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From Tribal Chants to Magic Carpets — Even You Can Remedy Production Labor Challenges by Libby Maurer

If you eat, sleep and breathe in the structural building components industry, help is on the way. If your middle name is “shortage-of-good-labor,” stay tuned. Lastly, if you think culture involves bare-footed group dancing, tribal chants and a magic carpet, please read on.

We all need fresh ideas from time to time to improve our operations. That's why a group of eager component manufacturers, both industry veterans and those new to the world of structural components, congregated at BCMC 2002 to discuss challenges ranging from product delivery to design. The result of last year's forum just goes to show that wherever two or more component manufacturers are gathered, creative solutions to common everyday challenges are never far away.

Vis à vis two proverbial trouble spots in the realm of personnel management for many component manufacturers, the group, in roundtable fashion, volunteered their success stories and troubles alike in hiring production labor and retaining that labor. The following testimonials represent the ideas discussed at the roundtable, and if implemented effectively, should help to change your middle name to “swimming-in-pool-of-competent-production-labor.” It might even change your mind about the tribal dancing theory of culture in your facility. As always, the power to make change is all yours.

HOW DO YOU HIRE?

Do you have a process for hiring that is consistent with your business structure? A brief look back at the last year might help you to explore and define the hiring culture within your company. How did you hire or fire employees? Mr. John Herring, President and CEO of A-1 Roof Truss in Boynton Beach, FL presented his ideas about effective production management in a seminar at BCMC 2002. Mr. Herring has nearly thirty years of experience in the industry under his belt and has developed a comprehensive approach to hiring and retaining labor for production.

As he said in his presentation, the key to an effective hiring system may be to “Slow hire, fast fire!” Slowing down your hiring process will give you the tools and resources to find the right people. It will also buy you a little more time to choose the right candidate instead of filling the gap with just anybody who happens to walk through the door. In the same way, firing fast instead of hanging on for a few more months to see if there is a drastic change in attitude will prove to eliminate headaches and grief in the long run. According to Herring, the sooner you can get rid of an employee who isn't making the grade, the better.

HIRING LABOR FOR PRODUCTION

Somewhere in America a plant manager is turning away potential truss plant employees by the dozen. Make that a baker's dozen. That man is Matt Lombardi. He has implemented a program at Contractors Building Systems in Madison, AL that has completely revolutionized plant attendance. Called the "Buddy System," it makes use of longstanding employees by accepting their references for new hires. "I just told them last week that we need to hire six more [employees] in the next few months to gear up for summer," said Lombardi, an Ohio native. "They round up their friends and bring them in. Simple as that." Lombardi mandates a drug screen of that individual and then brings them into the plant. The person who recruited the new hire is responsible for all training in the plant at that point. Ultimately, the plant foreman is responsible, but the primary training and orientation phase falls on the shoulders of the recruiter.

In addition to this unique way of hiring, Lombardi has also built an incentive program into the Buddy System. For both parties to be eligible for a \$50 bonus, each must make it through three months with perfect attendance. If they make it another three months, they each receive an additional \$50. "I've even had some of these people do rideshare to make sure they show up every day!" He commented that this type of incentive could even work for large plants. Why? "I would imagine for a big plant the Buddy System would work really well, because of the opportunity for high turnover of a greater amount of shop employees due to the sheer number of employees on staff."

While ideas were openly shared between the component manufacturers in attendance, some also came on a hunt for solutions. Rick Parrino, Vice President of Plum Building Systems, was inspired to implement an incentives program for production employees after listening to the suggestions of his colleagues.

"We've targeted March 1 of this year to begin a rewards program for our production employees. As a part of the program, we have already started to promote qualified individuals from the shop to the design department to get them some design experience. The other part is to tie a percentage of our profits to a certain labor efficiency." Parrino explained that this would involve figuring a minimum efficiency rate for the production crew and planning a bonus schedule according to that efficiency rating. "To be eligible for the bonus, they'd have to have perfect monthly attendance, of course," added Parrino.

RETAINING PRODUCTION EMPLOYEES

Now that we've scratched the surface of the challenge of finding and hiring production labor, how can you make it worth their while to stay with the company for more than a few months? John D. Rockefeller said wisely, "I would pay more for the ability to handle people than for any other executive talent." As industrialist, philanthropist and founder of Standard Oil Co., Rockefeller must have learned from experience that the ability to manage and retain a talented staff is worth its weight in gold...or oil.

