



## RETRAINEE - JOB CREATION

### Training Proposal for:

**PaeDae, Inc. dba Mobile Majority**

**Agreement Number: ET17-0126**

**Panel Meeting of:** June 24, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** E. Fuzesi

### PROJECT PROFILE

Contract Attributes:	SB <100 Priority Rate Retrainee Job Creation Initiative	Industry Sector(s):	Technology/IT Technology/Other Services  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	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: 45	U.S.: 55	Worldwide: 65
<u>Turnover Rate:</u>	16%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$358,002		\$0		\$0		\$358,002

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$438,000
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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 SB <100	Business Skills, Computer Skills, Cont. Impr.	7	8-200	0	\$1,386	\$86.53
				Weighted Avg: 77			
2	Job Creation Initiative Priority Rate SB<100	Advanced Tech., Business Skills, Computer Skills, Cont. Impr.	135	8-200	0	\$2,580	\$21.63
				Weighted Avg: 129			

**Minimum Wage by County:** Job Number 1 (Retrainee): \$16.48 in Los Angeles County. Job Number 2 (Job Creation): \$13.73 in 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
<b>Job Number 1</b>		
Supervisor/Manager		7
<b>Job Number 2</b>		
Accounting Staff		4
Account Manager		28
Ad Operations Staff		12
Ad Operations Staff II		1
Creative Staff		4
Creative Staff II		1
IT Engineer		49
IT Engineer II		1
Marketing Staff		5
Product Staff		7
Revenue/Business Development Staff		23

## **INTRODUCTION**

Founded in 2012, PaeDae, Inc. dba Mobile Majority (Mobile Majority) ([www.majority.com](http://www.majority.com)) is a rapidly growing technology company specializing in vertically-integrated mobile digital advertising. Mobile Majority owns and operates a proprietary software platform that targets, optimizes, and tracks data, helping clients maximize their mobile marketing strategies and profit margins. Advertisers can analyze this data to reach consumers based on various user criteria, interactions, and product characteristics.

Headquartered in Santa Monica, Mobile Majority has satellite offices in San Francisco; New York, NY; Detroit, MI; Chicago, IL; and Columbus, OH. The Company also has two international locations in Bogota, Colombia; and Sao Paulo, Brazil. The customer base includes a variety of industry sectors: e-commerce, entertainment, automotive, finance and insurance, beauty, digital, and retail. Some of Mobile Majority's clients include Honda, Acura, State Farm, Procter and Gamble, Pitney Bowes, and the U.S. Postal Service. The Company faces global competition, although most customer interaction is online.

Based on the anticipated job growth of 135 employees over the term of the agreement, this proposal has been developed as a large company, single employer.

## **PROJECT DETAILS**

Due to the ever-increasing penetration of smartphones and tablets in consumers' daily life, mobile advertising has become commonplace. The capability to serve and target mobile-specific audiences using software to analyze consumer locational, demographic, behavioral, and historical data is changing advertising technology.

Mobile Majority is experiencing rapid growth in business demand and is planning to expand its products, services, and business capacity into new global markets. The Company currently has \$50 million in secured contracts with more anticipated business opportunities in the pipeline. This has led to significant training needs and staff development in all aspects of the business.

### **Retrainee - Job Creation**

Mobile Majority anticipates moving into a new facility in the next few months, to keep up with its projected growth. The Company plans to create up to 200 new positions in California within the next 18 months to service new contacts. However, for this proposal, Mobile Majority is estimating a more conservative number of 135 new employees (Job Number 2). These new jobs will be for Account Managers, Accounting Staff, Ad Operations Staff, IT Engineer, Marketing Staff, Product Staff, and Revenue/Business Development Staff. The date-of-hire for all Job Creation trainees must be within the three-month period prior to approval, or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Despite this projection, at this point-in-time, the Company is a Small Business with fewer than 100 employees in California and no more than 250 worldwide.

### **Modification to Small Business Maximum Hours**

The Company is requesting a modification to the Small Business maximum hours, increasing from 60 to 200 hours. Advertising technology requires very specific skillsets that span across a wide range of functions from mobile-specific marketing and advertising to software engineering and product management. The Company only has a small pool of talent that already has the

necessary skills to make an immediate impact. New employees will need extensive training to learn enough skills to perform on the job.

