

CLOSING THE SKILLS GAP IN MANUFACTURING 5 Strategies for Attracting & Keeping Younger Workers

By Amy Hirsh Robinson, Interchange Group

The Manufacturing industry is experiencing an unprecedented labor shortage and the problem is about to worsen. According to a recent study by Deloitte and the Manufacturing Institute, Baby Boomer retirements coupled with economic expansion are predicted to result in two million manufacturing jobs going unfulfilled over the next decade.

Manufacturing will be heavily reliant on the Millennial generation to replace its aging workforce but faces significant hurdles, such as misperceptions about the industry as lacking in innovation and career opportunity. In fact, manufacturing ranks last as a career choice among Americans ages 19-33. The lack of skilled talent for the highly technical jobs needed in modern manufacturing compounds the issue. A decline in technical education in American high schools and a dearth of trade schools has created a drastic shortage of available, qualified talent.



Finding & Keeping Skilled Talent in Manufacturing

To close the skills gap in manufacturing and to become employers of choice among Millennials, companies will need to follow these five strategies.

- 1. **Educate prospective employees about the industry**, including the extraordinary career and earning opportunities available and the exciting innovations in technology. Videos and shop floor tours are great ways to introduce Millennials to modern manufacturing. Informational interviews with peers who can tell them about the work, their advancement and salaries will also serve to debunk outdated myths about manufacturing.
- Define your Employer Value Proposition (EVP), which is the value employees receive in exchange for working for you. Having an EVP is critical to staying competitive in today's labor market because it compels employers to differentiate themselves. Millennials, in particular, will need to understand and agree with an EVP to be convinced to work for any given company.
- 3. **Get serious about apprenticeships**. Successful manufacturers are partnering with local high schools and trade schools or creating their own in-house apprenticeship programs to build a pipeline of skilled talent in their local communities. Competency based, standardized instruction coupled with on-the-job learning will go far to bridge the skills gap.
- 4. **Create a Knowledge Transfer program** to capture and disseminate institutional knowledge before it walks out the door. In addition to apprenticeships, subject-matter expert-led training, mentorships, and communities of practice are great ways to identify, document and transfer information critical for new employees to get up to speed quickly and become productive members of the organization.
- 5. **Create a culture of learning & engagement across the generations**. Fostering a culture that develops, engages and integrates Millennial employees with those of older generations means challenging new hires, providing critical information and frequent feedback, cross-training to build new competencies, and developing clear-cut career paths. These will be successful strategies for engaging and keeping Baby Boomers and Generation X employees as well.

The Stakes Are High

Millennials are the future of manufacturing and the industry will need to adapt to their mindset and needs or face serious economic consequences. Companies that effectively attract, train and engage this generation will gain a significant competitive advantage in the industry and markets they serve.