

# THE RESOURCE

# Labor & Industrial **INSIGHTS** magazine

VOL. VI, ISSUE V

“Try to learn something about everything and everything about something.”

— Thomas H. Huxley”

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# THE RESOURCE FULFILLMENT CENTER

It's funny how history repeats itself, and the same challenges & opportunities of the past come back around every 10 or 20 years, at least!

Our company has always had the desire to help the people we employ with training & developing new skills, to better position them for growth and progress in their careers.

For years we've discussed creating a program where we could train candidates with no prior experience to: drive a forklift, develop leadership skills, or simply try out a new job function in a manufacturing or distribution environment, among many other things - thus creating our own pool of qualified employees by giving them the skills to meet the needs of the job market.

Now that opportunity is here! We have a new facility in Winston-Salem - The Resource Fulfillment Center, where we are building not only a forklift training program, but also a full-scale contract packaging, product fulfillment, rework and warehousing operation.

Our Fulfillment Center will allow us to build a workforce of candidates who may have barriers to full-time employment, and work with them to overcome those barriers and develop into a great employee!

What do we want to accomplish? We want to train as many people as we can and equip them with new skills and abilities to help them better themselves and their families. At the same time, we create the workforce both we and our customer's need, and hopefully build a business operation that will thrive.

We firmly believe that through diversity, inclusivity, and opportunity-based learning we improve our community and the lives of all of our employees. Our innovative, compassionate, and process-driven team enjoys the opportunities and challenges of each new project we bring into our Fulfillment Center. We seek to empower and challenge our employees to be better everyday, working with them to improve their skills, enhance their job satisfaction, and expand their earning potential. As this workforce improves and employees become more successful in their roles at our facility, we can better assist them with landing the job in our community that they have been striving for!

**CONTACT US TODAY to learn more about our Fulfillment Center, our full suite of services that may benefit your organization, or to gain access to the talent pool we're currently developing!**

**fulfillment@theresource.com**  
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## THE RESOURCE

### **Kenneth Dalton** *President*



**Early in his career, Kenneth worked as an Onsite Manager for The Resource's largest manufacturing client. His 30+ years of experience in the industry, coupled with his values & problem solving expertise make him a powerful resource for maximizing business potential. Kenneth is a member of TempNet, American Staffing Association, and has been certified by the National Safety Council.**

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# Diversity and Inclusion During and After the Pandemic

BY TAMARA M. RASBERRY



**T**he COVID-19 pandemic hit the whole country hard. Seemingly overnight, everyone was told to stay home. Many organizations quickly pivoted to remote work, and others were forced to furlough or lay off employees.

Months later, the business world is still reeling from the financial fallout of the pandemic.

When a company has to tighten its belt, programs deemed “unnecessary” or “optional” usually get dropped first. Unfortunately, diversity and inclusion (D&I) programs often fall into that category. During the pandemic, many such initiatives have landed on the chopping block.

Not long after companies were forced to make cutbacks and learn to work differently, a Minneapolis police officer killed George Floyd. The protests and civil unrest that ensued in multiple cities put racism front and center—and made it harder to ignore. In response, several companies released statements of support for the Black community and promised to diversify their leadership teams.

Now that diversity and inclusion programs are back on the table, this is the perfect time for companies to reevaluate and improve their existing D&I programs. It's also the perfect time for companies that don't already have D&I programs to develop and implement them. Every company's stakeholders—employees, customers, prospects, partners—will be watching to see how it responds to this moment.

It's especially important that organizations expand D&I efforts during this pandemic, because COVID-19–related furloughs and layoffs have disproportionately affected women and people of color (in particular, Black and Latinx people).<sup>1</sup> The past several months have seen substantial increases in mental health issues (primarily anxiety and depression) and substance abuse issues due to job loss, isolation, and fear of the unknown, especially among people who experienced these issues prior to the pandemic.<sup>2</sup> As employers begin to think about returning to the workplace, resuming business operations, and restaffing, it is critical that they consider the pandemic's effects on those populations.

As people continue to maintain social distance and work remotely, leaders and managers need to keep the lines of communication open with all of their employees and work to address their diverse needs. It can be easy to ignore (or at least fail to notice) the concerns of people who are out of sight, so employers must be intentional about communicating with their remote teams and promoting inclusive behaviors (such as allowing all voices to be heard and not interrupting during meetings). Companies also need to provide consistent mental health support to their employees.

