

# Manufacturing Workforce Woes: The Business Case for “Amped Up” Talent Acquisition and Retention Strategies



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# Presenter



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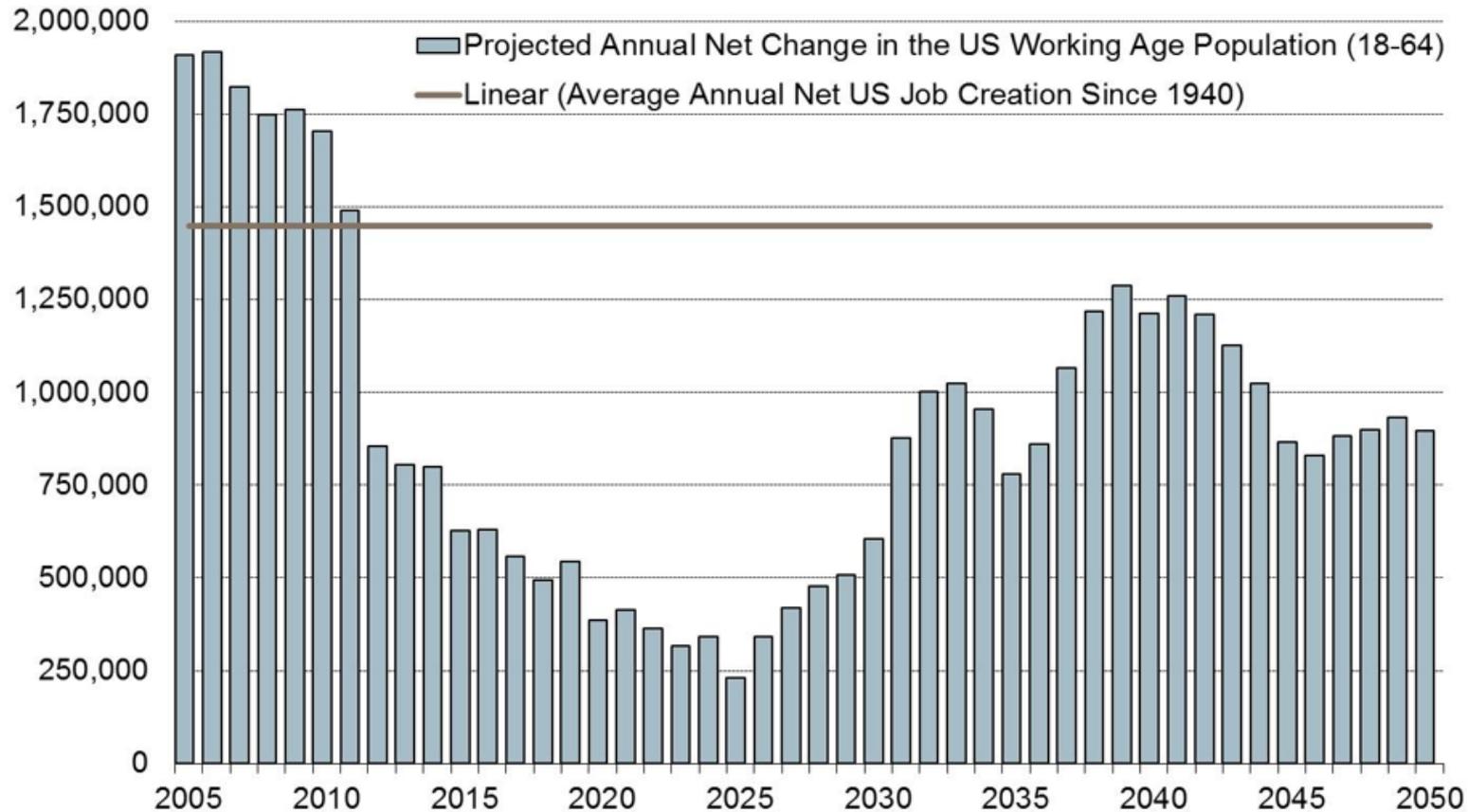


# Agenda

- No surprise – It's an employee's market
- Money helps but...
- What is your EVP?
- Proactive recruiting
- Career pathing
- Stay interviews
- Succession planning
- Coaching



