Correction Enterprises

Strategic Plan
2017—2020
Table of Contents

Overview 3
Outlook 5
Strategic Goals 7
Goal 1 8
Goal 2 13
Goal 3 16
Goal 4 18
Committee Members 21

VISION

To create a safer North Carolina through the changing of lives.

MISSION

To provide marketable job skills and transitional opportunities for inmates in a professional and safe work environment while providing quality goods and excellent service to our customers at a savings to the citizens of North Carolina.

CORE VALUES

Product Excellence
Quality Customer Service
Financial Stability
Mission Focused
Professionalism
Staff Development
Inmate Skill Development
Safe Workplace

STRATEGIC GOALS

Grow

Equip Offenders for Reentry Success

Educate, Engage and Persuade Stakeholders

Recruit, Train and Engage Talented Staff
Correction Enterprises (NCCE) provides meaningful job training for sentenced offenders by teaching valuable technical and soft-skills; contributing to a safer prison environment for staff and inmates, and providing valuable goods and services at a cost savings to the state of North Carolina.

NCCE is 100% receipt funded, operating at no cost to the taxpayers of North Carolina. NCCE generates operating revenue and capital solely through the efficient operation of prison industries; emulating successful private industries by embracing the principals of customer service, quality, safety and innovation to generate revenues and maintain margins, ensuring adequate resources to support ongoing operations.

NCCE employs 385 staff and 2,600 inmates. Currently there are thirty-one (31) plants in twenty five (25) different prisons across the state. Correction Enterprises’ products and services are diverse, with seventeen (17) manufacturing and service industries including Textiles and Embroidery, Furniture, Farming, Canning and Meat Processing, Printing, Framing, Janitorial Supplies, Highway Signage, Metal Fabrication, Braille Transcription, Commercial Laundry and Distribution Services. Sales for FY 2015-16 totaled $94.9 million, positioning NCCE as the second largest prison industries organization in the United States.

Inmate Reentry/Transition Services – The Hidden Workforce

Correction Enterprises aids in the rehabilitation of inmates by providing an opportunity to gain skills in a real world training and work environment. NCCE has partnered with the Department of Commerce and the Community College System to provide certification and apprenticeship programs in the fields of welding, printing, re-upholstery, upholstery, wood furniture, digital design (embroidery), sewing machine repair, digital printing and others. Correction Enterprises also partners with the United States Library of Congress to certify inmates in Braille Transcription. Correction Enterprises successfully provides post-release job placement assistance through our “Hidden Workforce” initiative.
Economic Impact

NCCE operations contribute to the North Carolina economy through purchases of raw materials and supplies from vendors, employee payroll and inmate wages. The wages earned by the inmate workforce are used for inmate personal expenses and to support their families. NCCE contributes annually to the state’s general fund, the Crime Victims Compensation fund and the Department of Public Safety’s annual budget. Correction Enterprises pays all inmate wages, including institutional and community jobs. Annual contributions average $6.5 million and over the past 10 years Correction Enterprises has contributed over $65 million to the State’s General Fund.

Stakeholders

The primary beneficiaries of NCCE’s mission are the general public and the sentenced offenders who participate in NCCE’s work programs. Within North Carolina’s correctional facilities, work helps to normalize the prison environment, reducing idleness and increases the stability of the inmate, which in turn reduces inmate violence and leads to increased safety within the prisons. This has a beneficial impact on public safety as offenders with skills and work experience have a better chance of becoming productive, tax-paying citizens once they are released from incarceration and rejoin society.

Customer Base

The goods and services produced by NCCE are sold to state agencies; institutions of government of the state, county and municipal level; not-for-profit organizations; and on a limited basis to state, county and municipal employees and retirees as well as contractors working on publicly funded projects.

Statutory Authority

Correction Enterprises, a section of Adult Corrections of the N.C. Department of Public Safety, is authorized by Article 14 of NC General Statute 148. (G.S. 148-128 through 148-134).
Several key factors were considered as part of the strategic plan development process that are, or could, potentially affect Correction Enterprises future growth and effectiveness.

- Evidence shows that positive post-release outcomes are less likely to be achieved through Correctional Industries until an inmate has worked for six months or more in a Correctional Industries environment. NCCE inmate turnover rates are unacceptably high. In FY 15/16 the organization turnover rate was 77.4%, with some industries as high as 431%. Work tenure of less than 6 months was 69%; meaning only 31% of the inmates worked are receiving enough training to result in a reduction of recidivism.