COVID-19 does not discriminate, but its excessive impact on Black and Latinx communities as well as the recent high-profile killings and ensuing civil unrest have placed an additional emotional toll on people of color. Organizations should show support for and check in with their employees of color and listen to them (without expectations) if they want to talk. And leaders should not make those



employees serve as de facto D&I experts or expect them to serve as representatives of their ethnic communities.

Although conversations about diversity and inclusion often focus on ethnicity, it's important to remember that employers must acknowledge and value diversity in several other areas, such as age, gender, sexual orientation, and disability (mental and physical). Diversity and inclusion are not issues to be addressed solely in a program here or an initiative there. Rather, D&I efforts should be ongoing (without end dates) and woven into every facet of business operations. As companies plan their next steps in establishing or maintaining their D&I efforts, they should look not only at the “big picture” issues, such as hiring, pay equity, and implicit bias but also at organizational culture issues, such as flexibility, leave options, accessibility, benefits, paid holidays, policies, and meeting protocols.

The world is changing—and that includes the world of work. Now is the time for companies to improve their efforts to increase diversity and inclusion. Organizations don't need to have a perfect plan for moving forward. They just need to be willing to act, make mistakes, learn from them, and do better the next time. ■

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# HR and Operations Lessons Learned from the Economic Downturn

BY CHAS FIELDS



As parts of the USA work toward reopening, human resources and operations leaders are realizing that they need plans in place for handling changes to the basic structures and practices of work. When things finally do settle down, no one will miss the days of social distancing, managing personal and work lives during a pandemic, working early mornings and late nights, and carrying insurmountable stress. But everyone can definitely learn from those challenging experiences.

When COVID-19 was on the rise in early March, few people could answer the question “How is your company handling this situation?” It was evident that no one had a good response prepared for the extreme level of economic suppression that accompanied the pandemic. And now, several months later, companies all have to adjust their business procedures again. At this time, it’s important for them to reflect on the lessons they learned about managing situations beyond their control (such as a pandemic and an economic downturn) and create action plans that consider HR, operations, and employee perspectives.

## HR LESSONS LEARNED



If organizations didn’t already consider their HR departments as strategic partners before the crisis, they certainly do now. When the pandemic struck and disruptions escalated, many businesses across the country struggled to handle their day-to-day tasks as they faced new challenges, such as filling emergency shifts, making tough calls about furloughing or laying off employees, maintaining healthy company cultures, and providing support resources for employees who were suffering from the direct or indirect consequences of COVID-19. HR stepped in to help shoulder those burdens and through that process came to several important realizations that can help organizations navigate the days to come.

**Employee well-being and safety come first and require an action plan.** This isn’t a new concept, but companies need to recognize a shift in the mental and physical health needs of both employees and the business. To keep the business running, companies must have an action plan that not only identifies key employee roles for keeping the organization operational, but also recognizes employees’ value by providing for their safety and giving them confidence in the processes put in place to protect them if they still have to come onsite.

**Companies can be more agile about training, reskilling, and upskilling their employees.** It’s impossible (or at least very difficult) to find an employee who doesn’t want to learn more and find some satisfaction in their job. Providing opportunities to perform different roles and tasks is a great way for companies to help employees work toward their personal goals while also addressing the organizations’ current skills gaps. By continuing to evaluate, discuss, and identify what employees want to learn, companies can create plans that optimize that information against critical business needs when difficult times strike.

**If possible, create and promote remote work policies.** Although remote work isn’t viable for every business, many organizations now realize that their employees don’t have to be in the office every day to be productive. By leveraging HR data to track employee behaviors and work activities, an organization can determine whether remote work is a good option for that particular business.

**Mental health should never be stigmatized, and organizations should continue discussions on it.** Companies should provide their employees with information about how to understand the signs and symptoms of stress, anxiety, burnout, and declining mental health in general. Beyond that, organizations need to develop mental health plans that are easy for employees to understand and lay out what actions employees, HR, and management can take to address mental health issues.

## OPERATIONAL LESSONS LEARNED



The many business disruptions that operations leaders have overcome and continue to address have revealed many opportunities to collaborate with HR. Several new perspectives have emerged around communicating with and supporting employees in what had previously been regarded as purely quantitative day-to-day activities.

### **Nurture employees through operational processes.**

This is a great time to be empathetic and real with employees. Recognizing that measuring productivity may look different moving forward, leaders must consider where their productivity gaps are and determine if flexible scheduling will solve these issues. Self-service plays a critical role in shift swapping, shift coverage, and managers having insight on avoiding burnout. Nurturing starts with trust, and using the right technologies to give employees options around when and how they work enables companies to build that trust while at the same time keeping their business goals moving forward.

