

# Reduce Risk & Increase Revenue: Wall Panel Plant Personnel Hiring & Training

(Part 3 of 6)

by Jim Boyle

When staffing a new plant, it's important to retain the employees you hire.

Last month in part 2 of our series we discussed several elements that should be considered during the layout and design of a new wall panel plant, and production assembly line. In part 3 of this series we will cover personnel hiring and training; and will look at the techniques that can be used to hire, train and keep the very best production, staff, and management personnel.

An employee has the potential to become either your greatest or worst business asset! Hiring the best people available is one of the most difficult aspects of any business venture. Because the success and growth of your business is dependent on the people who surround you, this difficult task should be a top priority.

Hiring the best people should be a defined process; just like any quality control process you would set up when assembling components on the production line. As a new business owner, you will quickly find that labor costs are a significant expense to your business. After tracking the costs of interviewing, hiring, training, and providing wages and benefits, your goal should be to retain employees.

As with most things, your hiring process will require a delicate balance between securing the right amount of labor and finding the right worker for a particular job. This can be very challenging! However, there are a number of hiring best practices to guide you. There are common factors to consider when recruiting your staff. Make sure you are clear on your requirements before you start, then make sure you know enough about the person you've chosen before offering them a job!

Here is a "best hiring practices" checklist:

1. Prepare a written job description—before you do anything else. This should include the following:
  - a. Function: What do you want to achieve at that workstation?
  - b. Process: What are the steps required for completing the workstation task?
  - c. Responsibilities: What additional duties will an employee be accountable for when at their workstation?
  - d. Qualification Standards: What are the necessary skills to perform the workstation task?
2. Choose how and where to advertise. Choices include:
  - a. Websites, in your shop window, recommendations from current employees, local newspapers, trade magazines/journals, staffing agencies, job fairs
3. Screen your applicants thoroughly. Have a short standard set of questions for each type of applicant (i.e., production, administrative, design, and management, etc.). Depending on the position, consider screening your applicants yourself on the telephone.
4. Once you have a list, arrange a face-to-face interview. It helps to have a colleague present at the interview so that two people can gather impressions of the interviewee, and compare them afterwards.
5. Make sure you are prepared for the face-to-face interviews with a set of questions to establish everything you need to know about the candidate. I have between 30 and 40 standard questions that I ask an interviewee covering four categories:

## at a glance

- Appraising the performance of new hires is helpful in determining whether that person is a good fit for your operation.
- Your hiring process should balance securing the right amount of labor and finding the right worker for a particular job.

- a. General questions
  - b. Behavior questions
  - c. Customer service questions
  - d. End of interview questions
6. Check their references. It's amazing how many employers fail to do this!
  7. Once you have chosen a candidate, make them an offer. Ensure that all the legally binding administrative formalities are completed.

Now that you have hired your new employee, what's next? Put them on the production floor to train with a veteran employee? That's one way...but what about trying something that gives new employees greater confidence, superior beginning production skills, and a genuine feeling of belonging within your organization?

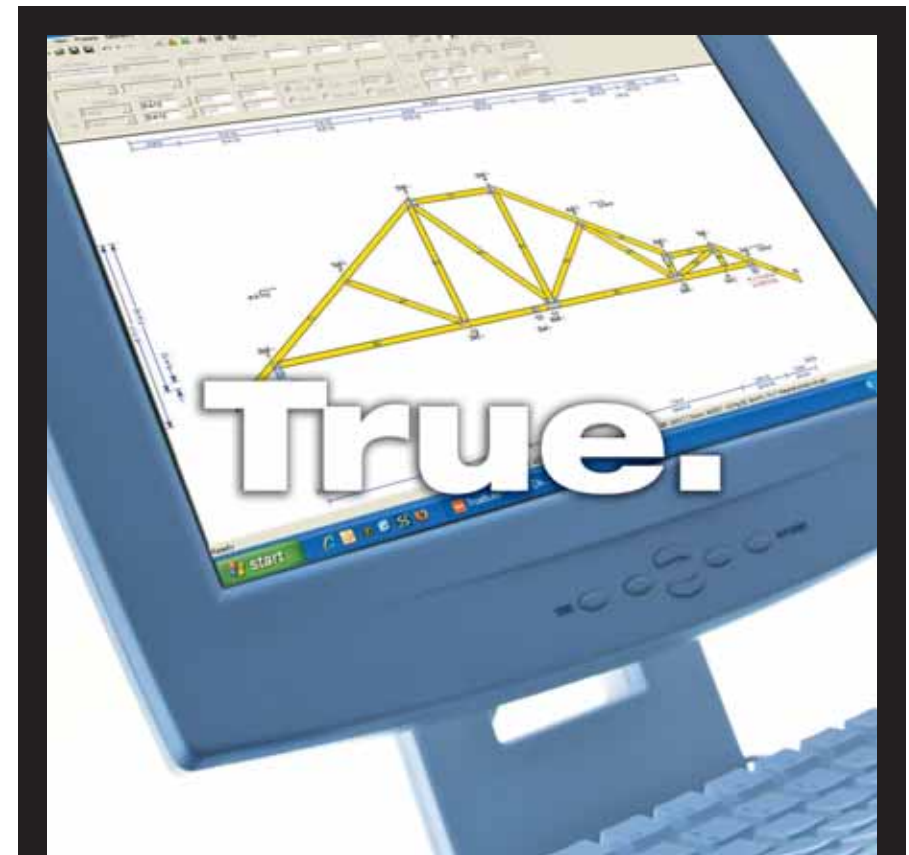
In the wall panel shops I've managed, I have required all new employees to attend classroom training before being allowed to work on the production floor. Management and design personnel are also required to complete this training. A good practice is to have a training program for each employee that covers both production methods and quality control procedures. The production portion should outline step-by-step processes and procedures required to cut, detail and assemble exterior, interior, and "specials" wall panels to  $\pm 1/16"$ ! It should be simple to understand, and clearly define each individual cutting, detailing, and assembly process.