DEFINE YOUR CULTURE

According to many of the component manufacturers at the roundtable, much of keeping those

valuable employees has to do with plant culture. Culture in any context, whether it is a history of tradition, the practice of ancient ritual, or identity by class system, is defined in different ways. There can be no one standard that we measure ourselves against; culture means something very different and distinct to each of us. We can look at plant culture in much the same way. Looking at the culture in your own plant, how would you interpret it? And are you satisfied with what you see? Do you wish it were different? In what ways? Nurturing a certain plant culture—success, efficiency, attention to safety, teamwork, reward, honesty, leadership, pride—can only foster an environment in which good employees will thrive. And those who are given the opportunity to thrive will have reason to stay with you for the long-term.

MAKING A CASE FOR CULTURE

One component manufacturer that attended the roundtable asserted his belief in the importance of sustaining a certain plant culture designed specifically to raise the bar on the manufacturing process in its entirety. The idea is to create an environment in which production employees seek longevity by exploring their job description to the fullest extent possible. He said, “We provide a unique and inviting working environment in that your job is not ‘just a job.’ We facilitate an atmosphere in which employees explore each level of their position to enhance their ability and gain a full understanding of the operation as a whole. This way, they aren't just going through the motions day in and day out. It isn't sexy or fancy, but it's working for us.” You can see that this approach to total job comprehension can increase the potential for employee longevity through the idea of introducing plant knowledge and overall production culture to production staff. By simply encouraging employees to accept each movement, task or thought process as a crucial part of the whole manufacturing concept, it lends itself to a sense of belonging, ownership and pride in the product.

Belonging and ownership are key concepts in retaining production labor according to Herring. He reminds us that there are a plethora of ways you can make employees feel a sense of belonging for the long-term; you really have full reign over how you'd like to integrate this into your existing plant culture. Fundamentally, which-ever process you choose should start on their first day at work. Instead of throwing them into the mix right away, take the time to orientate them into the company culture. Make sure they have contact with employees and managers in all departments instead of just the truss plant.

Another good tip from Herring to consider is sharing the company growth and development process with the production staff. Give your crew the opportunity to have a stake in the decision-making process. Try holding strategic planning sessions every few months and ask production workers to complete surveys about the company. Maybe you will decide to go as far as to share financial information with them and indicate areas where they, as production employees, can help the company improve. This can be helpful in making them see where their commitment to teamwork plays a big role. They will experience first-hand the rewards of working in a successful plant and will want to stay as long as they are active in that type of culture.

A direct result of Lombardi's Buddy System is a noticeable change in plant atmosphere. “It has really created a great environment here in the shop because everyone winds up knowing each other. I have no problems with hiring, attendance or turnover because of the culture in our plant. We have time to focus on other aspects of manufacturing—the ones that count.”

THE DRUG-FREE WORKPLACE

When it comes to effective drug testing, the first step is to insist that your company is 100 percent drug-free. Implement this drug-free position at every interview that is conducted by stating, "we are a drug-free work place." The next step is to accompany the new hire directly to the test site, unannounced. Due to the availability of over-the-counter inhibitors for virtually every drug on the market, it is very easy for someone to pass a drug test if they have the time to locate an inhibitor.

Think of the impact that a completely drug-free workplace might have on the culture in your plant. Dave Mitchell of Engineered Building Design in Washington, IA has seen the difference in his plant's culture through the use of random drug screens and a no tolerance policy when it comes to employees who test positive.

"What [drug testing] has done for us is boost morale," the plant manager said. He explained, "The guys who are using drugs are generally less productive, less dependable and sometimes less cautious when it comes to matters of safety—they cause a very negative impact on our morale. We are trying to promote a team environment. Everyone contributes a small part to the whole operation and insisting on a 100 percent drug-free workplace helps us work toward that goal."

As you can see from some of the ideas shared at the roundtable, when it comes to incentive programs and boosting morale, the only limit is your imagination. Hopefully with the information presented in this article, you can trade your magic carpet in for some homegrown, salt-of-the-earth plant culture and change that middle name for good. And don't forget to leave the light on for all those potential production workers waiting outside for a chance to get their foot in your plant's door.

[SBC HOME PAGE](#)

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