closure of Wayne County's only textile manufacturer along with the steady decline of the local timber industry inspired members of the WCCC to revisit the digital factory concept. In spring 2013, Wayne County's Joint Economic and Community Development Board (JECDB) was eligible to apply for a \$15,000 Three Star grant as a tier 3 community. WCCC representatives requested grant funds to be used to construct a digital factory in Waynesboro, the county seat. The project was approved and Wayne County government donated two vacant rooms in the county court house for the facility; the county also agreed to cover utilities. The decision was made to develop a scaled-down version of other digital factories due to limited available capital and to help ensure the sustainability.

Wayne County's digital factory would be equipped with four training/work stations, complete with new computers, high speed, hard-wired Internet and landline phones, mandatory equipment to successfully train and work online. Partitioned walls would divide a room into quarters, creating four individual, private workstations. The second room would house a single workstation for trainees to work in a quiet, secure space as schedules permitted. Three Star funds would be utilized for workstations and technology expenses for the first year of operations. Materials were donated by various organizations and volunteers began renovations mid-summer 2013, to include wall repairs, painting, carpet installation and technical modifications. The chamber director supervised renovations while a summer intern knowledgeable in Information Technology oversaw the selection of hardware, virus protection and software purchases. IT professionals were contracted as needed.

Mid-project, the county was faced with the untimely closing of its Tennessee Career Center as part of a state-wide restructuring of the program. The local Tennessee Department of Labor and Workforce Development office had closed its Wayne County facility the previous year. The decision was made to integrate the Career Center and The Hub to prevent the loss of the only remaining facility available to the general public offering employment-related services. Modifications were made to the layout of the room accordingly. The area would now house four workstations (The Hub) divided by single partitions between each workspace on one side of the room and the opposite side would house the Tennessee Career Center. The second room would become office space for the career center advisor to conduct private communications with clients. Renovations proceeded on schedule and The Hub was completed December 2013.

During the final weeks of preparations, a representative of South Central Tennessee Development District informed Wayne County Government of \$10,000 in additional funding

available to the community for its work on a digital factory type project, courtesy of AT&T. The community would also receive 12 laptops compliments of Connected Tennessee. These contributions would play a significant role in the future development of The Hub.

Understanding the importance of marketing to the success of The Hub, project managers organized a kick-off ceremony to celebrate its opening and publicly recognize supporters. A local artist voluntarily designed an official logo and press releases were sent to various media outlets and public relations departments of organizations that supported the project. The launch date and details were also promoted through social media and print publications.

Representatives from nine agencies attended the formal kick-off ceremony. News of the official launch appeared in local and regional publications including The Crossville and Chattanooga Times and in Tennessee Department of Economic and Community Development's and Connected Tennessee's online newsletters. To advance promotion and local support of the project, organizers scheduled speaking engagements with civic groups in Lawrence and Wayne counties including Lawrenceburg Rotary, Wayne County Allied Arts, Waynesboro Rotary and Wayne County Retired Teachers Association. Key leaders in the community were given tours and informational updates at every appropriate encounter.

Before accepting applicants to The Hub, facilitators trained to become independent agents themselves in order to obtain a deeper understanding of how the platform worked and to better assist trainees. The Hub hosted its first informational session on January 13, 2014. The event was publicized through local print, radio, social media and word of mouth. Twenty-five people attended the evening meeting with fifteen signing up for the program. The initial four trainees were displaced workers from a local apparel manufacturer that had closed its Waynesboro operations.

These four were eligible to receive unemployment benefits but not paid training to upgrade their skills because the company itself did not close, only its Waynesboro operations. Training began immediately and all were ready to work online upon the expiration of their unemployment benefits. Although their wages did not match their previous employment, all expressed gratitude for the program and the ability to earn enough money to carry them through an otherwise difficult adjustment in their lives.

Facilitators adapted to a constantly changing strategy the first six months of operations. Originally, due to LiveOps and MTurk being self-taught applications, the training module was comprised of one part-time volunteer assisting a client in basic understanding and enrollment in the program then the client would proceed on her own. Almost immediately, organizers noticed a lack of basic computer interface skills among some enrollees. Experience with email and Facebook, although helpful, was not enough to perform the duties of online sales and customer service. As a result, more intimate training became necessary. Re-tooling of skills became another obstacle. One of the initial four had spent the majority of her career performing piecework in a factory setting. The client struggled adapting to this new environment where the quality of a call was more important than quantity of work performed. Individualized training helped her overcome this issue. As the first class completed training and moved toward taking their work home, trainees were under the false precept that “high speed Internet” meant they had the capacity to perform online work at home. Deeper research revealed the services were not compatible. Two of the four trainees remained working in The Hub until such services could be updated at home. As operations neared the three-month mark, facilitators realized a part-time employee would be necessary to continue meeting the needs of the community. Monies from the AT&T contribution were used to hire a facilitator on a contractual basis.