**Be present, be visible, and overcommunicate.** It's empowering for employees to know that their peers, colleagues, and managers are willing to have meaningful and transparent conversations about changes taking place. Companies have learned how important it is to have flexible options for notifying employees about process changes. But even with mobile alerts, e-mail notifications, call trees, or other communication plans in place, leaders' willingness to get out from behind their desks for in-person conversations can give those plans an even more positive impact and make sure that employees feel heard and seen.

### **Educate around labor costs and how they align with productivity.**

Leaders who seek to control labor costs, manage overtime, and access data to understand productivity need to make allies of their employees. By using a human capital management system to get reports on who is a top producer, leaders can compare performance within a department (or among people who hold the same position). They can also share some of these results with employees to educate them on which approaches work best to boost efficiency and productivity.

## EMPLOYEE LESSONS LEARNED



During the economic downturn employees, too, have learned a lot about how to cope with incredible amounts of stress, remain resilient, and succeed in nontraditional work environments. HR and operations should come together to evaluate the takeaways their people have from this experience and use those conversations to build stronger future approaches.

**People are resilient but still want and require leadership and guidance.** Employees have moved to a new level when it comes to trusting one another and showing empathy for colleagues. Leaders need to set an example by displaying passion and resilience and reinforcing these positive cultural outcomes for employees so that the stress everyone is experiencing brings people closer together instead of driving them apart.

**Companies are capable of working remotely—and succeeding.** Leaders should give employees the chance to share how the sudden shift to remote work affected the organization's culture both positively and negatively. By investigating how employees structured their daily work lives (especially while maneuvering around childcare and other family-related responsibilities), companies can replicate some of the most successful techniques when employees return to the workplace.

**Technology is essential.** Leaders should explore with employees how technology helped with transparency and communication during the slowdown. By leveraging employees' insights into the technology that has enabled them to communicate even better, companies can eliminate bad processes and reduce their employees' stress.

### **Adversity is an opportunity**

Over the past few months, people throughout the world have come together to help each other through this crisis, and companies have stepped up to navigate uncertainty. Before things shift again, companies should use this time to reflect and make improvements that can help them achieve even greater things. The actions they take now will shape what happens when the business world returns to a work situation that looks more normal. ■

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# ASSESSING EMPLOYEE WIT



**A**nyone who has managed employees can appreciate the necessity of using multiple management techniques when working with individuals from diverse backgrounds. The need for varied leadership responses to different personalities, strengths, and weaknesses has been amplified in recent months as employees have experienced and expressed increased stress responses due to COVID-19, layoffs, and other crises.

Employers who want effective management techniques that can help facilitate more inclusive and productive workforces may turn to personality assessments for guidance. Similarly, as employers across the globe begin rehiring staff during a time of high unemployment, personality tests may help them weed out candidates. As with any tool, however, the use of personality assessments for potential or current employees can carry risks.

## WIDELY-USED PERSONALITY TESTS

Several different types of personality assessments have been used in the workplace, but not all were developed for that purpose. Some well-known personality assessments include:

**The Minnesota Multiphasic Personality Inventory (MMPI).** The MMPI was initially developed in the 1930s as a clinical tool to test psychiatric patients but was heavily modified in 1989 to update its content. With evaluations of defensiveness, hypochondriasis, depression, conversion hysteria, psychopathic deviation, masculinity-femininity, paranoia, psychasthenia, schizophrenia, hypomania, and social introversion, the MMPI has sometimes been used in security contexts.

**The Myers-Briggs Type Indicator (MBTI).** Based on Carl Jung's conceptual theory and developed in the early 1940s, the MBTI identifies sixteen personality types based on

four dichotomies of personality, each with two distinct preferences: extroversion (E) versus introversion (I), sensing (S) versus intuition (N), thinking (T) versus feeling (F), and judgment (J) versus perception (P). Workplaces, schools, and other organizations are often attracted to the "different not better" nature of the MBTI's sixteen personality types. However, this test is widely discredited in psychology circles, in part because it assumes either-or dichotomies (e.g., introverted or extroverted) even when individuals fall closer to the center of each range.

