



RETRAINEE - JOB CREATION

Training Proposal for:

Big 5 Sporting Goods Corporation

Agreement Number: ET16-0292

Panel Meeting of: December 4, 2015

ETP Regional Office: North Hollywood

Analyst: J. Romero

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative	Industry Sector(s):	Retail Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 1,900	U.S.:4,000	Worldwide: 4,000
<u>Turnover Rate:</u>	12%		
<u>Managers/Supervisors:</u> (% of total trainees)	19%		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$358,440</td></tr> </table>	Program Costs	\$358,440	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$358,440</td></tr> </table>	Total ETP Funding	\$358,440
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In-Kind Contribution:	100% of Total ETP Funding Required	\$399,432
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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	Business Skills; Computer Skills; Commercial Skills; Mgmt Skills; Continuous Impr; HazMat	929	8-200	0-12	\$360	\$15.97
				Weighted Avg: 24			
2	Job Creation Initiative	Business Skills; Computer Skills; Commercial Skills; Mgmt Skills; Continuous Impr; HazMat	50	8-200	0-12	\$480	\$13.31
				Weighted Avg: 24			

Minimum Wage by County: Job Number 1: \$15.97 for Los Angeles, \$16.02 Orange, \$15.93 San Diego, \$15.75 Sacramento, \$15.07 (Riverside, San Bernardino, San Luis Obispo, Kern and Fresno) and \$16.44 (San Francisco, San Mateo, Santa Clara, Alameda, Contra Costa and Marin) Counties; Job Number 2 (Job Creation): \$13.31 Los Angeles and \$12.33 Riverside Counties.

Health Benefits: Yes No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: Yes No Maybe

Up to \$4.96 per hour may be used to meet the Post-Retention Wage for Job Numbers 1 and 2.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1:		
Accounting Staff		10
IT		15
HR Administrative Staff		12
Operations Staff		35
Store Managers		185
First Assistant		224
Second Assistant		224
Store Trainees		224
TOTAL:		929
JOB NUMBER 2:		
IT		5
HR Administrative Staff		3
Operations Staff		2
Management Trainee		40
TOTAL:		50

INTRODUCTION

Big 5 Sporting Goods Corporation (Big 5), (www.big5sportinggoods.com), founded in 1955 and headquartered in El Segundo, is a sporting goods and outdoor retailer with 438 locations spread throughout 11 western states. The Company provides full-line product offerings in a traditional sporting goods store format that averages approximately 11,000 square feet. Big 5's products includes a broad selection of outdoor and athletic equipment for team sports, fitness, camping, hunting, fishing, tennis, golf, snowboarding and in-line skating. Big 5 is eligible for retraining under the out-of-state competition provision as a company that serves customers located both inside and outside of California.

PROJECT DETAILS

To remain competitive, Big 5 recognizes that retailers need to maintain and develop a strong e-commerce presence by providing access to products online. Recently, Big 5 launched its e-commerce site which made its products more accessible to consumers online. With this new capability, the Company anticipates business growth and additional revenue. In addition, Big 5 invested in a \$2M Point of Sale (POS) software and hardware system that is expected to go live in 2016. This system will increase efficiency in work processes and increase sales. To support these new initiatives, employees will require significant training.

Big 5 performed a needs assessment in connection with the launching of the e-commerce platform and the new POS software. Training will focus on the proper utilization of the new systems and platforms. All occupations will also be trained in new processes related to merchandise and distribution, both of which are significantly impacted by the implementation of automation improvement. The Company has multiple locations in California participating in this ETP Agreement but most of the training will be provided at the Company's locations in El Segundo and Riverside.

Training Plan

Business Skills (25%): This training will be offered to all occupations. Trainees will receive extensive training the POS system, in preparation for its launch in 2016. Trainees will also receive training in communication skills, sales techniques, customer service, conflict resolution, cash handling, payroll and product knowledge. The training will provide employees with necessary skills and confidence in performing their jobs.

Management Skills (15%): This training will be offered to Managers only. Trainees will receive training to take on more complex multi-functional responsibilities.

Computer Skills (25%): This training will be offered to all occupations, particularly IT employees who will benefit from computer programming training, networking, designing, and application development (such as adobe and photo-shop). All other trainees will sharpen their skills in computer software and equipment necessary for job performance.

Continuous Improvement (28%): This training will be offered to all occupations. Training in process improvement and other topics in the curriculum will allow trainees to be more efficient and competent, resulting in better quality.

Hazardous Materials (5%): This training will be offered to Managers. Trainees will learn how to handle, store and transport hazardous materials.

Commercial Skills (2%): This training will be offered to all occupations based on job function. Training will cover industry-specific topics related to a trainee's' specific line of work and job duties. Commercial Skills will only be offered as Computer-Based Training.

