



**Training Proposal for:  
Motion Industries, Inc.**

**Agreement Number: ET17-0259**

**Panel Meeting of:** October 28, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**PROJECT PROFILE**

|   |  |                     |  |
|---|--|---------------------|--|
| Contract Attributes:                                  | Retrainee<br>Priority Rate<br>HUA  | Industry Sector(s): | Wholesale Trade<br>Retail<br>Services<br>Manufacturing<br>Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served:                                      | Alameda, Kern, Contra Costa, Fresno, Los Angeles, Mendocino, Monterey, Orange, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, Santa Clara, Solano, Stanislaus, Tulare, 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: 1,745  | U.S.: 27,754        | Worldwide: 38,400  |
| <u>Turnover Rate:</u>                                 | 10%  |                     |  |
| <u>Managers/Supervisors:</u><br>(% of total trainees) | 20%  |                     |  |

**FUNDING DETAIL**

|               |   |                            |                         |   |                          |
|---------------|---|----------------------------|-------------------------|---|--------------------------|
| Program Costs | - | (Substantial Contribution) | (High Earner Reduction) | = | <b>Total ETP Funding</b> |
| \$237,600     |   | \$0                        | \$0                     |   | \$237,600                |

|                              |   |                  |
|------------------------------|---|------------------|
| <b>In-Kind Contribution:</b> | <b>100% of Total ETP Funding Required</b> | <b>\$263,200</b> |
|------------------------------|---|------------------|

**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<br>Priority Rate        | Business Skills,<br>Commercial Skills,<br>Computer Skills,<br>Continuous Improvement,<br>Hazardous Materials, Mgmt. Skills | 232                       | 8-200               | 0-100 | \$720                    | \$15.60             |
|         |                                   |  |                           | Weighted Avg:<br>40 |       |                          |                     |
| 2       | Retrainee<br>Priority Rate<br>HUA | Business Skills,<br>Commercial Skills,<br>Computer Skills,<br>Continuous Improvement,<br>Hazardous Materials, Mgmt. Skills | 98                        | 8-200               | 0-100 | \$720                    | *\$11.70            |
|         |                                   |  |                           | Weighted Avg:<br>40 |       |                          |                     |

\*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 regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

**Minimum Wage by County:** Job Number 1: \$17.02 per hour for Alameda, Contra Costa, San Francisco, and Santa Clara County; \$16.48 per hour for Los Angeles County; \$16.51 per hour for Orange County; \$16.46 per hour for trainees in San Diego County; \$16.10 per hour for Sacramento County; and \$15.60 per hour for trainees in Kern, Fresno, Mendocino, Monterey, San Bernardino, San Joaquin, Solano, Stanislaus, Tulare, and Ventura County.

Job Number 2 (HUA): \$12.77 per hour for Alameda, Contra Costa, San Francisco, and Santa Clara County; \$12.36 per hour for Los Angeles County; \$12.38 per hour for Orange County; \$12.34 per hour for trainees in San Diego County; \$12.08 per hour for Sacramento County; and \$11.70 per hour for trainees in Kern, Fresno, Mendocino, Monterey, San Bernardino, San Joaquin, Solano, Stanislaus, Tulare, and 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  
Up to \$2.43 per hour may be used to meet the Post-Retention Wage.

| Wage Range by Occupation          |            |                         |
|-----------------------------------|------------|-------------------------|
| Occupation Titles                 | Wage Range | Estimated # of Trainees |
| <b>Job Numbers 1-2</b>            |            |                         |
| Warehouse Shop Supervisor/Manager |            | 13                      |
| Service Shop Manager              |            | 2                       |
| Warehouse Associate               |            | 13                      |

|  |  |    |
|--|--|----|
| Service Technician                     |  | 15 |
| Warehouse Driver Associate             |  | 22 |
| Lead/DC Material Handler               |  | 24 |
| Corporate Accounts Staff               |  | 2  |
| Customer Service Representative        |  | 60 |
| Senior Customer Service Representative |  | 38 |
| Operations/Branch/Sales Manager I      |  | 34 |
| Operations/Branch/Sales Manager II     |  | 20 |
| DC Manager                             |  | 1  |
| Fabricator                             |  | 8  |
| Machinist                              |  | 1  |
| Office Assistant/ Support Staff        |  | 6  |
| Sales Staff                            |  | 2  |
| Welder                                 |  | 1  |
| Branch Support Staff                   |  | 2  |
| Account Representative                 |  | 54 |
| Account Rep Specialist I               |  | 4  |
| Account Rep Specialist II              |  | 1  |
| Account Rep (Fluid Power)              |  | 5  |
| Account Rep (Electrical)               |  | 2  |

## **INTRODUCTION**

Founded in 1946, Motion Industries, Inc. (Motion Industries) ([www.motionindustries.com](http://www.motionindustries.com)) is an industrial distributor of automation parts for government and industrial businesses. The Company is a wholly owned subsidiary of Genuine Parts Company that has over 550 locations across North America. Products distributed include bearings, electric motors and controls, hose and fittings, cutting tools, hydraulics, and abrasives. Motion Industries also manufactures and assembles parts at select locations.