**The Big Five (or Five Factor) Model.** Developed in the 1950s, this model determines where an individual falls on a spectrum for five different personality traits: (1) emotional stability (or neuroticism), (2) extraversion, (3) openness, (4) agreeableness, and (5) conscientiousness. Several different commercial personality tests use this model as the base.



# SKILL SETS TH PERSONALITY TESTS

BY SARAH GEORGE AND MEGAN WALKER

## PERSONALITY TESTING TO ASSESS SOFT SKILLS

At the pre-interview stage of the application process, personality assessments can be attractive tools for narrowing down candidates based on the soft skills required for different positions. In an ideal world, a personality assessment would identify strong candidates without introducing implicit human biases by helping to focus searches on the requisite traits for a specific position.

Managers of current employees could also potentially benefit from personality assessments of their teams. For example, managers who have a strong understanding of communication and appreciation styles can better tailor their directives and conflict resolution plans to their employees, thus improving both efficiency and retention.

## RISKS AND BEST PRACTICES

The use of personality assessments in the workplace does not come without risk, however. When organizations use tests intended for clinical settings (and not designed for the workplace), the assessment results could infringe on candidates' and employees' medical privacy as it relates to their mental health. Using a test that has not been validated for the workplace can potentially lead to claims of disparate impact discrimination from different protected groups.

To avoid legal pitfalls when using personality assessments, employers should be mindful of these best practices:

**Identify the business goals you want to achieve with the assessment.** In order for a test to be lawful under antidiscrimination laws, it must be both job-related and consistent with business necessity. What do you hope to achieve with the assessment, and how will the assessment help you reach that goal?

**Identify the test that best matches your objectives.** Once you know what you want to achieve, the data should support use of a particular assessment for that purpose. A

personality assessment can be lawful if data shows that the test either (1) is predictive of work behavior or (2) measures the degree to which applicants have identifiable characteristics deemed important for successful job performance.

**Use professionally developed assessments.** It is critical to ensure that any personality assessments used in the workplace have been validated against having a disparate impact. In other words, the test should not benefit members of one protected category over another when identifying the key traits desirable for the position. Employers must be sure to verify this characteristic of a test before using it. Discarding test results after the fact out of fear that they had a disparate impact on one or more protected categories could be considered a discriminatory act.

**Apply assessments fairly and use them in conjunction with other criteria.** This is perhaps an obvious point but one worth stating nonetheless: a personality assessment should not be the only criteria used in personnel decisions. In all hiring and promotion decisions, you should

evaluate the weight of personality assessments relative to other criteria and data and treat each applicant fairly

**Evaluate an assessment's effectiveness.** When personality assessments indicate that someone is a strong candidate and that person is hired, after they have been employed for a while evaluate whether the finding was accurate. Does that employee exhibit the traits that you sought? What impact has their performance had on the business?

**Consult with counsel before rolling out any testing program.** To ensure that your plans conform with all applicable federal, state, and local laws, work with your employment attorney to ensure that you have covered all necessary ground.