- Correction Enterprises “Hidden Workforce” initiative as well as certified inmate training opportunities have had significant impacts on positive post-release outcomes. Correctional Industries’ Best Practices dictate continued expansion of this initiative. NCCE needs to identify funding sources to expand inmate training and post-release transitional assistance.

- Correction Enterprises has difficulty maintaining a full roster of inmates required to meet production requirements. This is particularly problematic at minimum custody units.

- The current economic environment dictates that Correction Enterprises addresses short-term revenue and cost reduction measures to ensure financial self-sufficiency. Future budget cuts and/or adverse legislative action could lead to loss of revenue, reduced earnings and reduction in training programs.

- Prison re-missioning initiatives will impact inmate transition development and new business strategies and may force changes to existing businesses to meet goals and objectives.
The new Inmate Assignment Policy, which was precipitated by an Americans with Disabilities (ADA) lawsuit, is proving challenging for Correction Enterprises. The policy focuses on physical capabilities to perform a job but not the propensity for doing the work. In a real-world environment, capabilities get a candidate an interview and the interview process allows for evaluation of the propensity to do the job. Best practices dictate correctional industries emulate the private sector. NCCE needs to move towards developing a “qualified pool” of inmate applicants who complete an application and attend an interview prior to hire.

Correction Enterprises has an aging workforce with 33% eligible to retire with full benefits within the next five years. NCCE must begin to hire and provide training to a younger set of employees and begin transferring business knowledge and expertise.

In January 2012 the Justice Reinvestment Act was implemented. During the first two years the inmate population was reduced by approximately 8%, negatively impacting NCCE sales. The population has now leveled off to a more consistent and predictable figure, making sales to prisons more predictable.

The General Assembly has passed legislation to move Medicaid to a Managed Care plan. If NCCE cannot get a legislative or contractual exception that requires vendors to purchase from the Optical Plant, the plant will potentially close.

NCCE needs to pursue several potential market growth areas including nonprofit, state employees, government contractors and municipal government sectors. There are other opportunities to increase Prison Industry Enhancement (PIE) partnerships and expand new products that fit with current capabilities. NCCE also has the opportunity to leverage increased awareness of the NCCE brand to expand sales throughout its customer base.

The introduction of a Correction Enterprises call center has been part of an expansion effort of e-marketing and e-purchasing systems. This and other efforts will lead to continued increased market penetration.
Goal 1: GROW
To fulfill our Vision and Mission, Correction Enterprises must grow the number of inmate positions from 2,600 to 3,000 and revenue from $97 million to $105 million. Revenue growth comes from building our brand; maintaining high customer satisfaction; manufacturing and delivering quality, competitively priced products; maintaining an efficient, competitive supply chain; following industry standard best practices; adding new products and industries; and leveraging lean process improvement practices throughout our organization.

Goal 2: EQUIP OFFENDERS FOR REENTRY SUCCESS
It is not enough to simply employ inmates in our production facilities. NCCE must ensure they receive the technical and soft skill training and certifications that make them attractive to employers. Released inmates who obtain good, well-paying jobs and have a gainful attachment to the workplace are less likely to commit new crimes against people or property, which makes North Carolina communities safer for all its citizens.

Goal 3: EDUCATE, ENGAGE AND PERSUADE STAKEHOLDERS
Correction Enterprises is not a stand-alone entity. We collaborate with many organizations and people who help us succeed, most importantly prisons. Engaging stakeholders and building relationships through education and communication is paramount to ensuring our future success.

Goal 4: RECRUIT, TRAIN AND ENGAGE TALENTED STAFF
Any organization or brand is only as good as the people behind it. Employing staff as technical experts, trainers and mentors is critical to the overall success of Correction Enterprises. Our employees must be forward thinking; have the capability to fulfill the expectations of the organization today; and embrace the challenge to grow and develop with our organization.
Objective 1.1  GROW REVENUE BY $8 MILLION

Strategies

1. Focus sales team priorities on selling large orders.
2. Develop specific sales territory growth plans that target specific, high priority customers based on potential for purchasing large orders, availability of funds through grants, budget allocations or bond issues and strong existing relationships.
3. Leverage new Sales Assistant positions to allow full time Sales Professionals to focus on selling large orders.
4. Strategically target products made by plants that have excess capacity, consistently meet customer order delivery deadlines and are price competitive.
5. For plants that have limited capacity and flexibility, develop and implement a formal communication process for prioritizing orders.
6. Develop and implement an ongoing training program for Sales and Customer Service teams about products manufactured and required legal and/or regulatory standards within certain industries.
7. Train staff to sell a value proposition primarily based on Mission and Vision to meet the growth goals for revenue and inmate positions.

