



# Minnesota Job Skills Partnership Performance Report

Fiscal Years 2020-2022

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### INTRODUCTION

The Minnesota Job Skills Partnership was created during the recession in 1983 to help spur the state's economic recovery. The program continues to be uniquely positioned to help Minnesota businesses recover and add jobs back to the economy during poor economic times. During better economic times, the program helps educational institutions expand their capacity to provide training needed by businesses when they are investing in new technologies. The program has also been instrumental in helping businesses manage labor shortages through training in areas such as succession planning, diversity, equity, and inclusion, and upskilling workers to improve employee retention.

### GRANT PROGRAMS

The Minnesota Job Skills Partnership (MJSP) is committed to extending the state's educational and training resources so that Minnesota employers have a well-trained and skilled workforce. The Partnership brings employers who have specific training needs together with educational or other nonprofit institutions to design relevant training programs. Partnership programs funded through matching grants meet short- and long-term objectives. In the long term, the Partnership's goal is to promote the economic interests of citizens through closer cooperation between businesses and the state's education, employment and training systems.

MJSP is comprised of three grant programs:

#### **Minnesota Job Skills Partnership Program**

This cornerstone program, referred to as the "Partnership" program, promotes economic development, develops capacity within educational institutions, and provides an opportunity for Minnesota workers to gain skills that are in demand. New workers and incumbent workers are targeted for new or customized training. Maximum amount: \$400,000 and there must be a 1-to-1 business match.

#### **Pathways Program**

Provides new or customized training for low-income individuals that results in new economic opportunity for individuals, while meeting specific business needs. Human services agencies or nonprofits may join with educational institutions to provide training. Maximum amount: \$400,000 and there must be a 0.5-to-1 business match.

#### **Low Income Worker Training Program**

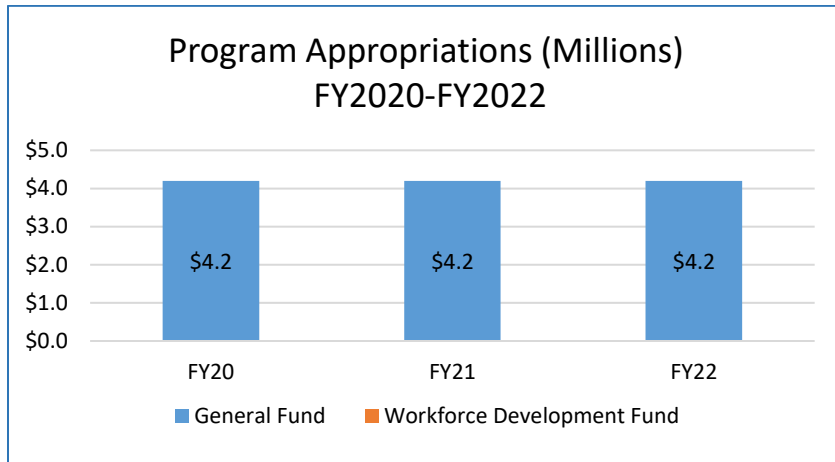
Provides short-term, off-the-shelf training for low-income earners who have basic, yet essential, skills and motivation. The goal is to move workers into better-paying jobs. Maximum amount: \$200,000 with no match required.

## FINANCIAL SUMMARY

In addition to MJSP funding, Partnership and Pathways projects leverage funding from participating businesses and educational institutions. MJSP provides funding across the state to a variety of industries.