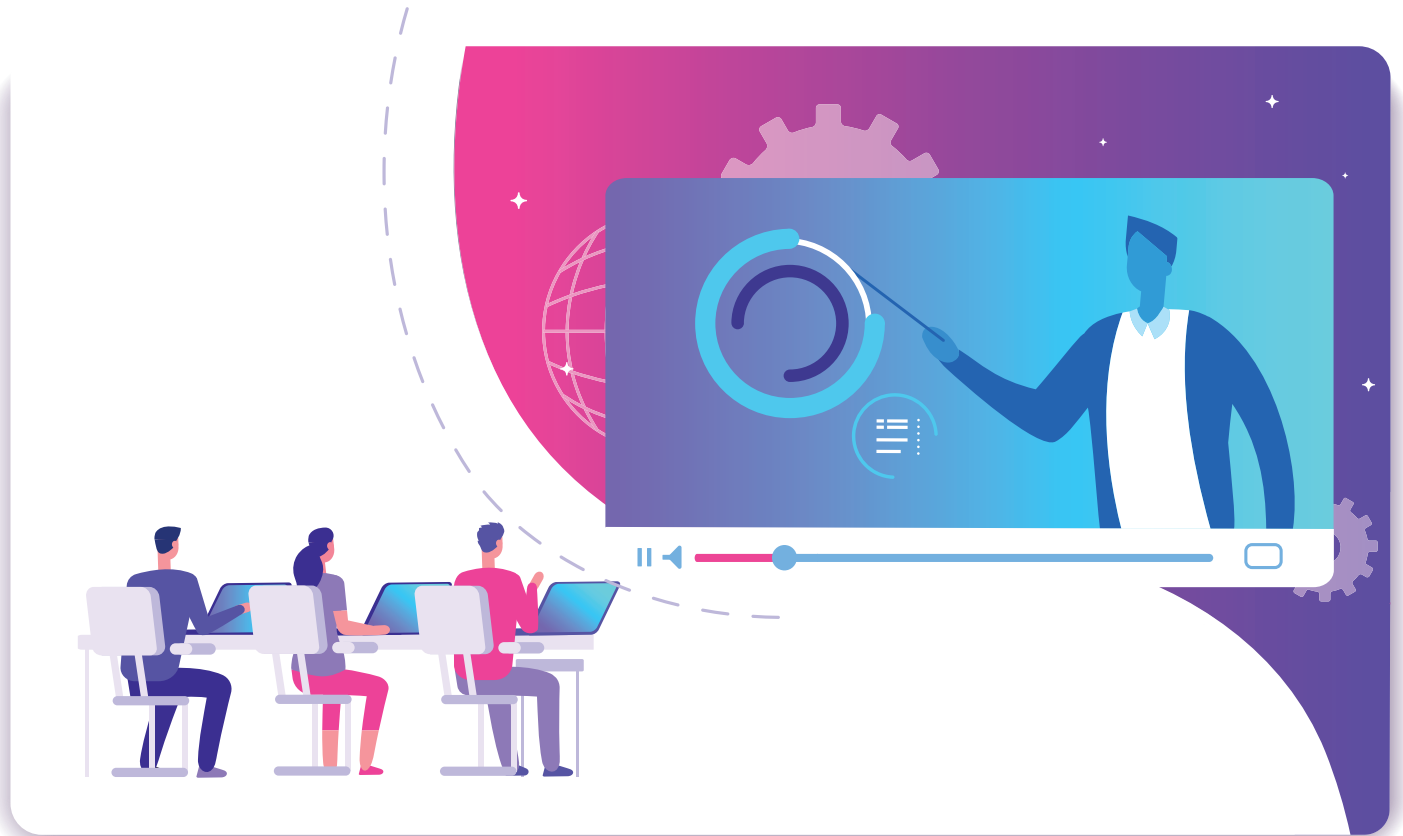
**Like all tools,** personality assessments offer potential benefits that should be weighed against potential risks. When used with the correct protections in place, however, such assessments can enable organizations to build better and stronger teams. ■

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# Coaching from Afar

BY VALERIE M. GRUBB



**Coaching tops the list of skills** that many executives look for in their frontline managers, and for good reason: effective coaching can dramatically increase employee engagement and intrinsic motivation. Considering that only about one-third of U.S. workers are engaged and managers have a huge influence on employee engagement (they “account for at least 70 percent of the variance” in those metrics!), it’s clear that managers need to ramp up their coaching skills.<sup>1</sup>



## What is effective coaching?

As a developmental and inquiry-oriented tool focused on future behavior, coaching helps employees move ahead by releasing their potential (even if they don't know they have it in them!). Good coaching can yield benefits for employees, for their managers, and for their organizations. It enables employees to take on more responsibility and become more accomplished, for example. Other potential benefits include greater employee retention and higher quality work.

To be an effective coach who helps employees develop greater intrinsic motivation, a manager should use the following strategies:

- **Support employees—and challenge them, too.**
- **Listen.**
- **Ask challenging questions, but don't hand out answers.**
- **Provide a new lens.**
- **Offer a wider range of options.**
- **Emphasize ownership and accountability.**

## How does coaching change when everyone is working from home?

Coaching is defined by interpersonal interactions. The continually evolving nature of the coaching relationship is further complicated today by the fact that managers and employees are no longer working together onsite. During these times of widespread work-from-home arrangements, managers have to be even more intentional in their efforts to motivate and engage employees. Coaching from afar *is* possible during these challenging times. It just requires a slight shift in approach, intentionality, and mindset.

First, keep in mind that *good coaching is good coaching*. That holds true whether a manager and an employee are seated on opposite sides of the same desk or are looking at each other in a virtual meeting. Regardless of the setting, the foundations of effective coaching remain the same: intentionality and consistency.