# The Business Case for Retention

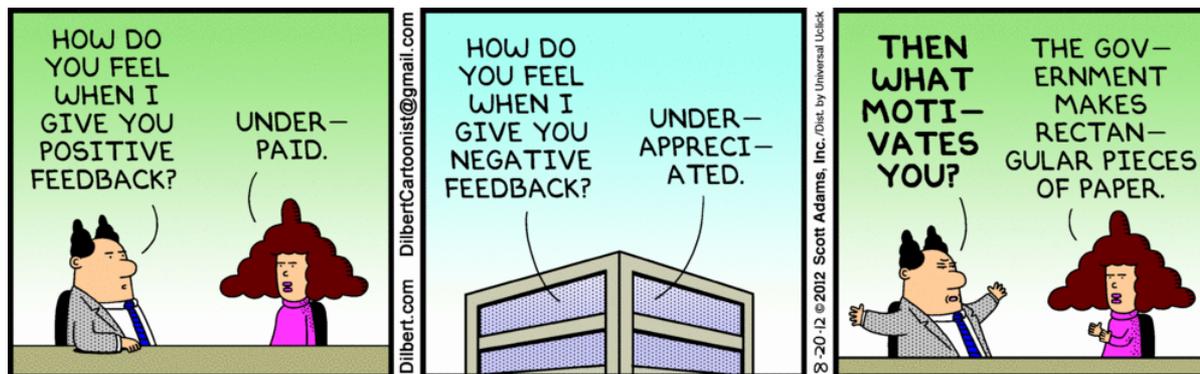


Sources: TIP Strategies; U.S. Bureau of Labor Statistics; U.S. Census Bureau



# Money Helps but...

- Money is your ticket to the ball game (attract)
- It does not win the game for you
- Let's define "competitive pay"
- Compression and communication issues
- Referral/sign-on bonuses – pro and con
- Retention bonuses – mostly con



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# Pay Me Now or...



- Expect to see more upward pressure on wages; it's happening as we speak – ripple effect
- Tax Cuts and Jobs Act – Many large organizations are giving one-time bonuses, and some are increasing base pay, especially for nonexempt employees
- You KNOW turnover is expensive
- Keeping the *wrong* people is often MORE expensive, in many ways
- It really is about ***managing employee expectations*** (or they will manage you!)



# Employee Perspectives on Pay

- **External Equity** – They look at *other organizations and resources* for information: [payscale.com](https://www.payscale.com), [salary.com](https://www.salary.com), [Glassdoor](https://www.glassdoor.com). Recruiters know “market value” and they are calling your employees.
- **Internal Equity** – They look at *other jobs in your organization* for info: People talk; pretty easy to find out. Need to explain value of JOBS in market first.



# Employee Perspectives on Pay



- **Individual Equity** – They look at others doing the same job in your organization; again, pretty easy. Need to explain pay ranges and WHY differences.
- **Process Equity** – Can you explain to them how you determined your pay structure? Do they trust you?



# No “Perfect” Pay Programs...



- Pay changes are happening faster than we can keep up with via salary survey data (past history)
- No easy answers to balancing proactive pay increases with customer pressure to reduce cost
- When was the last time you validated your base pay program? Are you confident in your incentive/variable pay programs?
- Are your managers trained to have adult conversations about pay with their employees?
- **Culture and respect** still often trump pay as a retention strategy; consider investing in training leaders to be good bosses



# “Building a Better Boss”

What employees value most are even-keeled bosses who make time for one-on-one meetings; who help people puzzle through problems by asking questions, not dictating answers; and who take an interest in employees’ lives and careers.



- from Google’s quest to “Build a Better Boss”





# Employee Value Proposition (EVP)

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# Defining Your EVP

- **Employee Value Proposition** – WHY should I work for YOU?
- What trips people's triggers?  
ASK your best employees.
  - Career growth?
  - Technology?
  - Make a difference?
  - Ownership opportunity?
  - Training and development?
  - Building in flexibility and time off?



# Defining Your EVP

- Trigger their emotions – You want to capture hearts and minds
- Define your **BRAND** and drive it with stories
- Website and Social Media – Promote your brand to existing and potential employees
- **MARKETING MATTERS!**



