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MINNESOTA DISLOCATED WORKER PROGRAM

ENSURING THE SUCCESS OF OUR WORKFORCE AND STATE



WHO WE ARE AND WHAT WE DO

The Minnesota Dislocated Worker (DW) program helps workers who lost their jobs through no fault of their own – that is, they neither quit nor were fired -- find a new career. An individual typically must qualify for Unemployment Insurance (UI) benefits to be eligible. DW staff work with UI to ensure Minnesota’s workers are able to get stable jobs in high-demand occupations. The following groups of people are also eligible for services:

- Self-employed individuals who lose their jobs due to economic conditions;
- Veterans leaving active duty with the armed forces; and
- Certain individuals leaving active duty of the National Guard or armed forces reserves.

The DW program provides services through a network of 48 WorkForce Centers and several independent non-profit organizations. Dislocated Worker program counselors meet with customers, provide services, and coordinate training. Services include:

- Career planning and counseling
- Job search and placement services
- Job training
- Financial support services

THE RESULTS

MINNESOTA DISLOCATED WORKER PROGRAM				
The Costs and the Benefits				
During SFY 2013, program operators and DEED staff spent	\$24,654,893	TO SERVE	12,643 PARTICIPANTS	WE SPENT \$1,950 PER PARTICIPANT
5,666 exited the program with 4,809 entering unsubsidized employment: 84.7 percent.				
On average, Minnesota Dislocated Worker program providers spend \$5,127 per job attained				

- These are substantial investments: Because of the state’s special revenue fund, Minnesota’s DW program has **three times the reach** it otherwise would with federal Workforce Investment Act dollars alone. Moreover, state funding is more stable, helping the program maintain service levels as the economy improves and formula-based federal funding declines.
- Although the Minnesota DW program is returning to pre-recession rates of service, more customers are relying on the tax-funded Minnesota DW program when they need it, **in comparison to WIA DW funds, (see Figure 1).**
- Nearly six out of every seven participants who leave the program, leave into full-time, unsubsidized employment. Ninety-two percent of those employed keep that job for at least six months and earn \$20,722 on average, during that time (about \$41,400/year).

Table 1: Served-Funds SFY 2013

Program	Customers Served	Program Funding Expended	Allocated Program Funding Over at Least Two Years
MN DW	12,643	\$24,654,893	\$26,011,000
WIA DW ²	5,661	\$8,972,348	\$12,016,430
NEG ²	1,113	\$720,177	\$3,303,000 ³
Total	17,329¹	\$34,347,418	\$41,330,430³

¹ Due to co-enrollment in programs, the total unique count of customers will not equal the sum of customers served in each funding stream.

² Program performance outcomes combine all customers served in WIA DW and NEGs. This table breaks down the numbers served into more specific components of our programs.

³ Service providers have two years to spend allocated funding, with more time for funding to serve larger layoffs. As a result, program expenditures may be less than program allocations.

Table 2: Largest Layoffs Served SFY 2013

Company	Employees Laid off
Supervalu 2013	587
Boston Scientific 2012	500
Medtronic 2013	500
Best Buy 2013	400
GCA Services Group	223
Edward Jones Mortgage	214
St. Jude Medical 2012	180
TE Connectivity	150
Georgia Pacific	140
Associated Milk Producers	135
Total Employees Laid Off	3,029

SUCCESS STORY: ANTENEH MAMO

CITY OF MINNEAPOLIS EMPLOYMENT AND TRAINING PROGRAMS



Despite my advanced degree in mechanical engineering, the only job I could secure after coming to the United States from Africa was an assembly job. After I was laid off from that job, I applied for numerous jobs, with no luck – not even a phone interview. I sought assistance with the Minneapolis WorkForce Center and signed up for the two-week employment search course, Employment Ready University (ERU). After completing ERU, I began working with Abdirashid Isse, my employment counselor. With Abdi's help, I began short-term training in an engineering CAD program at Hennepin Technical College. I am proud to share that I graduated with a 4.0 GPA.

After completing training, I started interviewing. I feel grateful to have landed a good job with Hydro Engineering Inc. as a product engineer, where I earn a good wage.

