Making it Stick:

Engaging Your Multigenerational Workforce

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Today's Agenda

Generational Overview
Recruitment Strategies
Roundtable breakouts / Group discussion

2:45 BREAK

Employee Engagement
Roundtable breakouts / Group discussion

4:15 BREAK

Total Rewards
Roundtable breakouts / Group discussion

Succession Planning / Knowledge Transfer
Roundtable breakouts / Group discussion

Review overnight homework

Where did all the employee loyalty go?

Employers told workers:

Your job is expensive.

It is no longer secure.

We're no longer married for life.

The Decline of Employee Engagement

72%

US employees who are disengaged or <u>actively</u> disengaged

Today's Employees are "Paid Volunteers"

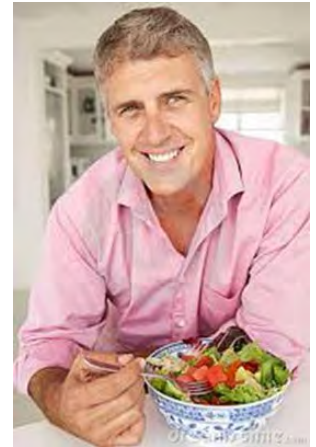# The Decline of Engagement...The Rise of Attrition.

14 years

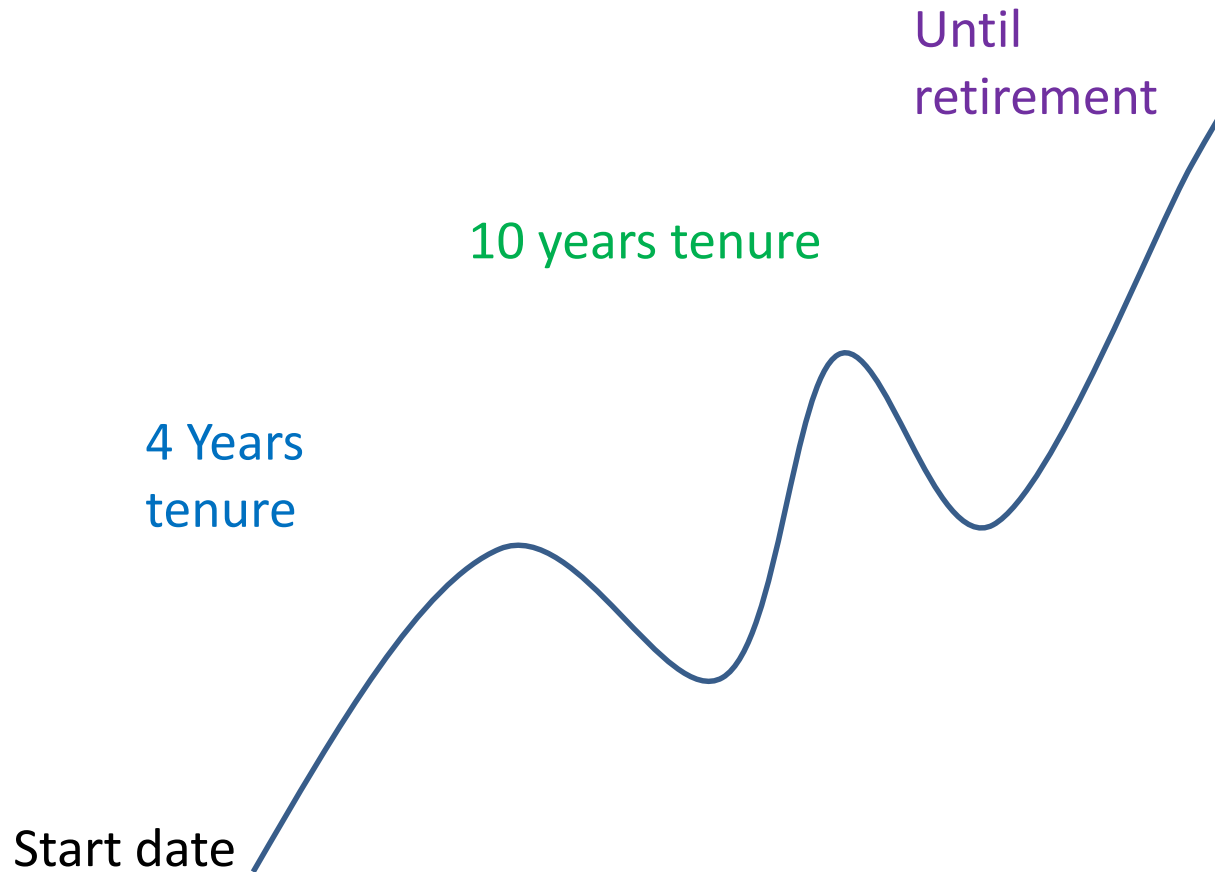**Average tenure of Boomers**

3 years

Average tenure of Generation X

18 months

Average tenure of Millennials

Career Longevity Based on Tenure

Until retirement

10 years tenure

4 Years tenure

Start date

What Do Your Employees Want... Beyond Salary?

Perceptions of job importance

Being Kept in the Loop

Clarity of job expectations

Career advancement opportunities

Regular feedback and dialogue with superiors

Quality of working relationships

Inspirational leadership

Effective Internal Employee Communications

Rewards and Recognition

Understanding the Generations in the Workplace

Baby Boomer
1946 - 1964

Generation X
1965 - 1980

Millennial
1981 - 2000

Baby Boomers Today

- Sandwiched generation
- Facing financial crisis
- Can't retire or don't want to
- Long life expectancy
- Want work-life balance

Generation X Today

- Independent, entrepreneurial
- Often prioritize family over work
- Where they live more important than promotion
- Desire less travel, more work-life balance
- Conflicted about pursuing executive roles
- Waiting for Boomers to retire

Millennials Today

- 61% unemployed or underemployed
- Facing massive college debt
- Want rapid career growth
- Believe they have options
- Afraid of commitment
- Short tenured jobs
- May return home

- Socially responsible
- Team oriented
- High expectations
- Strong parental influence
- Saving the planet
- Tech-focused
- Team oriented
- Work-life integration
- Multi-tasking
- Frequent feedback
- Question everything
- Personal branding
- Value time off, not $$
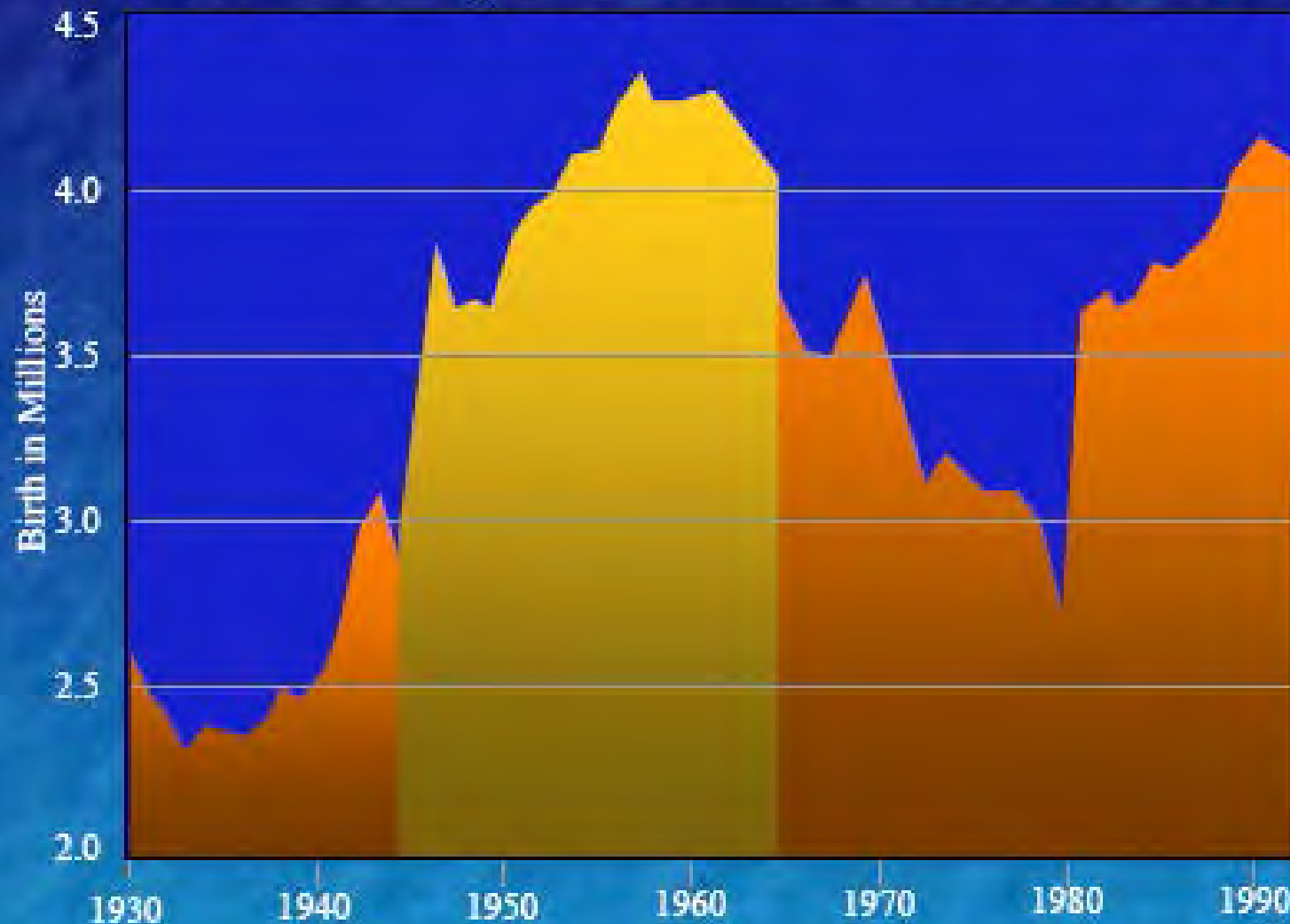
Millennial segment grows as Boomers start to retire

75% by 2025

50% by 2020

35 % in 2015

FACTORS FOR MANUFACTURING

SKILLS GAP

MANUFACTURING TALENT SHORTAGE

The Manufacturing Industry Is Facing Worker Shortage

2 MILLION
of 3.5 million manufacturing
jobs will go unfilled by 2025

60%
of manufacturing
workers are over the
age of 40

37%
of parents would
encourage their
kids to pursue a
manufacturing degree

MILLENNIALS

Millennials Are Looking Elsewhere for Career Paths

18-24

Manufacturing ranks last among industries for 18-24 year-olds selecting careers

52%

of teenagers said they have no interest in manufacturing

61%

of those uninterested in manufacturing cited dangerous conditions and lack of critical thinking as their rationale

Workforce Development Resources

The Authority on the Attraction, Qualification, and Development of World-Class Manufacturing Talent

http://www.themanufacturinginstitute.org/

State Associations Group Directory

http://www.nam.org/Alliances/State-Associations-Group/State-Associations-Group-Directory/

Allied Associations Group

http://www.nam.org/Alliances/Allied-Associations-Group/Members/

Recruitment

Recruitment Challenges

- Manufacturing is facing a graying workforce
- Millennials told pursue knowledge worker jobs
- Hourly may see manufacturing as job, not career
- They have options and will go after the $$

Creative Recruitment Sources

Recruit from diverse pools of candidates

➢ Temp agencies
➢ CareerBuilder
➢ Craiglist (entry level)
➢ Social media (FB, LinkedIn)
➢ Newspaper (for seasoned candidates)
➢ Radio / TV ads
➢ Letter to local churches
➢ Offer part-time / weekend work
➢ Employee referral program
➢ Community Events, County Fair
➢ Chambers of Commerce, Social Groups
➢ Local High Schools
➢ Community Colleges (The M-list)

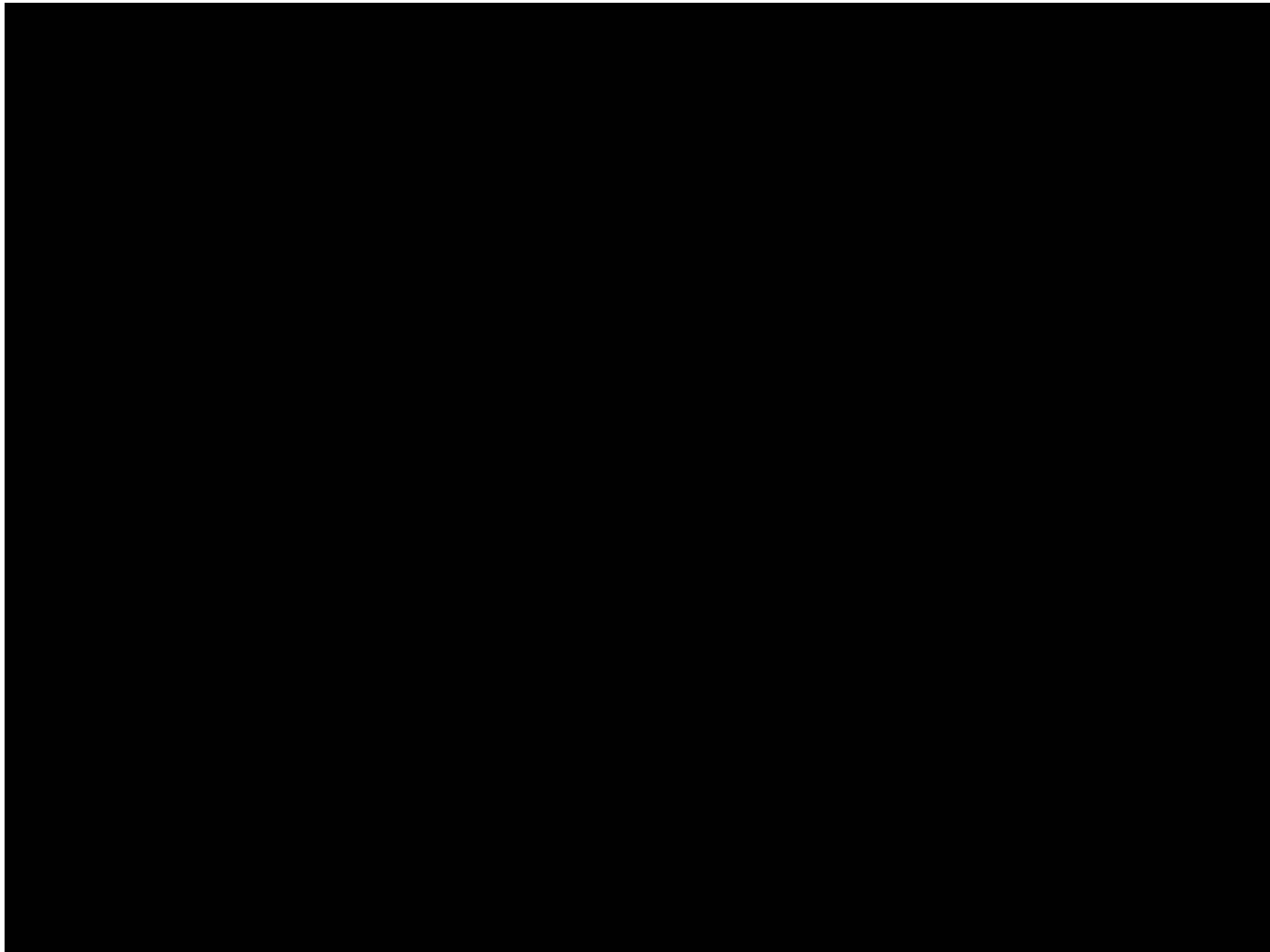http://www.themanufacturinginstitute.org/Skills-Certification/Educator-Resources/M-List/M-List.aspx

➢ Eligible Training Providers

http://www.servicelocator.org/WIB_MAP_flatfile.asp
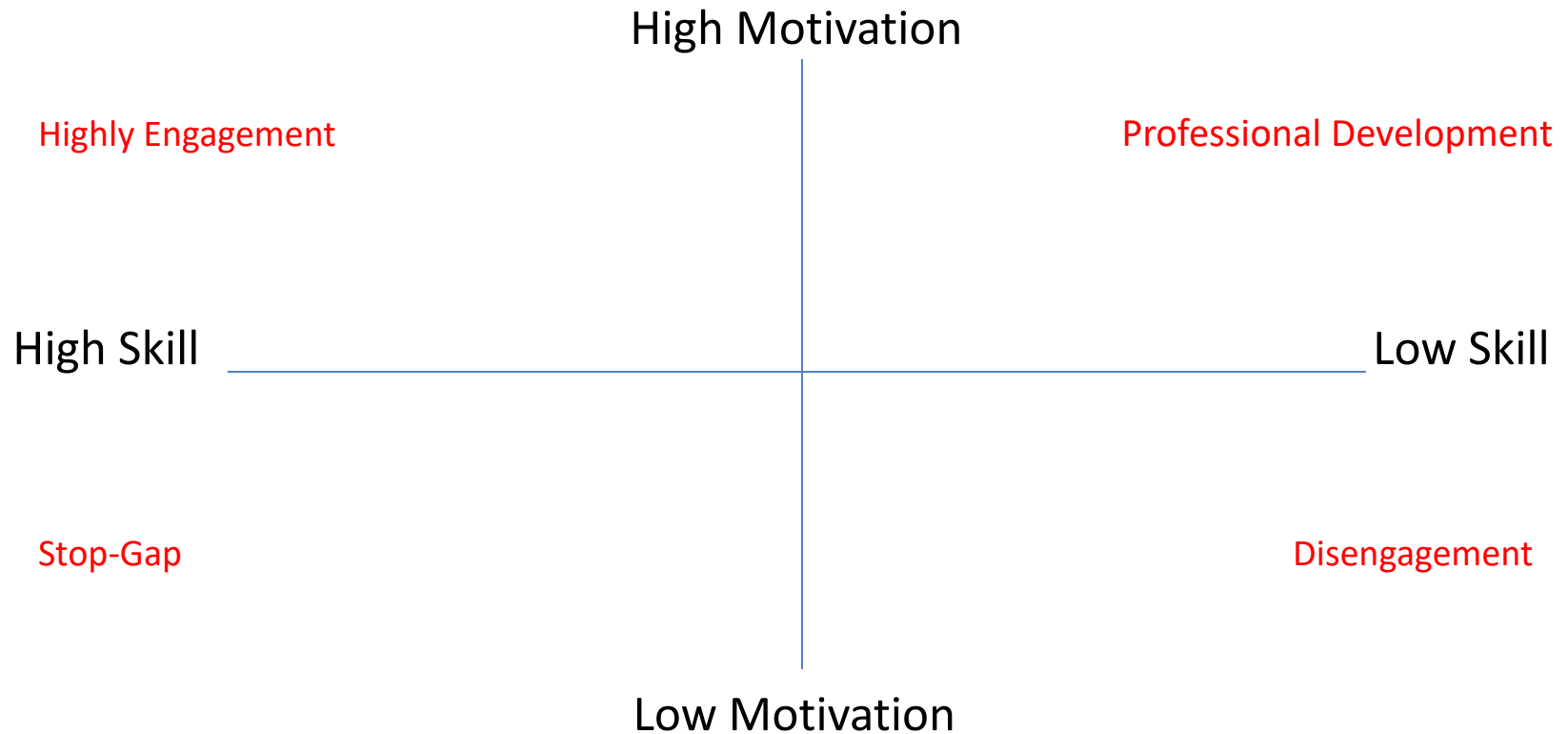
Recruiting Video

Recruitment Strategies

- Hire from diverse backgrounds: ag, military, women
http://www.themanufacturinginstitute.org/Initiatives/Military-and-Veterans/Military-and-Veterans.aspx
- Create recruiting cards for employees to distribute
- Make it easy for applicants to apply
- Hire fast…or lose them to the competition
- Offer (above) market pay and incentives
- Hire for career motivators, not just skill set
  (Administer "Passiontivity" exercise)
- Consider hiring excellence for short term
- Sell what appeals to them (ask in the interview!)
- Give a realistic picture of the job / culture
- Onboard rather than orient new employees
- Provide tour of your plant

Passiontivity Exercise
(Aligning Skills with Career Motivators)

High Motivation

Highly Engagement

Professional Development

High Skill

Low Skill

Stop-Gap

Disengagement

Low Motivation

Recruitment Discussion

1. What are the most successful aspects of your recruiting program?
2. In what areas would you like to improve?
3. Which recruitment sources do you use specifically to identify <u>hourly</u> and <u>salaried</u> applicants? Are you exploring alternative channels?
4. How easily can applicants move through your recruitment process from application to offer? Are there areas you can streamline?
5. What selling techniques do you use to attract <u>hourly</u> and <u>salaried</u> Millennials?
6. How well does your interviewing process assess overall fit? Have you seen a correlation with retention?
7. What interviewing tools can you incorporate to ensure a more highly engaged employee? How will you roll this out to hiring managers?
8. How well does your onboarding process help new hires integrate into your culture?

Retention and Employee Engagement

Retention/Engagement Challenges

- Turnover for hourly workers can be up to 100%
- Loyalty almost non-existent
- Emphasis on work-life balance
- Many Millennials have parental safety net
- Millennials don't like to conform to standards
- Use of cell phones on plant floor

Intergenerational Conflicts

- Legacy thinking among older staff
- Millennials perceived as:
  - "Lazy, entitled, and disrespectful" by Boomers
  - "Too needy" by Gen-Xers
- Differences in communication styles
- Gen-X management conflicts with Millennials
- Older workers less likely to adopt new technology

Techniques for Creating Intergenerational Harmony

- Deliver diversity training about unconscious bias
- Emphasize importance of diverse opinions
- Communicate need for mutual respect
- Coach on the value of each generation
- Create team building opportunities onsite / offsite
- Host intergenerational taskforces
- Allow for flexible communication (email vs. texting)
- Debunk media myths about Millennials!

Retention/Engagement Techniques

- Reward behavior you want to see
- Use "quick hit feedback" with Millennials
- Show how work matters to mission/supply chain
- Tell Millennials WHY things are done that way
- Give them opportunity to innovate
- Allow staff to "fail up"
- Use "Platinum Rule" of management
- Rethink using traditional performance evaluations

Rethink Performance Evaluations

Performance Evaluation — • Past-Based (Superior/Subordinate)

Performance Coaching — • Future-Based (Athletic Coaching)

Performance Coaching Techniques

- Continual coaching from hiring manager
- Mutually agreed upon milestones; SMART goals
- Corporate values continually modeled
- Alignment of career goals with corporate needs
- Create individual development plans for skill gaps

CASE STUDY:

Christi B. Smiley
"Performance and Succession Development Process"

Retention / Engagement Discussion

1. What are your most prevalent conflicts between Boomers, Generation X and Millennials?

2. How are you addressing those conflicts? Any best practices you can share?

3. How well are you engaging your <u>hourly</u> and <u>salaried</u> Millennial staff?

4. Describe your performance review process. Are you moving toward a coaching model?

Total Rewards for your Multigenerational Workforce

Elements of Total Rewards

Extrinsic Rewards

- Compensation
  - Base Pay
  - Raises
  - Bonuses
  - Short & Long-term incentives
- Rewards
- Benefits

Usually financial in nature. External to work and usually controlled by other people whether in amounts given and when provided.

Intrinsic Rewards

- Recognition
- Celebration
- Performance Management
- Talent Development
- Additional Responsibility
- Meaningful Purpose

Psychological (emotional) rewards that employees get from doing meaningful work and performing it well.

What Boomers Want

- Job stability
- Retirement planning
- Flexible work hours / phased retirement
- Cadillac health benefits
- Opportunities for mentoring / giving back
- Public recognition for long-term contributions

What Generation X Wants

- Opportunities to innovate
- Ability to save for retirement
- Incentive pay
- Flexible benefits
- Work-life balance
- ROWE (Results Only Work Environment)
- Autonomy / minimal feedback

What Millennials Want

- Constant feedback and recognition
- Opportunities to innovate <u>safely</u>
- Frequent title changes
- Cash compensation
- Coaching / mentoring
- Working in teams
- Flexible scheduling
- Community service / CSR

CASE STUDY
Engaging Hourly Employees

Christi B. Smiley
Recruiting & Employee Development Manager
"Pay For Skill" Program

Total Rewards Discussion

1. What is working well in your total rewards program?

2. What areas need improvement?

3. What total reward needs are different generations expressing? Eg. Compensation, benefits, work-life balance, mentoring, career development, etc.

4. To what extent have you customized your total rewards programs for different generations?

Succession Planning and Knowledge Transfer

Your Aging Boomer Population

- 10,000 Boomers turn 65 every day
- "Retiring in place" Boomers want $ but less work
- Less physically able to do manual labor
- Expensive to keep them but so is turnover
- Knowledge transfer critical to replacing skills

Succession Planning Challenges

Boomers

- Afraid of being pushed out
- As they hang on, glass ceiling for Gen-Xers
- Open to mentoring but don't know how
- May expect Millennials to "pay dues"
- Less likely to give positive feedback
- Often less comfortable with new technology
- With brain drain, institutional knowledge walking out door

Gen-X

- Conflicted about moving up or out

Millennials

- Want rapid advancement but may bottle neck

Succession Planning Techniques

- Ask Boomers + Xers what they <u>want</u> to do next
- Use "Passiontivity" Exercise to gauge motivators
- Incentivize knowledge transfer (eg. "Pay for Skills")
- Use train the trainer tools
- Tap rising Gen-Xers + develop leadership skills
- Millennials "reverse mentor" Boomers on tech
- Offer phased retirement

Case Study:

Christi Smiley

"Performance and Succession Development Process"

Alternatives to Early Retirement

- Phased retirement
  - reduced schedule
  - Eg. MITRE (3 days / week)
- Transition period
  - help with new career
  - Eg. Chevron (pay for teaching certificate / PT transition)
- Part-time on call
  - hire for 6 week stints
- Position downgrade: back to technical level
  - great for mentoring next generation
  - executive transition start-up company

Change Management
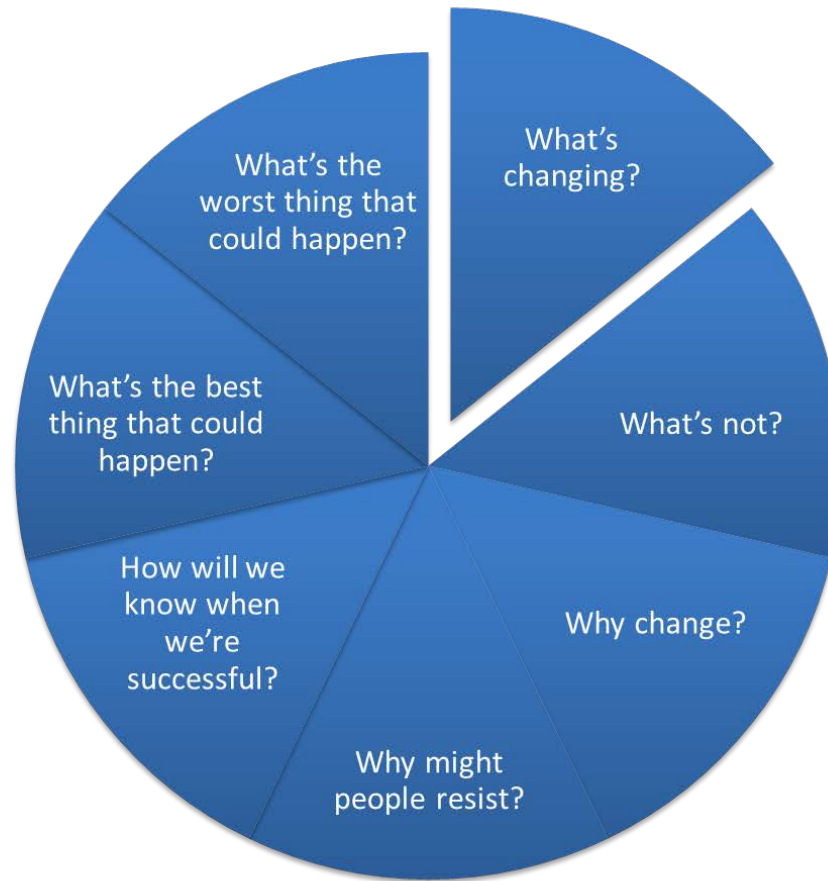
With attribution to Jennifer Runkle, PhD, Runkle Consulting

https://hbr.org/2016/09/overcome-resistance-to-change-by-enlisting-the-right-people

Succession Planning Discussion

1. How is your company facing the impending "brain drain" of Boomers? Do you know your demographics of potential retirees?

2. How are you handling knowledge transfer from your Boomers? Do you use any technology tools?

3. What programs do you have to retain your Boomers while helping them phase out toward retirement?

4. How are you grooming your high potential next generation staff?

Overnight Homework

1. What are the biggest gaps in your recruitment, engagement, total rewards, and succession planning programs?

2. What areas of lowest hanging fruit can be <u>immediately addressed</u> when you return to the office? Who can support you in the roll out?

3. What <u>longer term priorities</u> should you incorporate into your HR/operations planning roadmap?

4. In what specific areas would you like help from your AWPA colleagues tomorrow?

When You Get Back to the Office

➢ Take an assessment of your generational demographics:
  -Expected Boomer retirements
  -High potential Generation X employees
  -At-risk Millennial employees

➢ Create an infrastructure to regularly assess the engagement needs of each generation.
  – Use a robust engagement survey. http://www.workxo.com/
  – Employ Passiontivity or other coaching tools.
  – Encourage bottom up feedback. Create a feedback loop mechanism.

➢ Rethink your recruitment program.
➢ Explore additional sources to attract highly motivated candidates.
➢ Solicit feedback from hiring managers and new hires to improve your application, interviewing and onboarding processes.
➢ Re-examine your total rewards program. Ask Boomers, Generation X and Millennials to identify areas you can customize.

When You Get Back to the Office

➢ Review your career pathing programs for hourly and salaried workers.
   -Ask Generation X and Millennials how they would like to grow.
   -Help hiring managers identify career advancement opportunities.
   -Groom your high potential employees for succession planning.

➢ Create a knowledge transfer program to prepare for your impending Boomer retirements.
   – Consider retention programs such as phased retirement.
   – Integrate mentoring / reverse mentoring into your culture.
   – Explore knowledge transfer technology tools.

➢ Host generational dialogues to foster respect for diversity and inclusion. Conduct regular focus groups, especially among Millennials, then incorporate suggestions where possible to show them you were listening!

➢ Discuss with your HR/Operations team the measurable steps you will commit to taking over the next 3 months, 6 months, and 12 months.

Company Overview

Investing in People

The company that Parks Underdown founded in 1944 today provides employment opportunities for approximately 2,500+ people in more than 35 manufacturing plants in 14 states throughout 3 divisions. Hickory Springs Manufacturing is proud to be the largest division and home to 22 of those locations as one of the largest employers in Catawba County with over 1150 employees working in facilities throughout the Hickory and Conover area.

Our Products

Hickory Springs product portfolio has swelled to include a wide selection of wire, metal forming and fiber components, as well as a host of more complex integrated solutions, including microcoils, motion mechanism systems and adjustable bed builds and systems.
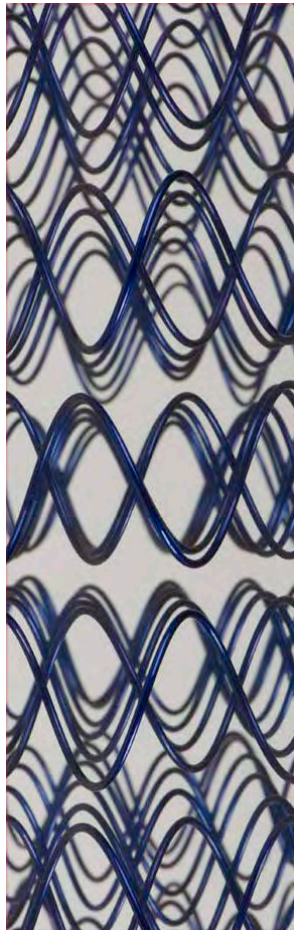
We Are a Manufacturer's Manufacturer
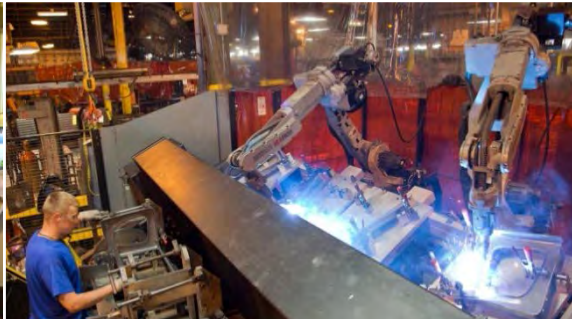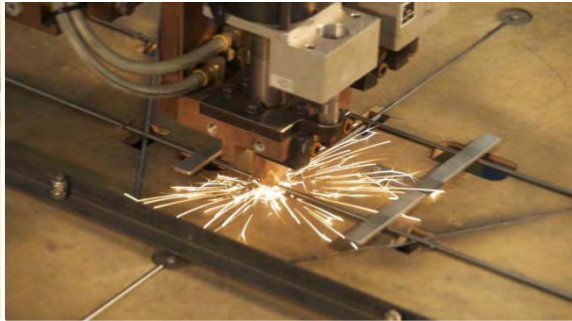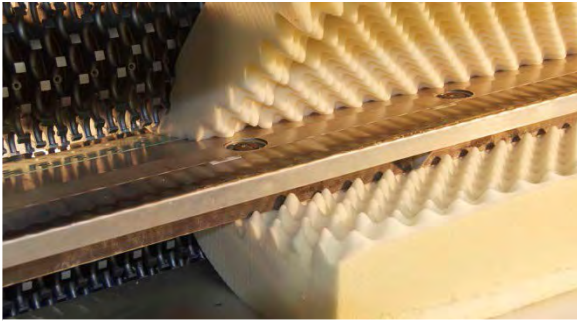
Diverse offering

Metal   **Wire**   **Foam**   **Converting**   **Fiber**

Hickory Springs Wire Technology

Hickory Springs has two wire producing facilities across the country, giving it a presence on the east and west coast.

- Conover, NC
  - Founded in 1978

- Phoenix, AZ
  - Founded in 2016

Wire Capabilities

Size Range

- High Carbon Phosphate Music Wire
  - .080 - .295 diameter
- High Carbon
  - .050 - .625 diameter
- Low Carbon
  - .050 - .625 diameter
- Induction Tempered – OTMB
  - .162 - .625 diameter
- Induction Tempered – CRSI
  - .207 - .625 diameter

Wire Capabilities

Product Range

- Hard Drawn HDMB & Phosphate Music

- Cold-Rolling Quality

- Low Carbon Plating Quality / Bright Basic

- Induction Tempered – OTMB & CRSI

Markets Served

High Carbon

- Furniture springs
- Bedding springs
- Automotive applications
- Mechanical springs
- Agricultural springs
- Cotton bale tie-wire
- Concrete snap ties
- Appliances
- Aggregate screen cloth

Markets Served

Low Carbon

- Appliance shelving
- Nail wire
- Wire forms
- Shopping carts
- Co-axial cable

Markets Served

Induction Tempered

- Overhead door springs
- Aggregate screen cloth
- Mechanical springs
- Suspension springs

Advantages

- Metallurgical Lab
  - Full-time metallurgist on staff
  - Wide variety of testing and analyzing equipment
- Shot Blaster
  - Environmentally friendly
  - Greater ductility
- In-House Die Production
  - Quality control
  - Lower cost

Questions