



**Training Proposal for:**  
**General Mills Operations, LLC**  
**Agreement Number: ET16-0222**

**Panel Meeting of:** November 5, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 500	U.S.: 15,000	Worldwide: 43,000
<u>Turnover Rate:</u>	6%		
<u>Managers/Supervisors:</u> (% of total trainees)	4%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$221,652		\$66,548 30%	\$0		\$155,104

In-Kind Contribution:	100% of Total ETP Funding Required	\$375,000
-----------------------	------------------------------------	-----------

**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, Computer Skills, Continuous Impr, Mfg Skills, PL-Mfg Skills	262	8-200	0-51	*\$846	\$19.50
				Weighted Avg: 47			

\*Reflects Substantial Contribution

**Minimum Wage by County:** Job Number 1: \$15.97 per hour for Los Angeles County.

**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

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Technical Operator		70
Support Staff Level I		13
Support Staff Level II		30
Packaging Operator		90
Mechanic		13
Reliability Technician		8
Processing Operator		13
Team Leader		17
Technician		8

**INTRODUCTION**

General Mills Operations, LLC (General Mills) was founded in 1866 and headquartered in Minneapolis, MN. The Company’s Carson location will participate in training under this Agreement. Established in 1979, this facility produces General Mills yogurt products such as Yoplait and Mountain High Yogurt and distributes them to major retail grocery chains, wholesalers, and club stores. There are a total of three General Mills facilities located in the state of California; however, all training under this Agreement will only occur at the Carson location.

## **PROJECT DETAILS**

This will be the fourth Agreement for this facility (plus 2 others at a different facility). Training provided under this Agreement will be a continuation of curriculum provided under the Company's current ETP Agreement at the Carson facility (the term is set to end October 27). Under this Agreement, in-house subject-matter experts provided training in Manufacturing Skills to Operators who were given an increase in job responsibilities. Additionally, Technical Trainers were also developed in train-the-trainer courses to train operators to utilize new equipment purchased.

For this proposal, extensive training will continue to be provided to Operators, Mechanics, and Technicians because the Company will be extending its installation of new equipment and manufacturing lines at the facility:

### Project A - \$5.7MM Installation Date: 10/01/2014 – 07/01/2015

- Structural Architecture – \$44,000
- Packaging Equipment – \$5.6 million
- Material Handling Equipment - \$55,000

### Project B - \$12.3MM Installation Date: 10/01/2014 – 09/15/2015

- Structural Architecture – \$48,000
- Packaging Equipment – \$11 million
- Fruit Injection System - \$1.2 million

To successfully implement new machinery and meet customer increased demands for new products, Operators, Mechanics, and Technicians will learn to operate, maintain, and improve equipment used on manufacturing lines. Additionally, a 12-week training program was developed to train 50 technical operators to increase their knowledge of Manufacturing Skills, Leadership Skills, and Business Skills. Training will also help reduce production costs and increase efficiency.

Other occupations will require training for operational efficiency. For example, a leadership capability model has been created by staff to increase leadership skills and enable those in lead positions to coach and problem solve. This training is designed to model implementation and develop/improve analytical capabilities in order to meet production goals.

## **Training Plan**

The Carson plant will continue to provide Class/Lab training, E-Learning, and Computer-Based Training in the following skills to improve overall skill to increase performance.

**Business Skills (20%):** Training will be offered to all occupations to improve communication and leadership skills. Training topics provided will ensure staff is able to problem solve and develop strategies independently.

**Computer Skills (5%):** Training will be offered to all occupations to ensure staff members are able to navigate computer programs used by the Company to complete job functions. Training will improve employee familiarity with computer systems in order to make operations efficient.

**Continuous Improvement (20%):** Training will be offered to all occupations to increase efficiency and improve facility operations. Trainees will participate in training topics such as 5S Initiative, Root Cause Analysis, and Process Improvement.

**Manufacturing Skills (25%):** Training will be offered to Technical Operators, Packaging Operators, Mechanics, Reliability Technicians, Processing Operators, Team Leaders, and Technicians. Trainees will learn to operate machinery used at the facility to run manufacturing lines proficiently.

### **Computer-Based Training**

Computer-Based Training (CBT) will be offered to all occupations to ensure staff can receive curriculum in Business Skills. CBT courses are a convenient method of training delivery because trainees are able to take courses during down time. These courses are used to supplement Class/Lab courses. Curriculum topics include Technical Theory of Operations, Tool Trainings, and Change Management. CBT is reimbursed at \$8 per hour.

