

DELEGATION ORDER



**Training Proposal for:
Parmatech Corporation
Agreement Number: ET15-0321**

Approval Date: 11/18/14

ETP Regional Office: Sacramento

Analyst: M. Mazzone

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Sonoma	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: 100	U.S.: 400	Worldwide: 400
<u>Turnover Rate:</u>	4%		
<u>Managers/Supervisors:</u> (% of total trainees)	8%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$56,088		\$0	\$0		\$56,088

In-Kind Contribution:	100% of Total ETP Funding Required	\$71,320
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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	Business Skills, Cont. Improv., Mfg. Skills, Literacy Skills, PL-Mfg. Skills	82	8-200	2-6	\$684	\$14.90
				Weighted Avg: 38			

Minimum Wage by County: \$14.90 Sonoma 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 \$2.96 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Production Technicians		49
Administrative Staff		4
Managers		5
Supervisors		2
Engineers		10
Process Technicians		4
Production Lead		8

INTRODUCTION

Founded in 1973, Parmatech Corporation (Parmatech) is a leading supplier of custom manufactured metal injection molding components. Metal injection molding is a low cost, high volume manufacturing process that produces parts to near net shape, reducing or eliminating the need for secondary and machining operations. The process technology excels in small parts of complex shape, enabling part manufacturing that may be prohibitive or impossible to make with conventional technologies. Parmatech’s customers include aerospace, electronics, telecommunications, and medical industries.

NEED FOR TRAINING

Parmatech operates in a global marketplace and many competitors are offshore. To meet global competition, employees must be trained on Lean manufacturing practices with a focus on continuous improvement, waste reduction and talent development.

The Company grew 60% between 2011 and 2013. A large part of this growth is related to New Product Introduction (NPI). The Company is looking to improve its NPI process and reduce the time for development by 50%. To meet this goal, Parmatech has redesigned jobs and began implementing self-directed work teams to empower its workforce, and thus provide managers and engineers opportunities to redesign processes.

PROJECT DETAILS

Business Skills (9%): Training will be offered to Managers and Engineers. Training will include strategic planning and project management. Training will focus on planning and New Product Introduction processes.

Literacy Skills (2%): Training will be offered to Production Technicians. Training will include English as a Second Language.

Manufacturing Skills (21%): Training will be offered to Production Supervisors, Engineers, Production Technicians, and Process Technicians. Training will include topics such as solidworks, GDT, certified quality technician/calibration, process validation, and equipment maintenance.

Continuous Improvement (59%): Training will be offered to all occupations. Training will include Lean manufacturing, Toyota Kata, Root Cause Analysis, 5S, leadership, and team building. Training is intended to implement lean manufacturing to improve processes and reduce waste, develop leadership, and establish self-directed teams.

Computer-Based Training

Training on pivot tables and access database will be offered to Administrative Staff, Engineers, Supervisors and Production Technicians. Microsoft Office training will be offered to Production Technicians with limited computer experience. Approximately 10 employees will receive Computer-Based Training up to 6 hours per employee.

Productive Laboratory (9%)

The Panel recently adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. The instructor must be dedicated to training delivery during all hours of training.

Approximately 20 Production and Process Technicians will receive a maximum of 16 hours of PL-Manufacturing training. The ratio of trainer to trainee will not exceed 1:2.

Training will include in setting up (8-16 hours), operating (8-16 hours), and maintaining/ cleaning (8-16 hours) molding machines, furnaces, mixing equipment, and solvent extraction equipment.

Trainers will cover items listed on a checklist and rate performance to provide feedback and communicate expectations. The checklist will also be used to assess employees at intervals until the task is performed independently per company policies and procedures.

Commitment to Training

Parmatech's annual training budget is \$31,600. Training has been provided to Production Leads, Supervisors, Managers, Engineers, and Production Technicians in safety orientation, CPR/AED, forklift, HazMat, and material handling courses as well as ongoing manufacturing and business skills development.

Parmatech 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

Training is scheduled to begin November 24, 2014. Four internal staff will be responsible for implementing and administering this project.

Impact/Outcome

This training proposal intends to complete the following certifications for some trainees:

- American Society of Quality (ASQ) Certification
- ASQ Certified Calibration Technician
- Certification for ISO Internal Auditor

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

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

- Strategic Planning
- Project Management

CONTINUOUS IMPROVEMENT

- Lean Manufacturing
- Toyota Kata
- Root Cause Analysis
- 5S
- Leadership
- Team Building

MANUFACTURING SKILLS

- Developing Standard Work
- Solidworks
- GD&T
- Certified Inspector
- Certified Quality Technician
- Certified Quality Calibration
- Process Validation
- Capacity Utilization
- ISO Internal Auditor
- Equipment Maintenance and Controller Training

LITERACY SKILLS

- ESL

Literacy Training cannot exceed 45% of total training hours per-trainee
Safety Training cannot exceed 10% of total training hours per-trainee

Productive Lab Hours

8 - 16

MANUFACTURING SKILLS (1:2 Ratio)

- Equipment Set-up (Molding Machines, Furnaces, Solvent Extraction Equipment, High Speed Mixer)
- Equipment Operation
- Equipment Maintenance and Cleaning

CBT Hours

2 – 6

COMPUTER SKILLS (CBT)

- Using Pivot Tables (2)
- Access Database (2)
- Microsoft Office (2)

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 16 hours per-trainee.