

RECRUITING AND RETENTION

by Laurence Claus, NNi Training and Consulting, Inc.



I just left an Industrial Fasteners Institute meeting where, once again, one of the most prominent themes of discussion revolved around recruiting and retaining new employees into our industry. This is not a new discussion. In fact, I have been working on projects related to this topic for the last seven years. I recall a report, **"A New Wave—Recruiting the Next Generation,"** where it spoke about various programs by which "companies are ensuring the future of the industry." The key part of this thread is those quoted six words, "ensuring the future of the industry." I have been working on this for the last seven years, and others much longer, signaling the realization that very little of the dialog is new. So why has so little seemingly been accomplished in all this time? Although this article is not intended to seek the answers to that question, it is an important question to consider, especially in the context of the subject of this article, i.e. recruiting and retaining individuals into the fastener industry. I hope that exploring such questions will lead you to ask yourself: Why, if the very survival of your company—or more globally, an industry—is dependent on ushering the new leaders, associates, and members onto your team, has so little been proactively accomplished in the last 10 years? And to what extent has your company invested in ensuring its future?

For at least the last 10 years, leaders of the fastener industry have commiserated with one another over the difficulty of finding individuals that possessed the skills and qualifications to run some of the machines and equipment unique to this industry. The need for header operators, screw machine operators, certified NDT specialists, engineers, and many other disciplines seems to far outstrip the available supply. Therefore, our industry goes without and is limited in its ability to grow and improve. The company that has invested time and resources in developing the next generation of employees is likely to be strategically well ahead of those that have not.

The Challenges—What the Industry Has to Say

A number of years ago, I had the opportunity to interview a number of the industry's leading manufacturers to gain a sense of just what their pain points and challenges were. Although each company had their own unique challenges, I was impressed how similar and universal they seemed to be. Several of the more frequently mentioned challenges were:

- Although the exact job description or

type varied from one company to another, there was a common frustration with the low supply of qualified individuals to fill the company's most important and challenging positions. This was especially true of certain factory roles such as Class A header operators, roller operators, lead men and supervisors, Davenport (or other multi-spindle screw machine) set-up men, certified NDT spe-

cialists, four-slide and Bihler operators, and engineers.

- All companies are feeling the effects of an aging workforce and the pains of transitioning to a new dominant generation of workers. The departure of so many seasoned and experienced employees is having what some call a "brain drain." Whatever you wish to call it, there is no arguing that knowledge is leaving the industry faster than it is being replaced.
- Many companies depend, almost solely, on organic, on-the-job training and mentoring programs to fill the hard-to-find jobs. Unfortunately, most admitted that these programs are mediocre at best, partially because of constraints related to their mentors and partially because the programs were simply not formal or well thought through.
- Most admitted that they either did not understand the ways of Millennials and iGen (the two newest generations into the workforce) or that they had simply not tried very hard to adapt to these generational cohorts' uniquenesses.
- Many of the traditional ways of recruitment simply don't work today. It was

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almost universally shared that methods such as posting want ads in local newspapers or on websites such as Monster.com were simply not effective. The most effective recruitment technique seems to be incentive programs that reward existing members of the team who bring referrals to the company.

Millennials and iGen

It seems fitting to start a recruiting discussion on the two generational cohorts currently entering the workforce. In fact, the Millennials have been around a while now, will shortly begin turning 40, and recently surpassed the Baby Boomers as the largest generation in the workforce. iGen, sometimes referred to as the Z Generation, is just now entering the workforce. Although they represent a smaller sized cohort than the Millennials, when they are all in the workforce, they too will be a “powerhouse.”

Understanding the newly entering generations is critical, because for any institution to endure the test of time, it must successfully navigate the handoff from one generation of workers to the next. Currently the workforce is primarily comprised of three generations: the Baby Boomers, the X Generation, and the Millennials. There are still remnants of the “Greatest Generation” and the newly entering iGen, but by far, the three above make up the majority of the workforce. The X Generation is currently transitioning into many of the leadership roles held by the outgoing Baby Boomer generation. Although the X Generation has been labeled (probably by the outgoing generation) in some less than generous ways, both these generations hold relatively similar attitudes towards work and employment. This is not true, however, of the Millennials, who have completely different paradigms shaping their views toward employment. Therefore, new ways of doing things in the workplace to attract and retain the X Generation are far less relevant than the changes required for the Millennials and iGen. Progressive companies recognize that there is a significant difference in the way these “new recruits” view their employment and are adapting and evolving new ways of doing things that are attractive to this generation.

