



RETENTION IN MANUFACTURING

Jack Stack, SRC Holdings Corporation

WHAT WE DO

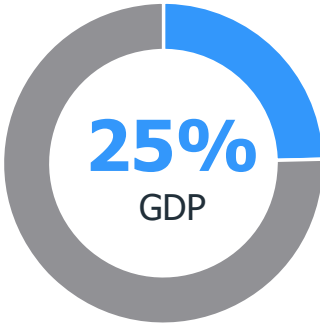


2/5/2019



STATE OF MANUFACTURING

1970



2018



Source: Deloitte, the Manufacturing Institute, Bureau of Labor Statistics, Economic Analysis



THE GOAL

Improve business results and the lives of the people who drive those results...

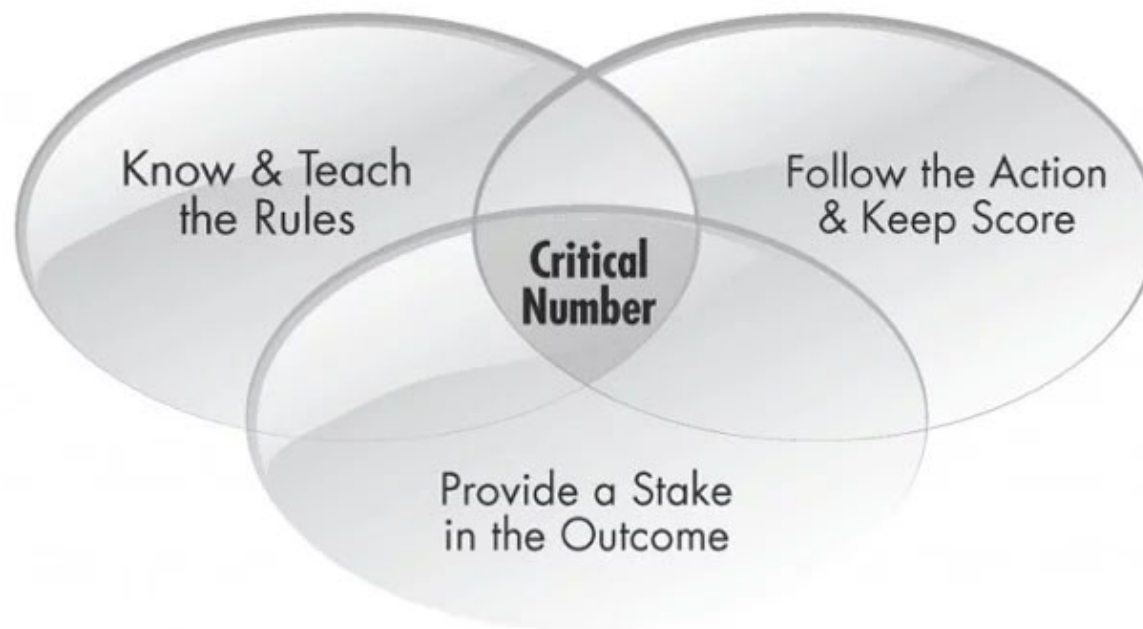
THE STRATEGY

...by creating a culture:

A “Business of Business People” who “Think, Act, and Feel like Owners.”

THE RESULT: Job security, job creation, creation of wealth, and sharing the wealth with those who helped create the wealth

