



**Training Proposal for:  
SuccessFactors, Inc.  
Agreement Number: ET10-0278**

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

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

Analyst: A. Nastari

**PROJECT PROFILE**

Contract Type:  Priority/Retrainee

Industry Sector(s): Technology/IT

Counties Served: San Mateo & San Francisco

Repeat Contractor:  Yes  No

Union(s):  Yes  No

Priority Industry:  Yes  No

No. Employees in CA: 294

No. Employees Worldwide: 590

Turnover Rate	Manager/Supervisor
18%	20%

**FUNDING DETAIL**

Program Costs	Substantial Contribution	Total ETP Funding
\$212,400	\$0	\$212,400

In-Kind Contribution
\$512,500

**TRAINING PLAN TABLE**

Job No.	Job Description (by Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Advanced Technology; Business Skills; Computer Skills; Continuous Improvement Skills	200	24 - 100	0	\$1,062	\$21.63
				Weighted Avg: 59			

**Minimum Wage by County:** \$14.18 for San Francisco and San Mateo counties.

**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
Administrative Support Staff	
Managers	
Sales/Marketing Staff	
Service & Support Staff	
Technology/Product Development Staff	

**INTRODUCTION**

In this proposal, SuccessFactors, Inc. (SuccessFactors) seeks funding for retraining as outlined below:

SuccessFactors, headquartered in San Mateo, researches, engineers, designs, sells, and supports its proprietary management software products. The products are used to document individual, as well as, company-wide performance standards through multi-functional information gathering, tracking, and reporting systems. Information such as performance goals, sales and service performance, employee development, and compensation management is easily accessible for both management and employees. SuccessFactors is eligible for ETP funding as an employer providing custom computer programming services that is facing out-of-state competition as defined under Title 22, California Code of Regulations (CCR), Section 4416(i)(2).

SuccessFactors is an information technology product developer, which has been identified as a priority industry by the Panel.

SuccessFactors has been steadily expanding its workforce and products globally. Its software products are now available in 31 languages. A partial list of customers includes Kimberly-Clark Corporation, MasterCard Worldwide, Sutter Healthcare, Wachovia, and Volkswagen of North America. Business customers, both small and large, are in the healthcare, manufacturing, financial services and, government industries.

SuccessFactors must continually diversify and customize its software products to gather, filter, and disseminate required information in a concise and user-friendly reporting method at a competitive price. Upgrades and enhancements of SuccessFactors' products are driven by customer demands resulting from changes in technology, security vulnerability, and, most importantly, market trend information which is essential to a business's performance and production needs.

Company representatives have identified two critical areas where the company needs ETP's assistance with the delivery of training:

- During the third and fourth quarters of 2009, SuccessFactors will launch an upgraded product, which is a 90% overhaul of its current products, both in usability and visually. The product is a result of customer demand for additional levels of data gathering.
- The company is expanding its method of selling, supporting, and servicing its products to include departmental and organizational commitment to its customers.

The upgraded product will offer several features that will not only enhance existing software products, but will allow a higher degree of customization. Based on customer feedback, the upgraded product will be more user-friendly, thereby increasing efficiencies in data entry capabilities and report analysis.

Additionally, SuccessFactors has identified the need to upgrade its sales and support services by upselling to customers' executive level staff. SuccessFactors has found that due to economic circumstances, companies have become more cost-conscious in the purchase of products and supplies. Sole purchasing decisions are no longer made by human resources representatives, but rather the responsibilities have now been elevated to senior level executives. This shift in business practice requires a more sophisticated method of selling software products.

At SuccessFactor, employees, including managers, in the functional areas of administrative support, sales/marketing, service and support, technology, and product development are responsible for addressing customer needs. Therefore, employees must be knowledgeable in SuccessFactors' products, enhancements, and support services. The ETP-funded training will provide workers with skills in business, computer, and continuous improvement. Trainees from SuccessFactor's San Francisco facility will also participate in the training. The majority of the training will be conducted at the company's facility in San Mateo.

