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**Minnesota Job Skills Partnership  
Special Incumbent Worker Training Program**

**FY 2007 Performance Report  
as Required by Minn. Stat. 116L.18, Subd. 6**

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In accordance with Minn. Statute 116L.18 Subd. 6, the Minnesota Job Skills Partnership Board and the Commissioner of the Minnesota Department of Employment and Economic Development are required to provide a report to the legislature by March 1st of each year on the previous fiscal year's program performance for the Special Incumbent Worker Training Program. At a minimum, the performance measures are to include post-training retention, promotion and wage increase.

On June 27, 2006, the Minnesota Job Skills Partnership Board approved funding for seven Special Incumbent Worker Training Program grants. These were the first Special Incumbent Worker Training Program grants awarded. No other Special Incumbent Worker Training Program grants have yet been funded. Special Incumbent Worker Training Program grants are funded through Workforce Development Funds. Grants are paid on a reimbursement basis based on actual activity. Following is a brief summary of each of the grants awarded and the results as of June 30, 2007.

**Training Providers:** Inver Hills Community College, Metropolitan State University, and Minneapolis Community & Technical College

**Participating Businesses:** 3M, BlueCross BlueShield, Qwest Communications, Technology Management Corp., TelEd, Inc., Thomson West, US Bank, and SpanLink

**Award Amount:** \$243,310

**Project Summary:** The three participating educational providers make up one of four Centers of Excellence, the Center for Strategic Information Technology & Security. This project is designed to enhance the skills of the information technology incumbent workforce in the area of Internet Protocol (IP) Telephony. A total of 110 employees from eight participating businesses will receive the training needed to help the businesses stay ahead of the competitive curve in this emerging technology. The curriculum includes courses developed through a previous MJSP grant as well as some courses that will be newly developed. The courses to be provided include: IP Telephony Orientation, Foundation for IP Telephony, Enterprise Planning & Design, Quality of Service, IP Telephony Integration – Fundamentals, IP Telephony Integration – Advanced, IP Telephony Methodologies, Application Management Strategy, and Impact of IP Telephony on Enterprise. Through this project, the Center for Strategic Information Technology & Security will be on the leading edge nationally as a provider of this type of training and will be positioned to meet the training needs of businesses as the expected demand for this technology peaks in 2008-2010.

**Status:** As of June 30, 2007, 38 individuals had started training. Of the 38 individuals who started training, one had terminated employment, 14 had completed training and 23 were still receiving training. For those who completed training, the time it took to complete training ranged from one to seven months. While it does not appear there were any promotions based on no reported changes in job titles before and after training, wages increased for all individuals who completed training. The average wage increase was \$1.12 per hour. For those who completed training, wages before training averaged \$29.78 per hour and wages upon completion averaged \$30.91 per hour. Based on course surveys completed by the trainees, overall, they are satisfied with the training they have received and believe the training is relevant to their job or career goals. Participating employers have also expressed satisfaction with the training being provided.

The project has experienced some minor delays due to updated versions of software and a hold on some training equipment by the vendor. The project is scheduled to end in February 2009.

**Training Providers:** MN Teamsters Service Bureau/Dakota County Technical College

**Participating Businesses:** Midwest Coca-Cola, SuperValu, US Foodservice, North Star Foods, SYSCO Minnesota, and USF Holland

**Award Amount:** \$400,000

**Project Summary:** This partnership between MN Teamsters Service Bureau and Dakota County Technical College will address a critical shortage of truck drivers due to mass retirements and an unprecedented growth in the volume of shipments. Dakota County Technical College will deliver truck driver training and testing to a total of 159 individuals, selected from the businesses or recruited through community linkages. The Commercial Drivers License (CDL) training will be customized specifically for each business to develop a model for advancing individuals already employed in the transportation industry, and to attract new workers to truck driving careers. Retention services will ensure that new drivers remain in their positions. This project will help the business partners meet their existing deficit for new drivers and provide job advancement and increased wages for employees. It will also be used as a layoff diversion for SuperValu warehouse workers who will be re-trained as CDL drivers.

**Status:** As of June 30, 2007, 38 individuals had started training. Of those who started training, two had dropped out of training but were still employed in their pre-training occupation, and 36 had completed training. Eighteen of the individuals trained were already working as Drivers and received only 2-4 days of training. These individuals were not promoted and did not receive any wage increases. The remaining 18 were employed as Warehousemen before training at an average wage of \$20.69 per hour. Fourteen Warehousemen were promoted to Drivers at an average wage of \$22.28, an average increase of \$1.27 per hour.

