



**Retrainee – Job Creation
Training Proposal for:
Tenergy Corporation**

Small Business \leq \$50,000

ET15-0267

Panel Meeting of: August 22, 2014

ETP Regional Office: San Francisco Bay Area

Analyst: R. Jackson

CONTRACTOR

- Type of Industry: Manufacturing
Priority Industry: Yes No
- Number of Full-Time Employees
California: 90
Worldwide: 90
Number to be trained: 78
Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 9%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$48,464
- In-Kind Contribution: \$43,589

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 SB <100 Priority Rate	HazMat, Mgmt. Skills, Business Skills, Computer Skills, Cont. Improv. Literacy Skills Manufacturing Skills	68	8-60	0	\$598	\$16.25
				Weighted Avg: 23			
2	Retrainee Job Creation Initiative SB <100 Priority Rate	HazMat, Mgmt. Skills, Business Skills, Computer Skills, Cont. Improv. Literacy Skills Manufacturing Skills	10	8-60	0	\$780	\$13.55
				Weighted Avg: 30			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Alameda
- Occupations to be Trained: Manufacturing Staff, Shipping and Receiving Staff, Laborers, Engineers, Project Management Staff, Managers, Sales Staff, Administrative Staff, Warehouse Staff, Quality Assurance Staff, Technicians, Purchasing Staff, Customer Service Staff
- Union Representation: Yes
 No
- Health Benefits: Job #'s 1 & 2: \$3.00

SUBCONTRACTORS

- Development Services: Manex Consulting in San Ramon assisted with development of this project at no cost.
- Administrative Services: N/A
- Training Vendors: To Be Determined

OVERVIEW

Established in 2004, Tenergy Corporation, Inc. (Tenergy) (www.tenergy.com) is a small manufacturing business based in Fremont. Tenergy develops and assembles batteries and charger products to support clients in a variety of industries including: solar, medical, transportation, communication, security, oil exploration, law enforcement and the military. The Company reportedly has millions of individual customers that use Tenergy batteries or charger products.

Business is expanding such that Tenergy recently added a manufacturing and testing location which adjoins their existing plant in Fremont. All battery manufacturers must conform to specific certification testing including Underwriters Laboratories (UL) or Conformité Européenne (CE), which regulates the industry. The expanded operations are helping Tenergy satisfy the testing certification requirements as an in-house service. New business accounts and savings from the testing operations should result in 25% growth in year-over-year sales, in 2015.

ETP funded training will assist Tenergy in business expansion by reinforcing cross-training quality assurance and skill upgrade efforts for the following occupations: Project Management, Manufacturers, Shipping and Receiving, Laborers, Engineers, Manager, Sales Staff, Administrative Staff, Warehouse, Quality Assurance, Technicians, Purchasing, Customer Service and Supervisors.

Retrainee - Job Creation

The Panel's guidelines for Job Creation provide incentives to companies making commitments to hire. Under the guidelines, a lower post retention wage is allowed consistent with ETP's existing New Hire wage.

Due to the business expansion discussed above, Tenergy projects the hiring of 20 employees through 2015, ten of whom will receive ETP-funded training. The new-employee occupations are: Quality Assurance, Customer Service, Manufacturers, Shipping and Receiving, Laborers, Engineers, Manager, Sales Staff, Administrative Staff, and Project Management. To be eligible for reimbursement in Job Number 2, those trainees must be hired within a three month period prior to the Panel approval or during the term of the Agreement.

Project Details

The proposed curriculum reinforces the implementation of a training plan determined by the Company to be essential to remain competitive and improve the skills of frontline workers.

The ETP-funded training will support the delivery of: Continuous Improvement Skills, Hazardous Materials, Literacy Skills, Management Skills, Computer Skills, Business Skills, and Manufacturing Skills that have been identified in the Menu Curriculum.

Training Plan

Training is expected to be delivered by subject matter experts in house. Additional training vendors may be determined at a later date.

Continuous Improvement (38%) - Continuous Improvement training will be offered to all occupations. The overall goal of this training is to improve Tenergy's efficiency and productivity by implementing process improvements throughout the organization. Coursework to aide

trainees in working collaboratively will include Lean Manufacturing Principles, Quality System Training ISO 9001, 5S Workplace Organization, Root Cause Corrective Actions, and Six Sigma training. Other skills topics necessary to allow Tenergy to improve their competitive advantage, reduce costs, shorten lead times and improve their ability to capture new business and maintain business are listed in the proposed menu curriculum.

Management Skills (2%) - Tenergy has identified training titles; Leadership, Motivation, Team Building, Coaching, and Decision Making that the Company requests to offer Management staff. This training is needed to help the Company manage human resources, maintain a low turnover rate, and preserve or boost performance overall. Tenergy has identified training to increase skills in conflict resolution, and interpersonal skills development, which is central to their hiring plans.

Manufacturing Skills (20%) - Manufacturing skills training will be offered to Manufacturers, Technicians, Supervisors and Managers. The overall goal of this training is to improve Tenergy's efficiency and productivity by implementing process improvements throughout the organization. The Manufacturing Skills training aims to strategically reduce costs, shorten lead times and improve Tenergy's ability to capture new business. The planned training includes IPC 610, troubleshooting, quality, inventory procedures, soldering, electrical schematic documentation, and cross training.

