

Developments

FALL/WINTER 2006 NEWSLETTER



Governor's Action Team and WEDnetPA collaborate to keep jobs from leaving Pennsylvania

Guaranteed Free Training funds helped convince Fayette County utility company to keep facility open *and* move more jobs to our state

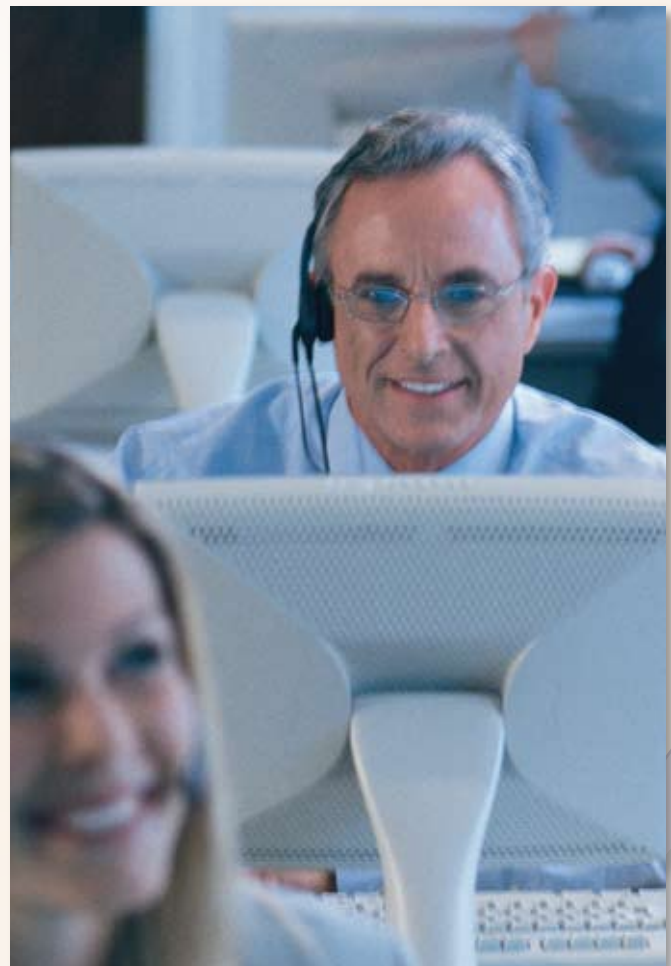
NiSource, Inc. — the third largest natural gas distribution company in the United States — once had plans to close its Pennsylvania Columbia Gas call center in Smithfield, Fayette County, eliminating the nearly 200 jobs housed there. Those plans have changed significantly.

In fact, that same facility will soon be home to all NiSource call center operations. The company will consolidate other operations from multiple states to its Pennsylvania facility, causing the total number of employees at the call center to swell to 500 in the next five years.

So what exactly was responsible for this drastic turnaround? A package of job training funds put together by the Governor's Action Team (GAT) — at the heart of which was free job training assistance provided by WEDnetPA's Guaranteed Free Training program.

GAT worked with NiSource and IBM on this project to convince both companies to keep the call center in Pennsylvania. (IBM was contracted to run all of NiSource's U.S. call centers, but later subcontracted the responsibility to Vertex, a company that specializes in customer service for the utility industry.)

"We're committed to making the investments necessary to help our companies grow," said Pennsylvania Governor Edward G. Rendell. "A key factor to any company's success is the quality and training of its workforce. That's why we've targeted our resources to help the state's hardworking men and women learn the skills they need to tackle 21st century challenges and help their employers compete."





DIRECTORS' DOCKET

Having completed my first full year as the Statewide Director of WEDnetPA, I am extremely pleased to report on another wonderful year for this organization and its Guaranteed Free Training (GFT) program. My appreciation to everyone who contributed to this success. Without your hard work and input we would not be celebrating this accomplishment.

