



**Retrainee - Job Creation
Training Proposal for:
BP-Quality Paint & Body, Inc.**

Small Business ≤ \$50,000

ET15-0417

Approval Date: April 20, 2015

ETP Regional Office: Sacramento

Analyst: M. Mazzone

CONTRACTOR

- Type of Industry: Services
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 74
 - Worldwide: 74
 - Number to be trained: 62
 - Owner Yes No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 7%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$49,104
- In-Kind Contribution: \$34,145

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 SET HUA SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, PL-Comm Skills	39	8-60	0	\$792	\$11.30
				Weighted Avg: 36			
2	Retrainee SET SB<100 HUA	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, PL-Comm Skills	11	8-60	0	\$792	\$15.07
				Weighted Avg: 36			
3	Retrainee Job Creation Initiative SET HUA SB<100	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, PL - Comm Skills	12	8-60	0	\$792	*\$9.25
				Weighted Avg: 36			

*It will be made a condition of contract that trainees (Job Number 3) will never be paid less than the statewide minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table.

- Reimbursement Rate: \$22 AT SB Non-Priority
- County(ies): Tulare
- Occupations to be Trained: Administrative Staff, Technician, Estimator, Parts Staff, Manager, Owner.
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$1.30 per hour Job #2: \$2.09 per hour
Job #3: \$0.25 per hour

SUBCONTRACTORS

- Development Services: Synergy Management Consultants, LLC in Grass Valley assisted with the development of this project for a flat fee of \$3,975.
- Administrative Services: Synergy Management Consultants, LLC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

INTRODUCTION

Founded in 1979 in Visalia, BP-Quality Paint & Body, Inc. (BP Quality) is a full service automotive repair center (<http://www.gpbonline.com>). The Company specializes in automotive mechanical and collision repair services including the sale of parts and accessories. In this proposal, BP Quality will act as the lead employer with its affiliate BD-Quality Paint & Body, Inc. (BD Quality) located in Tulare and Porterville. [Note: The turnover rate for both companies' combined is 7%. This is well below the 20% threshold.]

Need for Training

Industry changes have impacted the collision repair business and for BP Quality and BD Quality to remain competitive, staff needs to train on new industry conditions. Advancements in the materials used to build vehicles have led to lighter and stronger vehicles. These new vehicles are constructed of materials such as aluminum, ultra high-strength steel, boron, and composites. BP Quality and BD Quality staff requires training on estimating and repairing damage for these materials.

In addition, BP Quality and BD Quality plan to further increase their clientele by having Technicians and Estimators obtain Inter-Industry Conference on Collision Auto Repair (I-CAR) certification and Automotive Service Excellence (ASE) certification for the new materials. This will allow the Company to service Toyota, BMW, Infinity, Volkswagen, Mercedes Benz and Ford/GMC aluminum vehicles from insurance companies.

Job Creation

The Companies recently partnered with local car dealerships and the United Services Automobile Association for direct repair accounts and direct referrals. In addition, BP Quality and BD Quality will be sending technicians and estimators to I-CAR training for Toyota, BMW, Infinity, Volkswagen, Mercedes Benz and Ford/GMC aluminum vehicles. The new partnerships and I-CAR training will ultimately lead to an increase in the number of full time permanent positions as their existing business capacity and functions will be expanded.

BP Quality and BD Quality have committed to hiring 12 new employees at all locations (Job Number 3). The new positions will fill needs in the Technician, Estimator, Administrative Staff and Parts Staff occupations.

The Panel offers incentives to companies that commit to hiring new employees. Trainees will be subject to a lower post-retention wage. The Company 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

Business Skills – Training will be provided to Administrative Staff, Estimators, Managers and Owners. The training will focus on customer care skills, advanced sales, marketing skills and communication skills to improve overall customer satisfaction and increase sales.

Commercial Skills - Training will be provided to Technicians, Estimators, Managers, Parts Staff, and Owners. The goal of commercial skills training is to update staff's knowledge of the materials used in today's vehicles and to obtain certifications authorizing the company to service additional automotive brands.

Computer Skills - Training will be provided to all occupations and will focus on job specific software programs. The collision repair industry is in process of transitioning to a paperless environment and staff will receive training in all necessary software programs to properly exchange data with insurers and other partners.

Continuous Improvement - Training will be provided to Technicians, Estimators, Support Staff and Managers to improve efficiencies and to reduce waste. A Lean quality and production improvement system is being instituted and efficiencies are expected to increase by 15% with training.

Hazardous Materials - Training will be provided to Technicians, Estimators and Managers to ensure that hazardous materials are handled and disposed of properly. This is not the full HazMat curriculum as would be required for certification, but training will be conducted by qualified trainers.

Productive Lab

Productive Lab (PL) training in Commercial Skills will be provided to Technicians and Estimators to supplement Class/Lab training. The delivery of PL training is necessary as trainees will be given real life projects to work. This will strengthen trainees' understanding of how to complete automotive collision repair services. Training for Technicians will mainly focus on updates to industry changes. Estimators training will focus on the correct diagnosis of damage and properly working through documentation, insurance and pricing processes.

