



Training Proposal for:
Ricoh Americas Corporation
Agreement Number: ET15-0420

Panel Meeting of: April 24, 2015

ETP Regional Office: San Diego

Analyst: M. Ray

PROJECT PROFILE

Contract Attributes:	Retrainee SET HUA	Industry Sector(s):	Services Warehousing Technology/Other Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Orange, Santa Clara, San Diego, San Francisco, Los Angeles, Contra Costa, Sacramento, San Mateo, San Bernardino, Sonoma, San Joaquin, Alameda, Fresno	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 2,700	U.S.: 36,000	Worldwide: 81,000
Turnover Rate:	4%		
Managers/Supervisors: (% of total trainees)	3%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$137,850		\$0	\$0		\$137,850

In-Kind Contribution:	100% of Total ETP Funding Required	\$242,054
-----------------------	------------------------------------	-----------

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, Continuous Impr	30	8-200	0-100	\$600	\$16.02
				Weighted Avg: 40			
2	Retrainee SET	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	80	8-200	0-100	\$750	\$27.40
				Weighted Avg: 50			
3	Retrainee SET HUA	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	70	8-200	0-100	\$855	\$14.00
				Weighted Avg: 57			

Minimum Wage by County: Job Number 1 Retrainees: \$16.02 per hour in Orange County; Job Number 2 SET Retrainees: Statewide Average Hourly Wage of \$27.40; and Job Number 3 HUA Retrainees: \$11.30 per hour in Fresno (City of Fresno) and San Joaquin (City of Stockton) Counties; and \$11.98 per hour in Los Angeles (City of 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

Health benefits of up to \$2.02 per hour for Job Number 1 and up to \$2.27 per hour for Job Number 2 may be added to trainee’s wages to meet the Post-Retention Wage. Commissions will also be used to meet the required SET hourly wage for Sales Staff in Job Number 2. The commission amount ranges from \$1.24 per hour to \$19.76 per hour. The average commission amount is approximately \$6.74 per hour as explained on page 6 of 7.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1:		
Distribution		5
Regional Operations Support		10
Information Technology		10
Manager		5
JOB NUMBER 2:		
Sales I		6
Sales II		9
Technician		20
Customer Support		15
Information Technology		15
Operations Support		15

JOB NUMBER 3:		
Sales		20
Technician		20
Information Technology		10
Operations Support		20

INTRODUCTION

This will be the fourth ETP Agreement for Ricoh Americas Corporation (Ricoh). Founded in 1962, Ricoh (www.ricoh-usa.com) distributes, imports, markets, sells, and services digital office equipment including copiers, printers, facsimile systems, scanners, digital duplicators, wide format copiers, digital cameras, projectors, and network accessories. The Company also offers managed document and information technology services. Ricoh serves large to medium size companies requiring high volume, high speed, and multiple finishing capabilities as well as small-sized businesses and individuals requiring multi-function production.

Headquartered in Pennsylvania, Ricoh also maintains locations throughout North America, Latin America, Europe, Middle East, Africa, Asia/Pacific, and Japan. The proposed training plan will target approximately 180 workers in 42 California facilities: 2 locations in Tustin and one each in San Jose, Irvine, San Diego, San Francisco, Los Angeles, Concord, Cerritos, Woodland Hills, Sacramento, Brisbane, Campbell, Ontario, Petaluma, Stockton, Rancho Cordova, Hayward, Glendale, Fresno, South San Francisco, Walnut Creek, Oakland, Mountain View, Culver City, and San Francisco.

In its project ending in 2011 (ET09-0476), the training plan included training for its California workers to focus on a paradigm shift in the Company's business model and implementation of its Enterprise Resource Planning system. Training enabled trainees to support new initiatives and technological advancements to increase the Company's competitive edge and differentiate itself from its competitors.

In its most recent ETP Agreement (ET12-0418), the training plan included training for its California workers to focus on implementation of new products and services as well as process improvement initiatives as a result of the Company's integration with IKON. During this contract term, Ricoh provided trainees with various class/lab and Computer-Based Training (CBT) training to address the change in customer base and rapid technological change in the service industry.

The proposed training plan may include employees who have participated in previous contracts and some curriculum topics are repeated; however, Ricoh confirmed that the subject matter has been updated, so there will be no duplication of training in those courses. In addition, the trainee population has been expanded to include recently hired employees who have not received ETP-funded training in the past.

