

DELAWARE

ECONOMIC DEVELOPMENT OFFICE

Right Place. Right Size.

WORKFORCE DEVELOPMENT TEAM



ANNUAL REPORT

Fiscal Year 2014

What we do..

The mission of the Workforce Development Team is to ensure the availability of a skilled, multi-level workforce for new and existing Delaware businesses. We do this by assisting employers in obtaining, upgrading and retaining valued workers, and by helping Delawareans gain the education and training required to get and keep quality jobs and steady employment.

The Delaware Economic Development Office's Workforce works with Delaware's industries and individual companies to determine opportunities to increase the productivity and performance of their workforce. Workforce representatives can assist companies in outlining training goals, providing valuable training information and resources, and in developing skilled training programs to meet their specific needs. The programs are all directed toward business retention and expansion through the development of a skilled workforce.

Workforce representatives are skilled toward leveraging resources and maximizing the return on investment. Several business partnerships have been formed that resulted in shared training programs, thereby leveraging state training funding along with identifying specific business retention and expansion needs for a particular industry.

Our services to our clients range from funding Blue Collar Grants for customized training needs to joining like industries together to develop educational programs that support business retention and expansion along with establishing a qualified skilled workforce. The Workforce Center of Excellence strives to stay in the forefront of the business community, ready to assist companies, large or small, meet their business needs now and in the future.

Programs that are managed by Workforce Development

- **Blue Collar Training Fund** is created by a .15% assessment on the unemployment insurance tax paid on the first \$10,500 of employee wages. DEDO receives 25% of the training receipts generated by this assessment to provide customized training to employees of Delaware businesses for skill development in conjunction with business retention and expansion.
- **Governor's Workforce Development Grant program**, created with Blue Collar funds to be administered by the Delaware Higher Education Commission, provides tuition assistance to working adults attending higher education courses on a part-time basis by contributing 65% of their tuition.
- **State Employee Training** program blue collar training funds are also used to support career ladder training programs for state employees. The program is administered by Office of Human Resource Management.



Completed Contracts in FY2014

Forty one (41) custom training contracts totaling over \$1.1 million were active and managed by the Workforce Development Center, representing partially completed contracts carried over from FY 2013 and new contracts written in FY 2014. This activity does not include the Governor's Workforce Development Grant program or the State Employees training program.

- Forty one (41) contracts were completed totaling \$1,106,110.53 with a match of \$2,711,914.83 contributed by the employers
- Thirty seven (37) unique companies served
- 1,314 training participants
- 16 companies were first time applicants (*first time applicant is defined as a company that has not received funding within the last 5 years.*)
 - New Castle County—10
 - Kent—3
 - Sussex—3
- 23 companies were small businesses (*less than 100 employees*)

Signed Contracts in FY2014

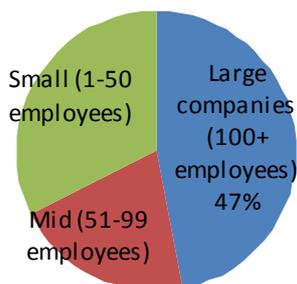
There were 34 contracts that were signed in fiscal year 2014.

- 34 contracts were signed in FY 2014 compared to 37 contracts signed in FY 2013, representing a 9% decrease
 - 23 were in New Castle County
 - 7 were in Kent County
 - 4 were in Sussex County
- Funds awarded total over \$900K
- 9 were first time applicants (within 5 years)
- 18 were small businesses (less than 100 employees)

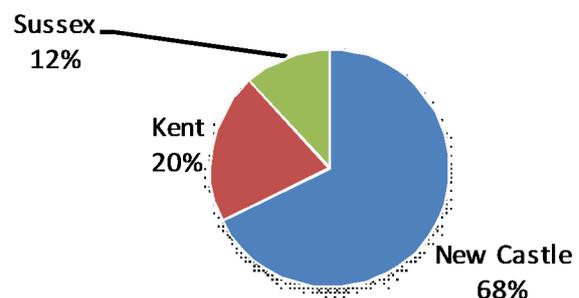
Summary of Workforce Development Projects FY 2014

