

Recruitment and Retention Challenges of Today and Beyond

by
Timothy C. Sullivan, Esq.,
Hitchiner Manufacturing Co., Inc.

Abstract

In 2015 and as a means to improve product flow, reduce lead time, reduce WIP inventory and reduce fixed overhead, Hitchiner made a decision to close its Littleton, NH facility and consolidate those post-cast finishing operations to its corporate headquarters in Milford, NH, located approximately 125 miles away. The closure affected approximately 135 employees, all of whom were guaranteed jobs in Milford, along with relocation benefits. When less than 10% of the Littleton workforce agreed to relocate, it created a critical shortage of skilled and semi-skilled finishing, NDT and machine tool operator labor. The situation was compounded due to high turnover amongst millennials and an unemployment rate that was plummeting to 2.5%.

The presentation will describe:

1. Existing work environment positives, wage and benefits philosophies that helped attract a new workforce;
2. New initiatives deployed to increase applicant pool, as well as what worked well, and what didn't, and
3. Ongoing measures to attract and retain exempt and nonexempt workforce in anticipation of future labor shortage in the State.



Recruitment, until recent years...

- Would be applicants arriving every day, looking for work
- 8 out of every 10 – a potential hire
- Never advertised job openings, except roadway signage



Pay and Benefits Philosophies

- Annually benchmark wages
- Set pay scales to 75th percentile
- Established career pathways
- Competitive benefits



Littleton Wind Down



<https://www.youtube.com/watch?v=BEts4MtN2AI>



The Perfect Storm

- Hire 120 skilled/semi skilled persons
- Maintain workforce at other Milford operations
- Low unemployment
- Poor quality applicant pool
 - 2015: hired 350 hourly to retain 125



NH Unemployment



New Hampshire Center for Public Policy Studies

Going forward, the rate at which employers add workers is expected to slow and eventually come to a halt, not so much due to weaker demand on their end, but rather because the inventory of workers from which the public and private sector can select from to expand their operations will be extremely limited.

Part of this tight inventory stems from the extraordinarily low level of unemployed residents. It is also being driven by a momentous shift in the state's demographic landscape.

For example, the number of residents between the ages of 20 to 64 years old, a rough definition of the working-age population, is anticipated to modestly decline over the coming years, as the much-publicized graying of the baby boom generation continues to unfold. Economic growth, whether measured by payroll employment or gross state product, will slowly decelerate over the course of 2017 and 2018, before coming to a standstill, as employers confront a scarcity of available labor.



NH Unemployment Forecast

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Unemployment Rate (%)	5.5	5.1	4.3	3.4	2.8	2.5	2.5	2.5	2.5
Change	0.1	-0.4	-0.8	-0.9	-0.6	-0.3	0.0	0.0	0.0



Lean Implementation

	Pre Kaizen Process	Model Cell	% Change
# of Employees	18	6	66%
Sales \$/Emp/Hour	\$392	\$1,175	199%
Pieces per Hour	4*	9 - 12	175%

***Pre Kaizen pieces per hour did not include Final Inspection**



Workforce Development High Schools

- Career & Workforce Development Committee
- Participant on Manufacturing & Machine Technical Advisory Boards
- Host engineering job shadow with pre-engineering students
- Internship Program
 - Hitchiner has a long history of supporting the high school internship program (engineering, IT, sales & marketing, etc.)
- Support media promotion of Milford's Career & Technical Education (CTE) programs focusing on the internship program
- Participate in STEM Night to encourage middle school girls to participate in manufacturing and pre-engineering courses at the high school
- Sponsor scholarships to a manufacturing camp at Manchester Community College



Workforce Development Community Colleges

- NDT Advisory Committee.
- Advisory board for Advanced Manufacturing and Robotics Program.
- Member of the Advanced Manufacturing by Innovation and Design (AMID) Advisory Committee which advised NCC on TACCT grant spending which allowed for the expansion of their advanced manufacturing programs.
- Tuition assistance and time off from work for employees to obtain Robotics Certificate.
 - Completion of three courses in this certificate allows employees to advance to Automation and Controls Technician role. (After moving into the role, employee has two years to complete the certificate.)



Workforce Development Community Colleges

- Through our educational assistance program we support current employees in advanced manufacturing.
- Participating in NH Manufacturing Week Open House.
- Supervisor, Layout and Supervisor, Tooling both have provided input and support in the development of NCC's new advanced manufacturing programs.
- Supervisor, Layout teaches metrology which is part of the newly created Metrology Certificate and, at another college, Solidworks.



Workforce Development 4 Year Colleges/Universities

Keene State College

- Hitchiner Engineering Certificate
- Keene State Manufacturing Partners Scholarship
- Career Speakers Series

University of New Hampshire

- Four students currently working towards MBAs through Hitchiner's educational assistance program. Three of whom have bachelor's degrees in engineering.
- Engineering job shadow
- Hire summer engineering interns upon graduation



Workforce Development Other

- NH Manufacturing Week
- Summer Internship Program
- Donated Equipment
- New Hampshire Manufacturing Sector Partnership
- Skillist Pilot Project
- MYTURN
- Lean training and implementation

<https://www.youtube.com/watch?v=Tbjdx4Qd3hY>



FRIDAY OCTOBER 7, 2016

Creating a Buzz with the New Hampshire Manufacturing Partnership

PATRICIA MAGUIRE



By Patricia Maguire and Deborah Kobes

This summer, Governor Maggie Hassan, Commissioner Jeffrey Rose, over 20 New Hampshire manufacturers, and over 30 workforce and education programs gathered at Hitchiner Manufacturing to discuss the current state of the manufacturing sector, pressing current and future workforce needs, and how a statewide sector partnership can be a solution.



Health Innovator Award: Hitchiner Manufacturing

BY JULIA K. AGRESTO



Published: May 27, 2016



Roseda Rith, RN, left, takes Hitchiner Manufacturing Chairman & CEO John H. Morison's blood pressure at the company's onsite health and resource center in Milford. Looking on at center is medical assistant Lois Viveney. Both Lois and Roseda are Foundation Medical Partners employees.

For leading the way when it comes to offering outstanding health and wellness programs for employees, Hitchiner Manufacturing has been recognized by Harvard Pilgrim Health Care and NH Business Review as the most recent Health Innovator Award recipient.

Founded in 1946 and headquartered in Milford, Hitchiner Manufacturing Co., Inc. is the premier supplier of complete-to-print, high-volume, complex thin-wall investment castings and fully-finished casting-based subassemblies and components to industry.

Q. What makes Hitchiner Manufacturing an outstanding company to work for when it comes to health and wellness?



Hitchiner Manufacturing hires MY TURN graduates

Training program for unemployed and underemployed high school graduates produces results

BY LIISA RAJALA

Published: June 8, 2017



Nine of the program's graduates present their certificates with some representatives from Hitchiner Manufacturing, MY TURN and Nashua Community College.

Nine students have completed the joint training program created by Hitchiner Manufacturing Co., the Manchester nonprofit MY TURN and Nashua Community College. All nine have been offered entry-level positions with the Milford manufacturer working in the metal cell, metal grinding and in the machine shop. Seven have accepted positions with Hitchiner while one student has accepted a position with the United States Postal Service and another at a boy scouts summer camp, with plans to return to Hitchiner in the fall.



NH Unemployment Rate

<http://www.wmur.com/article/nhs-low-unemployment-rate-poses-challenges-for-employers/9874746>