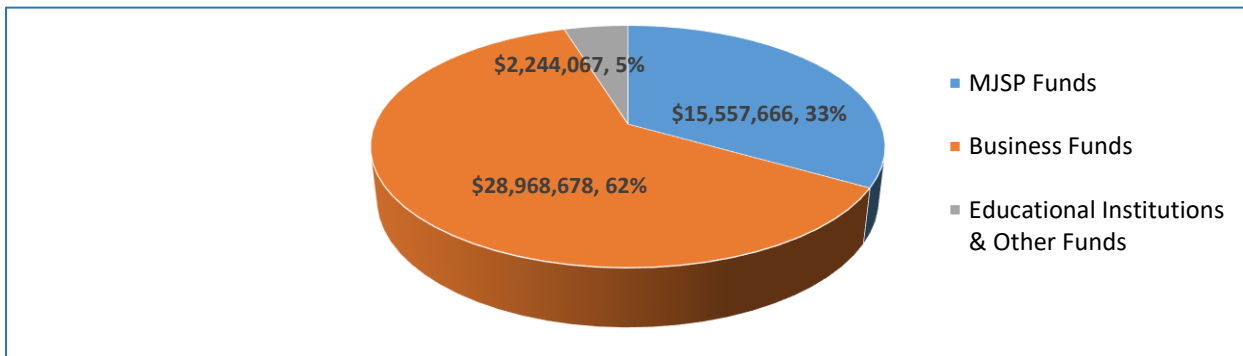
### Program Appropriations

The MJSP programs currently receive an annual General Fund appropriation of \$4.2 million. In addition, the MJSP Board has authority to transfer Workforce Development Funds from the State’s Dislocated Worker program to the MJSP programs provided conditions are met to ensure funding is sufficient to first meet the needs of the Dislocated Worker program.



### Planned Funding Sources for Partnership & Pathways Projects Awarded in Fiscal Years 2020-2022

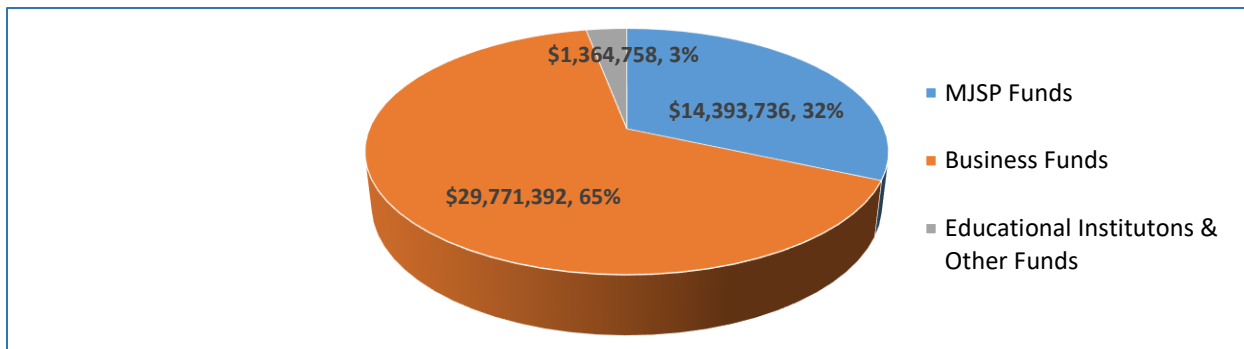
Planned Funding Sources for Partnership & Pathways Projects Awarded FY20-FY22				
Fiscal Year	Number of Grants Awarded	MJSP Funds Awarded	Planned Business Contributions	Planned Educational Institution and Other Leveraged Funds
2020	39	\$6,325,771 (31.8%)	\$12,577,785 (63.3%)	\$966,107 (4.9%)
2021	25	\$3,394,990 (35.6%)	\$5,634,432 (59.1%)	\$512,024 (5.4%)
2022	32	\$5,836,905 (33.6%)	\$10,756,461 (62.0%)	\$765,936 (4.4%)
<b>Total</b>	<b>96</b>	<b>\$15,557,666 (33.3%)</b>	<b>\$28,968,678 (61.9%)</b>	<b>\$2,244,067 (4.8%)</b>



- A total of 151 businesses will contribute to the projects awarded during FY20-FY22. The average business contribution is expected to be \$191,846.
- Twelve of the projects awarded involve consortiums of businesses, which will allow them to pool their resources to provide training.
- The average grant award for projects awarded in FY20-FY22 was \$162,059.