Applicant's Name	Program	Participants	Amount Paid	Company Match	County
Aearo Technologies, LLC a 3M Company	OJT	8	\$ 24,000.00	\$ 119,915.76	New Castle
Allen Harim Foods, LLC	Lean Manufacturing Training	77	\$ 65,513.25	\$ 176,239.00	Sussex
Analytical Biological Services, Inc.	Lean Manufacturing Training	12	\$ 25,247.70	\$ 30,866.00	New Castle
ANP Technologies	ISO 9001 2008 Certification	6	\$ 13,878.00	\$ 23,724.00	New Castle
Baltimore Aircoil	Press Brake, Supervisory & Lean Training	93	\$ 88,699.50	\$ 122,739.03	Kent
Bancroft Construction	Leadership Development, Customer Relationship Mgmt, Planning & Scheduling, Project Mgmt.	30	\$ 11,308.36	\$ 79,487.30	New Castle
Beracah Homes, Inc.	Lean and Continuous Improvement Training	20	\$ 18,778.50	\$ 50,814.04	Sussex
Bilcare Research, Inc.	ISO 9001:2008 Internal Auditing Training	10	\$ 32,715.00	\$ 41,200.00	New Castle
CAD Import, Inc.	Layout/Flow Event, Std Work	11	\$ 20,250.00	\$ 154,105.08	New Castle
Creative Micro Designs, Inc.*	Lean Manufacturing	21	\$ -	\$ 41,691.76	New Castle
Dassault Falcon Jet	Maintenance Resource Management Training	30	\$ 36,000.00	\$ 69,040.00	New Castle
DelStar Technologies	Lean Manufacturing	145	\$ 52,379.73	\$ 155,177.00	New Castle
Dentsply Caulk	Multi Crafted Production Mechanic Training	21	\$ 17,748.00	\$ 35,058.00	Sussex
Direct Radiography	AME People Centric Leadership Fundamentals	6	\$ 9,000.00	\$ 12,704.72	New Castle
Duffield Associates, Inc.	Leadership Training	12	\$ 36,000.00	\$ 51,000.00	New Castle
EF Technologies, Inc.	ISO Certification	5	\$ 9,373.50	\$ 11,895.39	New Castle
Halpern Eye Care	OD Lean	28	\$ 14,971.29	\$ 25,079.12	Kent
Hirsh Industries Inc.	Industrial Maintenance Training	12	\$ 12,180.88	\$ 53,889.44	Kent
Hirsh Industries Inc.	Industrial Maintenance Training	19	\$ 14,737.68	\$ 56,416.00	Kent
ILC, Dover/Grayling Industries	OJT Programs	97	\$ 100,000.00	\$ 309,772.00	Kent
Independence Prosthetics-Orthotics, Inc.	Lean, VSM and 5S Training	18	\$ 32,665.50	\$ 72,120.00	New Castle

Companies served by size



County Distribution by Projects



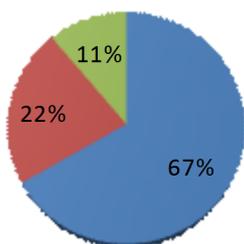
Summary of Workforce Development Projects FY 2014

Applicant's Name	Program	Participants	Amount Paid	Company Match	County
Intervet, Inc.	Lean Manufacturing Training	18	\$ 16,236.00	\$ 23,857.60	Sussex
JPMorgan Chase Bank, N.A.	Client Service Associate Training	6	\$ 19,005.40	\$ 20,158.32	New Castle
JPMorgan Chase Bank, N.A.	Client Service Associate Training	20	\$ 60,461.32	\$ 153,856.00	New Castle
Kent County Tourism	Sponsorship Sales Training	3	\$ 1,800.00	\$ 2,187.28	Kent
La Red Health Center	Customer Service and Leadership Skills	28	\$ 14,000.00	\$ 16,312.22	Sussex
New Process Fibre	Literacy Assessment and Training & Blue Print Reading	38	\$ 31,072.25	\$ 100,923.78	Sussex
Perdue Farms, Inc./Milford	ESL	24	\$ 7,291.25	\$ 29,952.00	Kent
Perdue Farms-Milford	ESL	24	\$ 5,940.00	\$ 34,320.00	Kent
Playtex Manufacturing	Management Academy	8	\$ 18,000.00	\$ 27,439.00	Kent
Playtex Manufacturing	Various Training	95	\$ 19,489.60	\$ 52,965.00	Kent
Precision AirConvey	Lean Training	25	\$ 27,549.00	\$ 58,157.00	New Castle
Rexam	CBT Injection Molding Training	25	\$ 16,480.00	\$ 82,543.00	New Castle
Ryerson	Lean Manufacturing	37	\$ 21,951.00	\$ 28,780.00	New Castle
Sepax Technologies, Inc.	ISO 9001:2008 Training	26	\$ 22,339.28	\$ 65,605.00	New Castle
Siemens Healthcare Diagnostics	Lean 3P Methodology	15	\$ 31,400.00	\$ 61,250.00	New Castle
Sobieski Mechanical Contractors, Inc.	Lean Manufacturing Training	27	\$ 18,175.50	\$ 24,222.90	New Castle
SPI Pharma, Inc.	Lean Manufacturing Training	37	\$ 86,769.00	\$ 147,168.10	Sussex
Summit Aviation, Inc.	Customer Service Training	124	\$ 14,700.00	\$ 38,972.00	New Castle
United Cocoa Processors, Inc.	Lean Manufacturing Training	20	\$ 21,024.00	\$ 33,079.00	New Castle
Walls Irrigation, Inc.	Safety, CPR/AED, Lift Truck and First Aid Training	33	\$ 16,980.04	\$ 17,232.99	Sussex
		1,314	\$1,106,110.53	\$2,711,914.83	