PROJECT DETAILS

Ricoh must continue doing business as a solid total solutions provider in order to remain competitive. The Company's most recent acquisition of MindSHIFT, a cloud computing and support organization, will help the Company remain a solid provider. The acquisition expands its services in workflow consulting, security access, content management development, and network business applications. This new service expansion will require Ricoh to ensure its

Information Technology and Sales/Service Staff are up-to-date on the most current technology and products.

In addition to this service expansion, Ricoh is also committed to company growth. Thus, it has developed business methodologies to address continuous process improvement specifically focused on customer performance:

- **Sales Development: 5-Floor Leadership Sales Plan** – Ricoh is launching a leadership sales plan that builds upon the 7-Step Sales Process implemented in the previous ETP Agreement. The 7-Step Sales Process is designed to improve skills, identify processes, develop tools, and improve overall sales effort. The implementation of the 5-Floor Leadership Sales Plan will integrate all aspects of sales organization including order processing, the Customer Relationship Management (CRM) system, and corporate initiatives to increase sales forecasting accuracy and prioritize sales opportunities.
- **Managed Services Team** – Ricoh is developing a Managed Services Certification Program to focus on requisite equipment and process support specific to customers, existing products, and potential product needs. This initiative will require training certification for trainees. Training will increase efficiencies and ensure optimized on-site customer service.

Training Plan

Business Skills (20%) – Training will be offered to all job occupations. Course topics such as 5-Floor Leadership Sales Plan, Customer Value Proposition, and Services-Led Customer Service Approach will provide trainees with improved and consistent customer service to successfully perform their job functions within the organization.

Commercial Skills (40%) – Training will be offered to Technicians and Sales Staff. Training in Cloud Services Development, New/Upgraded Technologies, Networking/Security Concepts, and Technology Solutions Installation/Maintenance will enable frontline workers to better perform their specific job responsibilities selling, installing, maintaining, and serving Ricoh's products and systems.

Computer Skills (20%) – Training will be offered to all job occupations. Trainees will receive advanced Microsoft Office, CRM system, EDGE Dispatch system, and Managed Services Certification skills. Training will allow them to competently navigate Ricoh's systems.

Continuous Improvement (20%) – Training will be offered to all job occupations. In a continued effort to provide high quality service to its customers, Ricoh plans to provide its workers with skills that will increase their performance in the areas of leadership development, planning/efficiency skills, problem solving/decision making skills, and process & quality improvement techniques.

Computer-Based Training

To support Class/Lab training, Ricoh will also provide CBT in Business, Computer, and Continuous Improvement Skills. CBT will allow trainees to train at their own pace and will be provided prior to or subsequent to a Classroom/Instructor-Led training to ensure greatest learning/skills transfer. Some Technicians and Sales Staff may receive up to 100 hours of CBT while the remaining occupations will not receive more than 40 hours per trainee. CBT will not exceed 50% of total training hours per trainee.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. Safety training will continue to be provided in accordance with all pertinent requirements under state and federal law.

In 2015, Ricoh's annual training budget for its California facilities is approximately \$1,300,000. The Company provides ongoing basic job skills, new employee orientation, diversity, performance management skills, anti-harassment, extensive on-the-job, ride-along, introductory computer skills, interviewing skills, and selecting and assessing talent skills trainings. ETP funds will allow Ricoh to implement new curriculum related to the new technologies described in this proposal.

➤ Training Infrastructure

Ricoh has identified two individuals to manage the ETP project. The Project Manager will oversee the overall project. An additional individual located in California will be responsible for scheduling, delivering, documenting, and managing training for all California facilities. This person will also meet with ETP staff and work with Ricoh's third-party administrator.

Special Employment Training (Job Numbers 2 & 3)

Under Special Employment Training (SET), the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be frontline workers earning at least the statewide average hourly wage of \$27.40 at the end of the retention period. (Unemployment Insurance Code 10214.5. Title 22, CCR, Section 4409(a).)

SET/HUA Wage Modification (Job Number 3)

The 70 trainees in Job Number 3 work in a High Unemployment Area (HUA) with unemployment exceeding the state average by 25%. The determination of HUA status is based on unemployment data from the Labor Market Information Division of the Employment Development Department. Normally, the Panel may modify wages for HUA workers by up to 25% of the ETP Standard minimum wage. For this project, Ricoh is requesting a wage modification of 13% for Los Angeles and 7% for Fresno and Stockton in order to serve workers in lower-wage occupations at these locations.