## Training Plan

In addition to in-house training, the Company will bring in outside vendors, to be determined at a later date, to deliver specialized technical and leadership development courses.

**Advanced Technology** (50%) – Training will be offered to Account Managers (24 hours), Ad Operations Staff (24 hours), Creative Staff (80 hours), IT Engineers (110 hours), Marketing Staff (40 hours), Product Staff (12 hours), and Revenue/Business Development Staff (24 hours), as technical training is a crucial element of the Company's software driven, technology-based operation and its ability to compete. The needed skillsets for data analytics technology are specific, and span across a wide range of topics in software development and programming (See Exhibit B, Menu Curriculum for a list of courses).

Training will be conducted with a trainer-to-trainee ratio of 1:10 to allow for in-depth coverage of complex course material and personal attention from the instructor.

**Business Skills** (20%) – Training will be offered to all occupations to increase product knowledge and learn company processes, sales, and time management. Training will also enhance the frequency of effective communication between staff and clients. Managers will gain the skills to help transition to a high-performance workplace.

**Computer Skills** (5%) – Training in Intermediate and Advanced Excel will be offered to new employees to make sure their skill levels are adequate to function on the job.

**Continuous Improvement** (25%) – Training will be offered to all occupations. Trainees will learn to rethink and redefine mobile advertising. Leadership skills training will assure that the changes take place in an orderly fashion. Training will also prepare employees for promotions and new roles in the next level of leadership.

## Commitment to Training

ETP funds will not displace existing financial commitments to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. Training in the past has been provided on an as-needed basis using predominantly in-house trainers with a training budget estimated at \$25,000 a year in California.

In the past, Mobile Majority was able to manage its moderate growth with hiring of technically qualified employees. Because of that, the Company did not have a formal training policy in place. New employees only relied on informal training and internal training materials. This proposal will help establish a training infrastructure with a more focused culture of employee learning and development. The Company has committed to a substantial investment required to have a well-trained workforce. The Company will continue to foster the culture of learning and development to keep up with technological changes.

### ➤ Training Infrastructure

Mobile Majority conducted a training needs assessment and created a formal human resources strategic training plan and a technical training curriculum for new employees. The Company is in the process of hiring fulltime learning and development staff to oversee administration and organizational training delivery. Its Human Resources department will

provide any necessary term and retention information for invoicing and account maintenance. National Training Systems, Inc. will provide administrative support and recordkeeping.

**Impact/Outcome**

ETP funding will contribute to innovative advanced technology implementation, and sustaining impressive growth while providing high-wage, high-skilled jobs to meet the client needs worldwide. Many of the trainees will receive Certificates for Scrum, Google Double-Click and Lean Software Development.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Mobile Majority retained National Training Systems, Inc. in Ladera Ranch to assist with development of this proposal for a flat fee of \$21,686.

**ADMINISTRATIVE SERVICES**

Mobile Majority also retained National Training Systems, Inc. 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:

**BUSINESS SKILLS**

- Accounting Skills
- Bid Data Analytics
- Business Development
- Content Distribution
- Digital Marketing Skills
- Forecasting
- Growth Hacking
- Intro to Computer Science
- Mobile Ad Operations
- Mobile Marketing Analytics
- Mobile Marketing Strategy
- Modeling
- New Product Management
- Presentation Skills
- Product Development
- Public Relations
- Statistics
- Strategy for Upselling

**COMPUTER SKILLS**

- Intermediate and Advanced Excel

**CONTINUOUS IMPROVEMENT**

- Change Management
- Communication Skills
- Conflict Resolution
- Execution Effectiveness
  - Coaching for Success
  - Crucial Conversations
  - Influence Without Authority
  - Personal Agility
- Interpersonal Skills
- Leadership Skills
- Management Development
- Managing Diversity
- Productivity Skills
- Project Planning & Management
- Team Building

**ADVANCED TECHNOLOGY** (Ratio 1:10)

- Adobe Suite
- Apache Hadoop
- Big Data Analytics
- Big Data Software
- CSS

- Database Management
- Google Certified Double-Click
- Graphic Design
- HTML
- Java
- JavaScript
- Lean Software Development
- Programming with Apache Spark
- Ruby
- Scrum Certification
- Software Testing
- Web Development
- WordPress

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