As new prospective workers signed up for classes, scheduling conflicts arose. A trainee could not take incoming calls, the final steps of qualification, while others were present. Doing so would be a direct violation of an agent's contract with LiveOps to provide a secure environment in which to take a caller's personal and financial information and could result in immediate termination of employment. At any given time, two people would be piece working through MTurk, another training through LiveOps, two more searching for employment or filing applications online, yet another faxing or copying papers and one attempting to answer incoming calls, all in the same room. In order to accommodate the needs of all users of The Hub and the Career Center, facilitators arranged separate time schedules for agents to take live calls.

As the program progressed, facilitators decided to offer adequate work time inside The Hub to each graduate in order for them to retrieve the cost they had incurred by the required background check fee of \$65 and gain the knowledge and confidence to feel comfortable working from home. In most instances, trainees averaged earning \$10 per hour during this initial call phase. Therefore, eight hours of paid work was sufficient time to retrieve their start-up costs. In certain instances, facilitators even traveled to agents' homes to assist with technical issues they were experiencing.

One problem left unresolved was the initial start-up cost for those who did not have hard-wired phone and Internet at home due to the inability to afford such services. Facilitators advised trainees to consider all business start-up costs before proceeding to work from home. Seeing the need for additional training on business ownership, classes and seminars for program participants have been implemented as part of the organization's long-term strategic plan.

An influx of inquiries over the summer of 2014 led to multiple clients training at the same time. Armed with numbers of past and potential clients that could not perform the work at

home due to lack of proper technology, organizers spear-headed a push to recruit a satellite call center to the Waynesboro area. Basic research uncovered several data and call center companies with Nashville area based headquarters. Project facilitators began calling on partner organizations and professional acquaintances to assist in the effort.

Collaboration among all interests greatly contributed to the success of The Hub. Of significant importance was the rapport among users of The Hub during adjustment periods. Independent agents volunteered time to assist trainees when a facilitator was unavailable. One person working MTurk, voluntarily assisted others who were unable to enter LiveOps training, learn how to register for work and navigate the MTurk platform. Career Center advisors and Digital Hub facilitators exchanged relevant information and assisted clients of both facilities wherever possible. Graduates of the program kept facilitators and new agents advised of advanced employment opportunities, dates of high volume work projects and insight on their past experiences. Through this concerted effort, clients became colleagues and levels of expertise among all parties involved grew.

Conclusion and Recommendations

After eight months of the program, thirty-nine residents had sought training in The Hub. Twenty-one students had completed the program as independent agents and eight were ready to begin training. Five students dropped out of the program due to voice audition difficulties, background check failure or inability to pay the required fee. Two of the four graduates of Wayne County's inaugural class continue to work online at home, one returned to the traditional workforce and one has set up a separate home-based business. This graduate works occasionally inside The Hub to financially support her new venture. Ten residents are on the training wait list and eight residents have expressed interest in participating in the future.

As of September 2014, work had begun to expand The Hub-Career Center to include a small business development center that will provide additional training to graduates of The Hub. The additional training should further their chances of success with business ownership. Equipping trainees with the proper technology and a more personal, individualized approach to instruction will ensure the success of digital factories in other rural communities.

In 2010, the United States Census Bureau reported an estimated 13.4 million home-based workers. (Source: US Census Bureau- Survey of Income and Program Participation) This number is expected to continue to rise as more companies allow employees to telecommute. Another increase will come from customer relationship management jobs off-shored during previous decades returning to the United States. Digital factories across rural Tennessee are training our residents to perform the job duties required in these service-related industries. Continuing this course of action increases our region's competitiveness in today's market by enhancing the skills of our existing workforce.

Resources

Amazon Mechanical Turk, Amazon.com, Inc. 2014. Retrieved 9/19/2014 from

<http://aws.amazon.com/mturk/>

Connected Tennessee. *Digital Workforce Skills and Tennessee Businesses*. 17 Dec. 2013.

Hurst, Steve, Ed. Interview with Ann Sung Ruckstuhl, VP/ CMO LiveOps. *Transforming the*

Contact Centre in the 'age of the customer'. Engage Customer. Nicholson House.

Weybridge, UK. 26. Retrieved 9 Sept. 2014. Retrieved 9/19/2014 from <http://issuu.com/>

LiveOps, Inc. *Being an agent*. 2010. Retrieved 9/20/2014 from

<http://join.liveops.com/being-anagent/>

Murray, N. and Brian Hill. *Interactions Between Local Labor Markets and Families First*

Caseloads. University of Tennessee Center for Business and Economic Research. 2004.

Van Hoesen, Paul. The Rural Digital Factory Network. A 21st Century Approach to Rural Job

Creation and Community Sustainability. cTechnology Inc. 14 Jan. 2010.

Vision Network USA. 2014. News. Retrieved 1 Sept. 2014 from <http://visionnetworkusa.com/>

Tennessee Department of Labor and Workforce Development 2012-13 Wage Report.

https://www.jobs4tn.gov/analyzer/qslabforcedata.asp?cat=HST_EMP_WAGE_LAB_FO

[RCE&session=LABFORCE&subsession=99&areaname](https://www.jobs4tn.gov/analyzer/qslabforcedata.asp?cat=HST_EMP_WAGE_LAB_FO_RCE&session=LABFORCE&subsession=99&areaname)

U.S. Census Bureau. Survey of Income and Program Participation. 2010. U.S. Department of Commerce.