Recruiting

Again, the way we go about recruiting has changed considerably in the last 10 years. This is partially a function of simple

evolution and partially rapidly changing technology. Take, for example, the way we learn about job opportunities. It used to be that you bought a copy of the local newspaper and read the want ads. Today, seeking job applicants via printed media is almost obsolete, while the use of social media and the internet has grown exponentially. Some of the better observations on recruitment include:

- Recruiting needs to begin early, including interaction with college underclassmen, high school, and even middle and grade school students. Many companies today are offering internships, mentorships, or relevant extracurriculars. Their goal is to expose students to real life experience as early as possible while building a win-some relationship with their prospective next employees and employee's parents.
- Although not obsolete, many Millennials and iGen members consider career fairs and formal interviews to be outdated.
- The internet is the FIRST tool that Millennials and iGen turn to. However, they are not necessarily going first to job websites, as these are often full of advertising, sparse on information, and not user friendly. Companies that want to reach this generation should have a career section on their website. It must, however, be easy to find, use, and navigate. It should not be vague, but rather provide specifics that might include examples of projects, the company culture, future career opportunities and people they might work with. Some specific information that could be included to target these generational cohorts might include how the company supports young professionals, facilitates a social atmosphere, allows flexible work schedules, and participates in corporate citizenship. Additionally, it is important to include on the website pictures and images of young people doing fun and interesting work.
- Many new job applicants dread college career fairs. They are seen as highly competitive, full of unfamiliar companies, and highlight the importance of a candidate's ability to dress in the correct apparel. This was recently reinforced with me when I offered to help a good friend's son with some job networking. Although he is in his final semester of his senior year, he has only been on two job interviews and only attended a couple of uni-

versity-sponsored job fairs. By this time in my life, I must have been through two dozen job interviews and attended every job fair the university had to offer. Although not all bad, career fairs will always have the advantage of offering real human interaction and the ability to meet real people that work at these companies. However, if you consider participating in a career fair, bring young team members with you. The message they can convey with a near peer prospect is priceless to your effort.

- Provide internships, co-op positions and scholarships.

Retention

Retention of all employees can be challenging, but is especially challenging of the Millennials. I heard a statistic not long ago that claimed Millennials will change roles, on average, every three years and over the course of their career change jobs 17 times. I'm not convinced that those figures are accurate, but even if not exact, it is universally agreed that Millennials are much more apt to change jobs than their Boomer and XGen colleagues. Interestingly, it is predicted that iGen will seek greater security, and thus, not be as prone as the Millennial cohort to change jobs.

In any event, since it is so hard to recruit new individuals to the team and so expensive to develop them, retention carries an equal, if not greater, degree of importance than recruitment. The following are some observations regarding retention of Millennials and iGen:

- Unlike the Boomers and XGen, these new generational cohorts have been brought up in an environment that values change. They have been weaned on rapid change and innovation, and thus, consider change to be a normal part of life. Therefore, unlike the previous generations that understood that one must wait and “earn their stripes,” individuals from these cohorts often don't have the patience for that. Companies, therefore, that find ways to provide variety and change in the workplace and individual's careers are much more likely to retain members of these generational cohorts, especially the Millennials. Create jobs that offer variety, change, and a chance of promotion.

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- These individuals have been raised in educational environments that value group activities and performance. Involve them on teams. Management styles that are consensus based, participative, and flexible will appeal more to them than those that are autocratic and inflexible.
- In particular, Millennials demand flexibility. Find ways to be flexible with respect to telecommuting and geographical mobility. Naturally, a shop floor environment will not be conducive to telecommuting, but with some creativity, there still may be some ways that companies can provide some schedule flexibility that will be attractive to members of these generational cohorts.
- These generational cohorts have a high sense of the work-personal life balance. They will work hard but often desire work that contributes to their personal growth. In this way they do not separate work and their personal lives as definitively as previous generations. Work is often seen as

an extension of their social space and a place to belong. They will view co-workers as friends. Make opportunities to leverage this tendency by providing a good understanding of how their work contributes to the big picture and set up activities that promote social interaction. This may require a review and revision of some of the old “workplace rules.”

- One of the best ways of retaining these employees is through continuing education, as they wish to remain relevant in changing times. Often the “soft skill” areas are preferred. This can take the form of in-house training, outsourced training, or supporting the pursuit of an advanced degree. Besides assisting in this financially, it is also important to provide scheduling flexibility.

Conclusion

In a *Wall Street Journal* article from a couple of years ago, Professor Peter Cappelli said, “They (industry) need to drop the idea

of finding perfect candidates and look for people who could do the job with a bit of training and practice.” Although Dr. Capelli’s ideas may not be shared by all in business, there are some notes of what he was trying to say that ring true. Foremost among them, that manufacturers need to accept that placing your business’ hopes on finding the ideal candidates or “poaching” individuals from other companies is simply not a sustainable model or one that will allow the industry to endure. The only way this is going to happen is, as an industry, to continue to be creative in our recruitment and retention activities, to evolve to find new and better ways to engage individuals of all generations, but especially Millennials and iGen, and to promote and get the word out that manufacturing is far from dead and that the fastener industry is an excellent place to find and develop a career. ■