

Performance Monitoring Report: Business and Industry Services

November 15, 2016

Business and Industry Services Purpose Statement




To provide instructional services that improve the occupational skills of individuals through the customized delivery of training, consulting services, and technical assistance benefitting employers and contributing to economic development.

Overview

The Business and Industry Services (BIS) division of the College works with district employers and organizations to enhance the skills of the workforce, fill critical skill gaps, and improve the operational processes of employers thereby making a positive contribution to economic development in the district. This value is delivered through customized training and technical assistance solutions which reflect the uniqueness of an organization’s operation. BIS results also reflect educational services provided through high school dual credit partnerships and the delivery of transcribed FVTC classes in partnership with the Department of Corrections.

In 2015-16, the total contract revenue increased to \$10.2M. This higher level of delivery results is reflected in the increased number of organizations served (2,054) with 21,593 individuals receiving services. These results are achieved through a college-wide commitment to provide the highest level of quality service to organizations throughout the district.

Performance Scorecard

PURPOSE	SCORE
What we do (Products and Services)	
For whom (Constituents)	
At what cost (Financial)	






Questions for Board Discussion

This past year’s performance is a clear indication of the strength of the Business and Industry Services commitment and execution in meeting our College purpose. While this performance monitoring report provides a view of our past, we also invite the Board to consider for discussion how to best meet the District’s future needs for business and industry programming. As you read this report, please consider:

- **What are our greatest areas of alignment with Vision 2020 and how have we benefited our communities with business and industry services?**
- **What, if anything, could improve alignment with Vision 2020 to continue to fulfill this purpose?**
- **What steps must we take to continue to understand the needs of the District in the future related to this purpose?**

We look forward to discussing these questions with the Board during the monitoring review.

FVTC Scorecard Legend

Symbol	Description	Symbol	Description
	<u>Full Green Arrow</u> : Results are meeting or exceeding expectations. No action is required.		<u>Partially Red Arrow</u> : Results are below the expected levels. Efforts are under way to take corrective actions and revise the plan
	<u>Partially Green Arrow</u> : Results are progressing, but not at the expected levels. Monitoring of the plan will increase.		<u>Full Red Arrow</u> : Results are well below the expected levels and actions need to be taken immediately.
	<u>Yellow Arrow</u> : Results are indicating caution with the existing efforts and there is a need to review the existing plan.		

What We Do

BIS works closely with organizations to understand the particular needs of their operations and build sustainable solutions employing FVTC talent from across all instructional areas of the College. These solutions include customized training and technical assistance services which integrate the client’s unique culture and operations. Examples of client outcomes involve closing talent gaps, process improvement, planning methodologies, or various forms of testing and prototyping. BIS is a responsive partner to the organizations we serve through a well-designed web presence, timely follow-up on service requests and building timely solutions to client challenges is essential to long-term success.

BIS also provides a wide spectrum of facility rentals including; classroom, conference rooms and specialized labs for a customer’s specific needs. An important and steadily growing area is alternative and dual credit programs for district high schools. (Table 1). Business and Industry Services operates on a fee for service basis with organizations or in a continuing education delivery model for professional-development offerings to employed adults.

Table 1: Description of Services	
Instructional Training	Technical trainers and curriculum experts work with organizations to tailor training to address business objectives and employee skill gaps. This service includes an extensive offering of courses, seminars and workshops, and professional development instruction for organizations and employed adults for both private and public employers. Dual credit offerings in high schools and educational services in correctional facilities are services provided under contract.
Technical Assistance	FVTC staff provides assessment, training plan development and consulting in College facilities or at a company worksite. Services include interventions, facilitation, strategic planning, rapid prototyping, trial press runs, curriculum development and many others.
Facility Rental & Alternative High School	FVTC training rooms, meeting rooms, labs and equipment provide general business and specialized manufacturing support. Alternative High School services are an additional resource for school districts to support students at risk of not graduating high school.

The College delivered 757 organizational and 95 multiple-recipient contracts, while providing 344 professional development classes in 2015-16. This level of activity was consistent with results from the prior year. These services are provided through the FVTC product portfolio consisting of 20 product categories (Table 2) and hundreds of individual titles.