The Dislocated Worker program changed my life forever. Without it, I wouldn't have had this opportunity and probably would be stuck in lower-paying jobs. Now I can afford to support my wife and two children.

In SFY 2013, an average Minnesota DW customer **spent 556 days** in the program, down from an average of **632 days in SFY 2012**. This decrease is likely due to improvements in the job market and lower demand for training.

JOB SEARCH AND PLACEMENT SERVICES

DW counselors provide job search tools, such as MinnesotaWorks.net, networking clubs, and workshops on everything from resume building to interviewing skills.

SUCCESS STORY: JEREMIAH ADAMS

WASHINGTON COUNTY WORKFORCE CENTER

I was laid off after seven years with the same company. I had been out of school for ten years, and I didn't know where to begin. A pivotal starting point that launched my new Heating, Ventilation and Air Conditioning (HVAC) career was meeting Sharon Hansen, employment counselor at the Washington County WorkForce Center.

Sharon and I reviewed labor market information for HVAC positions and learned it had an excellent employment outlook with a wage that would allow me to care for my wife and two sons. She recommended I go to Century College. I received financial aid – and was on a roll! With grants, Dislocated Worker program funding and personal savings, I'm already halfway there. I finished my first year with a 3.50 GPA.

I've been fortunate to secure a job with an HVAC company, and I'm working many hours and learning the trade hands-on while completing my HVAC degree. This opportunity is preparing me to be the best HVAC employee I can be.

I'm grateful for the Dislocated Worker program. I don't know where I'd be today without it.



THE SIZE OF A LAYOFF MATTERS

Is the layoff large or small? The size of a layoff may impact the state's economy in different ways, so the DW program has a response for both situations. A dislocated worker who is part of a small layoff -- fewer than 50 people -- selects a WorkForce Center or other service provider for support.

A worker who is part of a large organizational layoff -- 50 or more -- will often access the DW program through a dislocated worker project. In a project, workers form a committee and interview, evaluate and select one service provider for the entire group of laid-off workers. The committee then works with the service provider to identify needed services.

SUCCESS STORY: **CECILE** LOTHIAN

MINNESOTA JOB PARTNERS/CAREER MANAGEMENT SERVICES

I found out about Minnesota Job Partners/Career Management Services (MJPCMS) when my employer, Lockheed Martin, closed its doors. After 40 years as a configuration management specialist, I found myself without a job. Lockheed Martin set up the opportunity for all laid-off employees to work with MJPCMS due to a large number of people losing their jobs.

I accepted a position in the sales department of MarineTech Products, Inc. After arranging for on-the-job training through MJPCMS, I realized just how different my new professional responsibilities would be from those in my last position. The counselors at MJPCMS told me about a class at the University of St. Thomas for Business Analytics Using Microsoft Excel 2010, which I immediately put to use in my new role.

My career counselor and training supervisor have been very helpful in guiding me as I moved into my new job. It's reassuring to know that they are available for any questions I may have with my ongoing training program.

Thank you MJPCMS for the excellent service and guidance you provide!



TRAINING AND FINANCIAL SUPPORT SERVICES

Training and Financial Support Services are two important and distinct components of the Minnesota DW program. Training services could include occupational skills training, on-the-job training, entrepreneurial training and adult education and literacy. Support services include transportation, health care and housing or rental assistance.

SUCCESS STORY:

DANA KIMBERLY

CENTRAL MINNESOTA JOBS & TRAINING SERVICES

I relocated to Minnesota from Idaho. It wasn't the easiest transition, but my husband and I managed until eight months later, when I was laid off from my job at the same time we were buying a home. I had been a medical transcriptionist for 15 years. For the first time in my life I was unemployed.



I went to the WorkForce Center in Hutchinson and met employment specialist Pat Beatty. Pat helped me to decide to go back to school to become a medical assistant. We found a school that offered a reasonable timeframe for completing the training. The WorkForce Center paid a portion of my schooling and the school matched it, which made it much more affordable. I earned academic excellence with a 4.0 grade point average. I was voted Mentor of the Medical Assistant Program and did a work study program in the library. Going back to school was one of the best things I have ever done.