Commissions

The Panel may use commission earnings to determine a trainee's hourly wage, if there is a reliable history of commission payment by the employer and if actual payment can be verified. Ricoh will use commissions to meet the Post-Retention wage of \$27.40 for the Sales Staff in Job Number 2. The base hourly rate for Sales Staff ranges from \$18.39 - \$52.50 per hour. The average monthly commission for the Sales Staff in Job 2 for the last 12 consecutive months was at least \$6.74 per hour. As such, all Sales Staff will qualify for training with the use of commissions (and health benefits if needed).

Electronic Recordkeeping

Ricoh currently uses a Learning Management System (LMS) to schedule training and track training attendance. The Company has requested to utilize its LMS to document training in this proposal. This system has been reviewed and approved by ETP staff.

Substantial Contribution

A substantial contribution does not apply to this proposal because the Applicant has not earned \$250,000 or more within five years in prior agreements at the same facility.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Ricoh under ETP Agreements completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
*ET12-0418	Statewide	6/30/2012- 6/29/2014	\$189,810	\$138,592 (73%)
**ET09-0476	Statewide	3/9/2009- 3/8/2011	\$495,510	\$139,042 (28%)

****ET09-0476:** The ETP Agreement experienced issues with trainees that did not meet the ETP SET wage and/or did not make enough commission to help them to meet the ETP SET wage. As a result, Ricoh performed a wage analysis and targeted employees who made ETP minimum wage requirements to avoid performance issues due to wage. Ricoh provided training to those trainees who did not meet ETP's wage requirement at its own expense. Additionally, Ricoh included new functions that were not included previously and the new employees acquired from IKON were not included in the previous agreement.

DEVELOPMENT SERVICES

Ricoh retained Training Funding Partners (TFP) in Fountain Valley to assist with development of this proposal for a flat fee of \$11,000.

ADMINISTRATIVE SERVICES

Ricoh also retained TFP to perform administrative services in connection with this proposal for a fee not to exceed 12% 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

- 5 Floor Leadership Sales Plan
- Business Process Skills
- Customer Value Proposition
- Finance/Accounting Skills
- New/Upgraded Products
- Services-Led Customer Service Approach
- Supply Chain Management

COMMERCIAL SKILLS

- Cloud Services Development
- New/Upgraded Technologies
- Networking/Security
- Technology Solutions Installation/Maintenance
- Total Green Office Solutions Products

COMPUTER SKILLS

- Advanced Microsoft Office Skills
- Customer Relationship Management (CRM) System
- EDGE Dispatching System
- Managed Services Certification

CONTINUOUS IMPROVEMENT

- Leadership Development
- Planning/Efficiency Skills
- Problem Solving/Decision Making Skills
- Process & Quality Improvement Techniques
- Project/Program Management

CBT Hours

0 – 100

BUSINESS SKILLS

- Advanced Sales Skills
 - Equitrac Office & Express Certification for Ricoh Design Consultants (1 hour)
 - Equitrac Office & Express Sales Training and Certification (1.5 hours)
 - Equitrac Product Manager Presentation for Ricoh Design Consultants (1 hour)
 - Nuance eCopy ShareScan Certification for Ricoh Design Consultants (1 hour)