Retrainee - Job Creation

The Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Big 5 has committed to hiring 50 new employees at its two facilities in El Segundo and Riverside (Job Number 2). Big 5 represents that the date-of-hire for these trainees 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.

Big 5 will recruit, hire and train five IT, three HR Administrative Staff, two Operations Staff and 40 management trainees to fill positions in new stores that have opened in 2015 and those that are scheduled to open later this year or in 2016. These new positions are driven by organizational growth, the e-commerce site, and the POS system.

Commitment to Training

Big 5 represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. The Company spends about \$2M a year on training.

➤ Training Infrastructure

Big 5 is ready to start training upon approval of this proposal, with qualified trainers in place. Big 5 contracted with Judith's Training Services (JTS) to provide administrative support and recordkeeping throughout the term of this ETP agreement.

LMS

Staff has reviewed and approved for use, Big 5 Learning Center (LMS) developed by and delivered through Cornerstone on Demand, in place of traditional paper rosters. The Company's LMS will capture and document all training received by trainees electronically for training, tracking and recordkeeping. Big 5 will input training information into the ETP Online/Tracking System with the assistance of JTS. The technology for handling the uploading of data is compatible with ETP's Online/Tracking System.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Big 5 retained Judith's Training Services in Los Angeles to assist with development of this proposal for a flat fee of \$9,000.

ADMINISTRATIVE SERVICES

Big 5 also retained Judith's Training Services to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

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

8–200

Trainees may receive any of the following:

BUSINESS SKILLS

- Sales Training
 - Point of Sales (Terminal Policies, Process & Procedure)
 - Transactions, Refunds and Exchanges
 - Product Knowledge
- Business Performance
 - Accounting/Cash Handling
 - Payroll
 - Audit, Inventory Management
- Project Management Methodology
 - Evaluations
 - Monitoring/Scheduling
 - Guidelines
 - Performance
- Communications
- Customer Service

COMPUTER SKILLS

- Computer Programming
 - Networking
 - Design
 - Application Development
- Manufacturing Resource Planning
 - Computerized Scheduling
 - Sales Forecasting
 - Inventory Control
 - Purchase Order Tracking
 - Accounting
 - Document Control
 - Payroll
- Advance Excel
- Powerpoint
- Advance Word/Outlook
- POS Software
- Cornerstone

MANAGEMENT SKILLS (Limited to Managers only)

- Leadership
 - Decision Making
 - Motivation
 - Team building
 - Coaching
- Management Responsibilities
 - Market share
 - Liability
 - Customer Retention

- Merchandise Evaluation/Transportation
- Inventory & Product Promotion
- Supplies and Fixture Acquisition

CONTINUOUS IMPROVEMENT

- Production Operations –
 - Assignment
 - Scheduling
 - Work Flow
- Process Improvement
- Merchandise (Process and Procedure)
- Statistical Process Control (SPC)
- Time/Risk Management
- Supply Acquisition
- Cost Control
- Record Keeping
- Compliance/Distribution
- Loss Prevention
- Equipment Operation Inventory Control
- Pick, Pack and Ship
- Warehousing
- Production Operations,

HAZARDOUS MATERIALS

- Hazardous Materials Handling

CBT Hours

0–12

BUSINESS SKILLS

- Orders (4 min)
- Introduction to IP V3.2 (1 hr 51 min)
- IP V3.2 Purchasing Training - Part 1 of 2 (1 hr 39 min)
- IP V3.2 Purchasing Training - Part 2 of 2 (48 min)
- WinDSS Sales Slip History (5 of 19) (5 min)
- WinDSS Price Activation (6 of 19) (4 min)
- TellerMate Training for Big 5 Cashiers (15 min)

COMPUTER SKILLS

- Holiday Product 2014 Beanie Boos (4 min)
- Track-It! 8 - Creating Templates advanced (3 min)
- Track-It! 8 - Search Feature Advanced (2 min)
- Office 2007 Excel – Advanced (If and Or Combined Formula: 8 min; The Formula: 3 min; The And Formula: 5 min; The If Formula: 5 min; Count Formulas: 6 min; Sorting: 5 min; Removing Duplicates: 4 min; VLOOKUP: 8 min; The View Ribbon: 6 min; TRIM: 5 min; Concatenation: 6 min; Column Charts: 9 min; The Clipboard Group: 16 min; Alignment: 6 min; Text to Columns: 3 min)
- Office 2007 Outlook – Advanced (Rules: 11 min; Tasks: 9 min; Voting: 4 min; Creating Signatures: 5 min; Creating

Mail Merge Labels: 6 min; Customizing Your Inbox: 6 min; Categories: 6 min)