**Actual Funding Sources for Partnership & Pathways Projects Completed in Fiscal Years 2020-2022**

Actual Funding Sources for Partnership & Pathways Projects Completed FY20-FY22				
Fiscal Year	Number of Grants Completed	MJSP Funds Expended	Actual Business Contributions	Actual Educational Institution and Other Leveraged Funds
2020	34	\$3,678,089 (31.9%)	\$7,479,259 (64.9%)	\$371,289 (3.2%)
2021	42	\$3,763,786 (38.4%)	\$5,655,125 (57.7%)	\$389,930 (4.0%)
2022	47	\$6,951,861 (28.7%)	\$16,637,008 (68.8%)	\$603,539 (2.5%)
<b>Total</b>	<b>123</b>	<b>\$14,393,736 (31.6%)</b>	<b>\$29,771,392 (65.4%)</b>	<b>\$1,364,758 (3.0%)</b>



- A total of 164 businesses contributed to the 123 projects completed from FY20-FY22. The average business contribution per project was \$181,533.
- Ten of the projects completed in FY20-FY22 involved consortiums of businesses, which allowed them to pool their resources to provide training.
- For the 47 projects completed in FY22, a total of 77 businesses contributed an average of \$216,065 per project.
- The average MJSP grant expenditure for projects completed in FY20-FY22 was \$117,022. For projects completed in FY22, the average was \$147,911.

**Low Income Worker Training Program Funding**

Low Income Worker Projects Awarded FY20-FY22		
Fiscal Year	Number of Grants Awarded	MJSP Funds Awarded
2020	0	\$0
2021	9	\$1,505,964
2022	0	\$0

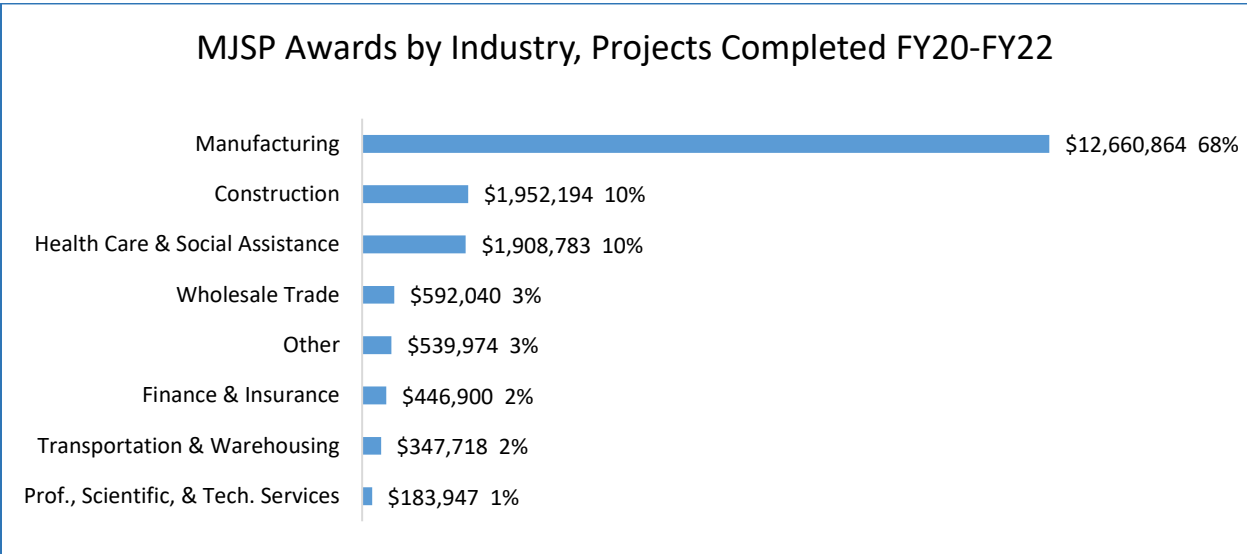
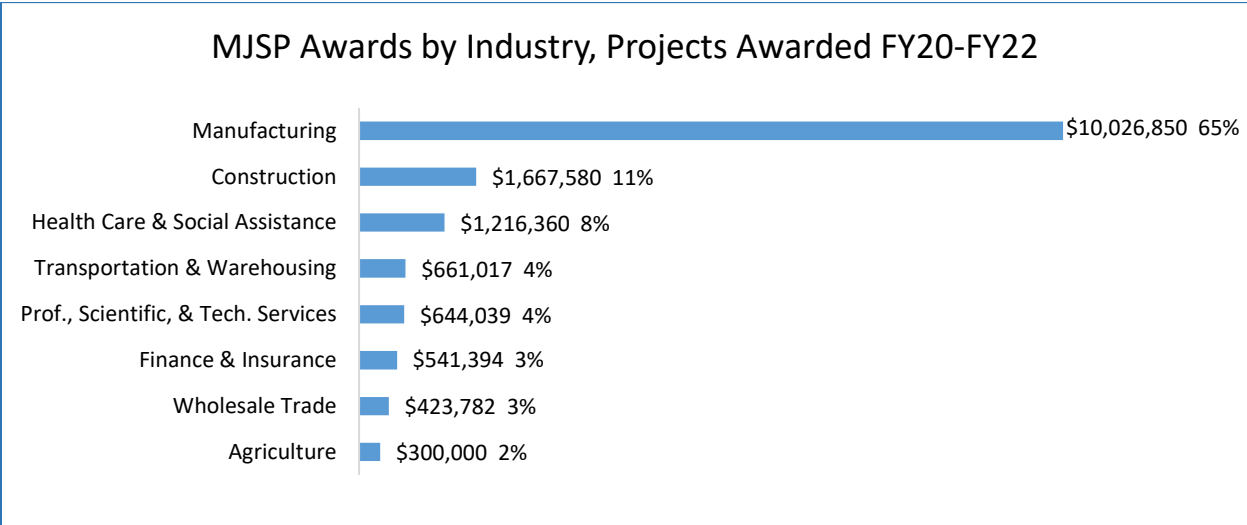
- The average MJSP grant award for Low Income Worker Training Program projects awarded in FY20-FY22 was \$167,329.

