



**Training Proposal for:  
Superior Foods, Inc.**

**Fast Track ≤ \$100,000**

**ET15-0130**

**Panel Meeting of:** June 27, 2014

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** A. Nastari

**CONTRACTOR**

- Type of Industry: Wholesale Trade  
Services  
Priority Industry:  Yes  No
- Number of Full-Time Employees  
California: 64  
Worldwide: 600  
Number to be trained: 42  
Owner  Yes  No  
Mgr/Supr 7  
Frontline 35
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training:  Yes  No
- High Unemployment Area:  Yes  No
- Turnover Rate: 12%
- Repeat Contractor:  Yes  No
- Substantial Contribution:  Yes  No

**FUNDING**

- Requested Amount: \$60,480
- In-Kind Contribution: \$84,000

**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	Business Skills, Computer Skills, Continuous Improvement	42	8 - 200	0-100	\$1,440	\$16.25
				Weighted Avg: 80			

- Reimbursement Rate: Job #1: \$18 Priority Retraining
- County(ies): Santa Cruz
- Occupations to be Trained: Account and Business Managers, Administrative Support, Inventory Control Clerks, Logistics Coordinators, Managers, Production-Replenishment Coordinators, Supervisors, Supplier Account Managers
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$2.08 per hour
- Electronic Recordkeeping: N/A

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: Cabrillo College Extension, Aptos will provide training in Business Skills, Computer Skills, and Continuous Improvement.

**OVERVIEW**

Founded in 1980, Superior Foods, Inc. (Superior Foods) [www.superiorfoods.com](http://www.superiorfoods.com), headquartered in Watsonville, is a privately-held global sustainable supplier and manufacturer of frozen fruits, vegetables, and grains. It serves customers in the retail, industrial and foodservice markets. Superior Foods will hold the contract on behalf of its employees and those of its close affiliate, Superior Foods, International, LLC. (SF International). The affiliate is located at the Company’s Watsonville facility with shared staff resources.

Both entities support a production facility for Superior Foods that is located in San Antonio. The support services include HR Management, inventory, sales, purchasing, accounting and

operational functions. As such, both entities meet the Panel's standards for out-of-state competition.

Superior Foods delivers a wide variety of food products in the range of over 227M pounds annually. Superior Foods' customer base consists of the following: Foodservice segment (42% of sales) including Sysco and Independent Marketing Alliance; Industrial segment (22% of sales) including Nestle, General Mills, McCain, Windsor, ConAgra; Retail segment (36% of sales) including Kroger, H.E.B. Stores, Target, Trader Joe's, BJ's Wholesale Club.

In the past 12 months, Superior Foods and SF International have integrated its workforces. A newly appointed CEO and leadership team identified strengths, weaknesses, and business advancement opportunities. Both entities set non-financial goals to provide Outstanding Customer Satisfaction and Quality of Work Life to its employees and a financial goal to increase sales from \$205M to \$235M within next 24 months.

Superior Foods conducted a skills analysis and employee surveys. In doing so, the Company discovered critical skills gaps in communication (written and verbal) needed to effectively deal with customers and vendors. Other issues are: supply and distribution management, Time management, leadership skills for frontline workers, and coaching and motivational skills for the management team. The latter is required to develop more effective leaders to lead staff in attaining its financial strategic goals. As a result of the needs assessment, the new CEO fully supports Superior Foods' first formalized training initiative in its more than 34 years of being in business.

Agricultural businesses are leaving California due to the increasing cost of doing business. To remain competitive Superior Foods needs to have a highly skilled workforce that can ensure clients' products are delivered in a timely manner. In addition, Superior Foods' current workforce lacks business writing and computer skills, because most of their communication is "texting." An additional 27% of Superior Foods' workforce is comprised of Baby Boomers who will start to retire within the next 3-5 years. The Company must provide leadership skills to its younger workforce for leadership and management roles to ensure continued company growth.

Managers and Supervisors are responsible for the day-to-day operations. They require leadership skills to effectively lead their staff by setting clear direction and standards of performance. These are tenured talented individuals whom Superior Foods wishes to retain, and would benefit from teambuilding, motivational, and effective prioritizing and time management skills.