**These companies were awarded a grant but opted not to conduct training at this time*

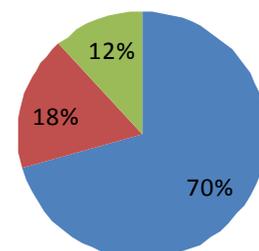
First Time Users

■ New Castle ■ Kent ■ Sussex



Status of Companies served

■ Retention ■ Expansion ■ New



TRAINING PROVIDERS

- ◇ Association for Manufacturing Excellence
- ◇ DEMEP
- ◇ Sussex Tech
- ◇ Coverdale North America
- ◇ Polytech Adult Education
- ◇ Global Jet Services
- ◇ Skillpath
- ◇ Sherwood Learning Solutions
- ◇ Lucas Consulting Group
- ◇ Paulson Training
- ◇ Business Improvement Group
- ◇ OD Lean
- ◇ Allen Consulting
- ◇ Bancroft Corporate Training Univ.
- ◇ Lead Your Way Solutions
- ◇ KDR Associates
- ◇ Delaware Safety Council



PROFILE OF PARTICIPANTS

JULY 1, 2013 - JUNE 30, 2014

The following demographic information is supplied by participants of the Blue Collar custom training program. Participation is on a voluntary basis. In some cases, participants chose not to complete the survey; in others, they did not complete the entire questionnaire. The results below reflect information gleaned from 88% of the program participants this year.

SEX

Female: 27.6%
 Male: 72.3%
 No Response: .1 %

AGE

16-20: 0.9%
 21-30: 23.2%
 31-55: 62.6%
 56-65+: 12.6%
 No Response: 0.7%

RACE/ETHNIC GROUP

American Indian: 0.6%
 Asian/Pacific Islander 3.2%
 Black: 16.8%
 Hispanic: 9.4%
 White: 67.8%
 No Response: 2.2%

DISABILITY

Yes: 1.4%
 No: 97.2%
 No Response: 1.4%

VETERAN

Yes: 12.3%
 No: 85.8%
 No Response: 1.9%

MARITAL STATUS

Married: 55.5%
 Single: 34.7%
 Single Parent: 5.3%
 Other: 3.2%
 No Response: 1.3%

RESIDENCE

DE: 83.7%
 MD: 6.9%
 PA: 5.9%
 NJ: 2.1%
 Other: 0.5%
 No Response: 0.9%

LIMITED ENGLISH

Yes: 13.8%
 No: 82.0%
 No Response: 4.2%

RECIPIENT OF PUBLIC ASSISTANCE WITHIN LAST 90 DAYS

Unemployment Ins.: 0.7%
 SSI 0.7%
 TANF: 0.2%
 Food Stamps: 2.3%
 No Response: 96.1%

EMPLOYMENT STATUS 90 DAYS PRIOR TO TRAINING PROGRAM

Unemployed: 1.4%
 Employed Part Time: 0.7%
 Employed by This Employer: 82.4%
 Employed by Other Employer 5.0%
 No Response: 10.5%

AVERAGE SALARY OF TOTAL PARTICIPANTS

\$24.12 hour

EDUCATION LEVEL

Did Not Complete High School: 5.8%
 High School or Equivalent: 26.9%
 Post-High School/Training Program: 7.0%
 No Response: 7.6%

2-Year College Degree: 7.2%
 4-Year College Degree: 20.9%
 Additional Degrees: 6.3%
 Some College: 18.3%

Satisfaction Survey

Satisfaction Survey Results- The following data is based on surveys received from 27 companies during the time period of July 1, 2013 – June 30, 2014. This survey replaces the letter of satisfaction that was previously requested of all companies at the completion of their training.