TRADE ADJUSTMENT ASSISTANCE

If a worker loses a job due to foreign trade they may be entitled to additional benefits, including training, under the federal Trade Adjustment Assistance (TAA) program. In Minnesota, every TAA customer is also a participant in the Dislocated Worker program.

SUCCESS STORY: **ADELITA KLEINSCHIDT**

MINNESOTA VALLEY ACTION COUNCIL

I was working as a human resources assistant for Le Sueur, Inc. and had no college when I was laid off. With the support of my counselor, I saw the opportunity to make my lifelong dream of becoming a nurse a reality.

I knew this would not be accomplished overnight. After I was laid off, I started volunteering and assisted the Le Sueur-Henderson School District with vision and hearing screening. This helped keep me busy and provided volunteer-based experience. I enrolled in school through the Dislocated Worker and Trade Adjustment Assistance programs. After three years of education and training, I became a registered nurse.

Now I am the overnight charge nurse at Minnesota Valley Health Center in Le Sueur, where I provide direct care, assess residents' health needs and assist in evaluating patient outcomes. My hourly wage has increased by \$14 per hour over my previous salary.

To go from an HR assistant to registered nurse in three years is something that I am very proud of. I can now show my family that if you want something bad enough you can accomplish it. Words cannot express my gratitude for this experience.



FIGURE 1: Dislocated Worker Customers Served SFY 2009-SFY 2013

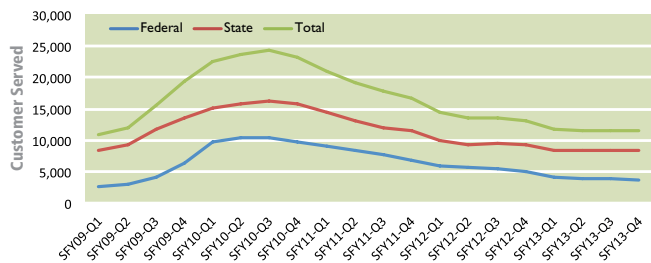
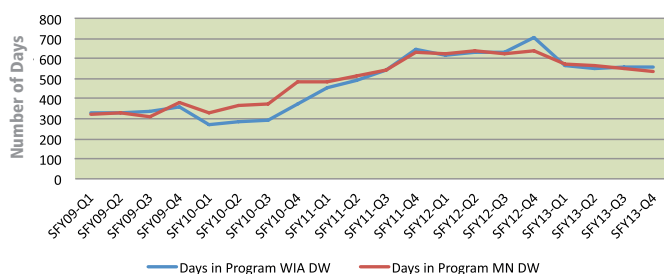


FIGURE 2: Average Number of Days in Dislocated Worker Program, SFY 2009-SFY 2013



The Minnesota DW program continues to exceed national averages in every key metric except the percentage of customers who end up with both a credential and employed. This may be because many customers underreport their success in attaining credentials. We are changing the way we connect with customers and collect this information, and expect improvement in coming years.

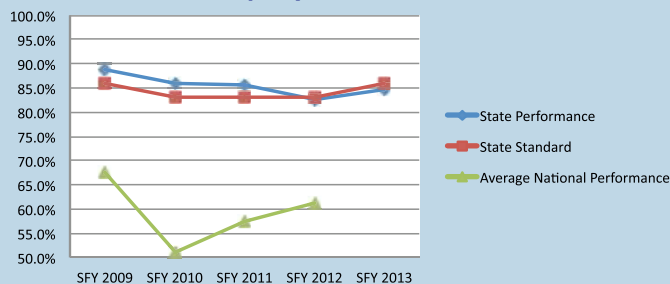
NATIONAL EMERGENCY GRANTS

Minnesota can apply for National Emergency Grants (NEGs), which are additional funding opportunities from the U.S. Department of Labor (USDOL). NEGs require specific conditions to be met. When Minnesota meets them, these grants allow DW program dollars to go further in response to natural disasters and large, unexpected economic events which cause significant job losses. Minnesota received four NEGs in SFY 2013:

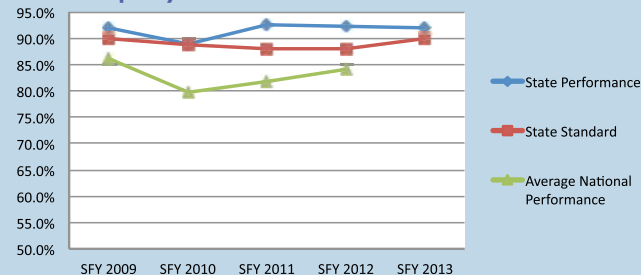
- \$838,390 for more than 200 former SuperValu workers
- \$594,268 for 132 former Edward Jones Mortgage workers

FIGURE 3: Performance Results

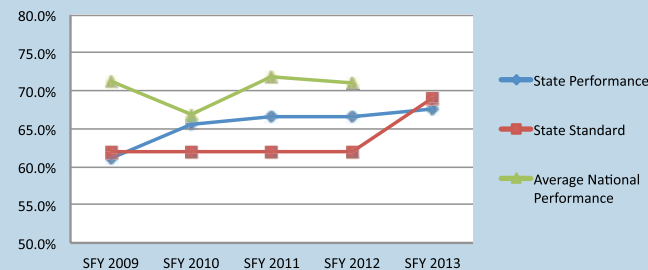
Entered Employment Rate



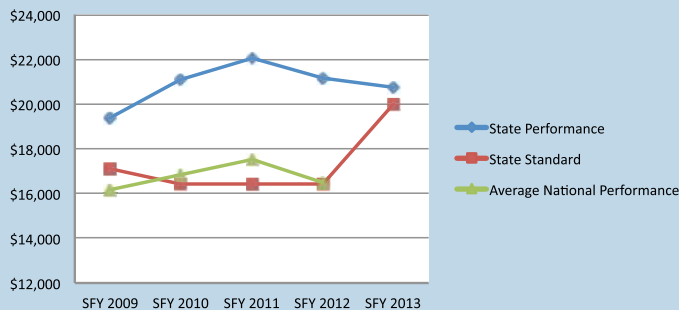
Employment Retention Rate



Credential Rate



Average Earnings



- \$795,076 to assist with damages and flood recovery cleanup in Duluth and northern Minnesota
- \$1,075,633 to supplement the training activities

ADDITIONAL ACCOMPLISHMENTS FOR 2013

- **Keeping pace with increasing goals.** In SFY 2013, Minnesota was a national leader in the percentage of customers entering employment, retaining employment, and securing high-paying jobs. Credentialing has improved every year for the past five years.
- **Becoming more efficient as federal resources dial down.** The Minnesota DW program has maintained -- even exceeded -- the expected level of service despite a steady decline in federal funding. In SFY 2013, DW staff reduced wait time of grant applications, modernized policy, and improved customer feedback tools. Two examples: The TAA team increased the percentage of petitions certified from 76.5 percent (2012) to 88.9 percent (2013). The Rapid Response team reduced the number of days from the first meeting with a provider selection committee to identification of service provider, from 7.6 business days (2012) to 6.4 business days (2013).
- **Creating a competitive grant-making process.** In SFY 2013, Minnesota began to measure independent service providers for the number of minority and long-term unemployed job seekers who attain specific employment and wages. Independent grantees will be rewarded for exceptional outcomes.

Table 3: Minnesota Dislocated Worker Program Cost Benefit Analysis: The Past Five Years

State Fiscal Year	Program Funding Expended	Customers Served	=	Number of Individuals Exiting into Employment	=	Funding Cost per Employed Customer
2013	\$24,654,893	12,643	=	4,809	=	\$5,127
2012	\$20,294,743	13,639	=	5,847	=	\$3,471
2011	\$28,072,581	17,006	=	6,451	=	\$4,352
2010	\$29,420,000	20,507	=	4,497	=	\$6,542
2009	\$30,821,000	16,350	=	4,911	=	\$6,276
Total	\$133,263,217	80,145	=	26,515	=	\$5,026

LOOKING AHEAD

- **Better serve minority, long-term unemployed.** The competitive grant-making process has laid the foundation for improving services to minority and long-term unemployed job seekers. The Minnesota DW program will continue to leverage its position to improve employment outcomes for these groups.
- **Emphasize career pathways model.** It is important to help customers develop careers through career pathways. DW program providers will continue to develop partnerships between schools, community organizations, and employers to better support customers' career advancement.
- **Support grantees with technical assistance.** We will continue to provide ongoing technical support, such as expanded Workforce One training, grant operation orientation training, webinars and site visits, to ensure the success of our grantees.