Integrated Model

To serve both Business and Industry Services clients and degree-seeking students, FVTC utilizes the integrated model of sourcing faculty and staff from a wide breadth of certificate and degree program areas of study into instructional contracted offerings. These staff members are routinely working with both the students and their eventual employers in an environment of continuous improvement for both

audiences. Through their industry assignments, faculty and staff benefit by being exposed to current industry technology, processes and organizational needs which can then be reflected in the program offerings of the College.

Table 2: Training & Consulting Categories	
<ul style="list-style-type: none"> • APICS / Supply Chain Solutions • Employee Assessments • Business, Management & Finance • Communication Skills • Computer Technologies • Construction • Customer Service, Sales & Marketing • Engineering Technology • Environmental Health, Safety • Global Education & Services • Healthcare & Human Services 	<ul style="list-style-type: none"> • Horticulture, Agriculture & Natural Resources • Human Resources & Workplace Skills • Lean & Six Sigma • Learning & Training Technologies • Manufacturing • Printing Technologies • Public Safety • Small Business & Entrepreneurship • Transportation

For Whom

2013-16 Strategic Plan Results for Business and Industry Services

This Business and Industry Services statutory purpose is reflected in the College’s 2013-16 Strategic Plan under the Strategic Direction #4 – Robust Partnerships along with key focus areas (Table 3). Measure 4.4 and 4.5 are most directly aligned with this purpose and linked to the WTCS outcomes based funding measure of Workforce Training (Criteria #7). In addition, the Business and Industry Services division works as a cohesive partner with other College units to achieve additional measures associated with this Strategic Direction.

Table 3. FVTC 2013-16 Strategic Plan Measures related Business & Industry Services

Measures	2012-13 Baseline	2013-14 Actual	2014-15 Actual	2015-16 Actual	2015-16 Target
SD Robust Partnerships – Energize regional economic potential through strong and dynamic partner connections					
<i>Measure 4.2:</i> Number of industry sector dialogues	5	6	5	5	5
<i>Measure 4.4:</i> Customized Training/technical assistance volume	\$8.1M	\$8.8M	\$9.9M	\$10.2M	\$9M
<i>Measure 4.5:</i> Number of credits earned in workforce training categories [OBF #7]	13,723	21,644	24,145	32,590	25,000
<i>Measure 4.6:</i> Develop two new partnerships that benefit community organizations	N/A	4	4	6	2

OBF = Performance-based funding related

	Meet/Exceed Target		Between Baseline and Target		Below Baseline
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Vision 2020 Strategic Plan Alignment

Strategic Direction: Workforce & Community Development

Work with regional partners to develop solutions to address workforce gaps in key employment sectors.

Vision 2020 Strategies related to BIS:

- Convene community partners to tackle persistent obstacles to self-sufficiency.
- Assess unmet workforce needs and develop targeted strategies throughout the District.
- Expand incumbent worker training, enhancing existing workforce skillsets.
- Partner with employers by providing opportunities to populations with untapped potential.
- Engage regional workforce and economic development organizations as full partners in addressing the talent shortage.

All of the five strategies outlined above under the **Vision 2020 Strategic Direction: Workforce & Community Development** have a degree of connection to BIS due to its strong relationship with employers across the region. The measures for this Strategic Direction (Table 4) follow accordingly with three of the five performance indicators (3.3, 3.4, and 3.5) direct measures of performance for the BIS purpose.