### **Productive Laboratory-Manufacturing Skills**

PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and special attendance rosters will be used to assist in monitoring.

Training will be offered to approximately 90 Production Staff workers (Packaging Operators, Technical Operators, Processing Operators, Mechanics, and Technicians). Training will ensure staff can operate and maintain specialized equipment used to produce General Mills yogurt products. Employees will be required to dismantle and rebuild parts of equipment and exhibit needed skill sets to troubleshoot equipment when malfunctioned. A qualified trainer will assign tasks that must be completed by the trainee within a specific time frame on new equipment. Throughout the process trainees are provided checklists to be used as guidelines for operating procedures and goals that must be met to prepare them for their final assessment. Written and hands-on demonstration assessments are also provided throughout PL training to make trainees aware of their personal progress. The trainer later determines whether or not the trainee successfully passed with a minimum of 80% and is prepared to operate machinery independently. PL training is a requirement for production staff to operate equipment and maintain operator/technician qualifications with General Mills. Training will be conducted with a ratio of 1:1 and will not exceed 40 hours per trainee.

### **Commitment to Training**

General Mills spent approximately \$600,000 in training at their Carson facility in the last fiscal year. Training scheduled at this location is 95% mandatory and is both job-specific and companywide.

General Mills 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.

#### ➤ Training Infrastructure

The Carson facility training department will administer the ETP training program; staff includes the Learning & Development Manager and one training coordinator. In addition, General Mills has designated eight technical trainers for scheduling and instruction. Staff members in the training team administered prior contracts and are dedicated to providing administrative services which include enrollment, tracking of training hours, meeting with ETP staff, and providing training over the duration of this Agreement.

## **Substantial Contribution**

General Mills is a repeat contractor with payment earned in excess of \$250,000 and a former Substantial Contribution at the 15% level, at the same facility, within the past five years. (See Active and Prior Project Table.) Accordingly, reimbursement for trainees at this facility in Job Number 1 will be reduced by 30% to reflect the Company's \$66,548 Substantial Contribution to the cost of training.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **ACTIVE PROJECTS**

The following table summarizes performance by General Mills under an active ETP Agreement at the Carson facility:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET14-0199	\$137,700	10/28/2013-10/27/2015	286	150	150

Based on ETP Systems, 11,557 reimbursable hours have been tracked for potential earnings of \$137,700 (100% of approved amount). The Contractor projects final earnings of 100% based on all training completed as of July 2015.

## **PRIOR PROJECTS**

The following table summarizes performance by General Mills under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0379	Lodi	04/28/2014-04/27/2016	\$67,500	\$0 (0%)
ET12-0383	Lodi	04/30/2012-04/29/2014	\$142,500	\$88,282 (61%)
ET12-0130	Carson	10/01/2011-09/30/2013	\$298,890	\$163,317 (54%)
ET10-0174	Carson	10/05/2009-10/04/2011	\$117,576	\$117,576 (100%)

**ET14-0379: Lodi facility** - Due to the imminent closure of the facility, the site stopped all training and terminated the contract. The termination letter was received in November 2014. The plant is scheduled to close by the end of 2015.

**ET12-0383: Lodi facility** - During the time of this Agreement a corporate-wide initiative was delayed which required General Mills' Lodi location to upgrade its warehouse management system. Unfortunately, training on the new system for approximately 195 employees was delayed and no longer eligible for ETP reimbursement since it occurred outside the term of the Agreement. As a result, the facility was unable to provide enough training to earn 100% of funding.

**ET12-0130: Carson facility** - This Agreement had the same dedicated, experienced in-house administrator as the previous Agreement (ET10-0174). However, General Mills faced significant business challenges during the term of this Agreement which resulted in a decrease in volume (idle lines). Furthermore, the plant faced restructuring that resulted in layoffs, a plant-wide re-bid of jobs, and a new work schedule. Due to re-bidding, a substantial amount of on-the-job training was delivered but was not eligible for reimbursement.

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

Dale Carnegie of San Pedro has been retained to provide training for a fee of \$1,000 per person for Leadership Training.

Motion Industries of Los Angeles has been retained to provide training for a fee of \$20,000 in Bearings and Power Transmission-Pneumatics-Lubrication.

Fastenal of Carson has been retained to provide training for a fee of \$2,000 for training services in fastener basics and torque tension measuring.

Other trainers will be identified for ETP record-keeping purposes, as they are retained by General Mills.