Actual Funding for Low Income Worker Projects Completed FY20-FY22		
Fiscal Year	Number of Grants Completed	MJSP Funds Expended
2020	0	\$0
2021	0	\$0
2022	4	\$599,425

- The average MJSP Low Income Worker Training Program grant expenditure for projects completed in FY20-FY22 was \$149,856.

**MJSP Awards by Industry**

Of the grants awarded in FY2020-FY2022, Minnesota businesses in the manufacturing industry received the largest amount of MJSP awards, enabling the industry to improve skill levels and increase competitiveness.



## **MJSP Awards by Location**

MJSP is committed to the entire state of Minnesota. Of the 164 businesses involved in MJSP projects completed in FY2020-FY2022, 45 percent were located in Greater Minnesota and 55 percent in the Twin Cities metro area. For projects awarded in FY2020-2022, 47 percent of the businesses involved were located in Greater Minnesota and 53 percent in the Twin Cities metro area. In comparison, according to the Minnesota Department of Employment and Economic Development Labor Market Information for 2021, 48 percent of Minnesota's private businesses and 62 percent of the state's jobs were in the metro area.

Twenty-eight educational institutions and nonprofit organizations across the state provided training resources to workers and businesses through grants completed from FY2020-FY2022. Fifty-four percent of the projects were awarded to educational institutions and nonprofit organizations located in Greater Minnesota. For projects awarded in FY2020-FY2022, 24 educational institutions and nonprofit organizations across the state provided training resources to workers and businesses; and 47 percent of the projects were awarded to educational institutions and nonprofit organizations located in Greater Minnesota.

## **BENEFITS TO BUSINESSES**

Grants awarded by MJSP have effectively and efficiently assisted Minnesota businesses. As industry continually evolves, attention must be given to the changing skill needs of Minnesota employers. MJSP grants have assisted businesses and industries that are expanding and need additional skilled workers, and industries whose current workers need new skills due to changing technologies.