Table 4. Vision 2020 Measures. Related to BIS Programming

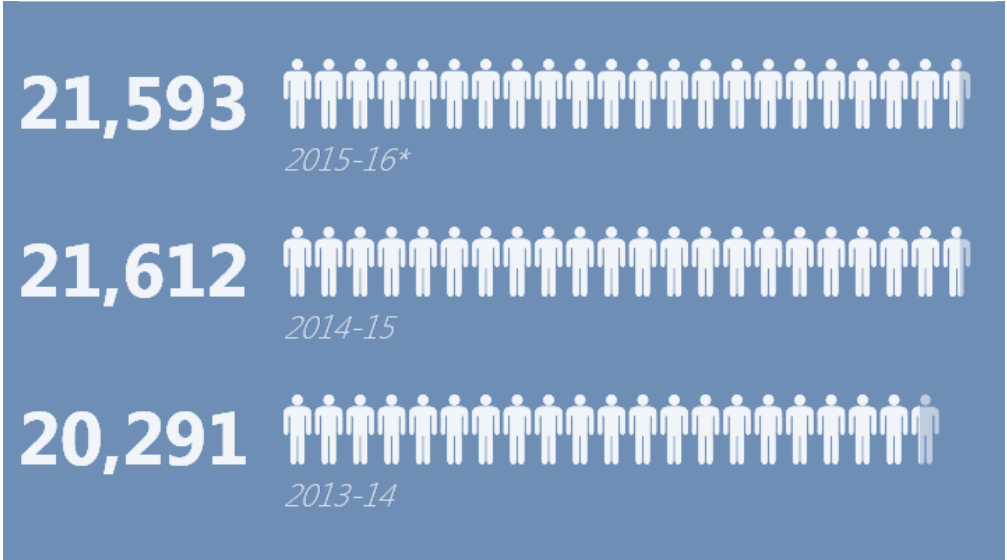
SD Workforce & Community Development Measures	2015-16 Baseline	2016-17 Target	2019-20 Goal
Measure 3.1 – % of graduates employed in a related field [OBF1*]	85%	>80%	>80%
Measure 3.2 – Number of program graduates in high demand fields [OBF2*]	1,606	>1,800	>1,800
Measure 3.3 – Number of credits earned in workforce training categories [OBF7*]	32,590	33,000	35,000
Measure 3.4 – Customized training/technical assistance volume	\$10.2M	\$10.4M	\$11 M
Measure 3.5 – Number of employers served through workforce training	2,010**	2,060	2,200

*OBF = Outcomes Based Funding **2,054 Final tally

Measure 3.3 is part of WTCS Outcomes Based Funding Criteria 7 – “Share of Credits Earned in Employer Paid Training, Apprenticeship, Prof Dev Seminars and Customized Instruction”. This BIS report relates to three of the four elements of the formula (Apprenticeship = February Board report). In the most recent Outcomes Based Funding cycle, FVTC secured the top ranking with the highest total of workforce training credits earned among the 16 WTCS colleges.

In addition to total credits, FVTC monitors the total number of participants served by FVTC Business and Industry Services. In 2015-16, this key metric totaled 21,593 individuals maintaining the high level of activity achieved the prior year (Figure 1). Customized training and multiple-recipient professional development contracts generated approximately 17.9% of total College enrollments in 2015-16. These enrollments translated into 515 FTEs, a slight decrease from the 536 registered in 2014-15. This total represents 8.0% of the total FTEs generated by the College in 2015-16 (Total FTE = 6,418). Please note that technical assistance contracts, although significant, do not contribute to enrollments in this category.

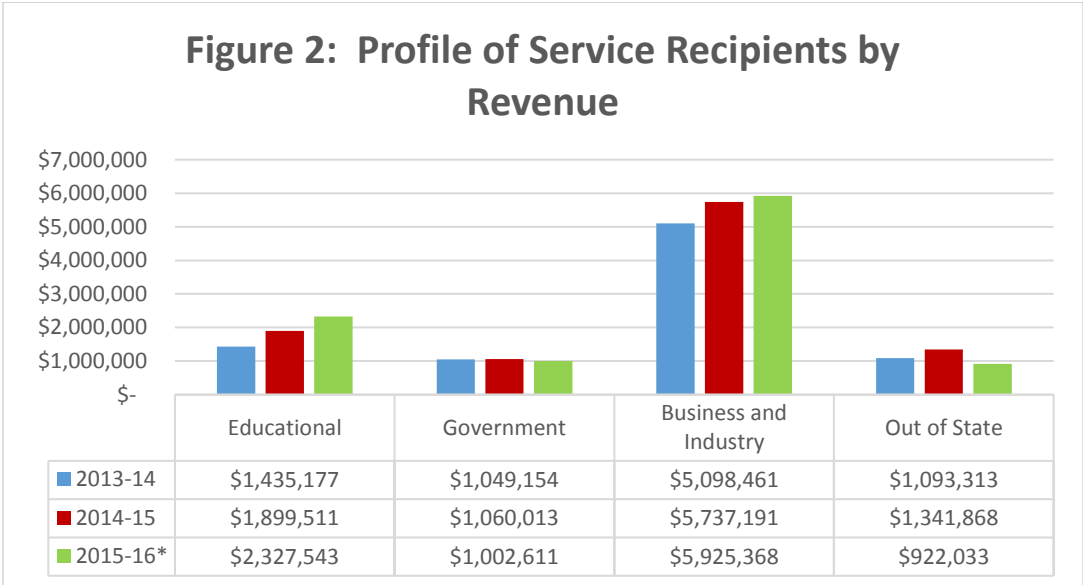
Figure 1: FVTC Enrollments for Instructional Contracts and Professional Development Classes