Business Skills (25%) - Training will be offered to all staff to improve communication skills, New Product introduction and development, sales, business communications, marketing and customer service.

Computer Skills (5%) – Training will be offered to Administration, Quality Assurance, Purchasing, Customer Service, Sales Staff, Technicians, Managers and Supervisors. Tenergy has several thousand distinct products in inventory and has a very active E Commerce program that requires constant updates and security controls.

Computer Skills training will cover all software applications, network and server skills, the ERP systems and any software necessary for direct interface with customers.

Hazardous Materials (5%) – This training will be offered to Manufacturing, Warehouse, Shipping and Receiving personnel for processing materials used in the battery assembly and disposal processes. Lithium Ion batteries are a particular fire hazard and all batteries require special handling, storage and disposal procedures.

Literacy Skills (5% of total) – ESL and basic math and workforce proficiency skills will be offered to employees as needed throughout the workforce, but primarily in Shipping and Receiving and Manufacturer job titles. Tenergy is located in Alameda County and the production workforce is mainly composed of a workforce where English is not their primary language. Tenergy will attempt to work with the local community colleges as much as is practical or will use an ESL Certified trainer.

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

- ✚ Business Plans
- ✚ Customer Service
- ✚ Communication Skills
- ✚ Developing Sales Strategies
- ✚ Developing Marketing Strategies
 - Finance for Medium Sized Manufacturers
 - Interpersonal Skills
 - Conflict resolution
 - Effective Team Building
 - Effective Report Writing
- ✚ Inventory Control
- ✚ Negotiating Skills
- ✚ New Product Introduction
- ✚ New Product Development
- ✚ Report Writing
- ✚ Product Development
- ✚ Project Management
- ✚ Product Management
- ✚ Sales Methodologies
- ✚ Time Management
- ✚ Sales Management
- ✚ Strategic Planning
 - SWOT Analysis

COMPUTER SKILLS

- ✚ Accounting Systems
- ✚ Computer Networking / Support systems
- ✚ Communications Systems
- ✚ Database Management
- ✚ E commerce
- ✚ Engineering Design Software
- ✚ Graphic Design Software
 - HRIS (Human resources information system)
- ✚ MRP /ERP Training: NET SUITE
- ✚ IT Programming / Manufacturing Equipment Support
- ✚ User Experience (UX) Design
- ✚ Spreadsheets / Advanced Excel and Access Training
- ✚ Website Development and Maintenance

CONTINUOUS IMPROVEMENT

- ✦ 5S: Sort, Set, Shine, Standardize, Sustain
- ✦ ISO Audit Principles
- ✦ Basic Quality Tools
- ✦ Continuous Improvement Skills / Lean Manufacturing
- ✦ Creative Problem Solving Skills
- ✦ Cycle-time Reduction Techniques
- ✦ Interpreting & Analyzing Data
- ✦ ISO 9001
- ✦ Leadership Skills
 - Battery University
- ✦ Management Training
- ✦ Maintenance (TQM)
- ✦ Process Control / Process Improvement
- ✦ Process / Product Handling
- ✦ Production Scheduling
- ✦ Production Operations / Workflow
- ✦ Project Management
- ✦ Standard Operating Procedures
- ✦ Statistical Process Control (SPC)
- ✦ Teambuilding
- ✦ UL Standards and requirements

HAZARDOUS MATERIALS

- ✦ Hazardous Analysis Critical Control Points (HACCP)
- ✦ Disposal of Hazardous Materials
- ✦ Class 9 Shipping Standards / Battery Shipping Best Practices

MANAGEMENT SKILLS (Managers only)

- ✦ Leadership
- ✦ Decision Making
- ✦ Motivation
- ✦ Teambuilding
- ✦ Coaching

MANUFACTURING SKILLS

- ✦ Assembly Operations
- ✦ Blueprint Reading
- ✦ Chemical Usage and Handling
- ✦ Electro Static Discharge (ESD)
- ✦ Electronic Assembly Workmanship
- ✦ Facilities Management
- ✦ Forklift Safety / Operations
- ✦ IPC 610 Acceptability of Electronic Assemblies Certification Training
- ✦ Inventory Management
- ✦ Quality Control and Final Quality Assurance
- ✦ Set up Reduction
- ✦ Shipping / Receiving
- ✦ Soldering Skills
- ✦ Special Machines/Inspections
- ✦ Statistics Skills for Operations

- ✚ Testing Techniques
- ✚ Warehousing Operations/Distribution

LITERACY SKILLS

- ✚ Communicating Common Work-related Instructions
- ✚ Equipment Operation Language
- ✚ Job related Vocabulary & Phrases
- ✚ Multi-cultural Communication
- ✚ Shop Floor Language
- ✚ SPC Language
- ✚ Understanding Common Work-related Instructions
- ✚ Understanding Schematics Used On The Job
- ✚ Basic Grammatical Structure
- ✚ Presentation Skills
- ✚ Pronunciation
- ✚ Work Related Basic Writing Skills
- ✚ Completing Job-related Forms
- ✚ Work Related Computer Skills
- ✚ Work Related Reading Comprehension
- ✚ Work Related Basic Math
- ✚ Applying Math to Job Functions

* Safety training is limited to 10% of the total training hours.

* Literacy Training cannot exceed 40% of total training hours

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