Minnesota is divided into 16 WorkForce Service Areas (WSAs), each directed by a Workforce Investment Board (WIB). WIBs administer and tailor the DW program based on the needs of their economic region.

State Dislocated Worker Program SFY 2013 Provider Performance

	Funding Expended	Exited	Served	Employed exiters/Total exiters	=	Entered Employment Rate	Standard	Employed exiters who kept job/ Employed exiters	=
State	\$24,654,893	5,666	12,643	4,809 / 5,680	=	84.7%	86.0%	4,875 / 5,293	=
Anoka County	\$1,167,669	347	633	269 / 296	=	90.9%	86.0%	170 / 180	=
Career Management Services (CMS)	\$1,728,175	406	931	415 / 485	=	85.6%	86.0%	425 / 451	=
Central MN Jobs and Training	\$2,380,382	357	776	329 / 368	=	89.4%	86.0%	325 / 347	=
City of Duluth	\$274,052	27	114	15 / 17	=	88.2%	86.0%	16 / 19	=
Dakota/Scott Workforce Services	\$1,340,862	579	1,057	422 / 535	=	78.9%	86.0%	484 / 529	=
EAC Employment Action Center	\$643,427	159	297	174 / 247	=	70.4%	86.0%	292 / 333	=
Hennepin/ Carver ETC	\$1,697,865	833	1,549	687 / 832	=	82.6%	86.0%	689 / 760	=
HIRED	\$1,077,850	343	791	204 / 230	=	88.7%	86.0%	134 / 142	=
MN Teamsters Service Bureau	\$1,568,348	297	1,076	238 / 280	=	85.0%	86.0%	226 / 235	=
Mpls Employment and Training	\$853,132	217	441	153 / 164	=	93.3%	86.0%	185 / 204	=
NE MN Office of Job Training	\$873,251	88	241	58 / 63	=	92.1%	86.0%	128 / 138	=
Northwest PIC Inc	\$475,947	164	191	121 / 131	=	92.4%	86.0%	27 / 30	=
Quality Career Services	\$1,522,702	221	961	150 / 184	=	81.5%	86.0%	121 / 134	=
Ramsey Cty Workforce Solutions	\$1,886,073	683	1,243	595 / 720	=	82.6%	86.0%	511 / 561	=
Rural MN CEP Inc	\$1,483,638	129	501	155 / 175	=	88.6%	86.0%	171 / 186	=
S Central Workforce Council	\$769,036	156	335	173 / 222	=	77.9%	86.0%	176 / 184	=
SE MN Workforce Development	\$1,797,441	206	452	208 / 232	=	89.7%	86.0%	281 / 313	=
Stearns/Benton E&T	\$749,884	97	309	152 / 175	=	86.9%	86.0%	128 / 138	=
SW MN PIC Inc	\$578,277	109	258	74 / 88	=	84.1%	86.0%	104 / 108	=
Washington County	\$804,173	182	376	161 / 167	=	96.4%	86.0%	151 / 159	=
Winona Cty Workforce Council	\$102,455	37	75	39 / 41	=	95.1%	86.0%	111 / 121	=

* Each year, the cost per job attained is markedly high in Northern MN.

This is due to the relatively sparse population and rural environment, creating unusual and prolonged challenges for job seekers.