## **PROJECT DETAILS**

The follow outlines SuccessFactors' ETP-funded training program:

**Business skills** for all occupations will equip workers with effective communication skills (verbal and written); sales; product knowledge; cross-training in customer support; project management; presentation; and administrative skills. These skills are in line with the company's business plan to provide seamless customer service.

**Computer skills** in sales related programs, PowerPoint for product presentation, and financial software programs for administrative support staff will increase efficiencies.

**Continuous Improvement** skills for all trainees will include team building, problem solving, process improvement, and product development. The training will assist by providing workers with skills needed as they integrate from various departments to enhance product development and communication with staff and customers.

### **Advanced Technology**

Advanced Technology skills will be specific for engineers, leads, and team leaders in software development. The training is required for the development and support of the upcoming upgrade and product enhancements.

The company plans on delivering approximately 60 hours per trainee of AT training to 80 trainees in the occupations of Technology and Product Development. Training will consist of Enterprise Architecture and Design; Advanced AJAX and Java Script Techniques; Advanced Hibernate and OR/M Mapping; Advanced Design Patterns; Extreme Programming; Test Agile Development; and Adobe Flash Automation.

On an average it will cost \$169.42 per trainer hour for the delivery of the AT. The average rate exceeds the ETP AT rate of \$26 per hour. Therefore, SuccessFactors requests that ETP allow the AT reimbursement rate of \$26 per training hour.

The trainer-to-trainee ratio is 1:10 for AT, to allow in-depth coverage and personal attention from the instructor.

### **Commitment to Training**

Company representatives report that SuccessFactors' training expenditures for the 2008 calendar year was approximately \$450,000. Training consisted of modifications to processes; technology upgrades on current applications, processes and equipment; job-specific skills operational updates; and on-the-job skills. Training was provided across various departments and occupations.

SuccessFactors has developed an internal core group of trainers who have been instrumental in training its workers in product development. These same trainers will delivery a majority of the ETP training plan.

SuccessFactors represents that ETP funds will not displace its existing financial commitment to training. Indeed, SuccessFactors anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

SuccessFactors represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### **RECOMMENDATION**

For the reasons set forth above, staff recommends approval of this proposal, including the Advanced Technology rate of \$26 per hour.

**DEVELOPMENT SERVICES**

The company retained Ocean Consulting Group, in Murrieta, to assist with development of this proposal for a flat fee of \$15,000.

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

24 – 100

#### **Business Skills**

##### Business Performance Skills

- Product Usage/Updates/Features
- Order Inventory and Tracking
- Order Input Processing/Tracking
- New Processes/Procedures Implementation
- Product Development and Servicing;
- Planning and Procedures Development;
- Implementation and Documentation

##### Communication Skills (verbal/written)

Sales – Product Knowledge

##### Customer Service

- Order/Customer Inquiries, Handling and Feedback
- Resolving Customer Issues and Problems
- Service Innovations/Use of Technology
- Service Follow-Up Methods

Train-The-Trainer – Presentation and Facilitation

#### **Continuous Improvement**

Problem Solving and Decision Making/Conflict Resolution

Process/Systems Improvement

Project Management/Measurement and Reporting

Teambuilding and Teamwork

Product Technology – R&D Improvement

#### **Computer Skills**

Microsoft Office – Intermediate and Advanced

Adobe Reader

Netsuite (Finance and HRIS)

Salesforce (Sales)

Big Machines (Sales)

ADP (Payroll and Time-Off)

Concur (Expenses)

**AT Hours**

0-60

**Advanced Technology**  
**(for Technology and Product Development Staff)**

Enterprise Architecture and Design  
Advanced AJAX and Java Script Techniques  
Advanced Hibernate and OR/M Mapping  
Design Patterns  
Extreme Programming Workshop  
Test AGile Development TDD  
Adobe Flash Automation

Note: Reimbursement for retraining is capped at 100 total training hours per trainee, regardless of delivery method.