Performance Measures: Meeting or exceeding revenue and inmate position goals.

“It’s a great organization with a terrific mission and great products.”

General Gregory Lusk
National Guard
Objective 1.2  INTRODUCE NEW INDUSTRIES

Strategies

1. Conduct market and feasibility analysis to determine possible new industries.
2. Expand Prison Industries Enhancement (PIE) programs by developing high probability target product and companies, a feasibility screening process, marketing materials that support PIE programs, staff training program to identify businesses that meet the guidelines for a PIE program and a streamlined process for new PIE startups.
3. Secure approvals to implement Service Programs. Establish service programs.

Performance Measures: Approval to begin and introduce Service Programs. Add three new services, three new PIE programs and three new industries.

Objective 1.3  INTRODUCE NEW PRODUCTS

Strategies

1. Develop a formal process for analysis and feasibility.
2. Focus on high priority industries to identify and fill gaps in current product offerings.
3. Conduct research with customers, competitors and suppliers.

Performance Measures: Introduce 20 new products that produce a minimum of $600,000 in new revenue.
Objective 1.4  DEVELOP AND EXECUTE MARKETING THAT DRIVES SALES SUCCESS AND A STRONG, POSITIVE BRAND IMAGE

Strategies

1. Modernize website by moving to 21st Century design and technology as well as a robust e-commerce function.
2. Expand and fully leverage the Inmate Telemarketing Call Center.
3. Develop and implement a social media plan.
4. Increase brand awareness and the number of customers and prospects who are likely to purchase Correction Enterprises products.
6. Develop and execute telemarketing promotions that target inactive customers.
7. Collect and leverage data to track marketing communications.
8. Strategically prioritize and leverage conference/trade show attendance and sponsorships, memberships in customer boards and associations and speaking engagements at customer meetings.
9. Prepare and continually update a formal marketing plan.
10. Recapture lost profitable business and accounts.

Performance Measures: Meet or exceed the revenue growth goal, increase customer base and improve data management.

Objective 1.5  EXPAND PRODUCTION CAPACITY

Strategies

1. Improve, streamline and consolidate processes at all plants resulting in increased output.
2. Implement industry specific research to stay current with Best Practices.
3. Implement LEAN training and methodology at all locations.
4. Increase capacity to meet revenue growth through overtime, extra shifts and additional/more efficient equipment. Investigate feasibility of adding a second location for operations where capacity is maximum and long term forecast supports sustained growth.

Performance Measures: Increased production, improved manufacturing cycle times, reduced lead times, meet 100% on time deliveries, fewer reproductions, less downtime, reduced operational costs and increased margins.
Objective 1.6  MAINTAIN FINANCIAL SUSTAINABILITY

Strategies

1. Establish process to identify and discontinue low volume, outdated or unprofitable products.
2. Maintain cash balance of two months or greater operating expenses.
3. Lower overhead rates to increase retained earnings to a minimum of $1.5 Million annually to support capital expansion.
4. Establish and document pricing strategy by industry.
5. Improve product and inventory management.
6. Improve consumable inventory management methods.

Performance Measures: Increased cash balance and increased retained earnings.

Objective 1.7  MAXIMIZE OPERATIONAL EFFICIENCIES

Strategies

1. Improve procurement processes and turnaround times of raw materials, equipment and services while ensuring vendor compliance with specifications. Develop common internal processes, idea sharing and best procurement practices to promote efficiencies.
2. Leverage vendor relationships to improve pricing, delivery times, quality consistency, inventory management and marketing materials.
3. Analyze products and manufacturing processes to balance engineering and quality.
4. Develop a facilities management planning and improvement process.
5. Secure and retain a full complement of inmate staff at every location.
6. Maintain a safe working environment at all operations.
7. Evaluate and optimize distribution networks, logistics and sustainability.