Services provided by Motion Industries include automation and eBusiness solutions, assessment, technical product support and engineering, inventory management, and repair services. In addition, Motion Industries supplies replacement parts for maintenance repair and operations and original equipment manufacturer markets. This will be the first ETP Agreement for Motion Industries.

## **PROJECT DETAILS**

To meet customer needs and remain competitive, Motion Industries must stay current with technology. With various competitors offering lower prices, the company must develop new and improved operating methods to meet turn around times, while still providing quality products at low costs. Organizational leadership has developed new operating systems to increase efficiency and improve processes. Training delivery methods utilized by Motion Industries includes Class/Lab, E-Learning, Productive Lab, and Computer-Based Training. These training courses are delivered through the Company's Learning Management System and are available

to all 33 branches located in California. This training will be included as part of ETP funded training. A total of 30 California Motion Industries locations will participate in training under this Agreement. Training will be delivered by In-House Instructors.

The Company recently implemented operating and inventory systems that will increase efficiency at all branches nationwide. However, the initiative is spearheading in California, and training will be for California employees only under this proposal. Staff will receive a minimum of 50 hours of training in order to learn new processes that were created to ensure the Company remains current with new advances in technology. Trainees must also learn a new automated inventory system that will allow mobile counting from a phone or tablet, as opposed to the traditional method of physically counting inventory by hand.

### **Training Plan**

Motion Industries Institute catalog includes 770 topics on Commercial Skills, Business Skills, Continuous Improvement, Safety, and Computer Skills Training. However, staff has narrowed their catalogue to include specific courses and training that will increase employee product knowledge and provide instruction on new operating systems to be implemented over the next two years. Curriculum topics will increase employee skills and ensure Motion Industries remains competitive in the marketplace.

Warehouse Associates, Technicians, Material Handlers, Fabricators, and Supervisors will receive training on Fluid Power Technology, Pneumatic Systems, Mechanical Power Transmission, and Bearings. Trainings are conducted with an instructor and last between one to four days.

**Business Skills (28%):** Training will be offered to all occupations to increase employee product knowledge and customer service skills. Topics include Advanced Operations Management, 5S Methodology, and Match Exceptions. A portion of training may be provided via E-learning/virtual (live instruction).

**Hazardous Materials (2%):** Training will be offered to Warehouse Drivers/Associates, Fabricators, Material Handlers, Service Technicians, and Managers/Supervisors. Training will teach staff to handle hazardous chemicals they may come in contact with in the workplace.

**Commercial Skills (43%):** Training will be offered to Warehouse Associates/Driver Associates, Warehouse Shop Supervisors/Managers/Service Shop, Fabricators, Engineering Technicians, Machinist, Service Technicians, and Material Handlers. Courses provided include Scaffolding, Arc Welding, and Energy Services.

**Management Skills (2%):** Training will be offered to all Managers and Supervisors to improve leadership and communication skills.

**Computer Skills (10%):** Training will be offered to all occupations to ensure staff can use all software programs properly. Staff will learn to use computer programs such as Excel to expedite job tasks.

**Continuous Improvement (15%):** Training will be offered to all occupations to increase efficiency and improve procedural processes. Topics provided will increase staff knowledge on specific motor parts to improve assembly conducted at shop locations.

### **Computer-Based Training**

Computer-Based Training (CBT) will be provided to staff via the Company's Learning Management System. Staff can log into the Company's online institute to complete training courses assigned to them by Management. Job specific training topics that meet ETP requirements have been identified and are included in the Menu Curriculum. CBT will not exceed 50% of the trainee's total number of training hours.

## **Learning Management System (LMS)**

Staff has reviewed and approved the use of a Learning Management System for recordkeeping.

### **Commitment to Training**

Motion Industries spends approximately \$12,000 annually in training at each California facility. Training includes Technical Product training, general maintenance, personal development, sales, and mandatory compliance training.

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

Motion Industries has a team of six full-time employees who will administer this project. Utilizing its own Learning Management System (LMS). The Company will schedule training, track training hours, and manage all courses to be delivered under this Agreement. Managers located at each location will assign training to employees based on individual needs. Live instructor-led training sessions will be uploaded to the LMS. CBT is completed by the employee logging into the LMS and completing courses as assigned by their Manager/Supervisor. Management at the Los Angeles facility has been assigned to work with ETP staff and handle all administrative duties required throughout the duration of the contract.