Trainees will use the following equipment in PL training: resistance spot welder, metal inert gas welder, frame rack and measuring system, paint spray guns, paint spray booths, and various hand tools. Training will include welding of structural parts, aluminum repair, glass replacement, plastic repair, and system diagnostics and repair. Training will consist of normal collision repair duties. The trainer will walk the trainee through the repair process. The trainer will observe the trainee complete the repair, coaching and mentoring throughout the process. During training, output is expected to decrease by 25-30%. Trainers will be journey-level technicians or estimators considered to be subject matter experts. After the successful completion of a training course, the trainer will deem the trainee competent. All PL training will take place onsite at BP Quality and BD Quality sites. The trainer-to-trainee ratio will not exceed 1:2. Technicians will receive up to 18 hours and Estimators will receive up to 4 hours.

SET/HUA

Under SET, the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period. However, trainees working in a High Unemployment Area are allowed to qualify at the ETP Standard Minimum Wages.

➤ Wage Modification

All trainees in Job Numbers 1, 2 and 3 work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. BP Quality's and BD Quality's locations in Tulare County qualify for HUA status under these standards. The Company is requesting a 25% wage modification from \$15.07 per hour to \$11.30 per hour to allow training for 39 trainees in Job Number 1 and a 25% wage modification from \$12.33 to \$9.25 per hour to allow for training for 12 Job Creation trainees in Job Number 3.

RECOMMENDATION

Staff recommends approval of this proposal with the wage modifications.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- ❖ Customer Care Skills
 - Customer Retention
 - Customer Engagement
 - Customer Relationship Building
- ❖ Advanced Sales and Marketing Skills
 - Prospecting and Closing
 - Sales Account Management
 - Advanced Closing Techniques
 - Sales Procedures and Strategies
- ❖ Negotiation Skills
- ❖ Conflict Resolution
- ❖ Communication Skills
- ❖ Presentation Skills
- ❖ Leadership Skills

COMMERCIAL SKILLS

- ❖ I-CAR Collision Repair Certification Skills
- ❖ Refinishing Skills
 - Trim and Hardware
 - Surface Preparation
 - Vehicle Priming/Sealing
 - Paint Spray Guns Maintenance and Set-up
 - Corrosion Protection Process
 - Sand, Buff and Detail
 - Color Theory and Tints
 - Blending Techniques
- ❖ Structural Repair Skills
 - Unibody Alignment
 - Three Dimensional Measuring
 - Repair and Replacement of Outer Body Panels
 - High Strength Steels
 - Aluminum Repair Process
 - MIG Welding
 - Straightening Structural Damage
 - Glass Replacement
 - Pillars, Rocker Panels, Rails, Front Structures and Floor Pan Replacement
 - Heating, Cooling and A/C Systems
 - Steering and Suspension Systems
 - Advanced Vehicle Systems
 - Composite Materials and Bonding Techniques
- ❖ Non-Structural Vehicle Repair Skills
 - Remove and Install Trim and Hardware
 - Adhesive Bonding

- Diagnose Wind Noise and Water Leaks
- Aluminum Cosmetic Damage
- Spot Welding
- Composite Metals Repair
- ❖ Estimating Skills
 - Steering and Suspension Damage Analysis
 - Damage on Non-Driveable Vehicles
 - Electrical Systems
 - Mechanical Systems
 - Stationary Glass
 - Advanced Materials
 - Advanced Vehicle Systems
- ❖ Vehicle Operation, Maintenance, and Troubleshooting
- ❖ Alternative Fuel and Hybrid Vehicle Repair Diagnostics
- ❖ Service Procedures and Scheduling
- ❖ Product Knowledge
- ❖ OEM (Original Equipment Manufacturer) Knowledge

COMPUTER SKILLS

- ❖ CCCOne Software
 - Job Costing
 - Production Flow
 - Production Planning – ETA Times and Dates
 - Internal and External Customer Communication
- ❖ Michell and Michell Repair Center Software
- ❖ Nugen IT
- ❖ Audatex Software
- ❖ CCC Info Systems Software
- ❖ Alldata Software
- ❖ Intermediate and Advanced Microsoft Office

CONTINUOUS IMPROVEMENT

- ❖ Teambuilding
- ❖ Root Cause Analysis
- ❖ Kaizen Event Strategy & Implementation
- ❖ Lean Concepts
- ❖ Process/Quality Improvement
- ❖ Problem Solving/ Decision Making Skills
- ❖ Inventory Control
- ❖ Standard Operating Procedures

HAZARDOUS MATERIALS

- ❖ Completing Material Safety Data Sheets (MSDS)
- ❖ Volatile Organic Compound (VOC) Tracking
- ❖ Handling Hazardous Materials
- ❖ Hazardous Materials Emergency Clean-up

Safety Training will be limited to 10% of total training hours per-trainee.

PL Hours

0-18

COMMERCIAL SKILLS (1:2 Ratio)

- ❖ Body Filler Methods (1.5 hours)
- ❖ Structural Resistance Spot Welding (1 hour)
- ❖ Mig Brazing Techniques (0.5 hours)
- ❖ Color Tinting (3 hours)
- ❖ Spraying/ Blending Techniques (2 hours)
- ❖ Measuring Vehicle Structures (1 hour)
- ❖ Alignment Process for Unitized Vehicles (2 hours)
- ❖ Alignment Process for Full Frame Vehicles (2 hours)
- ❖ Aluminum Repair (1 hour)
- ❖ Technical Estimating Skills (3.5 hours)

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 18 hours per-trainee.