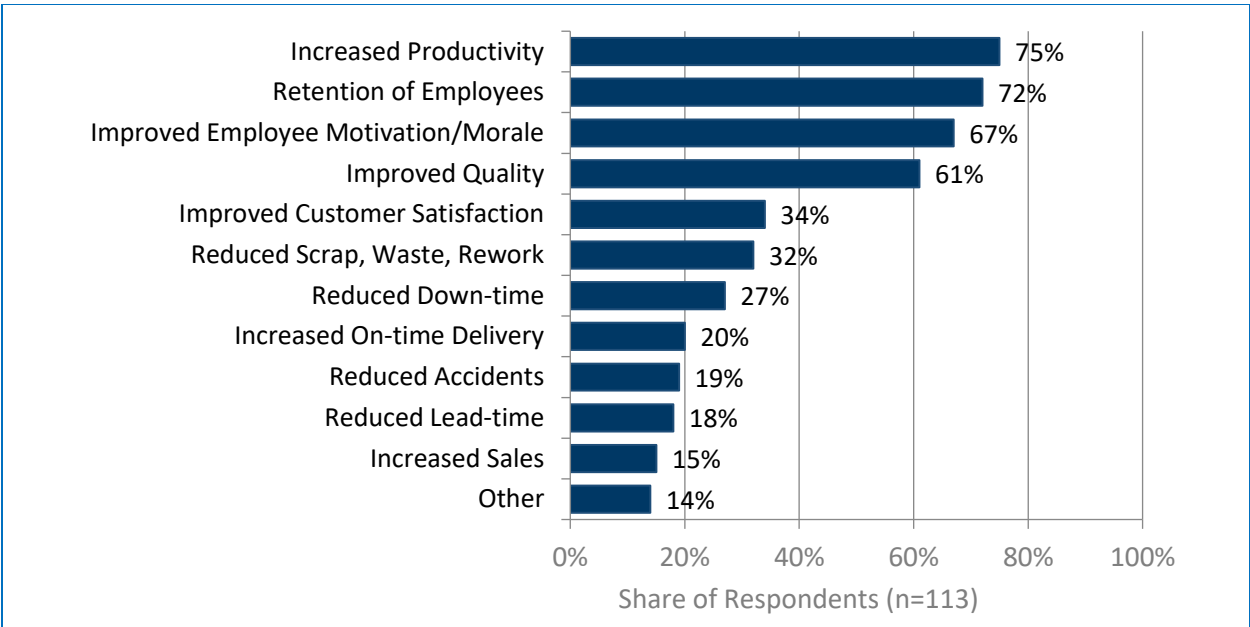
### **Business Evaluations**

In a final evaluation of the projects funded, partnering businesses were asked to identify which business outcomes were a goal of the project and the impact the project had on those goals. Impact was rated on a scale of 1 to 5, where 1 means low impact and 5 means high impact.