But the celebration will have to be short-lived. Just as we begin to recognize all that was great about the previous year, the new one is already underway — bringing with it a new set of demands, challenges and expectations which must be addressed immediately. We're eagerly looking forward to the opportunities that FY 2006-07 presents — particularly some new key areas that we will be focusing on: ROI and consortia funding.

The WEDnetPA partnership is more committed than ever to help make Pennsylvania a national leader in workforce development and training. To that end, we are always evaluating our approach, options and resources to ensure that we are delivering the best mix of training services and support. This year, the evaluation process will be taken to a new level as we take steps to carefully measure our own performance and to better align our effort with the Commonwealth's other workforce investments and the broader Job Ready PA strategy. Utilizing a traditional return on investment (ROI) approach, we hope to critically assess the work we are doing.

These findings can help to guide us in the future to ensure we are maximizing the Commonwealth's investment in the GFT program as well as help us fine-tune our efforts to optimize the benefits to Pennsylvania companies. A special committee has been created to study and establish the methods by which we will evaluate our performance.

In FY 2006-07, we are also focusing on the subject of consortia funding. Substantial state funding is being invested to help develop industry partnerships and to encourage consortia-based training that helps to maximize the Commonwealth's return. WEDnetPA is committed to supporting these efforts by targeting a minimum of \$300,000 specifically to GFT consortia-based training activities in this fiscal year. We will also implement a new consortia application process that will make it easy for companies to apply for these funds.

I look forward to seeing the results generated by our efforts in these areas, as well as our overall job training numbers, this time next year. I fully expect them to be worth celebrating much like this year's. Now if only we could do something to make the celebrations last a bit longer ...

Tom Venditti
Statewide Director

Workforce & Economic Development Network

WEDnetPA

Governor's Action Team and WEDnetPA collaborate to keep jobs from leaving Pennsylvania

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In the end, the Commonwealth offered the company a financial package totaling \$5.5 million that included \$500,000 in job training assistance. The offer was so enticing, it persuaded IBM to consolidate all of NiSource's call center work in the Keystone State's Smithfield facility. Seemingly overnight, a small town that once faced the loss of 171 jobs vital to its economy was not only going to keep those jobs — it was going to grow its labor force by more than 300.

As the actual employer, Vertex is the company that applied for and received Department of Community and Economic Development-funded Guaranteed Free Training through WEDnetPA. Pennsylvania College of Technology — a WEDnetPA partner — has coordinated the training received so far by working with Mon-Fayette Resources to deliver the training at Vertex.

According to Heather Baldwin, workforce development consultant at the college, during the 2005-06 fiscal year, 324 Vertex employees have received basic skills training and 40 have received information technology training as part of the GAT package. In accordance to WEDnetPA eligibility requirements, she adds, Vertex may receive Guaranteed Free Training next year and in year four or five of the five-year contract.

"Vertex Outsourcing recognizes the need for consistent, well-executed training for our employees to remain a leader in our field," explained Vertex's Finance Manager Kate Brown. "The WEDnetPA program has allowed Vertex Outsourcing to perform training that we otherwise would have had to do without."

Through its GAT funding, Vertex is also eligible to apply for Customized Job Training funds to supplement the GFT and meet other training needs not covered by or eligible for Guaranteed Free Training.

This success story proves that by coordinating efforts and working together with local economic development agencies, Workforce Investment Boards and training partners, WEDnetPA and GAT can achieve their common goals — to give Pennsylvania businesses every advantage possible to maximize productivity and competitiveness.

FY 2005-06: Yet another impressive year for WEDnetPA

With more than \$17.8 million invested in training nearly 110,000 employees, 2005-06 ranks as one of WEDnetPA's best years ever.

Of the training dollars invested in the Guaranteed Free Training program, \$14.1 million was for Basic Skills Training and \$3.7 million was for Information Technology Training. Of this, more than \$2.2 million was allocated to Governor's Action Team projects.

