



**Training Proposal for:
The Word & Brown Companies
Agreement Number: ET09-0414**

Panel Meeting of: **January 23, 2009**

ETP Regional Office: **San Diego**

Analyst: K. Campion

PROJECT PROFILE

Contract Type:	Retrainee	Industry Sector(s):	Services Insurance
Counties Served:	Orange, Los Angeles, Santa Clara, San Diego, San Bernardino	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
No. Employees in CA:	624	No. Employees Worldwide:	1,020

Turnover Rate %	Manager/ Supervisor %
16%	11%

FUNDING DETAIL

Program Costs	Substantial Contribution	Total ETP Funding
\$700,785	\$0	\$700,785

In-Kind Contribution
\$782,687

TRAINING PLAN TABLE

Job No.	Job Description (by Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Estimated Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Computer Skills, Management Skills, Advanced Technology	537	24 - 200	0	\$1,305	\$15.68
				Weighted Avg: 87			

Minimum Wage by County: Orange, Los Angeles, Santa Clara - \$14.18; San Diego - \$13.48; San Bernardino - \$13.00

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

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Operations Staff	
Sales Staff	
Information Technology Staff	
Team Lead, Supervisor, Manager	

INTRODUCTION

In this proposal, The Word & Brown Companies (Word & Brown) seeks funding for retraining as outlined below:

Founded in 1985, Word & Brown provides health benefit plan models and employee benefits services to brokers and employers of all sizes across California and Nevada. Headquartered in Orange, Word & Brown is comprised of four division companies: 1) The Word & Brown General Agency; 2) Choice Administrators; 3) CONEXIS; and 4) Quotit. Of the four divisions, The Word & Brown General Agency has facilities located outside of Orange. The remaining divisions are all co-located in Orange at the company’s corporate headquarters. Additionally, Word & Brown is structured as a single company with all four divisions reporting employee wages under one California Employer Account Number (CEAN). Word & Brown also has offices in Nevada and Texas.

The Word & Brown Agency, with sales offices in Glendale, San Jose, San Diego, and Ontario, develops and distributes health benefit plan models and solutions to licensed brokers statewide. As a third-party administrator, this division provides brokers with sales tools and quoting systems so it can provide benefit solutions to its clients. Choice Administrators develops and administers employee choice health benefit programs for employer groups of all sizes.

CONEXIS is an out-source service provider that delivers a varying range of employee benefit administration solutions to more than 20,000 organizations nationwide. Quotit, which was purchased on April 1, 2008, is an Internet application service provider for the health insurance and employee benefits industry. Quotit's Internet software enables insurance organizations to increase productivity and reduce costs by directly connecting insurance companies, brokers, and retail consumers with insurance rates and benefits online, in real time.

Word & Brown is eligible for standard ETP funding under Title 22, California Code of Regulations (CCR), Section 4416(d)(3,4) for services in California that regularly compete with providers located out-of-state.

PROJECT DETAILS

Word & Brown representatives report that the company is growing and setting new records in increased market share and increased sales volume. However, to continue to be competitive, and as the company has grown, Word & Brown recognizes that it must strive to be the leader in the insurance industry for providing health benefit plans. Additionally, to keep pace with customer demands for new health benefit solutions, Word & Brown recognizes the need to provide advanced training to its workers. Therefore, following a detailed employee assessment, the company has several new training initiatives to be rolled out in 2009: 1) strengthen the company's commitment to "service of unequalled excellence" through advanced customer service training; 2) implement a new computer system company-wide to replace its out-dated Legacy system; 3) develop the skills of leaders within the organization and equip them with advanced problem-solving and decision-making skills that will result in increased production.

To that end, Word & Brown requests ETP funds to train 480 Operations Staff, Sales Staff and IT Staff, and 60 Team Leads, Supervisors, and Managers in Business Skills, Computer Skills, Management Skills, and Advanced Technology.

Business Skills

Word & Brown has identified a need for customer care/customer service. With the growth of the companies, the need for the Advanced Customer Care initiative is critical and has come to the forefront of the company's strategic goals. All occupations in the training plan will receive one or more modules of training in the Advanced Customer Care Initiative, which includes "World Class Customer Service". This training will strengthen and support Word & Brown's commitment to "service of unequalled excellence" for all of its clients and will assist the employees to recognize and own the culture of Customer Care.