- Nuance eCopy ShareScan Product Manager Presentation for Ricoh Design Consultants (1 hour)
- Nuance eCopy PDF Pro Sales Training & Certification (0.5 hour)
- Nuance eCopy Medical 360 Sales Training & Certification (0.67 hour)
- Pharmaceutical Industry Module 1: Trends and Challenges (1.25 hours)
- Pharmaceutical Module 2: Trends, Challenges & Regulatory Affairs (0.75 hour)
- Pharmaceutical Module 4: HR and Changing Workplace Key Value Areas (1 hour)
- New/Upgraded Products
 - MP C2003 (D176) Series Self-Paced Update (2.67 hours)
 - MPC3003 (D146) Series Service Tier 1 Training (6 hours)
 - MP C6502SP/MP C8002SP/PRO C5100S/PRO C5110S (D135/D136/D137/D138) COLOR MFP Tier 1 Self-Paced V2 (8 hours)
 - D129 Series Self Pace Update (3 hours)
 - Introduction to iProcurement (0.5 hour)
 - Convert to Print Intake Training (0.67 hour)
 - Parts Documentation Overview (1 hour)
 - Fiery Systems Blended Learning Part 1 - Section 1 (1 hour)
 - Pro 8100 (D179) Series Service Tier 1 (6 hours)
 - Pro C7100 (D194) Selfpace Update Course (4.5 hours)
 - CAC/PIV v3 MFP Blended Learning Part 1 (3 hours)
 - MP C401 D191 Family Self Pace (6 hours)
 - Fiery Systems Blended Learning Part 1 - Section 3 (8 hours)
 - Fiery Systems Blended Learning Part 1 - Section 4 (1 hour)
 - EDGE - MOD 3: Basic Call (0.5 hour)
 - The Perfect Service Call (4 hours)
 - EDGE - MOD 10: Retag (0.5 hour)
 - EDGE - MOD 11: Meter Skip (0.75 hour)
 - EDGE - MOD 12: After Hours (0.5 hour)
 - EDGE - MOD 13: Standalone (0.75 hour)
 - EDGE - MOD 9: Give Estimate (0.5 hour)
 - Color Theory and Process for HP Printers (4 hours)
 - D104 (MP C2051) Series Self-Paced Update (16 hours)
 - Image Formation for HP Printers (1.5 hours)
 - Introduction to Business Scanning (2 hours)
 - EDGE - MOD 14: Field Opens (0.5 hour)
 - EDGE - MOD 15: First Time Call New Install (0.5 hour)
 - EDGE - MOD 24: Receive Inventory (0.5 hour)
 - M080 Self-Paced Service Training (16 hours)
 - Pro L4130/4160 (M152/M153) Color Wide Format Part 1 (4.83 hours)
 - Pro C900 (G178) Series Blended Learning Part 1 (8 hours)
 - Pro C900 (G178) Series Blended Learning Part 1 (1.37 hours)
 - Field Service Manager SmartManage Training - Module 1 Introduction to ETAdirect (1.5 hours)
 - Field Service Manager SmartManage Training - Module 2 Rversion (1.5 hours)
 - Field Service Manager SmartManage Training - Module 3 Technician Management (1.5 hours)
 - Field Service Manager SmartManage Training - Module 4 Reports (1.5 hours)

- Field Service Manager SmartManage Training - Module 5 Next Steps (1.5 hours)
- MP 6002 (D131)Series Tier 1 (6 hours)
- SP 311SFNw (M157) Self Pace Service Training (2 hours)
- WBDI v2 (3 hours)
- Service-Led Customer Service Approach
 - Defining the New Ricoh - Imperative for Change (0.67 hour)
 - Working as a Team (0.5 hour)
 - Attitude for Success (0.5 hour)
 - Working Together: Ricoh and the Supply Chain Process Flow (1 hour)
- Art of Communication (0.95 hour)
- Powerful Communication Skills (1.6 hours)
- Ricoh Organizational Change Management "The Basics" (0.75 hour)
- Assertiveness (1.07 hours)
- Better Business Writing (0.75 hour)
- Effective Presentation Skills (0.57 hour)
- Business Communication Fundamentals (0.57 hour)

COMPUTER SKILLS

- Amazon Locker Self-Paced Training (2 hours)
- Meeting Room Services for Operations (1 hour)
- Smart Operation Panel (D148-81) Self-Paced Training (1.5 hours)
- 05: Procedures and Professional IT Communication (1.48 hours)
- Compensation Workbench Training for Managers - STI 2014 Semi-Annual Processing (0.75 hour)
- 1: Installing and Configuring Windows Server 2012 (2.6 hours)

CONTINUOUS IMPROVEMENT

- Developing an Effective Individual Development Plan Online Course (0.5 hour)
- Defining the New Ricoh – The Role of the Manager (0.67 hour)
- Leadership Competencies at Ricoh (0.75 hour)
- Ricoh's Performance Management Process Online Training (0.5 hour)
- Coaching with Confidence (6.5 hours)
- Effective Delegation (3.9 hours)

Note: Reimbursement for retraining is capped at 200 total hours per trainee, regardless of method of delivery. CBT is capped at 50% of total training hours, per trainee.