



## RETRAINEE - JOB CREATION

### Training Proposal for:

## The Management Association, Inc. dba The Management Trust

**Agreement Number: ET16-0365**

**Panel Meeting of:** February 26, 2016

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

### PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative	Industry Sector(s):	Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Orange, Los Angeles, San Diego, Riverside, Ventura, San Bernardino, Santa Barbara, San Luis Obispo, Kern, Fresno, San Joaquin, Sacramento, Placer, Contra Costa	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: 275	U.S.: 550	Worldwide: 550
<u>Turnover Rate:</u>	18%		
<u>Managers/Supervisors:</u> (% of total trainees)	3%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	Total ETP Funding
\$201,600		\$0		\$0	\$201,600

In-Kind Contribution:	100% of Total ETP Funding Required	\$294,480
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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, Commercial Skills, Computer Skills, Cont. Imp.	48	8-200	0-20	\$600	\$16.51
				Weighted Avg: 40			
2	Retrainee SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	163	8-200	0-20	\$600	\$28.37
				Weighted Avg: 40			
3	Retrainee Job Creation Initiative	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	38	8-200	0-20	\$1,000	*\$13.76
				Weighted Avg: 50			
4	Retrainee Job Creation Initiative SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	37	8-200	0-20	\$1,000	*\$12.77
				Weighted Avg: 50			

\*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

**Minimum Wage by County:** Job Number 1: Orange County - \$16.51/hr.; Job Number 2 (SET/Statewide): \$28.37/hr.; Job Number 3 (Job Creation): Orange County – 13.76/hr.; Job Number 4 (SET/Job Creation): Orange County: \$13.76/hr.; Los Angeles – \$13.73/hr.; Contra Costa – \$14.19/hr.; San Diego – \$13.72/hr.; Sacramento – \$13.42/hr.; Fresno, Kern, Placer, Riverside, San Bernardino, San Joaquin, San Luis Obispo, Santa Barbara, Ventura – \$12.77/hr.

**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 \$2.77 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Accounting Staff		32
Administrative Support Staff		2
IT Specialist		5
Managers/Supervisors		5
Professional Specialists		4
<b>Job Number 2</b>		
Professional Specialists		140
Accounting Staff		23

<b>Job Number 3</b>		
Accounting Staff		25
Administrative Support Staff		1
IT Specialist		5
Managers/Supervisors		3
Professional Specialists		4
<b>Job Number 4</b>		
Professional Specialists		35
Accounting Staff		2

## **INTRODUCTION**

Headquartered in Tustin and founded in 1966, The Management Association, Inc. dba The Management Trust (TMT), provides property management services such as billing, maintenance, security, and property improvement. The California client base includes some 500 communities or “common interest” developments (community associations, homeowner associations and commercial-condo associations). It currently operates in California, Arizona, Nevada, Colorado, Oregon and Washington. TMT is a 100% employee-owned company.

As a service provider, this proposal will be funded under Special Employment Training (SET), but for the corporate headquarters in Tustin (Job Numbers 1 & 3). This office is eligible for standard retraining because it supports company facilities located both inside and outside of California.

## **PROJECT DETAILS**

TMT is facing competition from multiple property management organizations. In order to stay competitive and grow, the Company must improve the performance of its systems, technology and people – all of which requires training in new skills for its frontline workers.

TMT is committed to process improvement for the organization as a whole. The Company has grown through the acquisition of smaller firms, resulting in a great deal of variability in the quality and consistency of the services provided. TMT must establish a unified set of policies, procedures, and quality methods to operate efficiently and provide value to its clients.

Moreover, the Company has begun to upgrade and improve existing software applications and purchasing new equipment. TMT is currently upgrading workstations, software and networks. The company is investing more than \$250K in the next year on these improvements.

### **Retrainee - Job Creation**

The Panel offers 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.

In this proposal, TMT has committed to hiring 75 new employees (Job Numbers 3 and 4). 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 the contract.

