

Skills Matter - The Case for Workforce Training



Schmidt Training and Technology Center

How CPT / CPT+ Certification impacts your bottom line and pays for itself!

Introducing Skill Boss to Gain MSSC's CPT Plus Certification*

Teaches and Evaluates over 60 Essential Manufacturing Skills:

- Safety
- Quality
- Production Processes
- Maintenance Awareness

*Supports Manufacturing Skill Standards Council's Certified Production Technician Plus certification. An industry-led standards-based training, assessment and certification system focused on the core skills and knowledge needed by the nation's advanced manufacturing workforce.



Employee Costs [COGS]
 $\$19.50 \text{ per hour} \times 2,000 \text{ per year} = \$39,000$
 Healthcare plus Misc. Benefits = $\$15,000$
Total annual cost per production employee = $\$54,000$

Production Value [COGS]
 Assuming Labor = 15% of COGS
Total annual COGS value per production employee = $\$54,000 \div 0.15 = \$360,000$

Production Value [Revenue]
 Assuming COGS = 70% of Revenue = 30% Gross Margins
Total annual Revenue value per production employee = $\$360,000 \div 0.70 = \$514,000$



Every production employee is generating ~ **$\$500,000$** of value per year.

Per employee cost to enroll in RACC's STTC CPT / CPT+ Training and Certification = $\$1,600$

Assuming trained employee demonstrates a **5% improvement** in overall productivity:
 $\$514,000 \times 0.05 = \$25,700$ production value increase

ROI = $\$25,700 \div \$1,600$ investment = ~16X payback

1. Calculate your Company's Savings and ROI

Perform the analysis above using your:

- Production technician wage rates
- Labor % of COGS
- %GM

2. Enroll your new employees in the CPT / CPT+ Program

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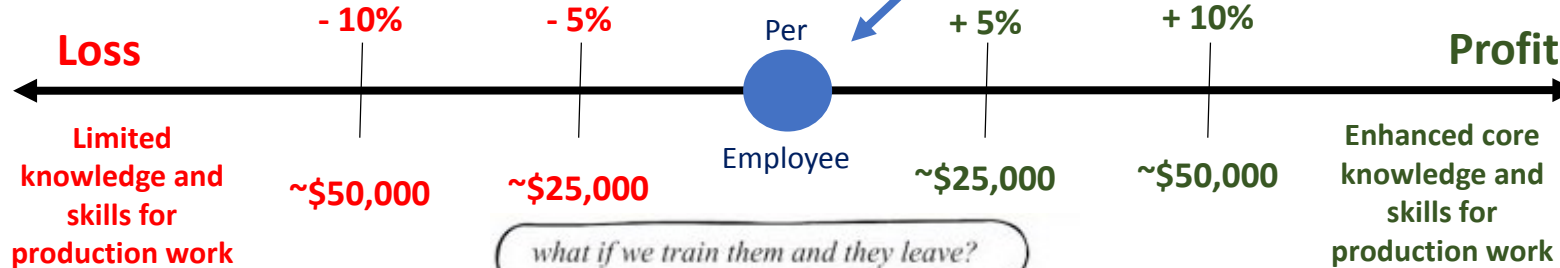
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Online Training Courses in English and Spanish!

1. Safety (~35 hours)
2. Quality Practices and Measurement (~35 hours)
3. Manufacturing Processes and Production (~35 hours)
4. Maintenance Awareness (~35 hours)



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SKILLS MATTER
People <> Process <> Profit

→ Contact Mike Salute at msalute@racc.edu or 610 372 4721 ext.5176 to learn more.

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