Computer Skills

Word & Brown has a Legacy computer system that is outdated and inefficient; therefore, the company is in the process of replacing this old system with a new platform called Opportunity & Spirit, which will allow employees to see all data in one system rather than managing several systems to access the same data. The implementation of this new system impacts the entire operations group at Word & Brown; therefore, all Operations Staff and Managers will receive training relevant to their jobs. The system conversion training will allow employees to more effectively access critical information on a timely basis so that workers can be effective and productive in their jobs. Additionally, some Operations Staff and Sales Staff trainees will receive training in Advanced Microsoft Office which will provide trainees with the tools to improve service to internal and external customers.

Management Skills

In order to incorporate new processes and skill requirements in becoming a high performance workplace, Word & Brown will focus on training team leads, supervisors, and managers in leadership and coaching skills that will enable them to lead, supervise, and manage employees more efficiently while promoting a cooperative relationship with the employees. Managers will be trained to coach and mentor their staff in an array of courses that will help managers “walk the talk” on customer service and become more proactive in utilizing successful management techniques.

Additionally, Management Skills training will help supervisors and managers learn specific techniques for improving service to customers, take responsibility to improve efficiencies, meet and exceed business plan goals, and teach them how to champion planning efforts. This training is designed to meet Word & Brown’s strategic goals and is critical so that leaders of the organization and future leaders have the skills to support staff during the implementation of the new computer systems and new Customer Care training initiatives.

Advanced Technology (AT)

Word & Brown requests AT training for approximately 46 Software Engineers, Software Architects, and System Engineers (IT Staff) who perform network management, system administration, and network security tasks. Word & Brown’s shift to a new computer system from its old Legacy platform requires critical training for the IT staff to create and support the new platforms being developed, including new network and database systems. Training topics will include AT training in skills needed to program, manage, and administer .NET, ASP.NET, WEB Programming, and SQL Development.

Word & Brown requests the AT reimbursement rate of \$22 per hour for these courses (see Exhibit B). The company’s representative states that the proposed AT courses require the use of expensive hardware and specialized software relevant to the subject being taught and will be delivered at an estimated instructor cost of \$34 – \$48 per hour. Additional costs in excess of the ETP rate will be at the company’s expense. Word & Brown confirms that class size will be capped at 10 trainees to allow in-depth coverage and personal attention from the instructor.

Commitment to Training

Word & Brown represents that ETP funds will not displace the existing financial commitment to training, rather the company anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area. Company representatives report that currently, the company has no allocated training budget. In the past, training has been focused on procedural and technical skills, New Employee Orientation, Basic Customer Service, Sexual Harassment Prevention, Safety Training, Intranet/Portal Training, Basic Management Skills training, and on-the-job training.

Word & Brown states that the ETP-funded training will be instrumental in developing advanced job skills for the employees and help workers recognize the culture of Customer Care. ETP training will be strategically driven and aligned with company goals to improve efficiencies and the integrity of its operations. The proposed training has the commitment of Senior Management, who view the proposed curriculum courses as a long term investment in the future. Word & Brown representatives report that the Senior Management supports the delivery of this training beyond the term of the ETP Agreement.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

24 – 200

Trainees will receive any of the following:

BUSINESS SKILLS

Advanced Customer Care Skills

- Caller Needs & Expectations
- World Class Customer Service – Providing Service of Unequaled Excellence
- Adjusting Behavior
- Internal Customer Care Service
- Six Sigma Training – Kaizen Events
- Business Analyst Certification – Project Management Skills

COMPUTER SKILLS

- System Conversion Training
- Microsoft Outlook – Advanced
- Microsoft Word – Advanced
- Microsoft Excel – Advanced
- Microsoft Access – Advanced
- Microsoft PowerPoint – Advanced

MANAGEMENT SKILLS (Team Leads, Managers/Supervisors Only)

- The Workplace Coach Management Workshop
- Effective Delegation, Leadership & Communication Skills
- Conflict & Negotiation Skills Management
- Managing Team Building & Motivation
- Leading Ownership & Accountability
- Effective Decision-Making Skills
- Managing & Implementing Change
- Leading & Providing Effective Feedback & Corrective Action
- Train the Trainer Skills
- Effective Meeting & Time Management Skills
- Setting Performance Goals
- Performance Review Management

ADVANCED TECHNOLOGY

- Intro to Programming .Net Applications
- Fundamentals in Transact-SQL
- Advanced Web Client Programming
- Essential ASP.Net 2.0 Web Programming
- Programming w/.Net Framework Using VS
- SQL Development Implementing a SQL DB
- Implementing and Maintaining SQL Server 2005 RS