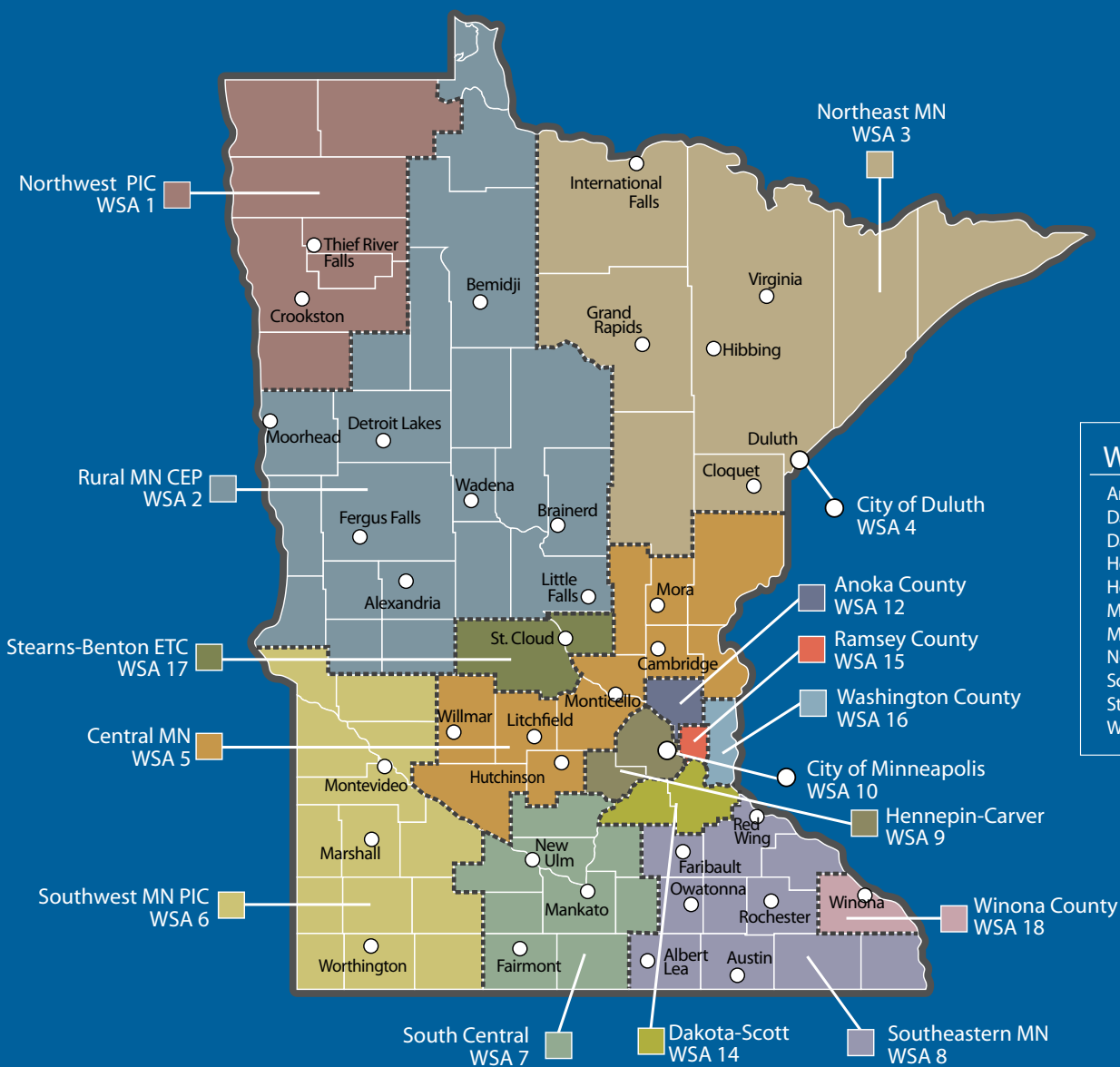
Footnote: Only a subset of customers served in any given year exit the program in that year. Individuals may be served in more than one year.

For the reported year, in addition to the WSAs, there were nine independent service providers:

- Arrowhead Economic Opportunity Agency;
- Career Management Services;
- Employment Action Center;
- Goodwill/Easter Seals;
- HIRED;
- Jewish Family & Children's Service of Minnesota;
- Lutheran Social Service;
- Quality Career Services; and
- Minnesota Teamsters Service Bureau.