Small companies received almost \$5 million in training funds and accounted for more than 19,000 of the employees trained. Medium, large and extra-large companies received 25 percent, 19 percent and 28 percent of the training funds and accounted for 24 percent, 24 percent and 34 percent of the employees trained, respectively. As all of the above numbers indicate, WEDnetPA partners continue to reach out to significant numbers of Pennsylvania companies and employees from a broad range of industries.

Beyond the numbers, however, the past year was also a success because of a number of important changes and improvements that were implemented. The most important change was a significantly increased effort to more effectively align the Commonwealth's GFT investment with other workforce development efforts. WEDnetPA partners increased both their contact and program coordination with local Workforce Investment Boards to discuss regional priorities, seek input and feedback on GFT applicants, and improve the overall alignment of resources.

In addition, WEDnetPA partners worked closely with the Pennsylvania Department of Labor and Industry to develop a strategy that will provide easy access to GFT funds by companies receiving Industry Partnership Worker Training funds. These funds are specifically targeted to multi-employer consortia to improve the competitiveness within the Commonwealth's targeted industry clusters.

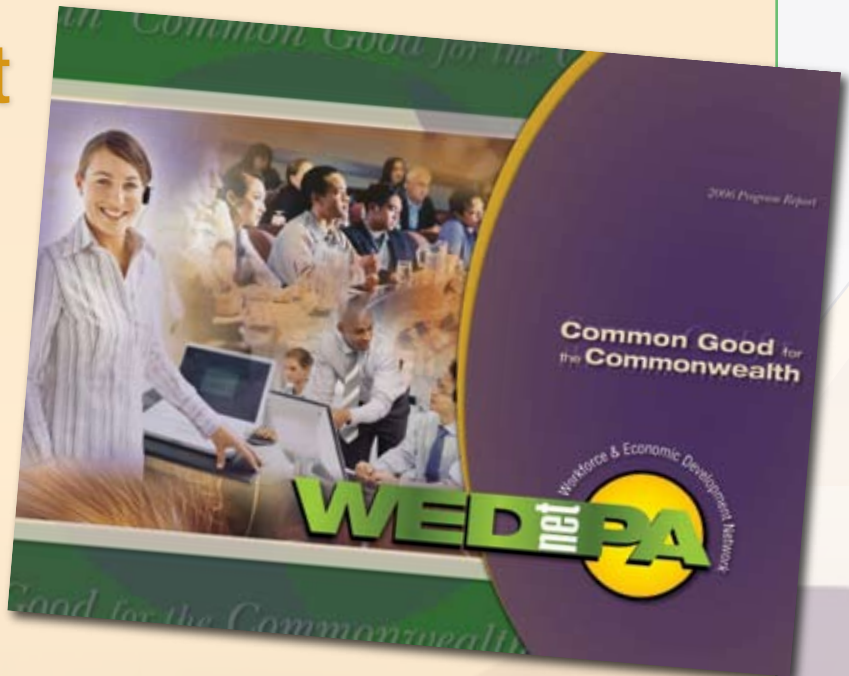
Lastly, the GFT guidelines were reviewed and refined, as WEDnetPA strived to ensure the most effective use of its funds. Progress was made with regard to improving application, contracting and invoicing procedures. And, WEDnetPA's revamped Web site went live in July, featuring a smart-looking design, simpler navigation and the most up-to-date details concerning the Guaranteed Free Training program.

All and all, FY 2005-06 was a busy, productive and successful year for everyone involved with WEDnetPA!

2006 Program Report NOW AVAILABLE.

WEDnetPA's 2006 Program Report "Common Good for the Commonwealth" is now available. The report discusses WEDnetPA's accomplishments from FY 2005-06, details in depth all the completed training across the Commonwealth, and outlines the intentions for the upcoming fiscal year.

To get your copy, contact
WEDnetPA today or visit
www.wednetpa.com
to download and view the report.



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