Even when everyone has the best of intentions to communicate regularly, “out of sight, out of mind” can still rear its ugly head. And even when everyone is in the office, it's easy for managers



to focus on the tasks on their own plates and not spend enough time checking in on—and developing—their direct reports. When everyone's in a shared physical workplace, at least there's the possibility of having ad-hoc meetings (“Hey, glad I caught you! Let's go grab a quick coffee and chat!”). But those aren't even an option when everyone is geographically scattered.

That's why when everyone is working remotely and not seeing each other regularly in the office, it's more critical than ever to schedule—and *follow through on*—weekly check-ins. At the start of each week, managers need to block out time on their calendars for employee coaching, then treat that time as sacred (because frequent rescheduling sends a “you're not a priority” message to employees). Because they need to be fully present (and free of distractions) to provide good coaching, managers should be sure to choose times when they can truly focus their energies on being the coaches they wish they had had.

These meetings aren't just for making sure that projects are on schedule. Even though the concept of an “office” has changed recently, that doesn't mean that employees, companies, and managers have stopped pursuing growth opportunities and working toward goals. Coaching is still essential. In fact, it may even be more essential than ever now, as employees increasingly look to their leaders for guidance during these uncertain times. ■

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# TURNOVER VERSUS ATTRITION: CONTEXT IS KEY

BY BRIAN ANDERSON

Turnover and attrition are two of the most significant metrics used to measure organizational health because of what they supposedly reveal about a business. Typically, high rates are seen as “bad,” and low rates are perceived as “good.” But such correlations are inaccurate.

Employee churn is part of every business and can be good or bad, but no single rule determines whether it is one or the other. Turnover and attrition can be essential parts of a business plan—or the causes of a company’s demise. In any conversation about employee attrition and turnover, context determines whether gains, losses, retention, and replacement of employees have beneficial or detrimental effects on an organization’s future.

## DEFINING TURNOVER

Turnover is often incorrectly defined as the number of employees who leave an organization over the course of a year. In fact, turnover is more accurately described as the rate at which an organization replaces departing employees with new employees over a set period of time. Only positions that become vacant and are refilled should be counted in turnover measurements. If an employee leaves and the company intentionally leaves the position they occupied unfilled, that change counts either as the result of attrition or as an intentional reduction in workforce.

## DEFINING ATTRITION

Attrition refers to the strategic decision not to replace employees who leave an organization voluntarily. Employees leave on their own for many possible reasons—to take better offers with other companies or to make changes in their career paths, for example, or because of life events (such as retirement or a move to another state). Attrition has two key elements: (1) the departure must be voluntary, and (2) the company must choose not to rehire. If the organization terminates an employee and decide not to backfill the position, that’s restructuring. If an employee leaves voluntarily and the company opts to replace them, that’s turnover.

## NEGATIVE IMPLICATIONS

Turnover can be expected or unexpected, and planned or unplanned—and that context shapes whether it is good or bad for an organization. For example, a sales team might experience a high turnover rate as junior team members advance to more senior teams within the same business, or a fast-food restaurant might experience high turnover as people leave for higher-paying jobs. As long as those departures are expected and the market for new employees remains strong, both businesses will remain healthy.

However, turnover that takes place at a different rate from what’s expected and budgeted for—whether higher or lower—is cause for concern.

The same goes for attrition. The word *attrition* is derived from the Latin word *atterere*, which means “to rub away.” Natural examples of this process exist in southern Utah, where over eons wind-blown sand have slowly scoured out seemingly impossible sandstone arches from the sandstone terrain. In spite of the forces wearing on them, these arches has stood for hundreds and thousands of years, even though their shapes change. Eventually, however, nature wins—and the arches topple.

In the case of employee attrition, although external forces create the loss, the organization chooses whether the departure results in a reduction in the company’s size. That decision determines whether the foundation of the business stays solid or crumbles due to lack of support. Like turnover, attrition can be expected or unexpected, and planned or unplanned, and that context determines whether it benefits or harms an organization.

Companies often use attrition to implement gradual, lower-impact downsizing strategies or strategic reductions in overhead. For example, if a law firm is experiencing a downturn in business and seeks ways to cut costs without the disruption of a layoff, the firm’s leadership may decide not to replace retiring senior partners (or to hire junior associates at a much more affordable rate). Although the loss of a senior partner might be regrettable, it’s not as unsettling as an involuntary separation—and the firm can keep going while spending less money.

On the other hand, what if that firm were to hire a junior associate, but the senior partner chooses not to retire? Unless it decides to forcibly correct the situation with a layoff or termination, the firm would be left paying two salaries and spending even more. That kind of unexpected shift in attrition can be disastrous.