The Course:

The customized curriculum was on target with my stated goals, objectives and desired outcome.

Strongly Disagree 0 Disagree 0 Agree 8 Strongly Agree 28

The employees have a clear vision of what is expected of them resulting from this training.

Strongly Disagree 0 Disagree 0 Agree 10 Strongly Agree 26

Communication:

The Trainer maintained good communication with the Project Manager during the course of the training.

Strongly Disagree 0 Disagree 0 Agree 8 Strongly Agree 28

All materials related to the training (participants surveys, test score, assessment, etc.) were given to the Project Manager upon completion of the training.

Strongly Disagree 0 Disagree 1 Agree 16 Strongly Agree 19

The Instructor:

The Instructor presented the material clearly and at an appropriate level (spoke clearly, was knowledgeable of subject matter, etc.) while promoting participant discussion and involvement.

Strongly Disagree 0 Disagree 0 Agree 6 Strongly Agree 30

The Instructor kept discussions and activities on track.

Strongly Disagree 0 Disagree 0 Agree 10 Strongly Agree 26

Grant Process:

The grant process was understandable and user friendly.

Strongly Disagree 0 Disagree 1 Agree 12 Strongly Agree 23

The Workforce Development Center representative was accessible and maintained good follow through to ensure that our needs were met in a timely and efficient manner during the complete grant process.

Strongly Disagree 0 Disagree 0 Agree 8 Strongly Agree 28

We would use this grant again in the future and would recommend it to our colleagues or contacts within our industry.

Strongly Disagree 0 Disagree 0 Agree 5 Strongly Agree 31

The Delaware Economic Development Office (DEDO) website was helpful and easy to navigate and understand.

Strongly Disagree 0 Disagree 1 Agree 9 Strongly Agree 23

Governor's Education Grants

DEDO has provided up to \$100,000 per grant program of Blue Collar funding for the Governor's Education Grant Program. Delaware Higher Education Commission (DHEC) administers the programs that awards grant of up to \$2,000 per participants per year. Grant recipients are required to attend an approved Delaware educational institution and agree to release grades and academic progress to DHEC.

The Governor's Education Grant for Working Adults is designed to assist working adult students who meet the enrollment, employment, and income eligibility requirements below. To qualify, applicant must be:

- 18 or older
- A high school graduate or GED recipient
- A resident of Delaware and a U.S. citizen or eligible non-citizen

The Governor's Education Grant for Unemployed Workers is designed to assist those individuals who have lost their jobs due to the current economic climate and have been unsuccessful in obtaining employment within their current career field/occupation. It helps qualified individuals with training costs associated with learning a new skill or upgrading their current one. In order to qualify, applicant must be:

- 18 or older
- A high school graduate or GED recipient
- A resident of Delaware and a U.S. citizen or eligible non-citizen
- Registered with the Department of Labor –Division of Employment and Training (DET)
- Recommended by a DET Career Counselor
- Ineligible for Department of Labor's Dislocated Worker Training Program
- A high school graduate or GED recipient

Educational institutions participating in the grant program are:

- Delaware College of Art and Design
- Delaware State University
- Delaware Technical and Community College (all campuses)
- Goldey-Beacom College
- New Castle County Adult Education
- Polytech Adult Education
- Sussex Tech Adult Education
- University of Delaware-Professional and Continuing Studies (non credit certificates only)
- Wilmington College (all campuses)

Governor's Grant FY 2014

Fiscal Year 2013 Highlights:

- ★ In the Fiscal Year 2014 the Delaware Higher Education Office had 117 Governor's Grants that were used at participating Institutions for a total of \$151,534.70.
- ★ 46 Grants were awarded and used by Unemployed Delaware residents totaling \$65,320.00.
- ★ 71 Grants were awarded and used by Employed Delaware Residents totaling \$86,250.70.
- ★ 84.6% of the students were seeking a certificate, 15.4% of the students were seeking a degree.
- ★ 99% of the grant awardees successfully completed their certificate work or degree course work

