

## UPS



### Business Outcomes

- Relocation avoided-Operations expanded
- Turnover rate reduced from over 70% to less than 20%
- Strong talent development pipeline

### Employee Impact

- 2,500 postsecondary credentials earned: certificate, associate, bachelor and/or masters degrees
- 74% of graduates could not have afforded college without Metropolitan College

### Metropolitan College

- Successful public/private partnership between business/education and government
- Second largest state employer retained in region
- Regional talent pool developed through increased postsecondary attainment

# Public/Private Partnership Stabilizes Overnight Operations UPS and Metropolitan College

Workforce turnover rate decreased from over 70 percent to less than 20 percent among part-time, overnight employees participating in the Metropolitan College partnership.

UPS, a \$45.3 billion corporation, is the world's largest package delivery company and a global leader in supply chain and freight services. In the late 1990s, UPS needed to expand its Next Day Air hub operation in Louisville, Ky. However, the company was experiencing an extremely high turnover rate of over 70 percent among part-time employees that staffed the hub from 11 p.m. to 5 a.m.

Seeking to stabilize its part-time workforce, UPS helped create a public/private partnership that offered staffing support for its overnight operation in Louisville while contributing to the overall educational attainment in the region and state.

## Development of Public/Private Partnership

As UPS was considering expanding its Next Day Air hub to other locations-due to an unstable workforce pool - city, county and state officials realized the economic imperative to keep UPS in Louisville. Together with UPS they joined to create an intermediary solution. Jefferson Community and Technical College, the University of Louisville, the Commonwealth of Kentucky, Louisville Metro Government, and UPS formed a partnership to meet the workforce demands of UPS' Next Day Air operation and provide eligible Kentucky residents access to a tuition-free postsecondary education.

That partnership, Metropolitan College (MC), is not a traditional brick and mortar college. MC provides career and academic planning as well as financial and support services vital to motivating and keeping working students engaged.

Representatives of MC are on site at UPS to offer guidance for students, translating into employee/student retention. MC participants employed at UPS' Next Day Air hub are eligible for payment of up to 100 percent of their full-time undergraduate Kentucky resident-rate tuition. UPS funds 50 percent of the tuition, a fraction of the relocation and tuition cost. The public partners match 50 percent of the tuition and infrastructure costs. In addition, UPS funds 100 percent of book reimbursement and academic bonuses paid at semester completions, credit hour milestones and graduation.

## PERSONAL STORY

Louisville native Nicole Fields did not expect to find educational benefits when discussing employment with the UPS recruiter who explained the Metropolitan College program benefits and requirements to her.

While an employee at UPS and a Metropolitan College student, Nicole earned a bachelor's degree in sociology from the University of Louisville. She credits the program with giving her the opportunity to pursue her goals. "The Metropolitan College program provided me with free college tuition, bonuses and a program mentor."

Without the benefits of Metropolitan College, Nicole says it would have been more of a challenge to complete her degree in a timely manner. Nicole says the program offered motivation through financial reward. *continued on next page*

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“The Metropolitan College program offers more benefits to students than most educational programs. Not only is your tuition covered at 100 percent, but bonuses offset the additional costs students incur,” she says.

She now works for Girl Scouts of Kentuckiana, Inc. as an outreach director. She earns a family sustaining wage and is helping to support her family and the economy of Louisville

## ■ Academic Partnerships

**Metropolitan College** students are free to pursue certificates and/or degrees in any discipline offered by **Jefferson Community and Technical College** or **University of Louisville**. The certificate or degree need not align with positions or careers at UPS.

From inception through spring semester 2009, more than 2,500 individuals have earned certificates, associate degrees, bachelor’s degrees, and/or master’s or other advanced degrees through participation in MC. The majority of participants are the first in their families to complete college and otherwise may not have achieved this success due to financial barriers.

**For more information on Metropolitan College, visit [www.metro-college.com](http://www.metro-college.com)**

## ■ Business Imperative for Joining Public/Private Partnership

UPS recognizes that college students are a good match for its Next Day Air operation. Part-time evening hours make class scheduling easier, and students tend to be more consistent employees for UPS.

For more information about UPS, visit [www.ups.com](http://www.ups.com)

**SECTOR:** Package delivery and global supply chain and freight services

**SIZE:** Founded 1907, now \$45.4B corporation

**SERVES:** 200 countries and territories worldwide

Joining the MC consortium has helped UPS stabilize its workforce, decreasing its over 70 percent turnover rate to less than 20 percent. UPS continues to look to MC for recruitment of new employees/students. Awareness and recruitment programs now extend across the state. As an added return, many students who enter the UPS workforce through the Next Day Air operation continue with the company, excelling in career pathways and providing valuable skilled talent in multiple divisions.

“Business, education, and government must work together as equal partners to find solutions to our workforce development challenges and we must do it now!”

— Dave Adkisson  
President and CEO  
Kentucky Chamber of Commerce

## ■ Win/Win/Win

The MC partnership is a winning strategy for all participants. UPS gains a stable, skilled workforce in the part-time next day air operations-as well as long-term career pathways. The city, region and state retain a major economic engine and a more educated populace. Education providers enjoy committed, economically sustained students. And individuals achieve academic goals and career successes that lead to personal fulfillment and family-sustaining wages.

The UPS program offers educational attainment to individuals who have few other options. In fact, of the students who completed the Graduation Plan Survey in 2009, 74 percent said they could not have afforded college if not for MC benefits.

This nationally acclaimed partnership could be replicated throughout the country where similar workforce requirements exist. The model seems to be a good fit for overnight operations in the transportation, distribution and logistics sector.

## About Corporate Voices

Corporate Voices is the leading national business membership organization representing the private sector on public and corporate policy issues involving working families. A nonprofit, nonpartisan organization, we improve the lives of working families by developing and advancing innovative policies that reflect collaboration among the private sector, government and other stakeholders.

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## Find Out More

Corporate Voices is committed to identifying and spotlighting businesses supporting postsecondary completion while making significant contributions to internal company goals. “Best practice” talent development models that increase access to career opportunities through education and training are being examined for characteristics that are transferable and replicable to other employers. This research is being conducted with the guidance of the Corporate Voices Learn and Earn Business Leadership Team consisting of business executives leading promising models and those interested in peer-to-peer learning. If you are interested in joining, contact Peggy Walton at [pwalton@corporatevoices.org](mailto:pwalton@corporatevoices.org)  
Team Members include:

- CVS Caremark
- Convergys
- Verizon Wireless
- KPMG
- Yum Brands, Inc.
- Expeditors