### **High Unemployment Area**

The 98 trainees in Job Number 2 work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company's locations in Fresno, Kern, Los Angeles, Monterey, San Joaquin, Stanislaus, and Tulare counties qualify for HUA status under these standards. For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. Motion Industries is requesting this modification, from \$15.60 to \$11.70 in Fresno, Kern, Monterey, San Joaquin, Stanislaus, and Tulare Counties; and from \$16.48 to \$12.36 in Los Angeles County (Palmdale location).

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

N/A

**Exhibit B: Menu Curriculum****Class/Lab/E-Learning Hours**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- 3 Way Match Exceptions
- 5S Methodology
- Advanced Operations Management
- ARZ Cooling Bench
- Bearing and Power Transmission
- Bearing Technology
- Bulk Material Handling
- Electrical Equipment
- ePlan
- Equipment Maintenance & Reliability
- Fluid Power Transmission
- Industrial Hydraulics
- Leadership Advantage
- Mechanical Power Transmission
- Pneumatic Systems Technology
- Sales Growth

**COMPUTER SKILLS**

- Microsoft Office (PowerPoint, Excel, Outlook)

**COMMERCIAL SKILLS**

- Arc Welding
- Process Pump
- Scaffolding
- Abrasives in Industrial Applications
- AC Motor Operation & Types/Inverters
- Advanced Lubrication
- Aerial Work Platform Safety
- Air Motors
- Ball Bearings
- Bearing & Power Transmission/Pneumatic Systems
- Bar Codes
- Belt Drive (Adjustment/Basics)
- Brakes
- Circuits and Power
- Clutch Basics
- Conveyor
  - Belt Replacement
  - Maintenance/Belt Replacement-Belts & Chains
  - Safety
  - Types & Components
- Confined Space Awareness\*
- Crane & Hoist Rigging Safety
- DC Motors

- Control
- Operation
- Part A
- Part B
- Types
- Electro hydraulics
- Energy Services Team
  - Lighting
  - Pneumatics
  - Power Quality
  - Steam Trap Assessments
- Equipment Care Assessment
- Gaskets
  - Flashcutter
  - Installation
  - Spiral Wound Gaskets
- Gear Drive Basics
- Gearing and Gearboxes
- Industrial Distribution

### **HAZARDOUS MATERIALS**

- Chemical Hazards

### **MANAGEMENT SKILLS**

- Art of Management
- Coaching
- Communication
- Delegating
- Operating & Managing a Branch

Safety Training cannot exceed 10% of total training hours per-trainee  
(This cap does not apply to Hazmat, OSHA 10/30 or HAZWOPER)

### **CBT Hours**

0-100

### **COMMERCIAL SKILLS**

- Motion Industries Industrial Knowledge
  - Bearings/Lubrication (5)
  - Computer Basics (PLCs) (5)
  - Electrical (20)
  - Hydraulic Hose (1)
  - Hydraulics (10)
  - Industrial Supplies (5)
  - Maintenance Basics (7)
  - Material Handling (2)
  - Math & Science Concepts (2)
  - Measurement Methods & Sensors (2)
  - Mechanical PT (10)
  - Pneumatics (7)
  - Principles of Manufacturing (5)
  - Process Pumps & Systems (6)
  - Safety & Compliance (10)

- COS (2)
- Ecos (Company Operating System training) (5)
- Energy Services Training (1)

### **COMPUTER SKILLS**

- Access '07 Basics Learning Path (2)
- Excel '07 Basics Learning Path (2)
- Excel '07 Advanced Learning Path (2)
- Excel '13 Basics Learning Path (2)
- Outlook '13 Basics Learning Path – (2)
- PowerPoint '07 Basics Learning Path (2)
- PowerPoint '07 Advanced Learning Path (2)
- PowerPoint '13 Basics Learning Path (2)
- Windows 7 Basics Learning Path (2)
- Windows 7 Advanced Learning Path (2)
- Windows 8 Basics Learning Path (2)
- Word '07 Basics Learning Path (2)
- Word '07 Advanced Learning Path (2)
- Word '13 Basics Learning Path (2)

### **CONTINUOUS IMPROVEMENT**

- Baldor Training (1)
- CRC – (1)
- Eaton (4)
- Hamlet – (30 minutes)
- Henkel University – (4)
- Honeywell Training (1)
- Koyo Training (1)
- Loctite Training (1)
- MCR – (3)
- Rexnord (16)
- Rustoleum – (1)
- SKF – (1)
- SMC Training (1)
- US Motors – (1)

### **HAZARDOUS MATERIALS**

- Carriage of Hazardous Materials (30 minutes)
- Hazardous Communication – Your Key to Chemical Safety (15 minutes)
- Hazardous Waste Identification & Management (30 minutes)
- WHMIS – Workplace Hazardous Material Information System (40 minutes)

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 excluding OSHA 10/30, HAZWOPER or HAZMAT.