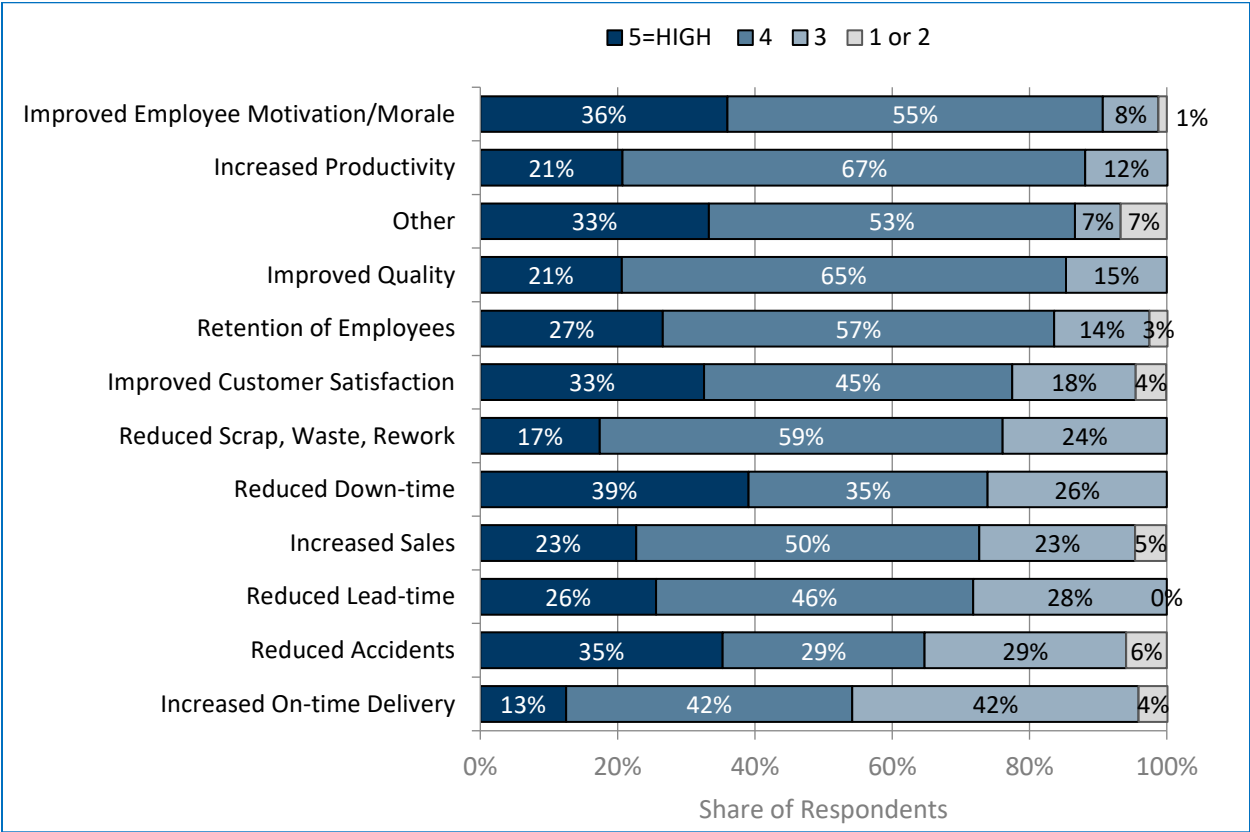
Of the businesses that participated in MJSP projects completed during FY2020-FY2022:

- Seventy-five percent indicated increased productivity was a goal of the project. Of those, 88% rated the impact on productivity as a four or a five.
- Seventy-two percent indicated employee retention was a goal of the project. Of those, 78% rated the impact on retention as a four or a five.
- Sixty-seven percent indicated improved employee motivation and morale was a goal of the project. Of those, 91% rated the impact in this area as a four or a five.
- Sixty-one percent indicated improved quality was a goal of the project. Of those, 84% rated the impact on quality as a four or a five.
- Ninety-seven percent of participating businesses indicated it was worth their investment.
- Ninety-five percent indicated they were likely or very likely to recommend the program to other businesses.

The following table illustrates the percentage of respondents indicating each of the business outcomes as a goal of their project.