2013-14 and 2014-15 Source: WTCS Report Contract vs PDS 2014 and 2015
 *Unaudited 2015-16 data

Profile of Service Recipients

In addition to the revenue information in the “At What Cost” section on page 9 of this report, **Strategic Measures 3.4 and 3.5** are monitored by reviewing revenue volume by sector (Figure 2) and employers served (Table 6). As highlighted in Figure 2, strong growth was seen in the Educational market with an increase of nearly \$428k or 23% particularly through the K-12 district partnerships established by staff in FVTC’s student services and instructional areas. Business and Industry revenues grew by \$188k, while the Government sector had a slight decrease. Out-of-state revenues reflect a 31% decrease in 2015-16 due to fewer contracts in global education. FVTC delivered training and technical services as well as other instructional contract services to 2,054 different organizations in 2015-16.



*Unaudited 2015-16 data Source: FVTC PeopleSoft (09/1/16); Includes state/non-state reportable revenue, WAT grants.

FVTC continues to build longstanding relationships in both the public and private sector markets. In Key Contracting Clients by Revenue (Table 6), the top 20 clients are listed. Industry clusters with critical skill needs such as Transportation, Supply Chain, Logistics, Construction, and Manufacturing are strongly represented in the top ten. Organizations that have formed a strategic partnership with FVTC based on critical workforce needs, combined with the College's unique abilities to address those needs, are represented by firms such as: APICS, Roehl Transportation, Pierce Manufacturing, Miller Electric and Fabick Cat (FABCO).

	2015-16	2014-15		2015-16	2014-15
Roehl Transport	\$671K	\$245K	MacDermid Printing Solutions	\$147K	\$102K
APICS	\$388K	\$413K	Alliance Laundry Systems	\$114K	\$136K
Federal Bureau of Investigation (FBI)	\$318K	\$415K	Kimberly-Clark	\$110K	\$84K
Fabick (FABCO)	\$288K	\$307K	Northeast WI Technical College	\$107K	\$91K
Fox Valley Workforce Development	\$235K	\$147K	Amica Insurance	\$97K	\$69K
Waupaca Foundry	\$224K	\$372K	Oshkosh Corp	\$96K	\$107K
Oshkosh Correctional Institution	\$204K	\$223K	ABB Inc.	\$91K	\$48K
Schneider National Inc.	\$187K	\$423K	Fox Valley Electrical Contractors	\$74K	\$56K
Miller Electric	\$176K	\$310K	DuPont	\$74K	\$115K
Pierce Manufacturing	\$169K	\$198K	Plexus	\$69K	\$38K

Source: FVTC PeopleSoft Finance (9/1/16); *Unaudited 2015-16 data

Participant and Employer Satisfaction

Participant satisfaction measures (Figure 3) are conducted at the conclusion of each training session. The instructor, content, level of learning experience and overall satisfaction with the training experience are evaluated. In addition, the employer is polled at the completion of the contracted training event to determine the level of customer service experienced, the overall value of the training as well as if the employer would employ the College again for future training (Figure 4). These satisfaction measures provide critical feedback necessary to ensure that the College is delivering services as required by the employer. The continuous evaluation of participants and employers is essential to maintaining the culture of continuous improvement necessary to improve the quality of training.