Fiscal Year 2014 Enrollment breakdown by Institution and Grant						
Participating Institution	Unemployed		Employed		Total	
	# of Students	Amount Spent	# of Students	Amount Spent	# of Students	Amount Spent
DEL TECH STANTON WILMINGTON	4	\$6,985.60	20	\$28,176.25	24	\$ 35,161.85
DEL TECH OWENS	17	\$20,799.20	13	\$13,042.12	30	\$ 33,841.32
DEL TECH TERRY	4	\$7,024.00	4	\$4,472.98	8	\$ 11,496.98
Polytech Adult Ed	5	\$7,237.60	11	\$11,361.90	16	\$ 18,599.50
Sussex Tech Adult Div.	14	\$19,937.60	16	\$19,640.35	30	\$ 39,577.95
University of Delaware	1	\$1,696.00	4	\$5,160.50	5	\$ 6,856.60
WILMINGTON UNIV.	1	\$1,640.00	3	\$4,396.60	4	\$ 6,000.60
Total	46	\$65,320.00	71	\$86,250.70	117	\$ 151,570.70



Enrollment by participating Institution

Participating Institution	# of Students	% of Students
DEL TECH STANTON WILMINGTON CAMPUS	24	20.5%
DEL TECH OWENS CAMPUS	30	25.6%
DEL TECH TERRY CAMPUS	8	6.8%
POLYTECH ADULT EDUCATION	16	13.7%
SUSSEX TECH ADULT DIVISION	30	25.6%
UNIVERSITY OF DELAWARE	5	4.3%
WILMINGTON UNIVERSITY	4	3.4%
Total	117	100.0%



Enrollment by level of education sought

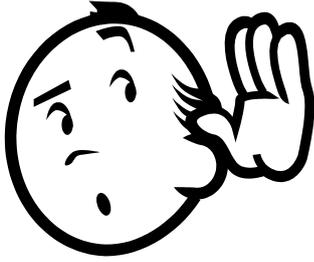
Participating Institution	Certificate	Degree	Total
DEL TECH STANTON WILMINGTON CAMPUS	17	7	24
DEL TECH OWENS CAMPUS	24	6	30
DEL TECH TERRY CAMPUS	6	2	8
POLYTECH ADULT EDUCATION	16	0	16
SUSSEX TECH ADULT DIVISION	30	0	30
UNIVERSITY OF DELAWARE	5	0	5
WILMINGTON UNIVERSITY	1	3	4
Total	99	18	117

Summary of State Employee Training FY2014

Certificate	# of Employees Trained	Amount Funded
Basic Principles of Leadership	95	\$5,700.00
Providing Constructive Feedback	79	\$4,740.00
Developing Others	81	\$4,860.00
Correcting Performance Problems	91	\$5,460.00
Human Side of Management	71	\$3,550.00
Principles of Quality	4	\$200.00
360 Degree Feedback	11	\$1,925.00
Put it in Writing	39	\$3,900.00
Microsoft Computer Training	15	\$5,333.00
Office Safety Training	14	\$1,823.90
DOT Stormwater BMP Inspection & Maint.	60	\$13,893.70
	560	\$51,385.60

Agencies that participated in training:

- Agriculture
- Corrections
- DHSS
- DE Housing Authority
- DNREC
- DOL
- DOT
- DSCYF
- DTI
- Finance
- Fire Prevention Commission
- Insurance
- Judicial
- OMB
- PHRST
- Safety and Homeland Security
- State



And here are a few things that companies have told us about their training...

- ★ *ANP Technologies was able to obtain and maintain ISO Certification and increase International sales by 7% - Marianne Bond, ANP Technologies*
- ★ *Pack and picking time decrease, we were also able to update our systems and we saw a 20% improvement in Quality—Angela Bravo, CAD Imports*
- ★ *Overall Quality and Productivity saw a 10% increase over the six months in rework and projects to budget—Ann Van Bennekom, Dassault Falcon Jet-Wilmington Corp.*
- ★ *We have improved major product retention time consistency from 10% to 8% and second day shipping rate increased from 50% to more than 65% in six month. - Shao-Tang Sun, Sepax Technologies, Inc.*
- ★ *Our training was in March and our largest event, the Dover Days Festival, was held May 2-4, just two months after the training. We were able to increase sponsorship sales over the 2013 event by 32%, which exceeded our original goal of 5%. -Cindy Small, Kent County Tourism*
- ★ *Ryerson developed a skid recovery/build program and have experienced a \$15,000 savings in skid costs per month or 30% - Tom Becka, Ryerson*

DEMEEP Spotlight: MANAGING GROWTH SUCCESSFULLY AT INDEPENDENCE PROSTHETICS-ORTHOTICS, INC.