The project has experienced some difficulties in recruiting workers for training. In addition, one of the participating businesses, Midwest Coca-Cola has dropped from the project. The project is scheduled to end in June 2008, however, it is likely an extension will be requested.

**Training Provider:** Pine Technical College

**Participating Business:** Deli Express

**Award Amount:** \$269,159

**Project Summary:** Deli Express, a major Minnesota manufacturer of "ready to eat" packaged foods, currently employs 825 individuals at their Eden Prairie facility and had expected to increase their workforce to 940 by 2007, with 35 of the new hires to receive training through this project. Of the 280 incumbent production workers, 85% have limited or non-English speaking skills. Pine Technical College and Deli Express are partnering to develop and provide training that will address production problems that have threatened profitability. A total of 571 employees will receive training in functional workplace English, cross-cultural understanding, and retention management. Two Virtual Reality training simulators will be developed for training in Functional Workplace English and Virtual Store that can be adapted to meet the growing needs of employers in a variety of industries. The Virtual Store training will be geared towards Territory Sales Merchandisers and will allow them to navigate around a simulated store and perform a variety of tasks in that environment. Training will provide workers with enhanced employability and enhance job retention and progression.

**Status:** As of June 30, 2007, 26 individuals had started training. Two of the individuals terminated employment with the participating business. The remaining 24 individuals are still receiving training. While training has not yet been completed, five individuals have already received promotions and two others received wage increases. For these seven individuals, pre-training wages averaged \$15.22 per hour and increased an average of \$1.27 per hour during the course of training.

The project is behind schedule due to the participating business taking longer than expected to evaluate the various training models for Functional Workplace English. In addition, there has been concern that the virtual reality training that was to be developed no longer meets the business needs. As such, this component of the project may not be developed and the full grant amount may not be utilized. Any unused grant funds will be returned to the Workforce Development Fund. The project is scheduled to end in October 2008.

**Training Provider:** Pine Technical College and Northwest Technical College  
**Participating Business:** Reviva  
**Award Amount:** \$293,712

**Project Summary:** Reviva, located in Fridley, MN is one of the largest independent re-manufacturers of diesel and gas engines in North America. Although revenue has increased over the past 10 years, profits have declined. This project joins two educational institutions, Pine Technical College and Northwest Technical College-Bemidji, with the Center of Excellence for Manufacturing & Applied Engineering to provide training that will help Reviva increase revenue and improve profitability. Training will be provided to 172 Reviva employees in areas that have been identified as their leading production-related problem areas, such as Kitting, Cleaning, Contamination Control, Root Cause Analysis, Oil Analysis, Machine Training, Assembly, Quality Mapping, Torque Wrench, etc. Through this collaboration, each school will gain technical expertise by sharing valuable resources, which includes the development of a new Torque Training Simulation System, expanded capacity in precision machining and the development of a new ASE Certification Program.

**Status:** As of June 30, 2007, 27 individuals had started training. Two of the individuals have terminated employment with the participating business. The remaining 25 are still receiving training. No promotions or wage increases have yet been reported as the participants have not yet completed training. However, the training is believed to be having a positive impact on the retention of jobs.

The project is progressing well. The business has indicated several positive outcomes that are believed to be a result of this training initiative. Worker's Compensation costs have decreased as a result of new safety components that have been included in the training, the business is profitable again and it expects to begin hiring additional employees. Furthermore, the company has been selected as the Manufacturer of the Year by the Manufacturing Alliance of Minnesota. They believe the training has directly contributed to their receiving this award. The project is scheduled to end in October 2008.

**Training Provider:** Riverland Community College

**Participating Business:** Viracon

**Award Amount:** \$284,164

**Project Summary:** Viracon, located in Owatonna, MN, manufactures architectural glass. Their workforce of 1,680 includes a high percentage of minority workers, mostly Latinos, in lower level labor positions. To help ensure a reliable labor supply and strengthen its position in the increasingly competitive labor market, Viracon and Riverland Community College will partner to develop an "Employer of Opportunity" program designed to expand promotional opportunities for minority employees. The program will help 200 Viracon employees to acquire language, academic and technical skills needed for increased promotional opportunities within the company. The project is expected to result in a model that can be used by other businesses.

**Status:** The first year of the project has been spent developing curriculum. As of June 30, 2007, training had not yet begun. However, training did begin in September 2007 for 165 individuals.