Retention Rate	Standard	Employed with credential/ Exiters receiving training	=	Credential Rate	Standard	Total exiter earnings/ Employed exiters	=	Average Earnings	Standard	Cost per Customer Served	Cost Per Employed Customer
92.1%	90.0%	1640 / 2425	=	67.6%	69.0%	\$98,761,114 / 4,766	=	\$20,722	\$20,000	\$1,950	\$5,127
94.4%	90.0%	80 / 97	=	82.5%	69.0%	\$3,489,743 / 161	=	\$21,675	\$22,681	\$1,845	\$4,341
94.2%	90.0%	140 / 199	=	70.4%	69.0%	\$13,852,984 / 423	=	\$32,749	\$22,681	\$1,856	\$4,164
93.7%	90.0%	220 / 302	=	72.8%	69.0%	\$5,747,350 / 325	=	\$17,684	\$14,298	\$3,068	\$7,235
84.2%	90.0%	10 / 15	=	66.7%	69.0%	\$370,876 / 15	=	\$24,725	\$16,634	\$2,404	\$18,270*
91.5%	90.0%	120 / 193	=	62.2%	69.0%	\$10,968,236 / 484	=	\$22,662	\$22,681	\$1,269	\$3,177
87.7%	90.0%	38 / 69	=	55.1%	69.0%	\$5,615,141 / 284	=	\$19,772	\$22,681	\$2,166	\$3,698
90.7%	90.0%	142 / 184	=	77.2%	69.0%	\$13,791,748 / 674	=	\$20,463	\$22,681	\$1,096	\$2,471
94.4%	90.0%	48 / 69	=	69.6%	69.0%	\$3,177,597 / 134	=	\$23,713	\$22,681	\$1,363	\$5,284
96.2%	90.0%	66 / 115	=	57.4%	69.0%	\$6,713,757 / 225	=	\$29,839	\$22,681	\$1,458	\$6,590
90.7%	90.0%	33 / 54	=	61.1%	69.0%	\$2,828,185 / 165	=	\$17,141	\$22,681	\$1,935	\$5,576
92.8%	90.0%	45 / 52	=	86.5%	69.0%	\$2,300,133 / 128	=	\$17,970	\$14,845	\$3,623	\$15,056*
90.0%	90.0%	35 / 53	=	66.0%	69.0%	\$423,140 / 27	=	\$15,672	\$15,102	\$2,492	\$3,933
90.3%	90.0%	31 / 91	=	34.1%	69.0%	\$2,478,440 / 121	=	\$20,483	\$22,681	\$1,584	\$10,151
91.1%	90.0%	114 / 230	=	49.6%	69.0%	\$9,693,450 / 500	=	\$19,387	\$22,681	\$1,517	\$3,170
91.9%	90.0%	82 / 105	=	78.1%	69.0%	\$2,632,100 / 169	=	\$15,757	\$13,403	\$2,961	\$9,572
95.7%	90.0%	69 / 112	=	61.6%	69.0%	\$2,468,978 / 173	=	\$14,272	\$14,660	\$2,296	\$4,445
89.8%	90.0%	103 / 146	=	70.5%	69.0%	\$3,975,961 / 266	=	\$14,947	\$17,753	\$3,977	\$8,642
92.8%	90.0%	82 / 105	=	78.1%	69.0%	\$1,865,810 / 124	=	\$15,047	\$15,530	\$2,427	\$4,933
96.3%	90.0%	47 / 62	=	75.8%	69.0%	\$1,584,850 / 104	=	\$15,239	\$13,458	\$2,241	\$7,815
95.0%	90.0%	97 / 121	=	80.2%	69.0%	\$2,784,916 / 135	=	\$20,629	\$22,681	\$2,139	\$4,995
91.7%	90.0%	30 / 31	=	96.8%	69.0%	\$1,599,529 / 110	=	\$14,541	\$14,825	\$1,366	\$2,627

M INNESOTA WORKFORCE SERVICE AREAS AND WORKFORCE CENTERS



FOR QUESTIONS REGARDING THIS REPORT, OR TO RECEIVE A COPY IN AN ALTERNATIVE FORMAT:

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