



**Training Proposal for:  
 Johanson Dielectrics, Inc.  
 Agreement Number: ET15-0374**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Ventura	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: 367	U.S.: 367	Worldwide: 367
<u>Turnover Rate:</u>	15%		
<u>Managers/Supervisors:</u> (% of total trainees)	16%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$175,680		\$0	\$0		\$175,680

In-Kind Contribution:	100% of Total ETP Funding Required	\$273,267
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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, Continuous Improvement, Manufacturing Skills	122	8 - 200	0	\$1,440	\$15.07
				Weighted Avg: 80			

**Minimum Wage by County:** \$15.97 per hour for Los Angeles County and \$15.07 for Ventura 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

\$2.24 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Management Staff		20
Administration/Sales Staff		31
Engineering Staff		13
Production & Test Staff		58

**INTRODUCTION**

Founded in 2003, Johanson Dielectrics, Inc., (JDI), ([www.johansondielectrics.com](http://www.johansondielectrics.com)), is a wholly-owned subsidiary of Johanson Ventures, Inc., specializing in the manufacturing of passive ceramic components. Operating in two facilities in California, located in Sylmar and Camarillo, JDI designs and manufactures Standard and High Voltage ceramic chip capacitors distributed to companies in the medical, military, aerospace and mobile/wireless sector.

Market demands and technological changes have motivated a shift in the size of chip capacitors. The new surface mount technology offers smaller circuits on boards, thus product design/build specs must conform toward the reduced size requirement, necessitating more complex engineering processes. In order to accommodate making smaller capacitors, JDI must initiate significant changes in its product design and layout, and manufacturing processes to be more competitive and efficient. With ETP-funded training, JDI employees will acquire new skills and be more efficient in their jobs.

Training will take place at the Company's facilities in Sylmar and Camarillo. JDI is in a Priority Industry and faces out-of-state competition. This will be JDI's first ETP agreement.

## **PROJECT DETAILS**

### **Commitment to Training**

JDI has an annual training budget of \$50,000. ETP funds will not displace the existing financial commitment to training. JDI will continue to provide mandatory and job-specific training during the term of the proposed Agreement, including orientation, anti-harassment prevention and computer-based training software. Safety training is, and will continue to be provided in accordance with all pertinent requirements under state and federal law.

#### ➤ Training Infrastructure

The Company is ready to start training upon approval of the Agreement. JDI has qualified trainers in place who will provide training on specific areas of their expertise. JDI also retained the services of Assured Incentives Group for the administration of this project, who will work with the company's Human Resources personnel to assist in the enrollment process, training data collection and data entry into the ETP online portal for this Agreement.

### **Impact/Outcome**

JDI expects to attain 6 new AS9100 certified internal auditors for Continuous Improvement, and retrain other auditors for recertification for both AS9100 and ISO Standards. This will eliminate the expense of independent auditors to complete internal audits and maintaining certifications.

### **Training Plan**

JDI conducted a company-wide needs assessment which exposed specific needs in each department. Upgraded work processes and employee skills are necessary for the Company to expand their market into the government and aerospace sectors. The proposed training is designed to provide task-oriented skills based on newly defined standard operating procedures. Training will be provided to Manufacturing, Administration/Sales, Engineering, and, Production and Test Staff.

- **Business Skills (25%):** This training will be offered to all occupations to facilitate an improved, team-oriented culture of open communication. It will focus on enhancing negotiation skills and overall leadership. There will be several sets of train-the-trainer segments where vocal dynamics and presentation skills will be initiated.
- **Computer Skills (15%):** This training will be offered to all occupations because the company IT infrastructure is based on EPICOR. Each step from purchasing, order entry, sales and manufacturing is interlinked by JDI's computer system. Each step from supply chain to material tracking, production workflow and delivery to the customer is managed by the system. Trainees must receive this training in order to perform their jobs effectively.
- **Continuous Improvement (35%):** This training will be offered to all occupations to allow a cross-functional approach to introducing qualitative and quantitative improvements. Trainees will learn to reduce scrap, decrease waste and other variable costs. Training will solidify a culture of consistent improvement. Some of the specific training will address requirements of the AS9100 (aerospace) certification as well as compliance to ITAR (International Traffic in Arm Regulation) as required for potential use in various electronics application.

- **Manufacturing Skills (25%):** This training will be offered to all occupations to support new processes related to the design, development, quality control, testing processes. This training will offer the opportunity to optimize tool utilization, procedural follow through and implementation.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

JDI retained Assured Incentives Group in San Clemente to assist with development of this proposal for a flat fee of \$9,000.

## **ADMINISTRATIVE SERVICES**

The Company retained Assured Incentives Group to perform administrative services for a fee not to exceed 13% of payment earned.

## **TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- Statistical Process Control
- Problem Solving & Decision Making
- Failure Mode & Effect Analysis Methodology
- Process Improvement (Value Stream Mapping)
- Control Plan Design for Semiconductor Parameters
- Internal Auditor/ISO Training
- AS9100 C.I. Requirement
- Environmental Practices & Awareness Techniques
- Lean Manufacturing
- 5S Fundamentals

**MANUFACTURING SKILLS**

- Process & Design Overview for Non-Process Engineers
- Clean Room Protocols
- Manufacturing Device Techniques
- Advanced Engineering, Design Modeling, Measurement Techniques
- Semiconductor Manufacturing Processing
- Equipment & Industrial Engineering

**BUSINESS SKILLS**

- New Product/New Strategy
- Constructive Conflict Resolution (Non-Labor Relations)
- Effective Presentations
- Innovative Thinking & Change Management
- International Business Techniques
- Negotiation Techniques
- Financial Planning
- Forecasting
- Return on Investment (ROI) Cost Analysis
- Sale Performance
- Effective Leadership & Performance Management

**COMPUTER SKILLS**

- Intermediate & Advanced Excel
- Intermediate & Advanced Microsoft PowerPoint
- Intermediate & Advanced Microsoft Word
- Production Manufacturing Software
- ISO Management Systems Administration Software
- EPICOR Module Maximization
- Visual Basic for Applications (VBA)

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