

For On The Floor: Fixing The Skills Shortage From The Inside Out

Written by Rick Carter, Executive Editor
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No one in manufacturing disputes the severity of this nation's skills crisis. But now that the manufacturing sector has begun to show signs of renewed vigor, it's worth checking to see how (or if) individual manufacturers are taking advantage of this momentum to address the crisis head-on. Efforts within their own operations to attract and retain skilled workers and find potential new ones can help paint a picture of the sector's "on-the-ground" ability and willingness to ensure that real U.S. manufacturing jobs are viable and attractive in the 21st century. We asked our Maintenance Technology Reader Panelists to tell us what they see.

Salaries and incentives: 50/50

Salaries and benefits are usually the best "first line of attack" in any employer's strategy to keep good workers and reel in new ones. Our Reader Panelists are just about evenly divided between those whose employers do a good job in this area and those who don't. While union members, of course, typically have contracts that protect against rapid changes in salaries and benefits, a number of non-union Panelists report that their salaries and incentives have, in fact, held steady or improved over the past decade.

"We receive education assistance, a 401(k) plan, bonuses for performance and health benefits," reports a maintenance technician at a process operation in the Northeast. Employee stockownership levels have increased in the past decade, he adds, and, despite the recession, he and his team members have received regular raises.

Benefits are even better for a condition-based maintenance leader at a utility in the upper South. "We receive all of those," he says, referring to a list of examples that includes health benefits, bonuses, cash and non-cash awards for jobs well done, stockownership plans, profit-sharing, 401(k) plans and education assistance. "To my knowledge," he notes, "these have changed little in the past 10 years. We also receive yearly raises."

A maintenance supervisor at a heavy equipment manufacturer in the South receives a "401(k) plan, competitive health insurance and an annual bonus," adding that in the past decade "our insurance has gone up considerably, but it is still very competitive. Most other incentives have not changed," he says. He and his team receive annual salary increases "based on company profit and a review process."

Less fortunate Panelists include a maintenance supervisor for a light-manufacturing operation in New England. While he receives health benefits, a company pension and “the possibility of annual bonuses,” he tells us that his company has “seen considerable cuts in incentives over the past 10 years, from overtime compensation reductions to employees paying a much higher percentage toward health care. And raises,” he continues, “have been suspended for the past 30 months.”

Similarly, the maintenance manager for an engineering service in the Midwest receives standard health benefits, but no bonuses and no company-matching 401(k) plan. “All company incentives were cut in the past three years,” he says, noting that raises were replaced by a 7% salary reduction.

And a Canada-based consultant who makes a distinction between his “best-practices” clients and those who fall short of that mark says the best-practices organizations are far more likely to offer solid incentive packages. He has observed, however, that in the past 10 years, incentive offerings for all of his clients have been reduced.

Outreach: A slow start

As the skills shortage has sunk in for manufacturers, outreach—*a strategy to connect with local communities in a way that influences student career choices and skills training*—is increasingly seen as a way to ensure a steady flow of future workers. But, as with salaries and benefits, Panelists’ employers are not fully on board with the concept.

Some may be unsure of what it involves: “If we do this, it would be through local job fairs,” says one. Most Panelists simply say that their companies don’t conduct outreach activities.

Those that do, however, report success. “With the greening of the world and the need for more base load, nuclear has soared to the forefront and our efforts to recruit have had to go into high gear,” states a journeyman maintenance team member at a nuclear facility in the Northeast. “We are active on our Website, we send our people into the school system, we sponsor and participate in high-school science fairs, we are in the technical colleges and do presentations at universities. We even furnish instructors for some classes.” This individual reports that his operation’s efforts seem to be producing the desired effects. “Our biggest bang for the buck,” he says, “has been from regular employees going out to the schools and spreading the word about

the safety of our units and the opportunities that exist.”

Others are beginning to catch on about outreach. “We recently had a few openings and were not seeing the applicants we wanted to see,” says the heavy-industry maintenance supervisor in the South. “But after contacting local technical colleges, we received some promising resumes.”

How to fix things

Despite the seeming lack of widespread participation in outreach efforts among their employers, most Panelists themselves believe the practice is a key element in the fight to combat the skills shortage. “If every industrial plant or facility in the Fortune 500 were to ‘adopt’ a local high school or junior college, and offer technical courses, tours, etc. to our young people,” a West Coast consultant suggests, “maybe we could rekindle some of the hands-on ‘hardware’ interests that used to exist with teenagers when we were growing up.”

Similarly, the maintenance supervisor in New England calls for an emphasis on encouraging young people to consider the trades. “We are not seeing any programs to spark interest in the schools for students to become maintenance techs,” he laments. Another Panelist makes the point that “local technical schools and businesses need to advertise the need and benefits of attending technical colleges and pursuing careers in these areas.” For another, “educational institutions should educate and train on curricula developed with the help of the industry, and industries should pool their needs by similarities to develop the kinds of workers they need.” Finally, says one, manufacturers should “support and hire from good two-year technical/industrial schools, and create job-shadowing programs and student-training programs.”

Panelists have other ideas, too. “We need a database of qualified, skilled workers,” says a corporate engineer with a New England-based manufacturer. “With current unemployment levels, there should be a lot of talent out there looking for work.” And in the Midwest, a training coordinator contends that networking sessions like those used by “white collar workers” would help. “Things like business breakfast groups before work,” he says, “would bring industrial workers into a more mainstream business model.”

Most important may be the need to simply get involved and always send the right signal about industrial opportunities. “Any job where you just go to work, do your job and go home without getting involved is one of the main reasons why there is so much dissatisfaction in the marketplace,” the nuclear-industry journeyman states. “You can always find detractors, but

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positive attitude goes a long way. Whenever I represent my company in paid or unpaid status," he says, "I am upbeat about where I work and who I work for. And that attitude carries through."

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