

AGING WORKFORCE DRIVES ONBOARDING AND TECHNOLOGY TRANSFER PUSH

OPTIMIZING YOUR WORKFORCE - PEOPLE DO MAKE THE DIFFERENCE



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As Baby Boomers retire, companies stand to lose vast amounts of knowledge and experience. Employees with years on the job have developed their own processes and methodologies from which their companies benefit, but those companies often have no formal documentation or processes in place to capture that knowledge



INTRODUCTION

In early 2005, an established and respected Southern Beverage bottling facility released a Workforce Readiness Statistics document that focused on both the company's existing workforce and technology statistics as well as the existing labor pool and technology statistics. The findings were, to say the least, alarming.

The company realized that within the next ten (10) years 35% of its workforce would begin retiring; and within the next fifteen (15) to twenty (20) years (by 2020 – 2025) the company would likely realize a 60 - 75% employee turnover of its' most seasoned and experienced employees.

SITUATION

Technology was quickly outpacing the skills and, possibly, abilities of much of its existing workforce to operate the automation-based equipment.

On average, workers over the age fifty-five (55) had 50% - 60% less experience in computer based skills. Equipment modifications and new installations meant that upwards of 40% of employees, planning to remain fifteen to twenty years, must update and improve their technical and mathematical skills.

A Learning Management System (LMS) was put in place beginning in 2001, and enhanced in 2004. However it was not widely or effectively used to track training.

It was imperative that the knowledge base of the 65%+ long-term employees scheduled to retire not be lost with their retirement. Existing specialized knowledge had to be leveraged during the training process. In addition, new training for existing employees could not be neglected.

Simply put, action had to be taken quickly and onboarding failure was not an option.

Polytron was engaged to collaborate and assist in finding ways for the client to meet their operational goal by formalizing and implementing a training plan of action while the company focused on community awareness.

CHALLENGES

FIRST, a small local pool of labor existed from which to recruit and hire new employees. A 2.5% unemployment rate existed but was expected to increase over the next ten plus years. Few qualified employees lived within the tri-county area and statewide surveys indicated the generation entering the work force had more interest in becoming managers or supervisors, than participating in day-to-day production activities. It seemed no statewide "PIPELINE" of appropriately skilled, trained, or interested graduates existed to fill the void.

SECOND, when the Training Department needed to know who had been trained, when they had been trained, and on what they had been trained, the LMS tracking documentation was not accurate. Inconsistencies in data entry, employee awareness and supervisor and manager acceptance resulted in training discrepancies that indicated individuals with thirty-plus (30+) years company tenure may have attended five training classes while employees with fewer than ten (10) years tenure may have attended twenty (20) to thirty (30) classes.

THIRD, informal and inconsistent on-the-job training (OJT) lacked accountability and left managers, trainers, and employees frustrated and unwilling to acquire necessary skills. New hires were placed with more experienced individuals where they were expected to review the experienced employee's job functions and apply this to their production positions. This resulted in "grab-as-you-can" training that took place when time allowed. No formal method of transferring the knowledge or documenting any gain in knowledge existed.

SOLUTION

FIRST, several onboarding and educational initiatives, including community radio and television ads and awareness promotions were implemented. Short secondary and post-secondary education seminars, video clips, and workshops to educate and pre-determine interest and ability were created. Technical colleges and Engineering schools with fast-track management recruitment were targeted.

SECOND, a two-year plan to determine the skills required for each position within the company was initiated. Job classifications were created, formalized and skill sets and performance standards were associated with each job, and training courses for each skill set were identified, developed, and entered into the LMS. Five years later the LMS was upgraded to a more robust, interactive, learning space.



FINALLY, to ensure a consistent knowledge transfer methodology, an Instructor Certification Program (ICPSM) to provide core competency training skills was offered to those who would be providing the second-generation equipment and OJT training. The program included classroom and hands-on application using new training job aids, and observation feedback. A record 12% of employees attended and became Certified Instructors.

BENEFITS

Overall the Awareness Initiative has been both a success and a successful failure. It increased awareness and interest in the community, but confirmed the limited number of employee candidates in the labor pool. It confirmed the entry-level workforce was not as technically inclined nor as knowledgeable as previous generations and provided insight into the reluctance of the younger generation to accept labor-intensive technical positions.

Overall the Training Plan has been a success. Having skill sets assigned to job descriptions has increased department managers' awareness for the necessity of on-going training for existing employees and as a requirement for new hire on-boarding. Class sign-up via the company Intranet and subsequent tracking has increased by 60% over two years.

Overall the Instructor Certification Program has been a success. As the number of Certified Trainers has increased, the number of existing employees willing to share information with new hires has increased. A surprising by-product of the training program is that many older employees have exhibited a greater interest in knowledge exchange – closing the gap in expected information loss through attrition, and making their remaining years on the job more productive.



CONCLUSION

“ ... Simply Put, there is not an option for on-boarding failure. The long-term survival of a company depends on this success as it is likely an aging workforce will continue to drive hiring, on-boarding and training through 2025...”

LOOKING AT THE FACTS ON THE AGING WORKFORCE

Recent studies by manufacturing consulting firms report that fifty percent of manufacturers plan to increase U.S. production in the next five years. However, seventy-five percent expect a moderate to severe shortage of skilled workers.

Other researchers predict that there could be as many as two million manufacturing jobs vacant by 2025. These estimates surpass the previous predictions of 600,000.

What is your plan to bridge the skills gap in your company?



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