BY ALLISON HAYES | PHOTOS BY NICK WALLACE

Since opening its doors in the summer of 2007, Independence Prosthetics-Orthotics (IPO) has faced one major challenge—its own success. While that may be a good problem to have, as Jim Jones, Business Specialist at the Delaware Manufacturing Extension Partnership (DEMEEP) says, “With tremendous growth, comes tremendous risk.”

Jones and DEMEEP have been working with the company for 18 months to help manage the staggering growth rate the company has been experiencing. IPO, a full service orthotic and prosthetic care and diabetic foot management company based in Newark, was growing at a rate of 25 percent per year, and outstripping its supply lines and processes. In six years, the company had grown from just six employees to 30. IPO founder John Horne welcomed the opportunity to work with DEMEEP.

DEMEEP is a federally and state-funded non-profit organization, affiliated with Delaware Technical Community College, committed to helping Delaware’s manufacturing and business community improve its global competitiveness. The organization works directly with businesses to offer training and support to improve quality, productivity and profitability.

DEMEEP was introduced to IPO through PNC Bank. PNC Bank recognized its client as one of its top-performing organizations and asked DEMEEP to consult with the company. This type of synergistic partnership is what sets DEMEEP apart in the consulting industry.

Horne was interested to meet with DEMEEP’s Jones to find out what he might recommend. Although his company was growing fast, Horne wanted to ensure that it was meeting its full capacity. The first step in the process was a LEAN seminar for about 15 employees. LEAN is a production philosophy that considers the expenditure of resources in any aspect other than the direct creation of value for the end customer to be wasteful, and thus a target for elimination. The seminar opened Horne’s and other company employees’ eyes to the potential of the business.

It also introduced a new language to the company, one that Horne wanted all of his employees to know. DEMEEP expanded on their initial LEAN training by involving every area of the company in regular LEAN meetings to discuss what processes were working and what needed help.



“The training increased our vocabulary and our awareness,” says Horne. “It enhanced our communication.”

Crystal Slawinski, the chief operations officer at IPO, agrees. “Most of the IPO employees not only have become acclimated to the LEAN process, but they look for ways in which to improve daily processes unprompted. This is especially true in the administrative areas. LEAN is responsible for creating an environment where processes and procedures are standard, easy to follow, and clear.”

In addition to the LEAN training, DEMEEP introduced value-stream mapping and 5S to IPO. Value-stream maps are the blueprint for lean transformation, including material and information flow, while 5S is the name of a workplace organization method that arranges a workspace for efficiency and effectiveness.

With four office locations in the Delaware and surrounding Philadelphia area, these methods were invaluable for IPO to streamline its administrative processes. Imagine four different ways of handling billing, insurance and work flows, and what a difference it could make to standardize processes so that every transaction was the same.

“The administration process was the biggest benefit to our company,” Horne says. With complicated billing and insurance procedures, the potential for mistakes was dangerous for the company. Now, Horne says, a training manual keeps all employees on the same page.

A recent employee in administration was able to get up to speed with the processes in just three days. "Now we can focus more on our biggest strength, which is our customer service," Horne says.

The on-site laboratory in the main office was also put under DEMEP's spell. Space is a commodity at the company, so DEMEP made sure that every inch of the lab was useful, safe and organized. "We eliminated unnecessary 'stuff' and minimized touch time to increase workflow," says Jones.

As a result, since the first quarter of 2013, the company reported a significant decrease in payroll of over \$96,000 by using employees more efficiently. "We are doing more with less," Horne says. He says the company's volume has been increasing, and he hopes to make some smart new hires in the coming months.



In addition to more efficient workflow, a simple change of having a dedicated employee do materials management has saved the company \$37,000 in surplus supplies, equipment and stock.

With their excellent customer service, superior product and the help of DEMEP to streamline their processes, the company has recently reported an overall revenue growth increase of 9.6 percent in the last 12 months.

DEMEP and IPO continue to meet on a regular basis to address any challenges that IPO may face as it continues to grow. "It has been a year since our LEAN journey began and we have come a long way since our first session. We are certainly proof that LEAN principles reach far beyond the realm of manufacturing," Slawinski says. The company looks forward to continuous improvements in the future, with no limit to its potential.



Right Place. Right Size.

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