Source: Business & Industry Services Office Rating on a 1-5 scale: 5 = Strongly Agree; 1 = Strongly Disagree
 No. of Evaluations: 2013-14 =4632; 2014-15 = 5391; 2015-16 = 5747

Participant satisfaction measures (Figure 3) continue to reflect a high level of quality instructional delivery and support services over the three year timeframe. By continuing to focus on a positive customer experience, while at the same time delivering consecutive years of record contracting volume, speaks to the high level of execution by the faculty and support staff who regularly touch our clients. Maintaining this level of satisfaction is critical to the continued growth of the number of BIS customers served.

Employer satisfaction ratings also continue to demonstrate a consistently high level of performance as noted in Figure 4. An essential indicator of employer satisfaction is the key rating of “Would Contract Again”. Here FVTC has maintained a rating of 4.6 for three straight years. In addition, the “Overall Satisfied” measure of 4.7 (Figure 4), a key measure of anticipated future activity, maintained its 4.7 rank from the last two years. This metric incorporates not only the instructional delivery, but the level of support received by the client from their initial FVTC contact through the billing of the services provided.



Source: Business & Industry Services Office Rating on a 1-5 scale: 5 = Strongly Agree; 1 = Strongly Disagree
 No. of Evaluations: 2013-14 =117; 2014-15 = 126; 2015-16 = 202

Staff Ideas for Vision 2020 – Summary of themes from faculty/staff feedback to the report.

Vision 2020 strives to link with more employers to address workplace skills gaps by creating new public/private partnerships and leveraging partnerships already in place. An example is the Industrial Maintenance Certificate initiative which capitalized on the state of Wisconsin Fast Forward grant program to leverage the investment in workforce development by district employers. In partnership with the Fox Valley Workforce Development Board and eleven district employers, this program enabled forty-six incumbent workers to learn and apply enhanced skills desperately needed by their employers, but which they could not hire for in the current market. These employees realized enhanced career prospects while employers benefited by addressing a critical skill gap in their operations. Additional examples include:

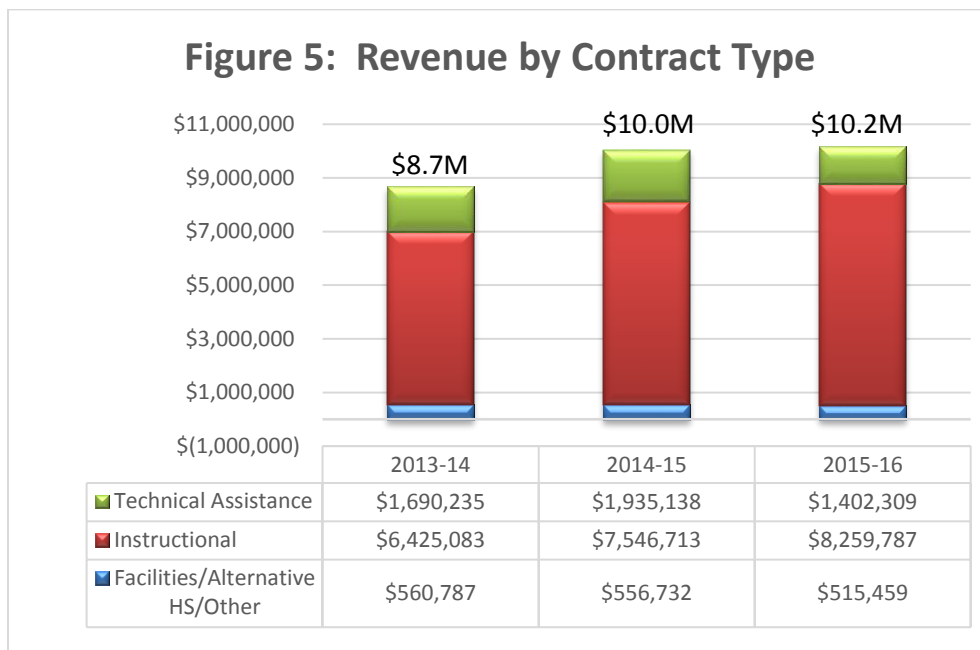
- FVTC Learning Innovations department created an eLearning module for ABB Robotics to facilitate robot operator training. This simulated robot manipulation is used as pre-work for a two-day lab-based employee training class on actual robots.
- A successful Workforce Readiness program developed in partnership with five employers and Fox Valley Workforce Development to teach and apply basic safety, math, and manufacturing skills to qualify candidates for entry level positions.
- Collaborate with the Department of Corrections, Community Corrections Employment Program (CCEP) to assist ex-offenders in obtaining and maintaining employment.
- Through a collaborative effort, BIS worked with the Dental Hygiene program staff to bring unique and essential continuing education training to the dental community. To date, four offerings have been brought to market.

