

Executive Summary

Research Question

What are the best practices for recruiting/attracting/sourcing high skilled production workers?

Introduction

While the demand for production workers increases, negative public perceptions of manufacturing persist from “[y]ears of offshoring and reports of deteriorating conditions, along with some seriously irresponsible PR, has left the new generation of workers disenfranchised with the whole industry and less inclined than ever to join”¹. This is troubling as the need for these high-skilled workers are in increasing demand in all industries. In addition to being able to complete a more diverse set of tasks on the job, “[h]igh-skilled workers are more productive than low-skilled workers in the performance of all tasks and their relative productivity increases with the complexity of tasks”². There are many factors shifting the desire for highly skilled production workers, such as the globalized war for talent and scarcity of specific skill sets³.

Recruiting

Recruiting employees in the manufacturing sector is increasingly a large challenge for three reasons. In order to attract workers, companies need to *change perceptions*. Eric Isbister, CEO of GenMet Corp., a metal fabrication company in Mequon, Wisconsin, spends a lot of time at local high schools, community colleges, and technical schools. He often brings younger employees to talk to students at career fairs to tell them that manufacturing does offer career development and growth. GenMet Corp. also invites local students to tour their facilities, and they let students see their automated machines and computers to show them that manufacturing also involves problem solving and advanced technical skills⁴. The re-definition of manufacturing is luring the millennial generation “...not by benefits or salaries, not by stability or futures or any of the motivators of previous generations, but because manufacturing has suddenly become sort of... cool”¹. As the manufacturing environment’s dynamic, challenging work also interweaves high tech gadgetry, new tools and interfaces, the next generation manufacturers close the gap between the needs and expectations of the new generation of workers and providing opportunities to interact with such technology¹.

Employers are also *expanding their candidate pools* to target veterans, women, individuals with disabilities, and the formerly incarcerated. In hiring quality production workers, identifying specific demographics, such as recruiting individuals with military backgrounds, has proven successful for many manufacturers⁵. EJ Ajax Metalforming Solutions, a small company in Minneapolis, has hired about 20 veterans in the past five years. They even created a “state-approved apprenticeship program that permits veterans to work full-time and use their military education benefits to attend college part-time”⁴. Hershey developed a program called Abilities First for employees with disabilities. This program was made successful because Hershey converted many production lines to accommodate deaf workers. Supervisors and managers are trained in sign language, and machines that were previously outfitted with bells and buzzers now have colored lights instead⁶.

Perhaps something as simple as *raising worker wages and improving benefits* would differentiate manufacturing companies in the market as well. By raising wages, companies will effectively expand their candidate pools and be able to attract a wider range of workers. After Hershey re-

evaluated their wage structure for entry-level hires, they were able to attract 25 percent more applicants⁶. Ultimately, however, workers care about career development, learning, and growth opportunities, even in the manufacturing setting.

Development & Retention

As manufacturing evolves and becomes more automated, companies need to be creative in how they develop their current workforce. While salary is an important factor in persuading candidates to join or stay in an organization, other benefits, such as an *attractive work environment* (particularly for millennials) or stock option grants give employees a vested interest in the performance success of the company⁷. Additionally, workers are shown to desire *growth and learning opportunities* wherever they are, and companies can effectively attract and retain employees if they develop programs for career development. Suggestions for such programs start from training middle managers to instill a mindset of supporting a culture of continuous learning. Younger workers are not just looking for any old job, but a company whose values match their own and a role where they can make a difference⁸. Thus, companies should *customize training programs* to support individual development within the organization. Offering scholarships and education reimbursement for workers is also an option to engage and develop people. Additionally, companies can *create advanced engineering training programs* for their current workforce to develop their skills even more.

Case Study: Galion LLC⁹

Galion LLC, an automotive, defense, and commercial manufacturer based in Ohio, has had trouble with attracting and developing a talent pipeline for its early-career machinist roles due to ineligibility of pre-screening qualifications or qualified candidates seeking other opportunities. To find a solution for this challenge, Galion reached out to retired former employees to develop a training program and teach entry-level machinists the necessary skills to become integral high production employees within the organization.

In addition, Galion recruits college students during their summer, spring, and winter breaks, providing them with an opportunity to preview the role as a production worker, with an opportunity for a full-time position, with benefits of stability, high pay, and tenure at the company. During recruitment, Galion seeks candidates with strong mechanical aptitude and, after a team interview with the VP of Operations, the quality manager, an engineering manager, a machining expert and shift supervisors.

As Dena Glass, the HR Manager of Galion, concludes, "It's a different approach that has worked well for us... We're no longer going to advertise for screw machine operators only to be disappointed because none are applying. We go after young people and show them what a screw machine operator does. We tell them we will train them. We tell them what wage they can start at and what wage they can eventually earn. And that seems to be working."

Recommendations

When identifying best practices for recruiting, developing, and retaining such a demographic as high-skilled production workers, we recommend companies recruit from previously overlooked demographics, provide job previews to qualified candidates, and give opportunities for employees to have an interest in the success of the organization, as well as re-evaluate wage structures to attract a wider range of applicants. Companies should also consider continued developmental opportunities for their employees, with specific emphasis on training to provide higher mechanical aptitude.

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