Performance Measures: Lower per unit cost, improve cycle times, reduce back orders, increase inventory turnaround times, reduce worker’s compensation claims, improve distribution times and improve quality.
Objective 1.8  UPGRADE AND IMPROVE TECHNOLOGY

Strategies

1. Develop a long-term technology plan.
2. System-wide implementation of iNet (Inmate Network Solution) to provide inmates viable training opportunities with technology.
3. Implementation of a modern ERP system that includes a Customer Relations Management (CRM) system.
4. Modernize website to improve functionality, customer accessibility and ease of purchase.
5. Maintain manufacturing technology/equipment to be competitive with the private sector and provide inmate training on the latest technologies.
6. Implement modern order payment processes and methods.

Performance Measures: Improved inmate access and training of software/technology, system wide implementation of modern ERP and iNet, 95% or better customer satisfaction rate with website purchases.

Objective 1.9  IMPROVE CUSTOMER EXPERIENCE

Strategies

1. Reduce order rejects and delivery times to be more closely aligned with customers’ market driven expectations.
2. Identify customer complaints and immediately conduct recovery communications.
3. Create a comprehensive customer communications plan that leverages all resources including sales, customer service and the inmate telemarketing center.
4. Establish a continuous “Customers First Training Program” to enable all customer facing employees to project an image of expertise, helpfulness and being Mission driven when interacting with customers at any level.
5. Create and implement “Help Us Improve” customer surveys.
6. Analyze end-to-end customer experience to identify activities that may promote negative customer experiences or perceptions.

Performance Measures: Customer satisfaction ratings (goal 100%), on time deliveries, lost opportunities, plant reject orders and 24-hour customer complaint response.
Goal 2

PREPARE OFFENDERS FOR REENTRY SUCCESS

It is not enough to simply employ inmates in our production facilities. Correction Enterprises must ensure they receive the technical and soft skill training and certification that make them attractive to employers. Released inmates who obtain good, well-paying jobs and have a gainful attachment to the workplace are less likely to commit new crimes against people or property, which makes North Carolina communities safer for all its citizens.

Objective 2.1 INCREASE THE STANDARD OF EMPLOYMENT IN CORRECTION ENTERPRISES TO A MINIMUM SIX-MONTH COMMITMENT

Strategies

1. Collaborate with Prison Management and Rehabilitative Services to develop an offender recruiting, hiring and retention program. Program shall include posting vacant positions, accepting applications, conducting interviews, hiring and retaining inmates.
2. Establish minimum standards for inmate employment within Correction Enterprises including percentage of lifers employed.
3. Focus resources on locations and industries where offenders have the best opportunities for success.

Performance Measures: Establish standards and implement new program by January 1, 2018, decrease inmate turnover rate at all plants by 50%, percentage increase of inmates who spend at least six months with Correction Enterprises as compared to January 1, 2017 baseline.

“No matter how long you travel down the wrong road, it is never too late to turn around and go in the right direction.”

Cory Green
Ex-Offender
Objective 2.2  INCREASE THE NUMBER OF EX-OFFENDERS HIRED WITHIN 90 DAYS OF RELEASE AND RETAINED IN THE WORKFORCE IN A CAREER WITH A LIVABLE WAGE

Strategies

1. Seek legislative support to expand and fund broader Workforce Development Section of Correction Enterprises.
2. Establish Career Resource Centers at minimum custody plants.
3. Implement bi-annual career fairs, encourage recruitment and engage local business partners.
4. Add new employer partners who are willing to interview and hire ex-offenders.

Performance Measures: Establish baseline and improve by 50% over three-year period. Increase by 100% the number of industry specific employers willing to hire ex-offenders.

Objective 2.3  MODERNIZE TECHNOLOGY AND INCREASE ADVANCED MANUFACTURING TECHNOLOGY UTILIZED IN PRODUCTION FACILITIES; TRAIN INMATES ON HOW TO USE IT AND PROVIDE EXPERIENCE TO BECOME PROFICIENT

Strategies

1. Identify technology system enhancements, cyber security functions and equipment that support current business processes, daily operations and performance.
2. Setup a kiosk at each facility that offenders can use to apply for Correction Enterprises jobs and ongoing training needs and/or requirements.
3. Work with The Office of Staff Development and Training on developing Learning Management System (LMS) training classes and training credit for offenders.