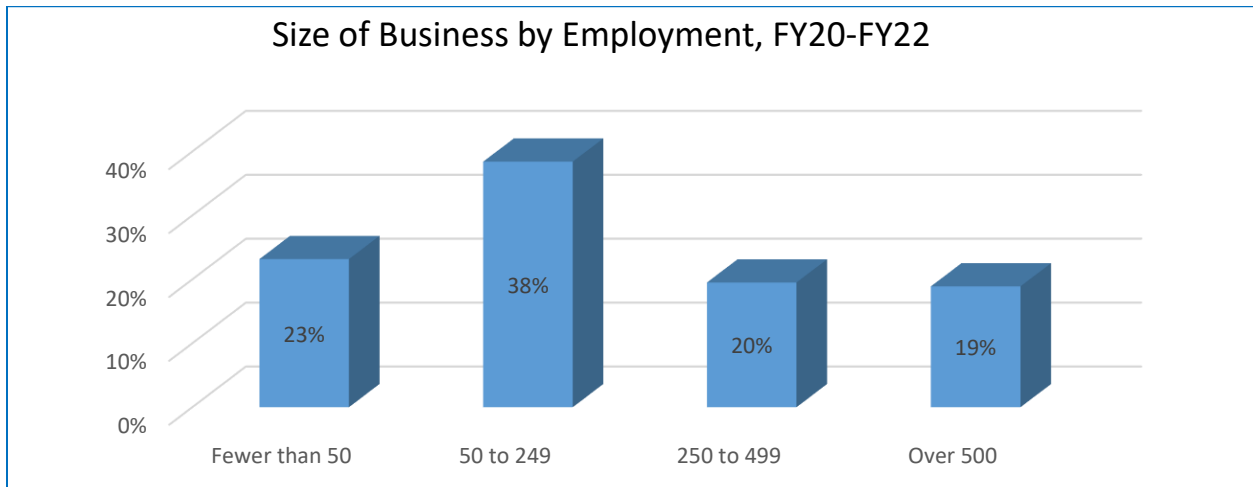


The next table indicates the degree of impact the project had on those goals.



## Small Business Growth

MJSP is committed to small-business growth. Of the 164 businesses involved in MJSP projects completed in FY2020-FY2022, 23% reported employment of fewer than 50 employees and 61% reported employment size of fewer than 250 employees.



## BENEFITS TO WORKERS

Part of MJSP’s mission is to provide workers with access to training programs to provide them with the skills necessary to obtain or retain employment and to better prepare them to adapt to a changing economy. Furthermore, MJSP recognizes the importance of reducing disparities and is committed to encouraging diversity, equity, and inclusion in the workplace.

### Partnership and Pathways Programs

For Partnership and Pathways projects completed in FY2020-FY2022, MJSP funds helped to upgrade the skills of 20,488 Minnesota workers.

- The average wage of trainees in projects completed in FY2020-FY2022 was \$29.83 per hour.
- Fifty-six percent of the participating businesses indicated the training resulted in promotional opportunities for employees.
- Thirty-nine percent of the participating businesses indicated the training resulted in increased wages for employees.
- Thirty-one percent of the projects completed in FY2020-FY2022 resulted in meaningful credentials for the trainees.
- Sixteen percent of workers trained through projects completed in FY2020-FY2022 were Black, Indigenous, and People of Color. For projects awarded in FY2022, it is anticipated that 29% of workers trained will be Black, Indigenous, and People of Color.

The table below shows planned and actual trainee data for projects completed in FY20-FY22, and planned data for projects awarded in FY22. It should be noted that the COVID-19 pandemic had an impact on the outcomes. Placement rates for projects ending FY20 and FY21 were lower than typical MJSP program placement rates of around 97-98% due to COVID-19 related layoffs, resignations, and



early retirements. The number of trainees for projects ending in FY21 and FY22 were also significantly lower than planned due to COVID-19 disruptions to training.

Partnership/Pathways Trainee Data		
Completed Projects FY20-FY22		
	Proposed	Actual
Number of Trainees	23,199	20,488
Male Trainees	15,958 (69%)	13,434 (66%)
Female Trainees	7,241 (31%)	7,054 (34%)
BIPOC Trainees	3,631 (16%)	3,326 (16%)
Trainees with Disabilities	279 (1%)	107 (1%)
Wtd. Avg. Wage of Trainees	\$27.57	\$29.83
Placements (New & Retained)	23,199 (100%)	19,093 (93%)
New Jobs	1,866	1,174
Incumbent Workers/Retained Jobs	21,390	17,919
Average MJSP Cost Per Trainee	\$803	\$703
Completed Projects FY22		
	Proposed	Actual
Number of Trainees	10,730	9,395
Male Trainees	7,758 (72%)	6,467 (69%)
Female Trainees	2,972 (28%)	2,928 (31%)
BIPOC Trainees	1,570 (15%)	1,571 (17%)
Trainees with Disabilities	60 (.6%)	9 (.1%)
Wtd. Avg. Wage of Trainees	\$30.77	\$34.49
Placements (New & Retained)	10,730 (100%)	9,049 (96%)
New Jobs	1,198	711
Incumbent Workers/Retained Jobs	9,532	8,684
Average MJSP Cost Per Trainee	\$765	\$740
Projects Awarded in FY22		
	Proposed	
Number of Trainees	6,171	
Male Trainees	4,477 (73%)	
Female Trainees	1,694 (28%)	
BIPOC Trainees	1,761 (29%)	
Trainees with Disabilities	108 (2%)	
Wtd. Avg. Wage of Trainees	\$27.76	
Placements (New & Retained)	6,151 (100%)	
New Jobs	371	
Incumbent Workers/Retained Jobs	5,800	
Average MJSP Cost Per Trainee	\$946	