TMT is expanding marketing, sales and operations (capacity) in all its California divisions, including its corporate office in Tustin. Additional personnel are needed to meet strategic goals and objectives for business growth and improved service. With the upgrades and expansion additional personnel are needed due to the special skills required for these new positions. TMT has adequate workspace to employ these new workers.

## **Training Plan**

Training will be provided by in-house training experts, with some specialized training provided by outside vendors. Each occupation will receive some training from each of the types of training listed below, depending on the specific needs of the occupation or individual trainee.

**Business Skills (20%):** Training will be offered to all occupations. Trainees will receive job-specific training in Customer Service, Communication and Leadership.

**Commercial Skills (30%):** Training will be offered to all occupations. Training will include Community Planning/Partnership services, Builder Clients, On-Site Customer Management and Industry Knowledge/Financial Responsibility.

**Computer Skills (20%):** Training will be offered to all occupations. Training will include TMT Dashboard, Accounting Software, Trustlink software and MS Office.

**Continuous Improvement (10%):** Training will be offered to all occupations and include Critical Thinking/Problem Solving/Decision Making, and Teamwork and Collaboration.

## **Computer-Based Training – Computer Skills (20%)**

TMT will provide up to 20 hours of ancillary Computer-Based Training (CBT) in Computer Skills in a combination of the following skills: TMT Dashboard, Accounting Software, Trustlink software and MS Office. CBT will allow trainees to reinforce the skills taught in class at their workstations.

## **Special Employment Training**

Trainees in the remaining 27 TMT locations will be funded under SET in (Job Number 2) earning the statewide average hourly wage. Or, they will be Job Creation trainees (Job Number 4) meeting the ETP minimum wage requirements by county. Most of the training will take place at these TMT locations throughout the state and at several client locations where TMT staff work.

## **Commitment to Training**

TMT spent approximately \$370,000 training costs for internal training and approximately \$200,000 for IT and other outsourced training expenses in 2015. These costs were for mandatory training for new employees and job-specific training. TMT represents that ETP funds will not displace the existing financial commitment to training.

### ➤ Training Infrastructure

Program administration will be managed in-house using two Professional Staff on a part time basis.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Business Growth Group in Laguna Beach assisted with development for a flat fee of \$12,000.

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum**

**Class/Lab Hours**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Service Skills (Internal/External)
- Communication Skills:
  - Written
  - Interpersonal
  - Presentations
  - Protocols
  - Confidentiality
  - Politics
  - Conflict Management
- Performance Management
- Leadership:
  - Product Knowledge
  - Accountability
  - Strategy
  - Planning
  - Plan Implementation
- Sales/Marketing Processes and Practices (new clients/retention)
- Quality & Project Management
- Time, Priority and Workspace Management

**COMMERCIAL SKILLS**

- Community Planning/Partnerships & Services
- Association Management & Ethics
- Builder Clients
- On-Site Customer Management
- Commercial and Residential Client Management
- Reserve/Escrow
- TMT Policies and Confidentiality
- Industry Knowledge/Financial Responsibility

**COMPUTER SKILLS**

- Trustlink
- Trust Accounting Payable System (TAPS)
- Smartweb
- TMT Dashboard/Office Equipment Operation
- MS Office/windows 10 (Intermediate/Advanced)
- Accounting Software
- Hubspot CRM software

**CONTINUOUS IMPROVEMENT**

- Critical Thinking/Problem Solving/Decision Making
- Teamwork and Collaboration

**CBT Hours**

0 – 20

**COMPUTER SKILLS**

- Trustlink (6 hrs.)
- TAPS (4 hrs.)
- Smartweb (10 hrs.)
- TMT Dashboard (5 hrs.)
- Windows 10/MS Office 2016 (Intermediate/Advanced) (8 hrs.)
- Microsoft Networks (12 hrs.)
- Trust Employee database (8 hrs.)
- Office Equipment Operation (4 hrs.)
- Accounting Software (12 hrs.)

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.