Account & Business Managers provide direct sales and customer service and do not manage staff. They are responsible for understanding and responding to customers' product needs, analyzing prices and supply information on customer bid project sheets which are used to make purchasing decisions. They ensure there's adequate supply of inventory needed to meet sales and purchase contracts. They require training in Excel for developing spreadsheets containing sales and order status data.

Administrative Support Staff is relied upon by company-wide departments to provide financial data and business communications. Staff is responsible for accounts receivable/payable and the Company's payroll. Training in accounting fundamentals, Microsoft Word and advanced Excel programs will enable staff to automate tasks by performing formulas and functions, thereby increasing efficiencies. Training in communications skills will further enhance their daily job responsibilities.

Training for all other occupations will be tied to their needed job duties, as outlined below:

- Production-Replenishment Coordinators are responsible for maintaining 100% fulfillment rate while keeping costs at the forecasted level;
- Inventory and Production Control Clerks are responsible for reconciliation of inventory held at various warehouses to ensure adequate property insurance coverage as well as adhering to First-In First-Out (FIFO) requirements, a method for organizing and manipulating data;
- Operations and Logistics Production Staff play a key role in fulfilling customer demands, ordering and managing inventory, controlling inbound and outbound shipments, reducing costs, time-saving methods, and helping to meet company objectives. They are also responsible for arrangement and monitoring of product shipments for government compliance, as well as ensuring safe method of shipments.
- Supplier Account Managers/Coordinators are responsible for identifying customer demands, creating forecasts, developing schedules, ordering and managing inventory, controlling production order and increasing customer satisfaction.

### **Training Plan**

In summary, Superior Foods and SF International needs to train their Account and Business Managers, Administrative Support, Inventory Control Clerks, Logistics Coordinators, Managers, Production-Replenishment Coordinators, Supervisors, Supplier Account Managers. Training will be delivered in Class/Lab and CBT methodologies. Upon completion of CBT courses trainees will receive a certificate from the training vendor.

**Business Skills** – Training will be offered to all occupations in communications and customer service. Account and Business Managers, Inventory Control Clerks, Logistics Coordinators, Managers, Production-Replenishment Coordinators, Supervisors, Supplier Account Managers will additionally receive business performance, project management, and sales skills.

**Computer Skills** - Training in intermediate and advanced Microsoft Office Suites Word, Excel, Outlook and PowerPoint will be offered to all occupations so as to increase efficiencies.

**Continuous Improvement** – Training in Leadership and Teambuilding skills will be offered to all occupations in order to create a cohesive work environment. Managers and Supervisors will receive additional skills in Mentoring and Coaching to lead their departments.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8 – 200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- + Distribution and Logistics Management
- + Supply Chain Management Fundamentals
- + Mastery of Business Fundamentals
- + Total Quality Fundamentals
- + Inventory Control
- + Effective Selling
- + Business Communications
- + Managing Information
- + Managing Conflict
- + Exceptional Customer Service
- + Managing Time and Priorities
- + Meeting Effectiveness

**COMPUTER SKILLS**

- + MS Excel Level 2 Intermediate
- + MS Excel Level 3 Advanced
- + MS Word Level 2 Intermediate
- + MS Word Level 3 Advanced
- + MS Outlook Intermediate
- + MS Outlook Advanced
- + MS PowerPoint Intermediate
- + MS PowerPoint Advanced

**CONTINUOUS IMPROVEMENT**

- + Leadership Academy
  - o Building a Healthy Organizational Culture
  - o Leading Organizational Change
  - o Setting Goals and Achieving Results
  - o Team Leadership
  - o Effective Delegation
  - o Coaching for Improvement & Development
- + Supervisory Training Academy
  - o Managing Time and Priorities
  - o Customer Service Essentials
  - o Essential Communication Skills
  - o Presentational Speaking
  - o Building a Team
  - o Employee Motivation
  - o Business Writing

**CBT Hours**

0- 100

**CONTINUOUS IMPROVEMENT**

- + Distribution and Logistics Management
  - o Lesson 1: Importance of logistics and its role in supply chain management (2 hrs)