## Low Income Worker Training Program

For Low Income Worker Training Program projects completed in FY2020-FY2022, MJSP invested \$599,425 to provide training to 230 participants.

- Eighty-three percent of the participants completed training.
- All of the projects ending in FY2020-FY2022 provided trainees with industry recognized certifications.
- Seventy-three percent of the participants were unemployed prior to training.
- Fifty-one percent of the participants who completed training were placed in jobs with an average wage of \$18.05 per hour.
- Black, Indigenous and people of color made up 60 percent of the trainee population.
- Eleven percent of the trainees were people with disabilities.
- Seventeen percent of the trainees were formerly incarcerated individuals.

Low Income Worker Trainee Data		
Completed Projects FY20-FY22		
	Proposed	Actual
Number of Trainees	206	230
Number Completed	168 (82%)	191 (83%)
Male Trainees	157 (76%)	171 (74%)
Female Trainees	49 (24%)	59 (26%)
BIPOC Trainees	149 (72%)	138 (60%)
Trainees with Disabilities	19 (9%)	25 (11%)
Wtd. Avg. Wage of Trainees	NA	\$18.05
Placements	137 (67% of no. trained, 82% of no. completed)	97 (42% of no. trained, 51% of no. completed)
Average MJSP Cost Per Trainee	\$3,200	\$2,606

## BENEFITS TO EDUCATIONAL INSTITUTIONS

MJSP has a long history of assisting Minnesota educational institutions in developing new capacity and expertise in response to rapidly changing business needs.

- Thirty-four percent of the projects completed in FY2020-FY2022 resulted in significant new capacity for the educational institution.
- Sixty-eight percent of the training providers involved in MJSP Partnership and Pathways projects completed in FY2020-FY2022 were community or technical colleges; 18 percent were four-year colleges; and 14 percent were other types of accredited training providers.

Examples of new capacity developed at Minnesota training institutions through MJSP grants:

- Minnesota West Community and Technical College developed several new courses to enhance their Precision Machining degree program.

- Dakota County Technical College obtained mobile FANUC robotics training equipment and developed training expertise in FANUC robot operation which has expanded the services they're able to offer to the regional manufacturing industry.
- Metropolitan State University developed two new cybersecurity courses which led to improvements in their Bachelor of Science and Master of Science cybersecurity degree programs.
- Minnesota State College Southeast developed a new Mechatronics training lab along with a 19-credit Mechatronics certificate program.
- Hibbing Community College developed 480-hours of new classroom training for the Auto/Diesel training program and obtained new hydraulic trainer equipment which will provide for safe and efficient means for training for the mining industry and regular program students.
- Finishing Trades Institute Upper Midwest obtained four aerial lift training simulators which allowed them to enhance their aerial lift certification program with new virtual reality training methods to provide safe and efficient training for operators.
- Winona State University developed a new Wound, Ostomy & Continence Nurse Society (WOCNS) certified training program that will prepare experienced nurses to become certified in wound, ostomy and continence specialties.
- Rochester Community and Technical College developed a new Certified Information System Security Professional (CISSP) exam prep program.
- Minnesota State Community and Technical College developed a new 8-module INSPIRE Leadership training series.
- Alexandria Technical and Community College obtained authorization to offer the nationally recognized Level II Practitioner in QRM training, which was previously only available through two other educational institutions in the United States.