

IOMSA 117th Annual Convention Nashville, TN

June 20, 2011



Agenda

Section 1

Employment Environment

Section 2

Generations in the Workplace

Section 3

Interviewing/Sourcing – landing the right candidate

Section 4

Employee Engagement

Section 5

“Your contract”

Employment Environment

- Job creation in the manufacturing area - slight upward trend
 - However not enough to offset overall unemployment rate for this sector
- Recruiting for these new job openings is difficult (+8% more difficult than LY)
 - Question is – Is this being driven by lack of new entrants into the manufacturing industry or due to enhanced skills required for roles? Or ???
- Indices are reflecting an increasing number of openings in both supervisory and non-supervisory roles (more so in non)
 - According the BLS data, March 2011 has the highest number of manufacturing job openings we have seen in 6 months.
- With a large number of boomers coming of age to leave the workforce – estimates are that resulting job openings due to retirements will be at a greater rate than job openings as a result of economic growth.
 - During the 10 year period, 2008 – 2018, the number of employees aged 55 or older is expected to increase by 43% - however, given current economic times, retirements will likely slow – Boomers may “hang on” for a longer than expected period of time.

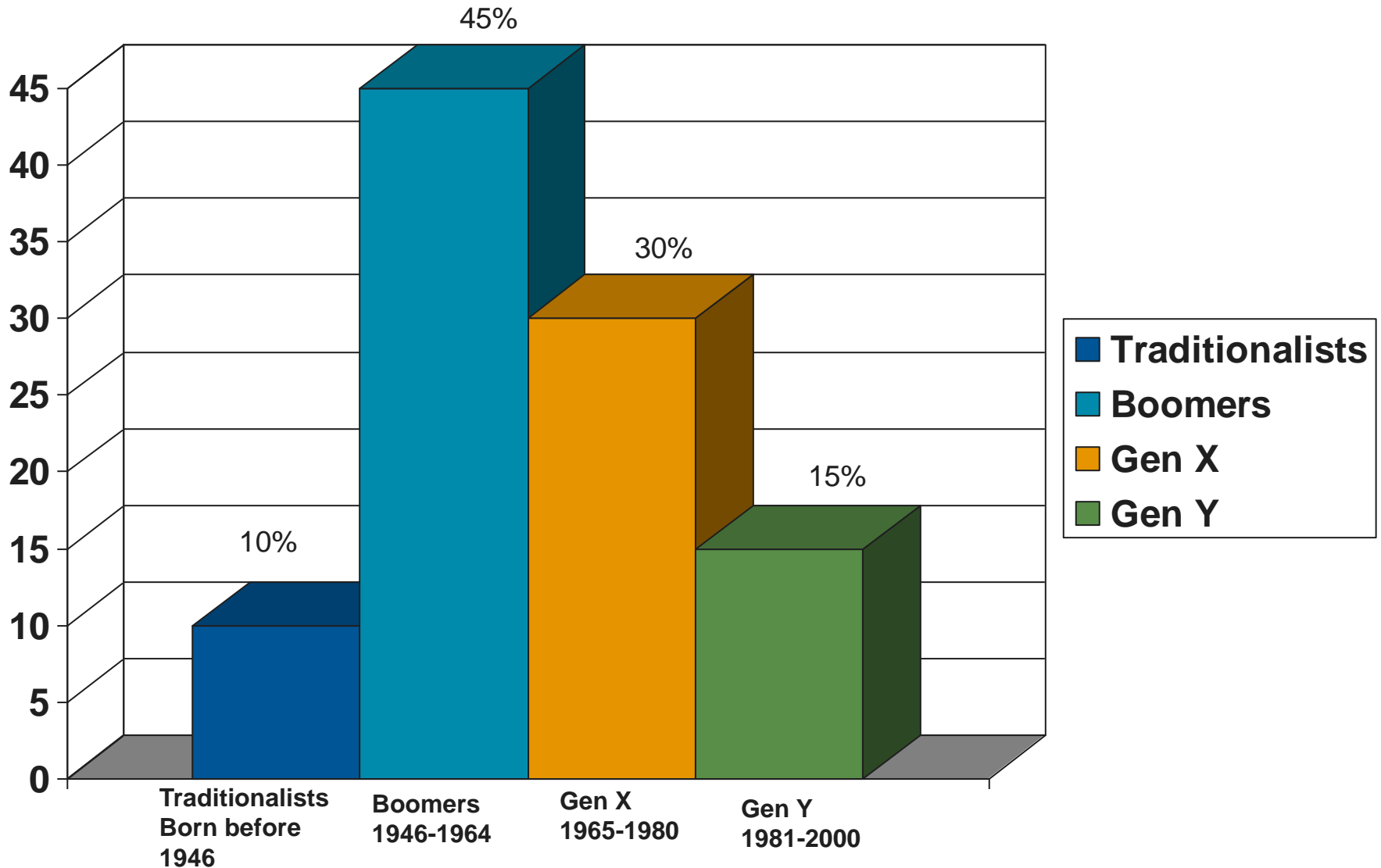
Employment Environment

Generational Observations

- Top 10 trends to watch -
 - #2 Large number of Baby Boomer retirements (1946 – 1964)
 - By the year 2012, 12,000 Americans will turn 65 years of age each day!
 - #5 Growing need to develop retention programs – current and future
 - #9 Labor shortages in ALL skill levels
 - #10 Demographic shifts leading to shortages in high skilled positions
- Increased global competition for skilled work force
- Demographic shift to provide greater workplace flexibility
 - Work / Life balance = “Work to live” **NOT** “Live to Work”
 - Having flexibility in work schedules is becoming more significant
- Companies should be aware of the differences of the generations in the workplace - manage employee expectations with multi generational workforces.

Four Generations in the Workplace

(as of March 2010)



Get to Know the Generations

➤ Traditionalists

- Born 1945 or before
- Believe in conformity, authority and rules
- Defined sense of right and wrong
- Dislike conflict
- Loyal, logical, disciplined and detailed-oriented
- Prefer hierarchical organization structures

Get to Know the Generations

➤ The Baby Boomers

– Born 1946-1964

- Committed to quality and doing a good job
- View themselves and their careers as one in the same
- Build career over the long term and loyal to their employer
- Workaholics
- Prone to documenting everything

Get to Know the Generations

➤ Generation Xers

– Born 1965-1980

- Balance work and life, like flexible working hours and job sharing
- See themselves as free agents and marketable
- Comfortable with authority but not impressed by titles
- Value ethnic diversity
- Prefer high-quality end results over quantity

Get to Know the Generations

➤ The Millennials/Generation Y

– Born 1981-2000

- Preference for instant gratification
- Express themselves rather than define themselves through work
- Multi-tasking all the time
- Appreciate diversity and inclusion
- Balance of work and life
- Need fun in the workplace

Characteristics of the Generations

Personal and Lifestyle Characteristics

	Traditionalists Born 1945 or before	Baby Boomers 1946-1964	Gen X 1965-1980	Gen Y 1981-2000
Core Values	Respect for authority Conformers Discipline	Optimism Involvement	Skepticism Fun Informality	Realism Confidence Extreme fun Social
Family	Traditional Nuclear	Disintegrating	Latch-key kids	Merged families
Education	A dream	A birthright	A way to get there	An incredible expense
Communication Media	Rotary phones One on one Write a memo	Touch-tone phones Call me anytime	Cell phones Call me only at work	Internet Picture phones E-mail
Dealing with Money	Put it away Pay with cash	Buy now, pay later	Cautious Conservative Save, save, save	Earn to spend

Characteristics of the Generations

Workplace Characteristics

	Traditionalists Born 1945 or before	Baby Boomers 1946-1964	Gen X 1965-1980	Gen Y 1981-2000
Work Ethic and Values	Hard work Duty before fun Adhere to rules	Workaholics Work efficiently Question authority	Self-reliant Want structure and direction Skeptical	Multi-tasking Goal-oriented & Tolerant
Work is...	An obligation	An exciting adventure	A difficult challenge A contract	A means to an end Fulfillment
Leadership Style	Directive Command & control	Consensual Collegial	Everyone is the same Challenge others Ask why	Value relationships Regular communication
Interactive Style	Individual	Team player Loves to have meetings	Entrepreneur	Participative
Communications	Formal memo	In person	Direct Immediate	E-mail Voice mail
Feedback & Rewards	No news is good news Satisfaction in a job well done	Don't appreciate it Money Title	Sorry to interrupt, but how am I doing? Freedom is the best reward	Whenever I want it, at the push of a button Meaningful work
Messages that Motivate	Your experience is respected	Your are valued You are needed	Do it your way Forget the rules	You will work with bright, creative people
Work & Family Life	Ne'er the twain shall meet	No balance Work to live	Balance	Balance

Employment Environment

Generational Observations

- Potential “Saving Grace”
 - While millions of Boomers are reaching retirement age, their retirement accounts aren’t ...
 - Provides more time to source replacements
 - Provides more time for “knowledge transfer”
 - Beware of the “*grey ceiling*”
- Hiring skilled labor from other regions is more challenging due to poor economic conditions, devaluation of houses – making it much more difficult to bring new talent into a deficit region
 - Relocation options / opportunities
- Diversity in work habits and what employees are looking for in their work environment

Sourcing & Interviewing – Landing the right candidate



Sourcing Candidates

- Trade Schools
- Community colleges
 - Grants
- Universities
- Scholarship opportunities
- Trade Organizations
- On-line
- Junior Achievement Programs
- Career fairs
 - Both at Universities/Colleges as well a professional organizations
- Partnering with local High Schools
 - Internships, COOPs, Curriculum advisory board, mentoring

Interviewing Techniques

- Complete assessment of skill sets needed
 - Both technical and cultural
- Phone screen
- Incorporate behavioral based questions
 - Is the candidate a “fit” with your culture and values?
- Interview team approach
 - Wrap-up meeting
- Pre-hire assessment tools
 - Physical and mental capability assessments by third party
- Interview technique training for hiring managers
 - What has your company done to assist those with hiring responsibility?
- No guarantees

Orientation

- All new hires want to have an idea of where they “fit” and contribute to the Company.
- A sense of “team” and/or “belonging” to an Organization
- Additions to normal “HR” orientation might be:
 - Overview of Company
 - How what they were hired for affects the bottom line
 - Employee development opportunities and programs in place
 - Company strategy overview
- Company safety culture – key component

Employee Engagement / Performance

The slide features a series of five horizontal blue bars on the left side, stacked vertically. The top bar is the longest and has a curved right edge. The second bar is shorter and has a straight right edge. The third bar is the same length as the second. The fourth bar is shorter than the second and has a curved right edge. The fifth bar is the shortest and has a straight right edge.

Engagement

- Manage expectations of new hires
 - “Is this just a job to pay the bills or a start of a long term career”?
 - “Know your employee”
- Clear job responsibilities & expectations of supervisor / Company
 - Establish early on, to minimize opportunity for misunderstandings
- Environment which promotes communication
 - Be aware that different modes of communication may have different levels of effectiveness
- Exposure within the Organization
 - Hourly production invited to “HQ” operational meetings
- Recall Generational differences
 - Traditionalists – “Send me a memo”; “No news is good news”
 - Baby Boomers – “Call me anytime”; “Everything must be OK”
 - Gen X – “Call me, but only during work hours” ; “Excuse me, how am I doing?”
 - Gen Y – “Text me”; “Continual feedback”
- Purpose - Why am I here?

Performance

- If you have set clear goals/expectations, managing performance is more successful –
 - Safety, operations, KPI's, etc.
- A structured goal setting and review program is important so no misunderstandings of expectations
 - Minimum of semi annual formal meetings are recommended
 - All levels of an organization can benefit from a program
 - Pay for performance
- Feedback, Feedback, Feedback
 - Frequent, detailed, timely, concise – all pluses, whether dealing with positive or opportunistic feedback
- “Walk the Talk”
- Strong performance drives better work environment
- Environments with strong safety cultures, typically have strong performance environments as well.

“Your Contract”



“Your contract” with your employees

➤ Communications

- Appropriate levels of communication are critical to foster employee engagement as well as feedback
- Promptly – both positive and negative
- Two – way feedback is important to ensure alignment, relationships
- What forums and methods work best for you?
 - Tool box, department, bulletin board, email...

➤ Knowing your employees makes the work environment more than just “work”.

➤ Clearly established and communicated expectations

➤ Fairness

Closing

- Employee engagement is key to keeping employees happy and obtaining maximum productivity from them
 - Partnership
- While each generation has unique qualities, common themes are:
 - Sense of worth
 - Feedback
 - How my role benefits the Company
 - Pride
- Sourcing candidates can't start too early
 - High School; FFA conventions; partnerships with trade schools/colleges
 - Make your needs known to educational industry
 - Creativity
- Performance
 - Clear, defined, time bound goals/objectives
 - Ensure expectations are clear and understood by all

Thank You !