

Are We Making Progress?

Mike Collins is the author of *Saving American Manufacturing*, a comprehensive step-by-step strategy that demonstrates how to ultimately become an organization that will continually find new opportunities in today's fast-changing global economy.



Manufacturing is going to have to change its image before it can attract, much less retain, employees. Trends such as downsizing, offshoring, and mergers have turned off many potential manufacturing workers.

A study by the Manufacturing Institute ("Skills Gap Report", 2005) indicated that "81 percent of respondents say they are currently facing a moderate to severe shortage of qualified workers." The report goes on to say, "the 'Baby Boom generation' of skilled workers will be retired within the next 15 years... the result is a projected need for 10 million new skilled workers by 2020." So what has been accomplished in terms of creating this new skilled workforce for manufacturing?

The Education Crisis

When it comes to K-12 schools, all kinds of programs— from testing to charter schools— have been tried, but the fact is, manufacturing is already short on qualified applicants. So, it seems that the most progress has been made by manufacturers taking matters into their own hands, giving the students a second opportunity to learn.

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Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

Take for instance Baldor Electric, which offers literacy training for the basic courses that are needed to start a job. Baldor understands that new employees must read and do math at a minimum level just to do the simplest factory job and they focus on getting the people up to this standard.

Skills & Advanced Training

Most manufacturers are doing a pretty good job of training an employee for a specific job or specific set of skills because a lot of the training can be “on the job” and the courses are fairly short. But it seems to me that if we are going to replace the 10 million workers now retiring, we really need to emphasize advanced training.

My idea of a high skilled manufacturing worker is someone with enough skills to do numerous jobs in the factory and know enough to recognize process improvement opportunities— a worker that can solve complex manufacturing problems, do complicated maintenance, and can apply advanced problem solving and analytical methods.

Training to produce highly skilled workers requires a program like apprentice training and it is this kind of training where we are falling short of our goals. This is a much more difficult task and requires a serious commitment from the employee, the company, and the government.

Progress

In 1994 the NTMA and five other associations founded the National Institute for Metalworking Skills (NIMS). NIMS has developed standards for 24 operational areas covering the breadth of the metalworking operations.

NIMS has also launched a new competency-based apprenticeship system for the nation’s metalworking industry. The NIMS system represents a dramatic departure from the time-based system and integrates the NIMS national standards and skill certifications in defining and measuring required competencies.

The National Association of Manufacturers (NAM) is addressing the problem of creating a high performance workforce by establishing a consortium of partners who will design and release a Manufacturing Skills Certification System. The NAM model consists of 9 tiers representing the skills, knowledge, and abilities essential for successful performance grouped into foundational employment, entry level manufacturing, and specific manufacturing occupations.

Government Funds

I have to give the government credit for acknowledging the education and training problem by funding several programs. The Department of Labor has come up with money for training with three different acts.

The WIA, or Workforce Investment Act, has appropriated more than \$4 billion for a variety of programs in 2008. But, despite many efforts to find out how much of this money was designated for manufacturing type skill training, the response from the Department of Labor, Employment, and Training has been unclear.

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The Department of Labor has also authorized a High Growth Job Training Program that issued grants for demonstration projects involving partnerships between a combination of educators, employers, economic developers, and the public workforce system. The purpose is to create workforce development and training that is driven by the demand of employers, so workers possess the right skills to fill high demand positions.

Thirdly, in 2006 the Department of Labor created a Workforce Innovation in Regional Economic Development (WIRED) program to address the challenges associated with building a globally competitive and prepared workforce. The total appropriation is \$195 million for 13 regional economies.

Despite these significant budgets, it does not appear that much of the money is being used to train the highly skilled workers needed for manufacturing. In fact, the Skills Gap Survey indicated that "a very large portion of manufacturing respondents either have never heard of the three government workforce programs or have never been contacted by Workforce Investment boards."

Recruitment & Image

Lastly, manufacturing is going to have to change its image before it can attract, much less retain, employees. Trends such as downsizing, offshoring, and mergers have turned off many potential manufacturing workers.

NAM has made a concerted effort to solve the recruitment and image problem in manufacturing by creating the "Dream It Do It" campaign. So far they have partnered with 12 different regions in the country to sponsor events that promote the benefits of choosing manufacturing as a career.

Despite the government's efforts, it appears that most of the money is not being used to train manufacturing employees, particularly in advanced or apprentice type training that will replace the experienced baby boomers who will retire.

Manufacturers and their associations need to become more involved with the labor department funding programs to make sure that they get their fair share of the government funding. Take a positive step today and call one of these numbers:

National Association of Workforce Investment Boards: 703-778-7900.

High Growth Job Training Initiative: 877-US-2JOBS.

Source URL (retrieved on 12/21/2014 - 11:17am):

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