




**SUPPLY CHAIN
GOVERNANCE & REGIONAL
DEVELOPMENT IN THE
GLOBAL ECONOMY**

September 10, 2002



STATE OF ILLINOIS
DEPARTMENT OF COMMERCE
AND COMMUNITY AFFAIRS

INDUSTRIAL
TRAINING PROGRAM



Industrial Training Program ITP

The goal of the ITP is to help Illinois workers keep their skills up-to-to-date with changing technologies and business processes. Illinois businesses benefit through increased productivity, reduced costs, improved quality and competitiveness.



Industrial Training Program

ITP grant funds may be used to reimburse participating companies for up to 50% of the cost of training their employees. Employers select the workers that will participate in the training; however, they must be full time employees of the company.



Industrial Training Program

Instructors may be plant workers, public educational facilities, private consultants, or others who possess the required instructional experience.



Industrial Training Program

The ITP is targeted to manufacturers and is delivered in three distinct ways:

Economic Development Projects

Single Company Competitive Projects

Multi-Company Employee Training
Projects

Economic Development Projects

Employers new to Illinois may receive an upfront commitment from the department to assist with their training needs. Nearly 70% of all packages offered to new business contains an ITP commitment. In FY'01, thirty-three incentive projects were funded through ITP.

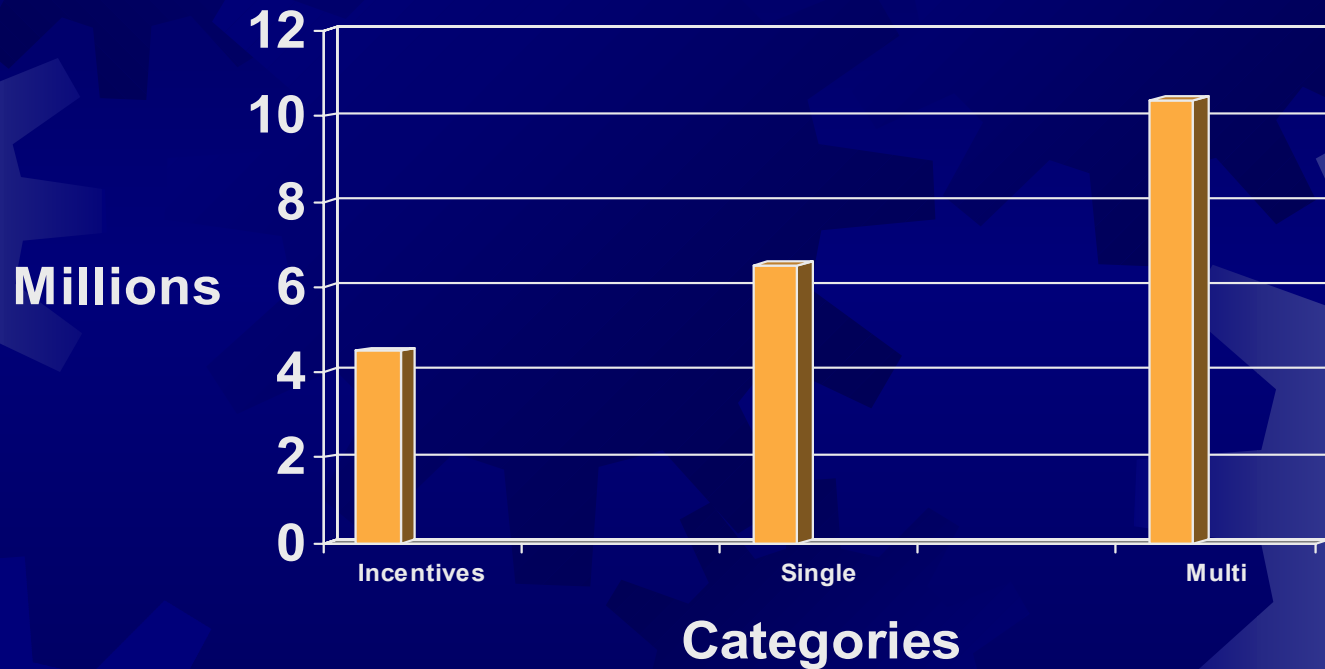
Single Company Competitive Projects

In FY'01 fifty-four Single Company ITP grants were awarded. Often times, the increase in competitiveness associated with the introduction of new technology, along with the ITP sponsored training, is a significant factor contributing to job retention.