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Teambuilding
- Project Management
- Coaching and Feedback
- Design Reviews
- Leadership Skills
- Corrective Action
- Interpersonal Skills
- Building Positive Employee Relations
- Strategic Communications
- Strategy Development
- Disciplines of Execution
- Organization & Efficiency Skills
- Problem-Solving

**COMPUTER SKILLS**

- Manufacturing Quality Information System (MQIS)
- Human Machine Interface (HMI)
- Microsoft Office
- Scheduling Software (Workbrain)
- MyLearning
- Maximo
- Red Prairie

**CONTINUOUS IMPROVEMENT**

- Autonomous Maintenance
- Specialized Maintenance
- 5S Initiative (Sort, Set in Order, Shine, Standardize & Sustain)
- Why-Why Analysis
- Focused Improvement
- Fishbone
- Root Cause Analysis
- Process Improvement
- Daily Direction Setting
- Foundational Systems
- CIL (Clean, Inspect, Lube)
- Process Centerline
- Defect Handling
- Maintenance Planning & Scheduling
- Breakdown Elimination
- Reliability Technology
- Master Plan Development

- Job-Task-Analysis
- Assessment/HOD
- One Point Lesson Development
- Vertical Startup Training
- System Performance Training
- System Utilization Training
- Loss Elimination
- Glide Path/Loss Tree Analysis
- FMEA (Failure Modes Effects Analysis)
- Value Stream Mapping
- Quick Changeovers
- Visual Controls
- Organizational Effectiveness

### **MANUFACTURING SKILLS**

- Mechanical Skills Training
- Technical Skills Overview
- Leveling & Progression
- Shop and Hand Tools
- Case Coders
- Fanuc Robotics
- Control Logix
- Electrical Components
- Variable Frequency Drives (VFDs)
- Programmable Logic Controllers (PLCs)
- Wonderware
- Instrumentation
- Pumps
- Valves
- Device net/ Ethernet
- Heating, Ventilation & Air Conditioning (HVAC)
- Equipment Components
- Fasteners
- Lubrication
- Drives Systems
- Motion Systems
- Transmissions Systems
- Pneumatics
- Hydraulics
- Controls & Electrical
- Sanitation Training
- CIP (Clean In Process) Training
- SIP (Steam in Process) Training
- Advanced Cleaning Requirements (Marathon Training)
- Good Manufacturing Practices
- New Product Implementation & Production
- New Production Processes
- Theory of Operation
- Sequence of Operation

- Troubleshooting Guide Development
- Preventative Maintenance
- Sustainability Initiatives
- General Equipment Inspection
- General Process Inspection
- Welding
- Machining
- Food Safety Training

### **Productive Lab Hours**

0-40

#### **MANUFACTURING SKILLS (1:1)**

- Processing Equipment Training
- Packaging Equipment Training
- Fruit Skid Training
- Flavor Skid Training
- Case packer Training
- Case Erector Training
- Case Sealer Training
- Sonic Welder Training
- Vercon Filler Training
- Hassia Filler Training
- Winpack Filler Training
- Zitropack Filler Training
- Cool Room Training
- Ferm Room Training
- Wet Room Training
- Dry Side Training
- Robot Training
- Palletizer Training
- Stretch Wrapper Training
- Supply Training
- Receiver Training
- Shipping Training
- Inventory Training
- HTST press Training
- Milk Receiving Training
- Fermentation and Storage Tank Training
- Batching Training
- Univat Training
- Powered Industrial Truck Training
- CIP Systems Training
- Maintenance Training

**E-Learning Hours**

0-200

**BUSINESS SKILLS**

- Communication - Main Point Messaging
- Change Management
- Talent Management and Development
- Soft Skills: Coaching, Delivering Effective Feedback, Conflict Resolution, Decision Making
- Technical Theory of Operations
- 8 Technologies Technical Training
- Mechanical Skills Training
- Continuous Improvement Tool Trainings
- Workplace Health and Wellness
- Microsoft Office

**CBT Hours**

0-51

**BUSINESS SKILLS**

- Communication - Main Point Messaging (2)
- Change Management (2)
- Talent Management and Development (2)
- Soft Skills: Coaching, Delivering Effective Feedback, Conflict Resolution, Decision Making (2)
- Technical Theory of Operations (1)
- 8 Technologies Technical Trainings (24)
- Continuous Improvement Tool Trainings (4)
- Workplace Health and Wellness (14)

Safety Training will be limited to 10% of a trainee's total training hour per trainee

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, per trainee. PL is capped at 40 hours per-trainee.