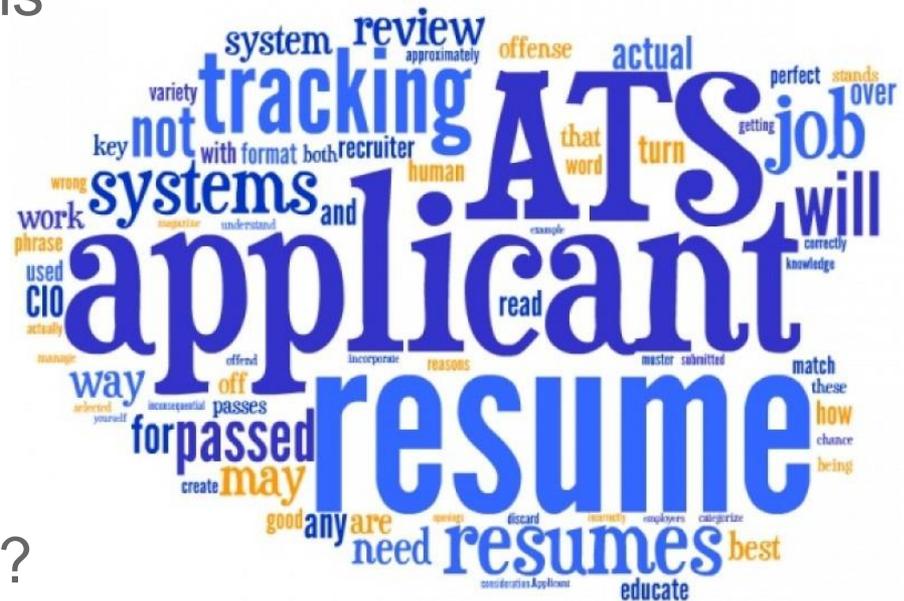
# Proactive Recruiting

- “Post and pray” produces marginal results
- LinkedIn® for professional, management, technical jobs
- Facebook® for production
- Searching databases – Indeed®, for example – and CALL PEOPLE
- Job fairs – Local, industry, schools
- School recruiting – Middle and high schools, tech schools
- BE INVOLVED – If you aren’t, others are, and you lose out



# Make It EASY to Apply

- Do you have an ATS?  
Applicant Tracking System is like CRM for people
- Can people apply on your website?
- Is your website mobile friendly?
- Who is monitoring this?
- What is your response time?
- Be responsive to HR!!  
Candidates move FAST...





## Career Pathing

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# Define Career Paths

Are you talking with your employees about where they can go and what they can do in your organization, now and in the future? Set people up for success and *manage expectations*.

## Career Paths Example





# Stay Interviews

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# Definitions

A **Stay Interview** is a structured discussion that a leader conducts with individual employees to learn the specific actions he/she must take to strengthen that employee's engagement **and retention** with the organization.

**Leaders** are defined as anyone who manages someone – Executives, managers, superintendents, foremen, or leads.



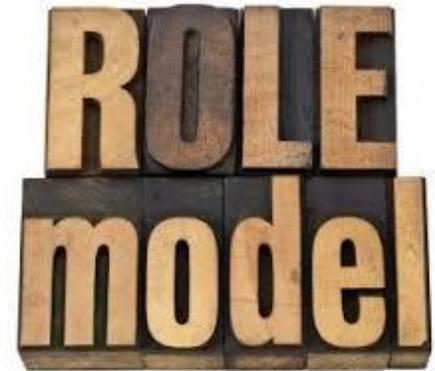
# Retention Accountability

- Every single leader with direct reports is responsible and accountable for turnover/retention
- Make sure your leaders know this
- Track and compare retention statistics of peer leaders when possible (especially voluntary turnover)
- Some turnover is uncontrollable – Look for high patterns compared to peers
- Remove leaders who drive good workers away



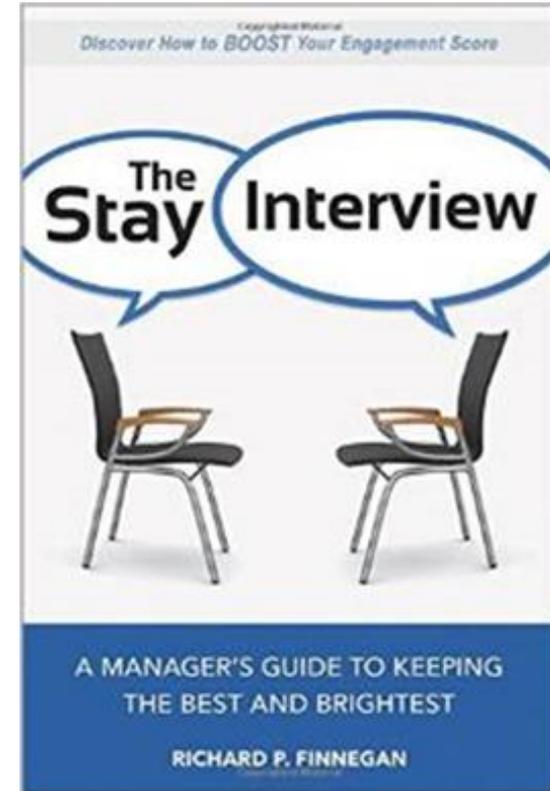
# Coach Retention EVERY DAY

- Discuss turnover in staff meetings with leaders
- Do postmortems when employees leave
- What lessons were learned? What could you do differently?
- **Be a good role model** – Ask your direct reports why THEY stay
- Make employee retention a requirement for promotion



