



**Retrainee – Job Creation
Training Proposal for:
The Retail Equation, Inc.**

Small Business ≤ \$50,000

ET15-0317

Approved Date: October 28, 2014

ETP Regional Office: San Diego

Analyst: J. Davey

CONTRACTOR

- Type of Industry: Services
Technology/Other
Priority Industry: Yes No
- Number of Full-Time Employees
California: 37
Worldwide: 47
Number to be trained: 49
Owner Yes No
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 5%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$49,556
- In-Kind Contribution: \$70,000

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, Continuous Improvement	37	8-60	0	\$1,196	\$20.00
				Weighted Avg: 46			
2	Retrainee Job Creation Initiative Priority Rate SB <100	Business Skills, Computer Skills, Continuous Improvement	12	8-60	0	\$442	\$20.00
				Weighted Avg: 17			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Administrative Staff, Customer Service Staff, Data Analyst, IT Staff, Manager/Supervisor, Sales/Marketing Staff, Software Engineer, Statistician
- Union Representation: Yes
 No
- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: Training Funding Source, Seal Beach, assisted with development for a flat fee of \$3,300.
- Administrative Services: Training Funding Source will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1999 and headquartered in Irvine, The Retail Equation, Inc. (TRE) is a privately owned technology and professional service company that optimizes retailers’ revenue and profit margin by influencing the behavior of consumer transactions. The Company’s retail application solutions use predictive analytics to turn each shopper’s purchase or return into immediate financial payback, increasing store comps by as much as 2%, with significant return on investment. The Company’s Software-as-a-Service applications operate in more than 27,000 stores in North America, supporting a diverse retail base of specialty apparel, footwear, hard

goods, department stores, big box stores, auto parts and more. While the Company's solutions create sizeable new sales at the return counter, they also build customer loyalty, prevent fraudulent and abusive returns, reduce return rates, and save millions of dollars annually for retailers.

TRE is expanding its services to reach new customers. Over the past year, the Company has added several new clients and has developed new products that are in the testing phase. To meet this increasing demand, the Company hired 6 employees in 2013 and 12 so far in 2014, and developed training goals required to support and develop new product releases. Workers must be trained in the most up-to-date versions of critical data storage and retrieval software (such as NetApp, SAS, Hadoop, and Netezza) that are the backbone of its client services. The TRE also needs to provide Business and Continuous Improvement skills to maximize employee productivity and efficiency to meet client service needs more effectively.

Retrainee - Job Creation

TRE has committed to hiring 12 new employees (Job Number 2). Trainees must be hired within the three-month period prior to Panel approval or during the term of contract.

TRE is expanding its services to new companies and expects to hire at least 12 new employees during the term of the Agreement. The Company has been growing consistently over the last 6 years. In 2012 the Company added 2 new big-box retailers to its growing list of clients. TRE anticipates another 30% - 40% growth in 2015, with hiring in the following occupations: 5 Data Analysts, 4 Software Engineers, 1 Customer Service, and 2 IT staff members. The company recently moved to a larger facility, so it has enough space to handle the increase in new employees.

Training Plan

Training will be provided at the Irvine facility and nearby third-party vendor locations yet to be determined. Most of the training will be delivered in the data management, storage, and analysis software the Company needs to meet client demands.

Business Skills - Training will be offered to Software Engineers, Data Analysts, Managers/Supervisors, Statisticians, Administrative, Customer Service, IT and Sales/Marketing Staff in Communication, Coaching, Customer Relations, Product Knowledge, Project Management and other skills to provide foundational skills to better serve customers, facilitate internal processes, and learn business fundamentals.

Computer Skills - Training will be offered to all occupations in software and application skills that meet the individual needs of each trainee. Training will be delivered to Data Analysts, IT Staff and Software Engineers in the technical skills to develop, implement, and support the data analysis, mining, and storage skills. Managers/Supervisors, Administrative, Customer Service, and Sales/Marketing Staff will receive training in Excel, NetSuite, and other specific software related to their jobs.

Continuous Improvement - Training will be offered to all occupations in Process and Quality Improvement skills so that all employees work better in teams to solve problems and deliver better service to clients. TRE's products and services are developed and delivered in project teams, so these skills are vital to ensuring the best products are delivered on time to clients.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum

Class/Lab Hours

8 – 60 Trainees may receive any of the following:

BUSINESS SKILLS

- Coaching
- Communication
- Customer Relations
- Marketing & Business Development
- Product Knowledge
- Project Management

COMPUTER SKILLS

- Archiving
- Backup Systems
- Business Intelligence Tools
- Cloud Management/Computing
- Coding and Development
- Data Migration
- Excel
- Hadoop
- Hierarchical Storage Management
- Integration Tools
- MapReduce
- Netezza
- NetSuite
- Network Design/Architecture
- Networking Diagrams
- Networking (wired and wifi)
- Network Attached Storage
- Python
- Salesforce
- SAS
- Secure Coding
- Storage Area Network
- Tableau
- Virtual and Local Servers

CONTINUOUS IMPROVEMENT

- Process Improvement
- Quality improvement

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.