Performance Measures: New advanced technology introduced at 3 locations every 18 months.
Objective 2.4 IMPROVE QUALITY AND DEPTH OF THE CORRECTION ENTERPRISES INMATE WORKPLACE EXPERIENCE TO MORE CLOSELY ALIGN WITH EVIDENCE BASED PRACTICES THAT SUPPORT EMPLOYER EXPECTATIONS AND INMATE NEEDS

Strategies

1. Evaluate strengths and weaknesses of the current inmate workplace experience in each industry. Determine activities, apprentice programs or training that needs to be retained, discontinued or improved.

2. Establish a branded “Job Ready” skills certification process unique to Correction Enterprises.

3. Utilize internal and external resources such as community colleges, universities or community based programs to develop additional inmate training opportunities.

4. Establish apprenticeship programs at all plants.

5. Utilize ex-offenders as motivational speakers and/or their success stories to motivate offender success.

6. Seek partnership with a financial institution to implement financial coaching classes for offenders.

7. Seek partnership to implement entrepreneurial skills classes for offenders.


“When they viewed my picture portfolio of all my work, I was hired right on the spot!”

Gregory Leatherman
Ex-Offender
Goal 3

EDUCATE, ENGAGE AND PERSUADE STAKEHOLDERS

Correction Enterprises is not a stand-alone entity. We collaborate with many organizations and people who help us succeed, most importantly prisons. Engaging stakeholders and building relationships through education and communication is paramount to ensuring our future success.

Objective 3.1 DEVELOP A COOPERATIVE CULTURE OF MUTUAL SUCCESS WITH PRISON PARTNERS

Strategies

1. Create a cross-functional team between prisons and Correction Enterprises that meet regularly to educate and build relationships, define cohesive mission driven goal and policies and improve communication. Team shall review and recommend changes to policies that mutually affect prisons or Correction Enterprises.

2. Develop guiding principles that establish a culture of transparency and cooperation between prisons and Correction Enterprises. Incorporate into Prison/NCCE partnership agreement.

3. Correction Enterprises management to collaborate with prisons management and participate in regional meetings. Invite prisons management to Correction Enterprises annual managers meeting.


“I thought we ran an efficient operation but the training revealed how thinking outside of the box can result in much better ways of doing things.”

Bob Gianettino, Plant Mgr
LEAN Manufacturing Graduate
Objective 3.2 DEVELOP AND IMPLEMENT THREE-YEAR COMMUNICATION PLAN TO INFLUENCE KEY STAKEHOLDERS

Strategies

1. Identify and prioritize influential groups and individuals.
2. Develop specific plan goals and implementation plan.
3. Establish a speaker’s bureau of Correction Enterprises leaders and NCCE trained ex-offenders who can be jointly booked as guest speakers at various agency, civic and/or community meetings and forums.
4. Create a new general information brochure highlighting Correction Enterprises’ mission, vision and public safety benefits.
5. Identify groups or organizations with whom we would like to have a presence at meetings and regularly exchange e-communication and/or join as members.
6. Conduct outcome studies to support NCCE impact. Include economic impact and post release study.

Performance Measures: Establish and launch communications plan by July 1, 2017. Contract with a reputable research provider for at least one study by July 1, 2017. Execution or completion of various plan elements.

Objective 3.3 EXPLORE THE ESTABLISHMENT OF AN ADVISORY COUNCIL

Strategies

1. Develop a proposal for an advisory council that outlines its specific purpose, desired outcomes, legal status, meeting schedule, governance, timeframe, membership selection and succession.
2. Depending on the outcome of the due diligence process, establish and operate the advisory council.
3. Educate and develop the advisory council as an advocate for the mission, vision and needs of Correction Enterprises.

Goal 4

RECRUIT, TRAIN AND ENGAGE TALENTED STAFF

Any organization or brand is only as good as the people behind it. Employing staff as technical experts, trainers and mentors is critical to the overall success of Correction Enterprises. Our employees must by forward thinking, have the capability to fulfill the expectations of the organization today and embrace the challenge to grow and develop with our organization.