At What Cost

Revenue Generated

In the 2015-16 academic year, revenue from contract training, technical assistance, professional development seminars, Workforce Advancement Training (WAT) grants, facility rentals and Alternative High School revenue increased to \$10,177,555 (Figure 5). While total revenue increased fractionally due to strong customized training results, technical assistance volume decreased due to a spike in international and assessment contracts in 2014-15. The technical assistance category can include providing lean process development, employee assessment, and flexographic print trials among other non-instructional, process-oriented expertise.

FVTC continues to aggressively pursue and secure WAT grants which benefit district employers by leveraging their customized workforce training investment with state grant dollars.



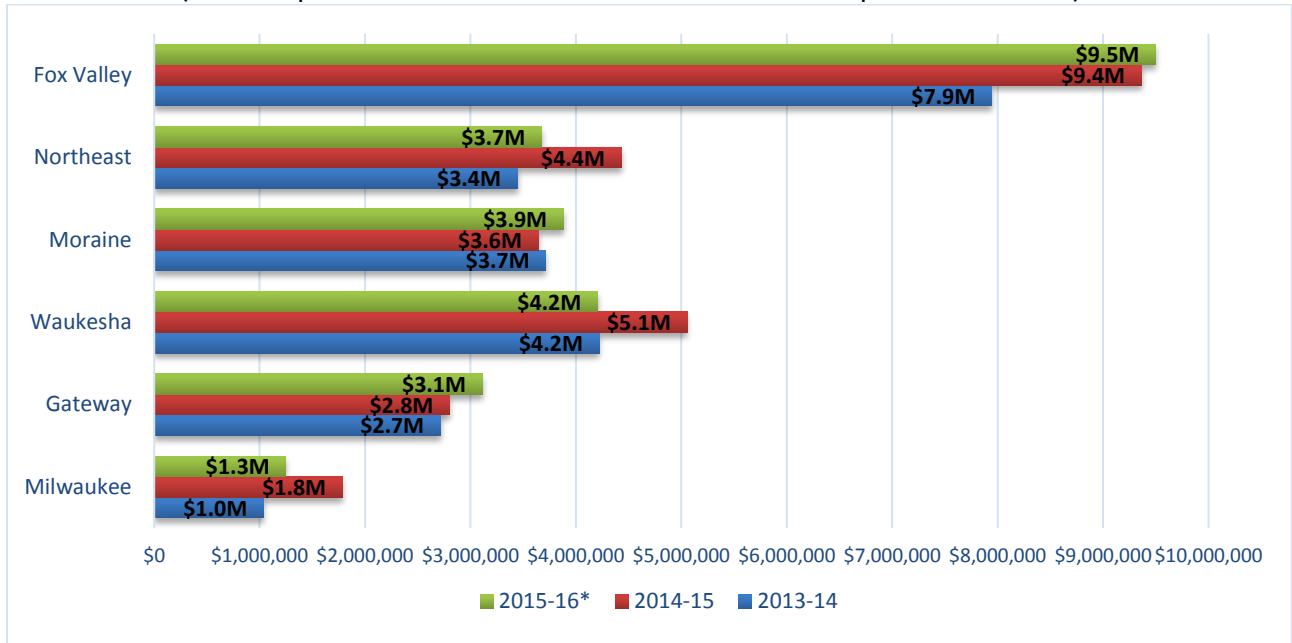
**Unaudited 2015-16 data*

Source: FVTC PeopleSoft Finance (09/1/16); Includes state and non-state reportable revenue, as well as State funding for WAT grants, but excludes internal transfers for support.

