



RETRAINEE - JOB CREATION

Training Proposal for:

Cobham Advanced Electronic Solutions Inc.

Agreement Number: ET15-0396

Panel Meeting of: March 27, 2015

ETP Regional Office: San Francisco Bay Area

Analyst: L. Lai

PROJECT PROFILE

Contract Attributes:	Job Creation Initiative Priority Rate Retrainee	Industry Sector(s):	Manufacturing Aerospace and Defense Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Santa Clara	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: 1,400	U.S.: 3,700	Worldwide: 10,100
<u>Turnover Rate:</u>	4%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

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;">\$199,110</td></tr> </table>	Program Costs	\$199,110	-	<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;">\$199,110</td></tr> </table>	Total ETP Funding	\$199,110
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In-Kind Contribution:	100% of Total ETP Funding Required	\$205,000
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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 Priority Rate	Business Skills, Cont. Imp., Computer Skills, Hazard Materials, Mfg Skills	315	8-200	-0-	\$594	\$16.44
				Weighted Avg: 33			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Cont. Imp., Computer Skills, Hazard Materials, Mfg Skills	15	8-200	-0-	\$800	\$13.70
				Weighted Avg: 40			

Minimum Wage by County: Santa Clara County: Job Number 1 - \$16.44 per hour; Job Number 2 - \$13.70 per hour.

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 \$3.19 per hour for Job Number 1 and up to \$1.70 per hour for Job Number 2 may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range		Estimated # of Trainees	
	Job Number 1 (Retrainees)	Job Number 2 (Job Creation)	Job Number 1	Job Number 2
Administrative Staff			22	2
Customer Service Staff			2	n/a
Director*/Manager			16	n/a
Engineer			33	3
Sr. Engineer			22	n/a
Information Technology Staff			4	n/a
Production Worker			102	5
Sales/Marketing Staff			3	n/a
Supervisor			19	n/a
Technical Support Staff			92	5

*Directors function at a managerial level, are not part of the executive team, and do not make company policies.

INTRODUCTION

Located in San Jose, Cobham Advanced Electronics Solutions Inc. (Cobham) is a wholly owned subsidiary of Cobham Defense Electronic Systems, itself a subsidiary of Cobham, Plc of the United Kingdom. Founded in 1983, Cobham designs, manufactures, and tests passive and active microwave modular components and sub-components. Cobham also designs and manufactures waveguide switches, coaxial switches, waveguide circulators, and integrated assemblies for radar applications. Customers are in the electronic warfare, missiles, radar, communication, navigation and space markets.

PROJECT DETAILS

Cobham is expanding its product lines and increasing production capacity to meet growing demands. In addition, customers are demanding increased quality and reduced delivery times and costs. In response, Cobham is implementing a Quality initiative, "Excellence in Delivery", and expanding Lean manufacturing/Six Sigma techniques to improve manufacturing processes.

The proposed training will improve operating processes and manufacturing efficiency which will help increase customer satisfaction and sales.

Retrainee - Job Creation

Cobham has committed to hiring 15 new employees (Job Number 2). 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. Trainees will be hired into "net new jobs" as a condition of contract.

The Company hired 30 people in 2014 and plans to expand business capacity by adding new employees to existing functions. Cobham currently operates a 130,000 square foot facility and has unused production capacity to accommodate the 15 new employees. The Company is also investing more than \$2 million in a new Oracle computer system and converting its legacy computer systems to Microsoft Office 2007.

Training Plan

Business Skills (15%): Training will be offered to Administrative Staff, Customer Service Staff, Directors, Managers, Supervisors and Sales/Marketing Staff. Trainees will receive training on Communication Skills, Proactive Listening, Priority Management and other skills. Engineers, IT Staff and Technical Support Staff will receive training on Presentation Skills, Product Knowledge, Technical Writing, and Time and Priority Management. Training will improve communication and operational efficiencies while reducing errors and operating costs.

