

MEETING NOTES: Project GAIN

Heartland United Way

Monday, April 20, 2015

Attendance: *John Hoggatt, Cindy Johnson, Randy Kissinger, Don Smith, Rob Winter, Audrey Lutz & Karen Rathke*

Conversation with EDGE Program

- What are some of your baseline numbers?
 - 6.5% unemployment rate
 - Concentration in auto industry and manufacturing
 - Slow uptick in job openings; pressure on labor force
 - Temp agencies started employing people longer to meet the increased demand.
 - 88% of participants remained employed after three years
 - ~50% remained employed at the same facility
- How did EDGE come about?
 - Approached by Kellogg Foundation with unmet need of workers and employers
 - Created a three-pronged, eight-week course:
 - Industry/Manufactured Training, Community College
 - Financial Education, Goodwill Financial Education Center
 - Soft Skills, four weeks of simulated work, Goodwill Warehouse (TS 16949 Certified)
 - Source of business and training
 - If participants make it through the eight-week course, they are employed through a temp agency for 90 days, and if they can work an additional 90 days, they receive a full-time job with benefits.
 - Participants can make anywhere between \$10-20/hour
 - On average, they make \$12-13/hour
 - On the higher end, \$16-20/hour
 - There are three sessions offered per year in accordance with openings at different plants: January, April and September.
- How do you recruit participants?
 - Michigan Works recruits about 200-250 applicants, they take 20 per cohort.
 - Applicants interview with potential employers and the EDGE program leaders.
 - They target chronically unemployed individuals.
 - Program trainers make EDGE successful.
- What are the benefits to your program?
 - Stipend in place of lost wages
 - “Twin” (IDA) accounts, where saved dollars are matched
 - Learn about assets, credit scores, budget and savings: how to live on their salary
 - How to create a safety net
 - Job skills
 - Daycare stipend
 - Transportation
 - Employment
- Who are your program partners?
 - Goodwill Industries of Central Michigan’s Heartland
 - Economic Development
 - Michigan Works
 - Chamber of Commerce

- Local nonprofits
- Local employers
- How do you fund the program?
 - Goodwill sponsors the program through in-kind support.
 - The Kellogg Foundation supports the training element (\$1.5 million for three years)
 - There is local support for the IDA match.
 - Cost per unit of service: \$8,600 (or, \$1.5 million/180 participants over three year period)
 - Average turnover cost to employer: \$3,500
 - After enough turnover, the program begins to become a great investment in employees that are trained and remain employed.
- EDGE is being examined to see if Michigan would like to model the program statewide.
- Where do you begin, need for employers or need for employment?
 - The Kellogg Foundation approached Goodwill with the knowledge of unemployment in the area. EDGE started with the need for employment.
- What research went into forming EDGE?
 - Consulted with programs across the county
 - Conversations with companies
 - If the company was interested, EDGE shared what value the collaboration had.
 - Helping people behave appropriately, respect their supervisor and resolve issues without conflict escalation was the most valuable feedback.
- What are next steps for a program in our area?
 - Find what employers will be involved.
 - Find out what needs the employers have.
 - Create immediate solutions to employer needs.
 - Find immediately available funding.
 - Continue reaching out to EDGE for guidance

Next Steps

- Read the Project GAIN infographic left to right.
- Should we target CPI students?
 - We shouldn't take them away from a college-track, if they choose a degree.
- Who is going to administer the different parts? Let's plan to map that out at the next meeting.
- We should think about who could handle the simulated work experience.
- We could utilize CPI at night.
- We could investigate the similarities with the welding program, using Associated Staffing and Central Community College.
- We need to be aware of the cliff effect—or what happens to people's household income when they earn more money and lose more total resources in benefits.
- Workforce Development received a training grant that may be applicable to this program.
 - They had 10,000 website hits and 1,000 on unemployment last month.
- We could have "labs" sponsored different businesses.
- It would be great to have a template from the EDGE program.
- Who needs to be at the table for the next meeting?
 - Tammy Slater with Goodwill Industries
 - Dave Taylor with Economic Development Corporation (history with laundry services)
 - Representation from DHHHS