

New and Innovative Ways to Meet Today's Workforce Challenges

Today's workforce challenges faced by Supply Chain companies were recently summarized very effectively by the Chairman and CEO of the Manufacturing Skill Standards Council, Leo Reddy (http://www.mmh.com/article/other_voices_the_manufacturing_and_logistics_skills_gap). Staffing and maintaining the best workforce has always been a complex and multi-faceted challenge, and today's work environment is no exception.

Throughout 25 years helping companies tackle their staffing and workforce issues, I've noticed that some of the most effective, easy-to-implement, and economical solutions are often overlooked. These missed opportunities go unnoticed because companies make sweeping assumptions about their entry-level workforce (shop workers, material handlers, drivers, maintenance techs, etc.) and incorrectly believe there's nothing they can do to make better hiring decisions and build a better workforce. They make assumptions such as 'Millennials don't want to work hard', or it's better to hire 'any warm body' instead of waiting until a better applicant is found, or sophisticated new machinery and software eliminates the need to hire quality employees; all of which end up costing them dearly.

Making those assumptions means companies become trapped in a never-ending cycle that begins with bad hiring decisions...leads to substandard productivity, absenteeism, safety, quality, and customer complaints....which leads to turnover....and ends up back at bad hiring decisions. Even worse, and dramatically impacting the bottom line, many workforces are larger than they need to be because they include so many substandard employees (I recently surveyed my clients and they indicated that having better, more productive employees means workforce size can be **decreased by as much as 15%**).

Even in today's reduced workforce, great applicants are out there; and plenty of good ones too. The most successful companies do a better job of attracting and recognizing those applicants when they show up on their doorstep. The good news is that companies can break out of the vicious cycle by re-thinking their assumptions and taking a fresh look at new opportunities to hire the best employees.

New Opportunity to Increase Workforce Productivity: An effective, cutting-edge approach for use with Distribution Center workforces is to ‘link’ the Material Handler hiring process directly to engineered performance standards for the job. And then use that linkage information to develop a specific hiring profile just for that Material Handler role. Think about it, it doesn’t make sense to implement engineered performance standards, or add new machinery, or install new software without making corresponding changes to the Material Handler hiring profile. If you don’t update the hiring process, you’ll continue to build your workforce with employees who are best suited to the old way of doing business, not the new way.

New Opportunity to Make Better Hiring Decisions: *Kaizen* and other continuous improvement techniques are extremely effective for improving manufacturing processes. Some of my most progressive clients have borrowed those exact techniques and applied them to their hiring practices. They’ve achieved tremendous results by implementing improvement techniques such as tracing employee job performance ratings back to hiring decisions and recruiting sources so they can diagnose reasons for successes and failures; measuring accuracy rates for each of their hiring tools (interviews and tests) so they can make needed adjustments; measuring interviewer performance and holding them accountable for following rating procedures and standards; and using expert coaching and feedback about how to make better, more accurate hiring decisions.

New Opportunity to Improve Employee Engagement: Don’t assume your superstar employee will also be your superstar Supervisor (Michael Jordan would not make a great coach, and great employees rarely make great Supervisors). So don’t simply promote your best employee to Supervisor; instead, develop a Supervisor selection process that is linked to the Supervisor’s most important job responsibilities. It’s worth the time and effort to use that selection process because great Supervisors can be the single greatest impact on improving your workforce’s engagement.

New Opportunity to Expand Your Applicant Pool: You’ll achieve the greatest results if you can effectively incorporate Millennials into your workforce. Contrary to popular belief, Millennials actually do want to do good work...but the secret to motivating them is they need to know why the work is important and how it helps customers. So take the time to incorporate that information into the

recruiting and hiring processes. And Millennials are not afraid to be challenged, so don't worry about making them jump through a few hoops so you can identify the best applicants. As with all things in the Millennial generation, the word quickly gets around via social media if you treat applicants fairly and respectfully; which is a great way to expand your applicant pool. But beware, if you don't treat applicants well the word will spread and the worst applicants will be all you're left with.