# Conduct STAY Interviews

- Train leaders to conduct these with their employees
- Take good notes, focus on things you CAN control
- Broaden employee awareness, summarize and seek confirmation
- Ask why they might leave



# Advantages of Stay Interviews

- Brings information that you can use *today*
- Focuses on individual employees
- Puts each leader in the solution seat



# Typical Stay Interview Questions

Questions can change some from year to year but usually start with the basics – the “Top Five”:

1. When you come to work each day, what things do you look forward to?
2. What are you learning here?
3. Why do you stay here?
4. When was the last time you thought about leaving our team? What prompted it?
5. What can I do to make your experience at work better for you?



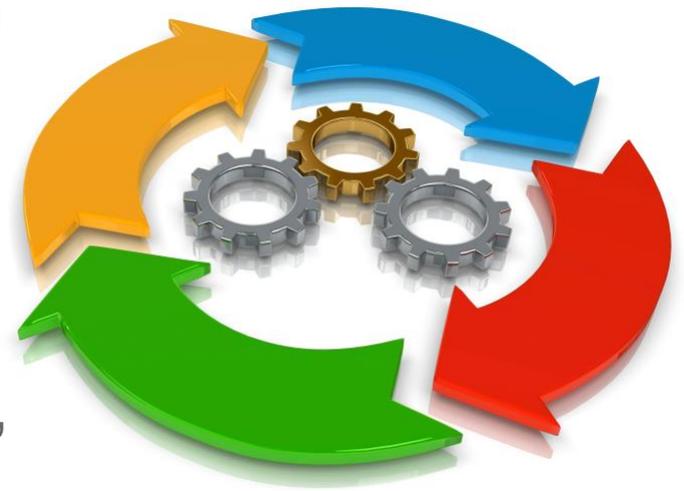


## Succession Planning

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# The Succession Management Process

- Review your strategic plan
- Align the organizational structure with the strategic plan
- Identify mission-critical positions
- Identify key emergent positions
- Identify and define critical experience, skills, and competencies for mission-critical positions and key emergent roles (NOT just management!)



# The Succession Management Process

- Develop comprehensive job descriptions
- Conduct an assessment of current talent
- Evaluate the current demographics for each mission-critical position
- Identify the mission-critical talent
- Identify the high-potential employees who will be considered candidates for succession into higher levels of role and responsibility
- What about ownership/phantom stock opportunities?