Benchmark Comparisons

Figure 6 compares FVTC performance with selected benchmark colleges based upon the highest results in contract revenue generation over the last three years (exclusive of WAT grants). The 2015-16 unaudited benchmark comparisons (figure 6 – green bars) were self-reported by the WTCS colleges. These comparisons demonstrate that FVTC maintains its lead position in the WTCS in securing and delivering contract and professional development services as measured by revenue. For the most recently audited year of 2014-15 (Figure 6 – red bar), FVTC delivered 21.8% of all WTCS contracts as measured by revenue. WTCS college results by highest percentage of total state contracting revenue are: Waukesha County (11.8%); Northeast (10.2%); and Moraine Park (8.5%). In fiscal year 2015, total WTCS revenues rose for the fourth straight year to \$43.0M.

Figure 6: Benchmark Comparisons by Revenue Generated
(State Reportable Contracts and Professional Development Seminars)



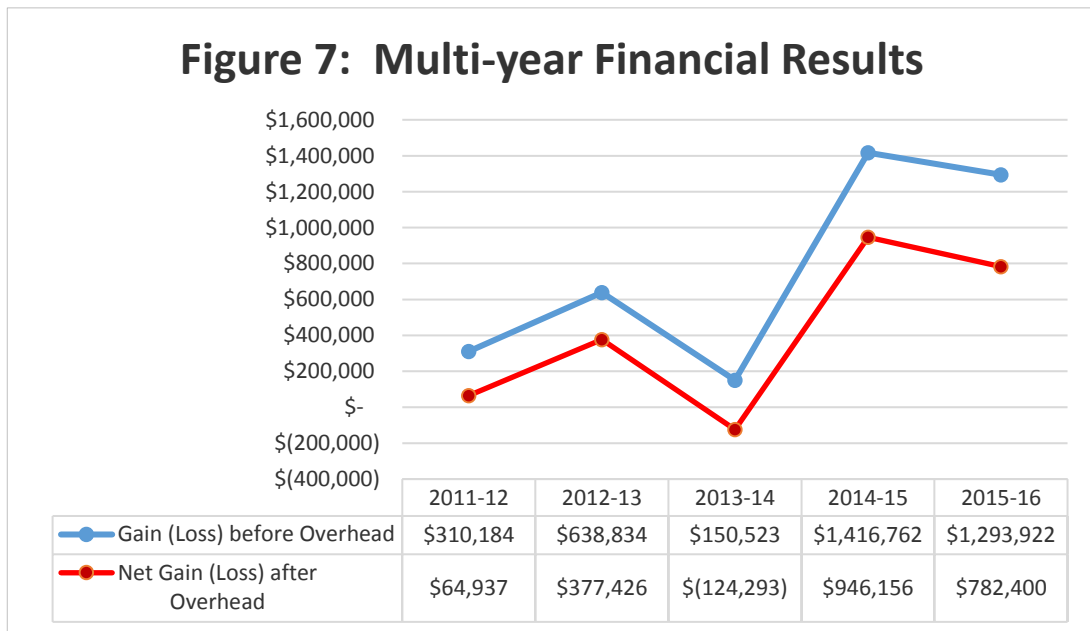
* Unaudited 2015-16: FVTC PeopleSoft Finance (09/01/2016)

Note: Comparative data is self-reported from respective colleges may not be inclusive of all revenue.

Source for 2013-2015: WTCS 5-Year Contract & Professional Development Summary Reports (08/29/16).

Contracting Financial Results

The financial health of contracting is measured by the Gain (Loss) and Net Gain (Loss) as calculated across all program divisions involved in delivering contracted services. In 2015-16, FVTC experienced a Gain of \$1.3M before Overhead. After application of Overhead, a Gain of \$782K was realized (Figure 7).



*Unaudited 2015-16:

Source: FVTC PeopleSoft Finance (09/1/16). Total activity including all contracting and professional development activity.