Objective 4.1 HIRE THE MOST TALENTED APPLICANT FOR EVERY OPEN POSITION

Strategies

1. Leverage our purpose-driven mission and vision, high employee engagement scores and employee testimonials to create a “Great Place to Work” marketing and branding message.

2. Create and execute a more aggressive and effective recruiting plan that includes a dedicated website page, social media, e-blasts, NEOGOV and other 21st century recruitment media channels.

3. Improve job postings by consistently using “Great Place to Work” messaging and ensuring the required knowledge, skills and abilities replicate those required for similar positions.

Performance Measures: Create “Great Place to Work” branding and recruitment plan by December 2017. Review of number of re-posts and quality of applicant pools. Performance review of new hires at the end of first year.

“It is about creating confidence in one’s self which leads to stability and self-sufficiency.”

Joseph Osorio
Ex-Offender
Objective 4.2  IMPROVE ONBOARDING EXPERIENCE AND EFFECTIVENESS

Strategies

1. Establish and execute a “Gold Standard” day one and week one technical and culture onboarding process for new hires to ensure a smooth, stress-free and efficient transition and faster productivity ramp-up.

2. Establish and execute a new “First 90 Plan” that establishes clear expectations for an employee’s first 90 days of employment followed by bimonthly feedback sessions with supervisor.

3. Reevaluate and adjust as necessary all aspects of the current NCCE Basic Training program that encourages a “One Team, One Culture” that promotes dedication to common, agency-wide strategic goals.

4. Establish a customized training program for new hires by position classification.

5. Develop and implement a shadowing and mentoring program that pairs new employees with experienced staff during their first year on the job.


Objective 4.3  ESTABLISH AND MAINTAIN A CONTINUOUS LEARNING CULTURE THAT ENSURES ALL EMPLOYEES HAVE OPPORTUNITY FOR INTERNAL CAREER PROGRESSION

Strategies

1. Review employee career paths consisting of job-specific training as well as broad soft/compliance-related training.

2. Develop new training that teaches skills that are relevant to and current with the 21st century workplace.

3. Promote site-specific cross-training for all positions.

Performance Measures: 100% back-up for key responsibilities; develop new training by July 1, 2018.
Objective 4.4  IMPROVE EMPLOYEE ENGAGEMENT

Strategies

1. Conduct biannual employee engagement surveys to identify high and low engagement workplaces and take steps to remediate as necessary with training/mentoring.
2. Improve internal communication by preparing scripted quarterly informational presentations that are cascaded from management through the organization within one week of release of quarterly results.

Performance Measures: Implement engagement survey by July 1, 2017 and July 1, 2019 followed by action plans within 30 days of results. Implement quarterly results briefings starting July 1, 2017.

“I admit, I was afraid I would fail going back to society and if it was not for Correction Enterprises I would not be where I am today. You have to make up your mind to never give up!”

Joseph Osorio
Ex-Offender
Appreciation to the following Committee Members

Christy Adams, Administration
Lisa Bailey, Administration
Mike Baldwin, Administration
Scott Biggs, Broughton Laundry
Lee Blackmon, Sign
Mary-Helen Bullard, Quick Copy/Tag
Veronica Darden, Pasquotank Sewing
Anthony Dismuke, Administration
Kellie Dufault, Janitorial
Don Elam, Sign Reclaiming
Ann Guy, Quick Copy
Robert Heckman, Sign
Carlton Honeycutt, Meat
Mike Horne, Metal
Donta Jackson, Administration
Debbie Jacobs, Administration
Mike Killmer, Administration
Dennis Lindsey, Janitorial
David Livengood, ReUpholstery
Michael Lockamy, Administration

Brent Millsaps, Upholstery
Susan Mitchell, Administration
Eric Monroe, Pender Sewing
Nic Nicholson, Sign Reclaiming
Jerry Phillips, Sampson Laundry
Robert Portis, Produce Warehouse
Carlton Richardson, Administration
Zach Ritter, Warehouse
Neal Rosato, Print
Phil Rowe, Administration
Cheryl Ryder, Farm
Billy Setzer, Woodworking
Andre Smith, Inmate Packaging
Stephen Stewart, Warehouse
Cindy Stubbs, Braille
Phillips Sykes, Administration
Julie Williams, Print
Steve Williams, Mt. View Sewing
Ron Young, Administration