Once the classroom training is completed, each new employee (including management and design personnel) spends one full day observing production at each work station. At this point in the training, new employees should have a solid plant-wide understanding of the process flow; and the fundamental requirements and quality control standards expected when manufacturing wall panels! Next the new employee is positioned on his/her permanent workstation for on-the-job training with a qualified production worker.

There are many ways to approach training your new workforce. Don't hesitate to experiment with different training methods and involve supervisors and other managers to share their feedback on what works and what doesn't.

### Tracking Performance

You may find that appraising the performance of new hires is helpful as a way to track progress and whether that person



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is a good fit for your operation. I hire new employees with the understanding that they are on probation for the first 90 days. During that 90 day probation period, a new employee will have three performance reviews; the first is at ten days (you should have a very good impression of an employee's performance after the first ten days), the second is at 60 days, and the third is at 90 days. The performance characteristics I evaluate are:

- Quality/quantity of work
- Safety/housekeeping
- Motivation/attitude
- Knowledge of work

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- Problem solving/communication
- Attendance

If an employee is marginal at the end of their first ten days...let him/her go; don't prolong the agony and expense! The same holds true for 60 or 90 days. Remember, it costs a company too much money to keep marginal performers! Incidentally, I recommend having more detailed performance evaluation criteria for the 6- and 12-month personnel evaluations. Also, the hourly and staff employees should be evaluated on different subjects than management. Try not to miss a scheduled personnel evaluation period; the employee is generally looking forward to it, and you want to leave them with the impression that they are important to the company's success.

### Compensation

Wall panel start-ups often ask about compensation for hourly employees. Realistically, there will be times when keeping your best hourly production workers may come down to wages. What can be done that is fair for everyone? Again, have a defined process for achieving higher levels of compensation! For example:

- Start everyone at the same hourly wage during the probation period.
- Set a minimum and maximum hourly wage schedule; with the maximum amount achievable based on performance.
- Eligibility for the first pay raise after the 90-day probation period.
- Subsequent raises are reviewed every 6-12 months.
- Raises are based on performance appraisals...not longevity (time on the job).
- Consider an incentive program that is linked to production volume, quality, and/or safety record.

Having a hiring, training, and compensation process that can be replicated will give you less exposure to employee attrition, less product rework in the plant, and less warranty issues once the products have been delivered to the jobsite. You will also develop a reputation in your community of being a very fair and desirable place to work.

Next month we will discuss quality control and quality assurance throughout the manufacturing plant. **SBC**

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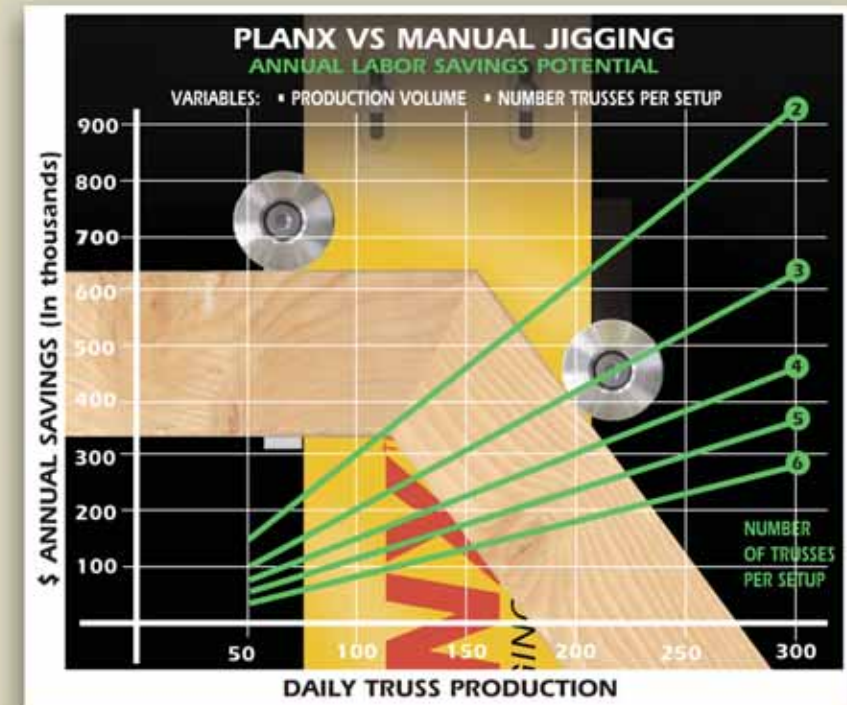
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