## ANTICIPATING TURNOVER AND ATTRITION AS PART OF AN EFFECTIVE BUSINESS STRATEGY

How many employees does it take to serve one customer? This is more than a lightbulb joke: accomplishing an organization's mission isn't a one-person job, but neither is it a too-many-people job. Consider these examples of questions that a service-based organization might ask to determine its head-count needs:

- *"If we add more sales employees, how many more support employees will we need to serve the new customers they bring in?"*
- *"What is the ideal ratio of marketing personnel to other personnel?"*
- *"How much slack can employees in each department pick up if a coworker leaves?"*
- *"Are there times in the year when we will need more employees to handle surges in workload?"*

Underscoring the fact that turnover and attrition aren't destructive is an important precondition for an effective hiring strategy. Although there's no magic analytical formula for achieving perfect and perfectly timed talent management, there are two guiding principles that companies should follow: seek transparency and expect the unexpected.

Managers need to assess what attrition or turnover to expect during the next few months and whether their employees know what to expect from the organization. Although unlimited insight into employees' life events isn't possible, and organizations can't expect employees to behave with 100 percent consistency, companies can still learn more about and support their employees by implementing strategies that foster two-way, transparent communication:

- **Manager-employee one-on-one meetings.** Managers should give their employees regular, in-the-moment feedback. At the same time, though, they should also take time for formal one-on-one meetings that give employees opportunities to ask managers for clarification on any recent team changes, for example, and give managers opportunities to ask about employees' career plans and life events.
- **All-hands update meetings.** These are good settings for company leaders to offer background and context on complex issues, such as employee attrition, company financial health, and future strategy. Through this kind of direct, top-down communication, companies not only reduce the chance that information will get lost or distorted as it passes through several people but also help employees make decisions based on facts, not rumors or market trends.
- **Manager-level meetings.** Once managers are talking to employees and employees are hearing accurate information from executives, the final step is to connect the dots. Through manager-level meetings in which team leaders can talk candidly about trends they are seeing and how company decisions are affecting their employees, HR and talent managers have opportunities to gut-check their hiring strategies.

Decisions about whom to hire and when to hire are monumentally important choices—and understanding which choices to make is a tricky skill to master. Companies that hire too quickly risk the financial and cultural costs of a mis-hire. Companies that hire too slowly leave short-staffed teams facing the dreaded "doing more with less" scenario (and increase those employees' likelihood of burnout).

## AN ORGANIZATIONAL PERSPECTIVE

The question isn't whether employee attrition happens when employees leave but how long the period of attrition should last. An immediate rehiring effort turns a departure into a turnover event, which has its own costs and anticipated benefits. An indefinite period of attrition saves money in the short run, but has long-term impacts due to the reduction in staff. Without an overarching strategy that takes into account the upcoming needs of the business and the anticipated behavior of current employees, the decision to hire or not becomes a liability rather than a carefully calculated move in the right direction.

Everyone involved in the hiring process has an incentive to tilt that decision in their favor. For example, hiring managers may want to rehire quickly to reduce the time spent under short-staffed conditions, whereas recruiters may want to rehire quickly to improve their numbers so leadership doesn't question their performance. The balance between quick and targeted hiring is likewise affected by external conditions, such as changes in the hiring market due to economic conditions, the presence of new competitors, shifts in generational values, or industry trends in compensation.

It takes more than a headcount statistic to fine tune the employee skills and collaboration a company needs to succeed in its specific industry and with its specific mission. The full context—both at an organizational level and at an employee level—is needed to put each instance of employee churn in perspective and to respond to it appropriately.

## CONTEXT IS CRITICAL

The only constant is that organizations change. With employment playing such an important part in their lives, employees are constantly looking for signals about how to react to those changes. Communicating and making decisions consistently and following a direction that aligns with its values can help company reassure its employees that attrition and turnover are not signs that the ship is sinking (and that it's time for everyone to head for the lifeboats). With the right understanding of how to predict and prepare for employee attrition and turnover, an organization's leadership team can respond with decisions that strengthen the company's culture, its employee experience, and, ultimately, its retention rate. ■

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*Brian Anderson is a copywriter with BambooHR, a full-service, cloud-based HR management software. His work explores employee engagement, total rewards, recruitment strategies, and how core HRIS software connects with every aspect of HR.*



# Bridging the Manufacturing Skills Gap on the Plant Floor

BY ADAM ROBINSON

**T**he skills gap that has plagued the manufacturing industry for the past several years shows no signs of disappearing any time soon. Unfortunately, the lack of skilled candidates puts high pressures on consumers, existing technologies, engineers, current workers, and oversight. If they want to avoid the dangers and profit losses that accompany those pressures, organizations that operate in factory settings need to develop strategies in a few key areas as they work to close their skills gaps.