With 165 individuals who began training in September 2007, the project appears to be on schedule. The project is scheduled to end in October 2009.

**Training Provider:** Teamworks

**Participating Business:** TEAM Industries and Dee Inc.

**Award Amount:** \$200,000

**Project Summary:** This project was intended to assist two rural manufacturing businesses to increase the skills of their Latino workforce. Dee Inc., located in Crookston, MN, is a manufacturer of aluminum alloy and permanent mold castings. TEAM Industries, with plants in Audubon and Detroit Lakes, manufactures power train solutions for all-terrain vehicles. Each company estimated the need for at least 50 more skilled workers by 2008. Teamworks had planned to provide training to 65 employees (40 new hires) that would increase their CNC technical proficiency and ESL skills. Language Solutions, a Northfield, MN based company, was to develop a manufacturing Vocational ESL computer-based program that would integrate traditional training methods with interactive voice recognition software.

**Status:** As of June 30, 2007, no training had taken place. The participating businesses are not hiring new employees at this time as expected. Some computer-based vocational ESL curriculum had been developed but will not be utilized at this time as the participating businesses are unable to commit to training new and incumbent workers at this time. As a result, the project, which was initially scheduled to end in June 2008, will be closed in February 2008. While some costs had been incurred for the purposes of curriculum development, the remaining funds will be returned to the Workforce Development Fund.

**Training Providers:** Northland Community & Technical College, Alexandria Technical College, and Hennepin Technical College

**Participating Businesses:** Arctic Cat, Dayton/Rogers, ITW/Heartland, Machinewell, and Toro Co.

**Award Amount:** \$350,000

**Project Summary:** In October 2005, this partnership received an MJSP Pre-Development grant with six Minnesota businesses to pilot applied research for a Manufacturing Skill Standards Council (MSSC) Production Technician Credentialing System. This project will allow for continued development and integration of the Production Technician Certification throughout the MnSCU system. A total of 140 employees from the participating businesses will complete training to gain certification that will make them marketable to other businesses, and help them move up the career ladder. This initiative will expand the pool of skilled workers and help alleviate the growing skills gap faced by many manufacturers.

**Status:** As of June 30, 2007, training had not yet begun. However, Arctic Cat did begin training for two cohorts of incumbent workers in July 2007, ITW/Heartland began training in September 2007 and Dayton/Rogers hoped to begin training in January 2008. Machinewell is unable to participate at this time due to unforeseen economic factors that have caused the company to significantly reduce its workforce and Toro Co. will be unable to participate until after June 2008 due to unforeseen corporate-mandated training. The project is scheduled to end in June 2008. However, an extension will likely be requested due to Toro's inability to participate until after that date.

**Special Incumbent Worker Training Program  
Trainee Data as of June 30, 2007**

The following chart indicates performance as of June 30, 2007. Since grantees are only required to report occupations and wages before and after training, information on promotions and wage increases are not yet available for most participants who are still receiving training. While some of the grantees have already reported wage increases or promotions for individuals who have not yet completed training, in order to be consistent, the chart only includes this data for those who have completed training. However, the status provided for each of the projects above, does provide information regarding wage increases and promotions for those who are still receiving training when this information was provided by the grantees. It should also be noted that for the October 31, 2007 reporting period, several of the grantees reported a significant increase in the number of trainees. The number of trainees as of October 31, 2007 are listed in parenthesis in the chart in the "Number Started Training" column.

Project Name	Planned End Date	Planned Number of Trainees	Number Started Training as of June (as of Oct.)	Number Completed Training	Number Retained	Number Promoted (of those who completed training)	Number of Wage Increases (of those who completed training)	Average Wage Increase (of those who completed training)
Inver Hills CC/IP Telephony Training	2/28/09	110	38 (42)	14	37	0	14	\$1.12
MN Teamsters/Truck Driver Training	6/30/08*	159	38 (50)	36	36	14	14	\$1.27
Pine TC/Deli Express	10/31/08	571	26 (33)	0	24	0	0	0
Pine TC/Reviva	10/31/08	172	27 (32)	0	25	0	0	0
Riverland/Viracon	10/31/09	200	0 (178)	0	0	0	0	0
Teamworks/Team Industries and Dee	2/28/08**	65	0 (0)	0	0	0	0	0
Northland CTC/Alex.TC/Hennepin TC/ Mfg. Consort.	6/30/08*	140	0 (40)	0	0	0	0	0

\*Extensions will likely be requested.

\*\*Ending early due to slowdowns at the participating businesses.