Economic Development and Single Company Projects

Economic Development and Single Company Projects target manufacturers in Illinois, employing 100 or more workers. The program is targeted on this “niche” because manufacturing represents a significant portion of the jobs in Illinois - 17.4% or 1.1 million workers.

Funding By Program Category



FY'01 TOTAL BUDGET - \$24,188,800

MULTI-COMPANY COMPONENT

The success of the Multi-Company component can be contributed to the fact that Illinois can offer it's customized training program to a greater number of small and medium sized businesses (less than 100 workers) to assist with their worker training needs through associations and supplier companies.

MULTI-COMPANY COMPONENT

It also reduces the administrative burden on the small business and allows the ITP program to achieve economies of scale – the state is able to stretch limited grant funds to benefit more employers and workers.



MULTI-COMPANY COMPONENT

And, ITP is “just-in-time training – the employer identifies the need, orders the training, the employee is trained only on what he or she needs, and down time is minimal.

MULTI-COMPANY COMPONENT

Illinois realizes the need for original equipment manufacturers to employ a productive workforce; we also realize the need for a productive, well trained, cost effective and competitive supplier base.

MULTI-COMPANY COMPONENT

This is reflected in the scope and depth of the multi-company grantees ITP funds. They include:

MULTI-COMPANY COMPONENT

OEM'S such as John Deere, Caterpillar,
Ford Motor Company, and Boeing

MULTI-COMPANY COMPONENT

Associations such as the Valley Industrial Association, the Illinois Manufacturing Association, and the Illinois State Chamber of Commerce.



MULTI-COMPANY COMPONENT

Industry sectors such as the Printing Industry and Tooling and Manufacturers

MULTI-COMPANY COMPONENT

- ELIGIBLE COST CATEGORIES :
 - ✓ Vendor and/or Tuition Costs
 - ✓ Internal instructor wages and fringe benefits
 - ✓ Training materials
 - ✓ Administration Costs (15% of Expenditures)
 - ✓ Audit Costs

MULTI-COMPANY COMPONENT

Ineligible applicants or participating companies include; Retail establishments, consulting services, training providers, units of local, municipal, home rule, county, state, or federal government; government agencies or government operated facilities

Industrial Training Program

- TRAINING CANNOT BE OFFERED FOR:
 - ✓ Human Resource Practices (Hiring, Firing, Performance Reviews, etc)
 - ✓ One-on-One Training
 - ✓ Educational Degree Programs
 - ✓ Apprenticeships
 - ✓ Consulting Services



Industrial Training Program

Companies enter into a grant agreement with the state; 50% of grant funds are awarded “up-front”. Monthly Recognition of Cost forms are submitted to the department. These forms contain names of training courses, hours, costs, social security numbers of employees receiving or conducting the training, and invoice vouchers from other vendors.

The slide features a dark blue background with several large, semi-transparent gear icons scattered across it. On the left side, there is a vertical decorative strip with a colorful, abstract pattern of orange, yellow, and brown tones, resembling a textured surface or a close-up of machinery. The main title is centered at the top in a large, bold, yellow font.

Industrial Training Program

- MULTI-COMPANY SUCCESS:
 - DURING STATE FISCAL YEAR 2001
- ✓ AWARDED \$10,470,906 TO 14 MULTI-COMPANY APPLICANTS
- ✓ 1145 BUSINESSES WERE ASSISTED
- ✓ 61,732 INDIVIDUAL EMPLOYEES WERE TRAINED

COST PER TRAINEE - COMPARE THE NUMBERS

Type of ITP Grant	Number of Firm Assisted	Number of Workers Trained	Cost Per Trainee
Business Development	33	10,512	\$644
Single	54	13,205	\$525
Multi-Company	14 Grants 1145 Companies	61,732	\$169

Industrial Training Program

➤ How to contact us:

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The slide features a dark blue background with a pattern of overlapping, semi-transparent gear shapes in various shades of blue. On the left side, there is a vertical strip with a colorful, abstract, and textured appearance, possibly representing a gear or a mechanical part. The main title is centered at the top in a large, yellow, sans-serif font.

Industrial Training Program

DISCUSSION