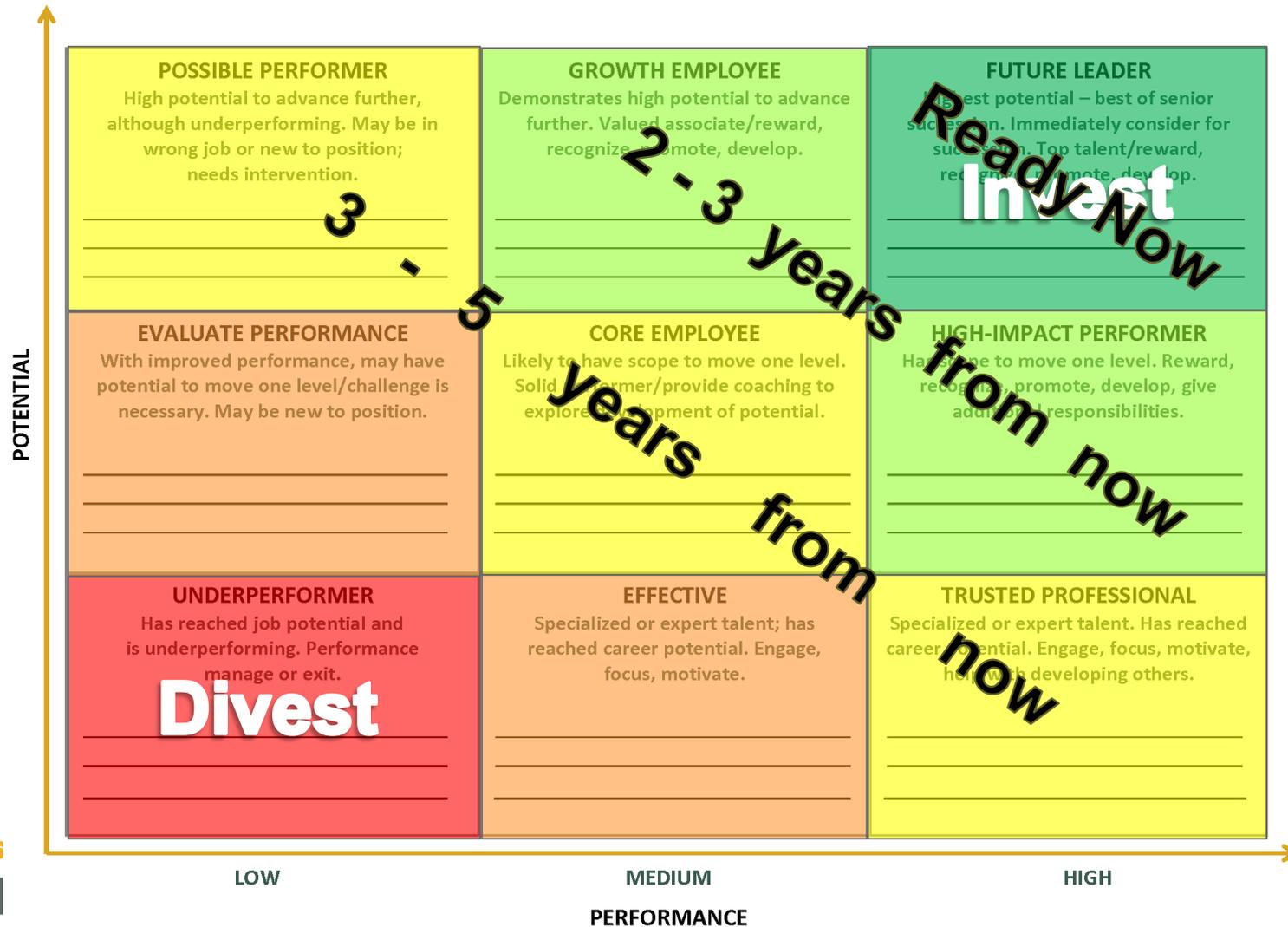


# The Succession Management Process

- Identify, assess, and prioritize gaps
- Develop detailed personal development plans for mission-critical and high-potential employees
- Continually monitor progress toward and achievement of personal development goals
- Communicate, communicate, communicate!
- Update succession plan and related tools annually or when turnover occurs



# Talent Assessment Matrix (9 Box)



# Readiness Level Chart

SUCCESSION PLANNING READINESS CHART	
Position Title:	Manufacturing Manager
Position Key Competencies:	Results Focused, Problem Solving/Analytical Thinking, Leadership, Delegation
Current Incumbent:	Jerry Blue
Evaluator:	Janet Jones

Sample

Candidate Name Current Position Title	Current Department	Readiness Level					Competency Strengths	Competency Development Needs
		Interim	Ready Now	2-3 Years	3-5 Years	Long Shot		
Jane Doe	Manufacturing			X			Results Focused	Coaching/Performance, Leadership, Delegation
Jim Brown	Manufacturing				X		Leadership Initiated	Delegation, Results Focused
Sally Snow	Sales	X					Problem Solving, Initiative, Results Focused	Coaching/Performance Management, Leadership, Delegation



# What Is Executive Coaching?

- Confidential partnership
- Structured process
- Developmental (most common now)
- Remedial (not common now but where coaching started)
- Goal directed
  - Organizational performance
  - Personal
  - Often BOTH



# A Successful Coaching Relationship

HELPS	HINDRANCES
The executive is motivated to change; has a fierce desire to learn and grow	Not motivated to change; engaging a coach to “fix” behavioral problems the person doesn’t want to change leads to blamers and victims
The executive and coach have good “chemistry”; the right match is the key to a successful coaching experience; trust is required for optimal results	Don’t engage a coach on the basis of just reputation or experience; make sure the “fit” is right
There is a strong commitment from top management to develop the executive; must have a true desire to retain and develop this person	Don’t engage a coach if the real agenda is to push the executive out or to fix a systemic issue that is beyond the executive’s control



# Questions



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