Computer Skills (20%): Training will be offered to all occupations except Production Workers. Depending on specific job function, trainees will learn how to navigate and troubleshoot new Oracle applications, project software, Microsoft Office, Computer-Aided Design, ERP, networking, and computer-assisted engineering. Training will improve employees' computer skillsets and workplace efficiency.

Continuous Improvement (25%): Training will be offered to all occupations. Course topics include Excellence in Delivery, Continuous Process Improvement, Lean Manufacturing, 5S, Six Sigma, Team Problem Solving, and Troubleshooting processes. Training will improve product quality, reduce waste, improve on-time deliveries, and increase sales.

Hazardous Materials (5%): Training will be provided to Production Workers and Technical Support Staff. Training topics include Hazard Communication, Hazardous Waste, HAZMAT Requirements, and Emergency Response Team Training. Training will reduce injuries on-the-job and contain hazardous events.

Manufacturing Skills (35%): Training will be offered to Production Workers and Technical Support Staff. Trainees will receive training in Assembly Procedures and Methods, Cross-Functional Equipment training, Inspection Procedures, Machine Operations, Production Systems, Standard Operating Procedures, and Troubleshooting. These skills will increase manufacturing productivity and improve profitability.

Commitment to Training

The Company's annual training expenditure is approximately \$75,000. Past training includes new-hire orientation, OSHA mandated training, sexual harassment, first aid, basic computer skills, and function specific on-the-job training.

Cobham represents that ETP funds will not displace the existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

The HR Director will be in charge of implementing the training program and will be assisted by a HR Specialist who will coordinate scheduling and training. A Senior HR Manager and HR Business Partner will also be available to advise the HR Director on training strategies and corporate goals. An administrative subcontractor will also assist with administrative processes.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

National Training Company, Inc. (NTC) in Irvine assisted with development of this proposal at no cost.

ADMINISTRATIVE SERVICES

NTC will also perform administrative services for an amount not to exceed 10% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

8 - 200

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Grammar and Writing Skills
- Coaching and Mentoring
- Communication Skills
- Conflict Management
- Customer Service and Sales Skills
- Effective Business Reports
- Financial Systems
- Goal Setting
- Managing Change
- Negotiation Skills
- Performance Management Skills
- Presentation Skills
- Proactive Listening
- Product Knowledge
- Project Management
- Technical Writing
- Time and Priority Management

COMPUTER SKILLS

- Computer-Aided Design
- Computer-Assisted Engineering
- Computer Networking
- Computer Applications
- Computerized Inventory
- Enterprise Resource Planning Systems
- Database Administration
- Internal Customer Applications
- Internet Applications
- Microsoft Office (Intermediate and Advanced)
- Oracle Software Applications
- Project Software
- Software Systems

CONTINUOUS IMPROVEMENT

- AS9100
- Continuous Process Improvement
- Excellence in Delivery
- Error Proofing
- Kaizen Training
- ISO 14001 Initiative
- Leadership Skills
- Lean Manufacturing
- Measuring for Success
- Process Mapping

- Quality Systems Training
- Root Cause Analysis
- 5 S Training (Sort, Set in Order, Shine, Standardize, Sustain)
- Scheduling & Planning
- Six Sigma
- Standard Work Instructions
- Team Building
- Team Problem Solving
- Train-the-Trainer
- Troubleshooting Processes
- Value Stream Mapping
- Visual Management
- Waste Analysis and Elimination
- Working as a Team

HAZARDOUS MATERIALS

- Hazard Communication
- Hazardous Materials
- Hazardous Waste
- HAZMAT Requirements
- Emergency Response Team Training
- HAZMAT Training

MANUFACTURING SKILLS

- Assembly Procedures & Methods
- Control Systems
- Design Standards & Processes
- Equipment Cross-Training
- Equipment Maintenance/Repair Skills
- Forklift Certification
- Inspection Procedures
- Machine Operation
- Maintenance Procedures
- Mechanical Systems
- Microwave Assemblies
- Production Systems
- Soldering Skills
- Standard Operating Procedures
- Tuning and Test Procedures
- Troubleshooting
- Wire Bonding Skills

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