## TRAINING AS PART OF WORKFORCE DEVELOPMENT

Training remains a key element of bridging the skills gap in factories. New hires do not get pre-employment exposure to manufacturing as previous generations did. Instead, today's entry-level employees know a lot about computers and technology but lack many of the physical skills needed in factory settings. Consequently, manufacturers should treat training as an opportunity to mold the next generation for skilled positions.

In addition to company-provided training, potential employees may have access to training through some national organizations, such as the Society of Maintenance and Reliability Professionals (SMRP). Along with certain training and certifications, SMRP can also help companies assess current operations and predict which specific skills laborers will need in the coming years. This type of information can help manufacturers start making progress now on getting ahead of the growing skills gap.

## APPRENTICESHIP PROGRAMS

In most nonmanufacturing sectors, apprenticeship programs often begin outside of the workplace. But in the factory setting, they can be an extension of onsite training. In fact, existing employees can begin teaching factory-specific skills to new employees directly in the work environment.

This arrangement may actually be more cost effective than many employers realize. For example, companies that already require employees to work overtime may see overtime hours (and costs) decrease when additional

hands are available for work: with help from apprentices, existing staff members may be able to teach and get their duties completed within normal working hours. As companies feel additional political pressures to pay higher wages, apprenticeship programs could easily pay for themselves. Additionally, such programs also enable companies to leverage older workers' knowledge and experience before they retire.

## CREATING RELATIONSHIPS WITH YOUTH

The factory skills gap is partly the result of a disconnect between today's youth and the current manufacturing environment. Over the past 50 years, manufacturing slowly disappeared from mainstream ideals about employment. Although this shift opened the door to millions of new job opportunities and industries (including those that are part of the digital revolution), it has left a vacuum in factory settings.

Younger generations are not interested in what they perceive to be an environment of mills, monotonous tasks, and ongoing "building." Even though that perception is nothing more than a stereotype, this population—raised on smartphones and other technology that has changed the meaning of engagement—wants to be engaged in work. Over the past decade, many companies have failed to make themselves more attractive to this group (or haven't made changes that are easily identifiable to the public).

Today's youth seek positions that involve working with technology and experiences relating to secondary educational opportunities. Developed in 2012 as a collaboration among the Boy Scouts of America (BSA), the American Welding Society, and other industrial groups, the BSA Welding Merit Badge is one example of an initiative that seeks to build a relationship between youth and the manufacturing sector.

Ultimately, modern manufacturers must stop relying on the age-old practice of waiting for candidates to suddenly show up on their doorsteps to apply for jobs. Instead, employers need to connect with youth before they even graduate from high school and help them see how their courses and extracurricular activities at school have applications in real-life work environments.

## THE INDUSTRIAL INTERNET OF THINGS

The Industrial Internet of Things (IIoT), "all of the various sets of hardware pieces that work together through Internet of things connectivity to help enhance manufacturing and industrial processes," can also be leveraged to reduce the impact of the manufacturing skills gap.<sup>1</sup> Manufacturers can use connected devices to reduce demand for reactive maintenance and repair professionals, thus reducing overall demand on other skilled workers. In other words, keeping as many machines as possible operating as efficiently as possible will ensure an even distribution of workload in the factory.

IIoT has the added benefit of directly linking the cornerstone of today's youth—digital technology—to real-world positions in manufacturing. Younger generations will be more apt to learn the skills needed to manage the technologies they grew up with. This familiarity can be leveraged even more by companies that thoroughly implement IIoT standards throughout their manufacturing centers.

## LOOKING AHEAD

Closing the manufacturing skills gap isn't just a matter of getting more people into today's factories. Manufacturers need to seriously rethink their current community outreach and hiring strategies. Simply hoping for the best will only result in even bigger problems in the future. Instead, companies can take action today by leveraging internal and external resources to attract new workers to the plant floor. ■

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1. "Industrial Internet of Things (IIoT)." 2017. Technopedia, December 13, [www.technopedia.com/definition/33015/industrial-internet-of-things-iiot](http://www.technopedia.com/definition/33015/industrial-internet-of-things-iiot).



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