

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:
Attivo Group, Inc.**

Small Business

ET17-0163

Approval Date: August 2, 2016

ETP Regional Office: San Diego

Analyst: M. Ray

CONTRACTOR

- Type of Industry: Services
Technology/IT
Priority Industry: Yes No
- Number of Full-Time Employees
California: 13
Worldwide: 14
Number to be trained: 16
Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 18%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$18,200
- In-Kind Contribution: \$27,408

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Cont. Imp.	13	8-60	0	\$1,040	*\$16.51
				Weighted Avg: 40			
2	Retrainee SB <100 Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Cont. Imp.	3	8-80	0	\$1,560	\$25.00
				Weighted Avg: 60			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table.

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Administrative Support, Sales Staff, Technical Staff, Manager, Owner
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$3.93 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$900.
- Administrative Services: TFS will also assist with administration services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 2004 and located in Santa Ana, Attivo Group, Inc. (AGI) (www.attivoconsulting.com) provides system selection; sales; design; and implementation consulting, training, and support for Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) software. AGI’s customer base includes manufacturing, distribution, and service companies. The Company’s goal is to provide a “managed services” approach to the information processing needs of its clients by managing all their computer needs.

This will be the fourth Agreement between AGI and ETP in the last five years, the third in five years. In its previous projects, the Company was able to provide extensive Computer Skills training, focusing on software systems application skills improvement. The Company was also

able to provide sales, product knowledge, and project management skills training to successfully support and implement product offerings as well as improve production workflow.

Training is driven by the constant technological updates of AGI's products and services:

- The Company's software development partners have released new products and upgraded versions of existing products such as Exact Online, Exact Macola 10, Ebiz Merchant Services, Sniperdyne Nomad eCommerce, Lynq Visual Planner, Labor Tracker and Factory Manager, and WiSys Warehouse Management; and
- Additional services have been developed to successfully support the above-mentioned offerings. The Company's business goal is to provide a "managed services" approach to the information processing needs of its clients to support their systems, further saving time and money.

In addition, every few months, each software developer releases a new version of their software, which includes new features that require training to understand fully its capabilities to sell, consult and support the products. As new technologies are developed, AGI must retain qualified experts on the latest technology.

With ETP funding, AGI can provide extensive knowledge and skills training to its workforce to assist the Company's customers and successfully support AGI's overall business goals. Training will allow the Company to exceed customer expectations, increase market shares, and maintain its place in the software industry.

Retrainee – Job Creation

To support its increased product offerings and expanding business capacity, AGI moved from a smaller facility in Irvine to a new office location in Santa Ana. Respectively, AGI will hire net new employees. In this proposal, the Company has committed to hiring three new Technical Staff. These newly-hired workers (Job Number 2) will enable the Company to meet increased demands of current customers and service an increasing client base.

AGI represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

In this proposal, some curriculum topics are repeated from the prior agreements; however, AGI ensures that the subject matter has been updated and/or improved; thus, no duplication of training in those courses. Employees who participated in the prior training plan will not receive the same training in this proposal.

Training will be delivered by both in-house and outside training vendors via class/lab at the Santa Ana location in the following:

Business Skills – Training will be offered to all occupations. Course topics include New Product Offerings, Project Management, Sales/Marketing Skills, and Social Media Marketing. Training will enable workers to handle more sales volume, including creating quotes and proposals to attract, sell, service and maintain new and current accounts.

Computer Skills – Training will be offered to all occupations. Training topics include Cloud Hosting, Credit Card Merchant Services, Database Administration, Disaster Recovery, Exact Macola 10, Exact Macola Online, Managed Services, and Service Management Expansion. Training will allow workers to keep pace with the latest versions of various software systems as well as provide employees the skills to effectively utilize these systems to provide customers with comprehensive product solutions and improve overall operational efficiencies.

Continuous Improvement – Training will be offered to all occupations to improve processes and efficiencies throughout the Company by providing topics such as Needs Analysis, Process Design, Workflow Mapping, and Demo Techniques. Workers will learn to streamline operations, improve processes, and increase customer service.

Increase in Range of Hours (Job Creation)

In its most recent project, AGI requested an increase in the maximum hours from 60 to 80 for its Job Creation trainees to capture the most critical training needed for new workers. Half of the trainees completed 80 hours of training.

The Company is again requesting to increase the maximum hours from 60 to 80, for three newly-hired Technical Staff trainees (Job Number 2). These new employees will require a significant amount of training in existing and new technology.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by AGI under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0188	Irvine	10/28/13 – 10/27/15	\$19,760	\$18,126 (92%)
ET12-0119	Irvine	7/20/11 – 7/19/13	\$18,720	\$18,720 (100%)

Exhibit B: Menu Curriculum

Class/Lab Hours

Job Number 1: 8 – 60

Job Number 2: 8 – 80

Trainees may receive any of the following:

BUSINESS SKILLS

- ✚ Accounting Procedures
- ✚ Human Resources Systems Procedures
- ✚ Internal Systems Procedures (scheduling, billing)
- ✚ New Product Offerings
- ✚ Office Administration Procedures
- ✚ Project Management
- ✚ Sales/Marketing Skills
- ✚ Social Media Marketing

COMPUTER SKILLS

- ✚ Cloud Hosting
- ✚ Credit Card Merchant Services
- ✚ Database Administration
- ✚ Disaster Recovery
- ✚ Exact Macola 10
- ✚ Exact Online
- ✚ Managed Services
- ✚ Service Management Expansion

CONTINUOUS IMPROVEMENT

- ✚ Business Process Assessment
- ✚ Needs Analysis
- ✚ Online/Demo Techniques
- ✚ Process Design
- ✚ Workflow Mapping

Note: Reimbursement for retraining is capped at 60 total hours, per-trainee, for Job Number 1 and 80 total hours, per trainee, for Job Number 2, regardless of method of delivery.