- Lesson 2: Understanding various components of a logistics systems (2 hrs)
- Lesson 3: Material handling, order entry, order fulfillment, packaging (2 hrs)
- Lesson 4: Receiving, production stores, inbound delivery problems, understanding difference between expediting and tracing. (2 hrs)
- Lesson 5: Controlling inventories (2 hrs)
- Lesson 6: Documentation of inventories; customer returns; transportation documents including bill of lading and freight bill. (2 hrs)
- Lesson 7: Electronic data interchange; e-commerce; enterprise resource planning. (2 hrs)
- Lesson 8: Regulatory changes; shipping rates; evaluating outsourcing warehousing activities. (2 hrs)
- Lesson 9: Managerial responsibility of logistics; planning, delegating. (2 hrs)
- Lesson 10: Forecasting; long range planning; capacity planning; facility selection. (2 hrs)
- Lesson 11: Project management; phases of project life cycle. (2 hrs)
- Lesson 12: Tracking progress and measuring performance of logistics. (2 hrs)

#### **Supply Chain Management Fundamentals**

- Lesson 1: Operating systems and use of supply chain; material resources planning (2 hrs)
- Lesson 2: Sales and Operations Planning ( 2 hrs)
- Lesson 3: Forecasting and customer demand ( 2 hrs)
- Lesson 4: Components of demand; quantitative forecasting (2 hrs)
- Lesson 5: Developing forecasting for new products and controlling forecasts (2 hrs)
- Lesson 6: Manufacturing strategies (2 hrs)
- Lesson 7: Master production schedules (2 hrs)
- Lesson 8: Material Requirements Planning (2 hrs)
- Lesson 9: Effectively managing capacity (2hrs)
- Lesson 10: Production activity control (2 hrs)
- Lesson 11: Production scheduling and control (2 hrs)
- Lesson 12: Tracking progress and measuring performance of logistics. (2 hrs)

#### **Total Quality Fundamentals**

- Lesson 1: Introduction to total quality management (2 hrs)
- Lesson 2: Understanding customer types; minimize customer complaints; creating quality systems. (2 hrs)
- Lesson 3: The cost of quality; failures; prevention costs; statistical process control (2 hrs)
- Lesson 4: Concepts of competency, competitive advantage, organizational assessment. (2 hrs)
- Lesson 5: Forces of change; why people resist and ways to manage change (2 hrs)

- Lesson 6: How to build effective teams and deliver training (2 hrs)
- Lesson 7: Total employee involvement; progressive performance measurements (2 hrs)
- Lesson 8: Standards and audits (2 hrs)
- Lesson 9: External and internal audits; writing the final report (2 hrs)
- Lesson 10: Understanding ISO; challenges of implementing (2 hrs)
- Lesson 11: Close study of ISO; standards to manage the environment (2 hrs)
- Lesson 12: Identifying common quality fallacies (2 hrs)

#### **Accounting Fundamentals**

- Lesson 1: account classifications; debits, credits, T accounts (2 hrs)
- Lesson 2: balance sheet preparation (2 hrs)
- Lesson 3: general ledger functions (2 hrs)
- Lesson 4: accounts payable (2 hrs)
- Lesson 5: accounts receivable (2 hrs)
- Lesson 6: payroll preparation (2 hrs)
- Lesson 7: banks and banking services (2 hrs)
- Lesson 8: prepare schedule of AP and AR (2 hrs)
- Lesson 9: prepare worksheet for net income or net loss (2 hrs)
- Lesson 10: prepare income statement, owners' equity statement (2 hrs)
- Lesson 11: general ledger adjustments (2 hrs)
- Lesson 12: prepare a post-closing trial balance (2 hrs)

#### **Project Management**

- Lesson 1: why project management is necessary (2 hrs)
- Lesson 2: how to plan and control a project (2 hrs)
- Lesson 3: how to use the 4 phases of project life cycle (2 hrs)
- Lesson 4: planning activities (2 hrs)
- Lesson 5: overview of control process (2 hrs)
- Lesson 6: project manager's role and responsibilities (2 hrs)
- Lesson 7: deliverables and stakeholders (2 hrs)
- Lesson 8: understanding nature of organizational politics; managing conflict (2 hrs)
- Lesson 9: form a project plan (2 hrs)
- Lesson 10: implementing project plan (2 hrs)
- Lesson 11: importance of project control; project measurements and reporting (2 hrs)
- Lesson 12: steps of project closure. (2 hrs)

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