- Office 2007 Word – Advanced (Footers: 7 min; Headers: 7 min; Creating Forms: 12 min; Document Inspector: 7 min; Table of Contents: 9 min; Macros: 4 min)
- Windows XP – Advanced Adding A Printer: (3 min)
- WinDSS Start Of Day (1 of 19) (6 min)
- WinDSS End Of Day (2 of 19) (10 min)
- WinDSS Cash Out (3 of 19) (19 min)
- WinDSS Customers (7 of 19) (11 min)
- WinDSS Associate Maintenance (8 of 19) (13 min)
- WinDSS Change Password (9 of 19) (2 min)
- WinDSS PO's (10 of 19) (16 min)
- WinDSS Vendor Receiving (11 of 19) (12 min)
- WinDSS Store Orders (13 of 19) (14 min)
- WinDSS Transfers In (14 of 19) (12 min)
- WinDSS CLR (16 of 19) (22 min)
- WinDSS Transfers Out (15 of 19) (18 min)
- WinDSS Inventory Adjustments (17 of 19) (6 min)
- WinDSS Inventory Lookup (18 of 19) (10 min)
- WinDSS Reports (19 of 19) (6 min)
- WinDSS Test (20 min)
- Weather Widget Demo (2 min)
- Daily Schedule Coverage Widget Demo (2 min)
- Service Desk Support Guide for Big 5 Learning Center (Getting Started in the Big 5 Learning Center: 9 min)
- IP User Processes For Purchasing (Purchase Training Part 1: 1 hr 39 min; Purchase Training Part 2: 48 min)
- The Big 5 Sporting Goods Learning Center Policy (2 min)
- Getting Started In The Big 5 Learning Center (9 min)
- Quick Time Stamp Demo (0 duration)

CONTINUOUS IMPROVEMENT

- Kronos Manual Forecast Planner (2 hrs)
- Kronos Schedule Planner (2hrs)
- Kronos Graphs (2 hrs)
- Review ADP (1.5 hrs)
- Kronos Special California Requirements (1 hrs)
- Operations – The Beginning (15 min – 1.06 hrs)
- Don't Lie For The Other Guy V2012 (19 min)
- Kronos Links - Common Functions Part 1 Demo (Kronos WFC For All Managers 1 of 5: 22 min)
- Daily Schedule Coverage Simulation (2 min)
- Big 5 Sporting Goods Form 4473 Training (59 min 59 sec)
- Information Security Training 2015 v1.0 (15 min)
- Cherwell – Service Request and Incident Submission (15 min)
- Don't Lie 2012 TEST (20 min)
- Edifice (20 min)
- Product Knowledge Quiz – Soccer Shin Guards (5 min)

- Tellermate Training for Big 5 Store Employees (15 min)
- Track-It! 8 - Using Track-It! (6 min)
- For Testing FULL AICC ELT 2011 SH (2 hr)
- NearPoint (15 min)

COMMERCIAL SKILLS

- Shock Doctor: Introduction (2 min)
- Shock Doctor: Final Review (2 min)
- Shock Doctor; Cleat Insoles (5 min)
- Shock Doctor: Court Insoles (5 min)
- Shock Doctor: Performance Insoles (5 min)
- Shock Doctor: Insole Technology (5 min)
- Choosing the Right Shoe – (15 min)
- Holiday Product 2014 Remote Control Toys (3 min)
- 3 - The Birthday Present – (30 min)
- 4 - Dick and Jane at Big Five – (30 min)
- 5 – Weight, What? – (30 min)
- LMS Course 2 - Billy's Big Catch – (30 min)
- Complete LMS – PRG Modules - Choosing the Right Product (15 min)
- Product Knowledge Quiz- Exercise Bike (15 min)
- Product Knowledge Quiz – Lacrosse (15 min)
- Product Knowledge Quiz – Soccer Ball (5 min)
- The Eye – Basic (2 hr 14 min)
- The Eye – Advanced (1 hr 52 min)
- Weather Widget Simulation (5 min)
- Metrics Widget Demo (2 min)
- Phishing Training (5 min)

MANAGEMENT SKILLS (Limited to Managers only)

- MIS Service Management Course/Test (59 min)
- So you Want To Be An Intranet Content Manager (5 min)
- Update Vacancy Management (2 min)
- Reviewing Applications (2 min 30 sec)
- Kronos For All Managers 1 of 5 (The Basics) (7 min)
- Kronos DC Managers 3 of 5 (Schedule Editor) (24 min)
- Kronos MIS Managers 3 of 5 (Schedule Editor) (36 min)
- Kronos all Managers 5 out of 5 (Search and View) (7 min)
- MIS Service Management Training (59 min)
- MIS Infosec Policies eBook Course (45 min)
- Kronos For Corporate Managers 3 of 5 (Schedule Editor) (26 min)
- Module 12 Virtual Edge: Requisition Vacancy Management (2 min)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours.