



RETRAINEE - JOB CREATION
Training Proposal for:
Valley Truck and Tractor Co.
Agreement Number: ET15-0435

Panel Meeting of: April 24, 2015

ETP Regional Office: Sacramento

Analyst: M. Mazzone

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee Job Creation Initiative HUA	Industry Sector(s):	Agriculture Retail Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Butte, Colusa, Glenn, Sacramento, Solano, Sutter, Yolo	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: 157	U.S.: 157	Worldwide: 157
<u>Turnover Rate:</u>	11%		
<u>Managers/Supervisors:</u> (% of total trainees)	20%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$239,520		\$0	\$0		\$239,520

In-Kind Contribution:	100% of Total ETP Funding Required	\$315,000
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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, Commercial Skills, Computer Skills, Cont. Imp., Management Skills	133	8-200	0	\$1,440	\$15.75
				Weighted Avg: 80			
2	Retrainee Job Creation Initiative Priority Rate	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., Management Skills	30	8-200	0	\$1,600	\$13.13
				Weighted Avg: 80			

Minimum Wage by County: Job Number 1: \$15.07 per hour for Butte, Colusa, Glenn, Solano, Sutter and Yolo counties; \$15.75 per hour for Sacramento County

Job Number 2 (Job Creation): \$12.33 per hour for Butte, Colusa, Glenn, Solano, Sutter and Yolo counties; \$13.13 per hour for Sacramento 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 \$0.25 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$1.13 may be used to meet the Post-Retention wage for Job Number 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Administrative Staff		15
Manager		27
Parts Staff		15
Sales Representative		17
Technician		56
Job Number 2		
Administrative Staff		4
Manager		4
Parts Staff		7
Sales Representative		6
Technician		9

INTRODUCTION

Founded in 1948, Valley Truck and Tractor Co. (VT&T) is an agricultural vehicle dealer in the Sacramento Valley (<http://valleytruckandtractor.com/>). VT&T sells and services commercial and residential agricultural equipment including tractors; combines and sprayers; riding mowers, utility tractors and snow equipment; and specialized golf course and turf equipment. In addition to equipment sales, VT&T supports John Deere Agriculture Management Solutions, which assists farmers with the management of their crops by using technology and GPS.

VT&T customers include farmers, commercial landscaping companies, residential customers and golf courses. There are 10 VT&T locations in the Sacramento Valley including: Chico, Colusa, Dixon, Elk Grove, Gridley, Robbins, Willows, Woodland, and Yuba City (headquarters). All locations will participate in ETP training.

VT&T is eligible for standard retraining as a company primarily engaged in providing services directly to customers located both inside and outside of California.

PROJECT DETAILS

The Company's largest training needs are Business and Commercial skills required to service customers effectively. To meet these needs and increase competitiveness, VT&T has developed a training plan, which will focus on these improvements.

A major component of VT&T's business is built around the sale and service of John Deere farm equipment. To promote the efficient use of resources John Deere has developed Farmsight, which uses GPS mapping and technology on farm equipment. The technology will remotely operate the equipment with or without an operator and can level the land, till, plant, spray and harvest. Farmsight will also compile farm data on soil grids, soil samples, automated crop reporting, and it works seamlessly with John Deere's Apex Farm Management Software.

This technology is new for John Deere and VT&T staff. VT&T employees will receive training from product knowledge and sales through parts and repair services. In addition to the training on John Deere equipment and software, VT&T staff will receive training in a new Customer Relationship Management system (CRM), Customer Service Skills, Sales and Marketing, Lean Process Procedures and Management Techniques.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

VT&T has committed to hiring 30 new employees (Job Number 2). The Company represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

VT&T will be offering new services to customers, which is focused on John Deere technology packages for use with John Deere equipment. The increase in services provided will require additional staff to market and sell the products. Staff will also be required to educate customers with regards to the benefits and operations of the new technology. The increase in services provided coupled with an aggressive plan to increase market share will expand VT&T's

business capacity and functions. The workforces at all 10 locations will be increased due to the business expansion.

Training Plan

Trainees will receive between 8-200 hours of Classroom/Laboratory or 8-60 E-Learning training in the following:

Business Skills (25%): Training will be delivered to all occupations and focus on product knowledge, customer service, sales and marketing, and business operation skills. Training topics includes Business Communications, Customer Relationship Management, Dealing with Difficult People, Cost Control, Marketing/Sales Techniques, Retaining Customers, Product Knowledge and Financial Analysis.

Commercial Skills (20%): Training will be delivered to all occupations, excluding Administrative Staff, and will increase staffs knowledge of equipment and parts. Training will focus on detailed equipment servicing instructions and the functionality of agricultural management systems. Topics will also include Parts Metric Analysis, Equipment Technical Overviews, Equipment Service and Field Adjustment Techniques, and Agriculture Management System/Technology Systems Function.

Computer Skills (20%): Training will be delivered to all occupations. Training will focus on the new CRM system and John Deere software programs. Training topics will include Customer TRAX, EQUIP, John Deere Farmsight, John Deere Agriculture Management System and Intermediate/Advanced Microsoft Office.

Continuous Improvement (25%): Training will be delivered to all occupations to improve efficiencies in all areas. Employee knowledge and skill enhancement will be emphasized in the continuous quality improvement initiative is being implemented by VT&T. Training topics include Problem Solving and Decision Making, Process Improvement, Project Management, Lean Process Procedures, Root Cause Analysis, Time Management and Production Operations/Workflow.

Management Skills (10%): Training will be delivered to Managers to foster a highly productive work atmosphere and to grow the talents of emerging leaders within VT&T. Training topics will include Coaching/Mentoring Skills, Effective Meetings for Managers, Finance for Technical Managers, Leadership Skills, Motivation Skills, Supervisory Skills, Teambuilding, Conflict Resolution Skills, and Project Management and Methodology.

Commitment to Training

VT&T currently has an annual training budget of \$20,000 per location and this includes state mandated safety training, new employee orientation and sexual harassment prevention. VT&T represents that ETP funds will not displace the existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

High Unemployment Area

Some trainees may work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. However, VT & T is not asking for a wage and/or retention modification.

Impact/Outcome

Training is expected to improve VT&T's competitiveness statewide. After the completion of training, VT&T will be able to service more customers in a greater range of products, which will lessen the amount of business that is lost to out-of-state competitors.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Sierra Consulting Services in Cameron Park assisted with development of this proposal for a flat fee of \$15,000.

ADMINISTRATIVE SERVICES

Sierra Consulting Services will also perform administrative services in connection with this proposal for a fee not to exceed 13% 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

- ✚ Business Communications
- ✚ Business Fundamentals
- ✚ Business Writing
- ✚ Behavior Style Strategies
- ✚ Communication Skills
- ✚ Creative Marketing
- ✚ Customer Relationship Management
- ✚ Customer Service Skills
- ✚ Cost Control
- ✚ Dealing with Difficult People
- ✚ Financial Analysis
- ✚ Interpersonal Communications
- ✚ Marketing Techniques
- ✚ Sales Techniques
- ✚ Negotiating Skills
- ✚ Operational Skills
- ✚ Planning and Organization
- ✚ Product Knowledge
- ✚ Project Analysis and Specifications
- ✚ Relationship Building

COMPUTER SKILLS

- ✚ Intermediate and Advanced Microsoft Office
- ✚ Customer TRAX
- ✚ EQUIP
- ✚ IT/Network Infrastructure
- ✚ John Deere Farmsight
- ✚ John Deere Apex
- ✚ John Deere Agriculture Management System

CONTINUOUS IMPROVEMENT

- ✚ Cross Training
- ✚ Change Management
- ✚ Creating a Quality Organization
- ✚ Lean Process Procedures
- ✚ Production Scheduling
- ✚ Production Operations/Workflow
- ✚ Process Improvement
- ✚ Project Management
- ✚ Problem Solving and Decision Making
- ✚ Process Capability
- ✚ Quality Measurement Systems

- ✚ Root Cause Analysis
- ✚ Statistical Process Control
- ✚ Systems Failure Analysis
- ✚ Team Building
- ✚ Teamwork Development Skills
- ✚ Time Management
- ✚ Leadership Skills

MANAGEMENT SKILLS (Managers Only)

- ✚ Coaching/Mentoring Skills
- ✚ Effective Meetings for Managers
- ✚ Finance for Technical Managers
- ✚ Leadership Skills
- ✚ Motivation Skills
- ✚ Supervisory Skills
- ✚ Teambuilding
- ✚ Conflict Resolution Skills
- ✚ Project Management and Methodology

E-Learning Hours

8-60

BUSINESS SKILLS

- ✚ Sales Skills

COMMERCIAL SKILLS

- ✚ Parts Metric Analysis
- ✚ Equipment Technical Overviews
- ✚ Equipment Service & Field Adjustment Techniques
- ✚ Service Department Metric Analysis
- ✚ Dealership Performance Metrics

COMPUTER SKILLS

- ✚ Agriculture Management Systems Function

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