

PRESTO PRODUCTS WORKFORCE TRAINING INITIATIVE

Executive Summary

The Workforce Readiness Initiative: Retention of Manufacturing in Southern Virginia began with a request to Governor Bob McDonnell by the leadership of Presto Products Company. Presto Products Company is a market-leading supplier of products ranging from private label food and disposer bags and packaging closures to soil stabilization materials and specialty stretch films. Presto has six manufacturing facilities in four states, with their sole east coast facility based in South Boston, Virginia since 1980. With 457 employees, the South Boston facility is one of Halifax County's largest and most successful employers. In the fall of 2010, Presto Products Company contacted Virginia Governor Bob McDonnell concerning workforce-training needs for the South Boston plant. Governor McDonnell charged the commonwealth's deputy secretary of commerce and trade for rural economic development, The Honorable Mary Rae Carter, with working collaboratively with training providers and funders in Southern Virginia to create and deliver a comprehensive training program to increase the identified skill sets of Presto Products employees.

The South Boston plant of Presto Products Company is in a time of unprecedented transition and growth. In the past 18 months, the South Boston facility has added one new product line with plans to add five additional lines this summer 2011. This kind of rapid expansion would tax the most experienced worker, but presents an even bigger challenge for a facility with 50-60% of its workers between the ages of 18 and 24. To successfully incorporate the new product lines, and to maintain a competitive advantage within its markets, the Presto Products leadership has identified several areas of "soft skills" to be developed through a comprehensive program of workforce training (see Workforce Readiness Initiative TIC Grant Appendix A).

Deputy Secretary Carter requested the staff of the Southern Virginia Higher Education Center (South Boston, Virginia), specifically its director of Workforce Services Dr. Nettie Simon-Owens, serve as her local contact and as the lead for the project management leadership team. Deputy Secretary Carter also identified Mr. Frank Strickler, Senior Project Manager with the Virginia Department of Business Assistance (VDBA), and Mr. Steve Bridges, Business Development Manager with the Virginia Economic Development Partnership (VEDP) as members of the project management leadership team.

In December 2010, Dr. Nettie Simon-Owens, on behalf of Deputy Secretary Carter, facilitated a meeting with the identified workforce training providers and agencies. Agencies in attendance were Danville Community College, Southside Virginia Community College, Virginia Workforce Connection, South Central Workforce Investment Board, Virginia Technical Institute, Virginia Manufacturer's Association (VMA) and the Virginia Council on Advanced Technology Skills (VCATS), GENEDGE Alliance (formerly Virginia's A.I. Philpott Manufacturing Extension Partnership or VPMEP), the Virginia Employment Commission, the Halifax County Industrial Development Authority, the Halifax County Public Schools. Representatives from Presto Products, Plant Manager Joy Johnson and Human Resources Manager Denise Taylor-Forrest, were also in attendance. Meeting attendees were provided with an overview of Presto Products' identified training needs and invited to submit RFPs by late January 2011 to be considered as a training provider. Agencies present were also given information about Presto Products' employee work schedules and told that flexible and creative course delivery would be required to accommodate employees.

Three RFPs were submitted by the January 21, 2011, deadline. Proposals were received from the Virginia Manufacturer's Association (VMA), Virginia Technical Institute (VTI), and a combined proposal from Danville Community College (DCC)/Southside Virginia Community College (SVCC), and GENEDGE Alliance. After some discussion a second round of proposals were requested and reviewed. After the Presto Products Training Initiative Project Management Team conducted two extensive proposal reviews in February and March, respectively. Virginia Manufacturer's Association was selected to provide training from the maintenance mechanic group. (Note: This training is not included in the Workforce Readiness Initiative or in the grant request to the Virginia Tobacco Commission.)

The DCC/SVCC/GENEDGE coalition was selected as phase I training providers. This training will commence October 3, 2011, with Presto entry-level operators/packers and lead operators. Phase I will also include organization-wide training to shift the culture towards lean manufacturing ideals and principles.

Phase I will serve as an initial proving ground for the creation of a regional Workforce Readiness Initiative that will include general workforce development and employer-specific training in technical and soft skills. While participants will not earn credit, they will be credentialed with the Career Readiness Certificate, and will be given pre and post training assessments to measure skill attainment. As the Workforce Readiness Initiative moves towards replication, program sponsors will pursue credentialing the training package through the International Association for Continuing Education and Training—a nonprofit association that accredits the providers of nonprofit, continuing education.

PHASE 1 REVIEW

PROJECT MANAGEMENT TEAM

The Honorable Mary Rae Carter, *Deputy Secretary of Commerce and Trade for Rural Economic Development*

Dr. Nettie Simon-Owens, *Southern Virginia Higher Education Center Director of Workforce Services*

Mr. Frank Strickler, *Senior Project Manager for the Virginia Department of Business Assistance*

Mr. Steve Bridges, *Business Development Manager with the Virginia Economic Development Partnership*

TRAINING PROVIDERS

Danville Community College/Southside Virginia Community College/GENEDGE Alliance

TRAINING LOCATION

Southern Virginia Higher Education Center
Presto Products Company, South Boston Facility

TRAINING BUDGET

\$515,000 (PHASE I ONLY)

\$336,400 (TIC Request Amount)

Virginia Department of Business Assistance has committed to providing \$84,600 for training, and Presto Product Company has committed to funding \$103,000 of the project costs, and will pay full employee salaries and benefits during training hours. With an anticipated 20,000 training hours and using \$10 per hour as an average Presto employee salary (knowing many employees earn more than that amount) then Presto is committing to \$200,000 in wages alone. This represents a large opportunity cost for the company as they are losing employee productivity during times of training.

TRAINING

Three-hundred Presto employees will be trained in a unique, employer-specific format to accommodate Presto's four crew, 12-hour-shift work schedule. Employees will be given pre and post training assessments, and will be credentialed with the Career Readiness Certificate. In addition, program sponsors will pursue training program accreditation through the International Association for Continuing Education and Training