PEOPLE: THE CRITICAL NUMBER

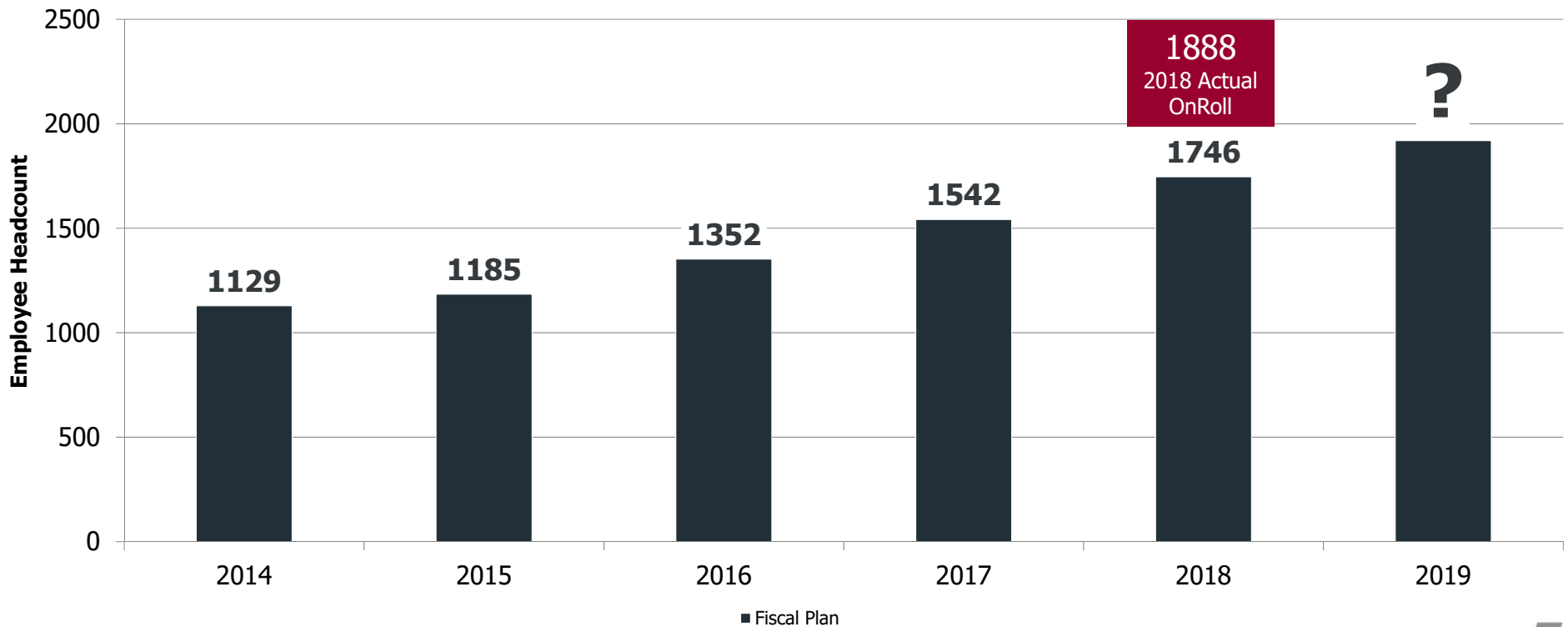


We project by 2020, the companies with the best people will **dominate their markets.**

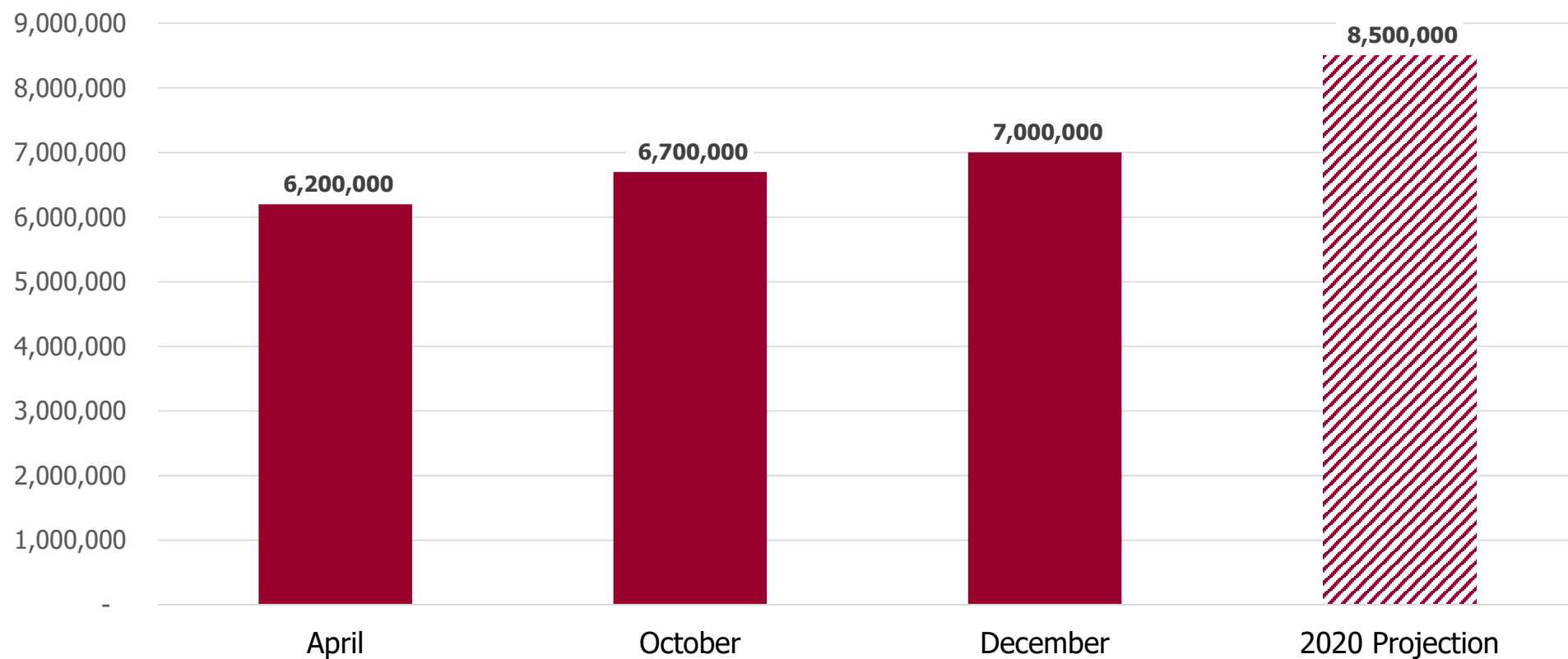
HIGH INVOLVEMENT PLANNING

Workforce Forecast; SRC Holdings – 2014

Fiscal Plan



JOB OPENINGS – UNITED STATES



Source: Bureau of Labor Statistics; Secretary of Commerce

JOB OPENINGS – MANUFACTURING



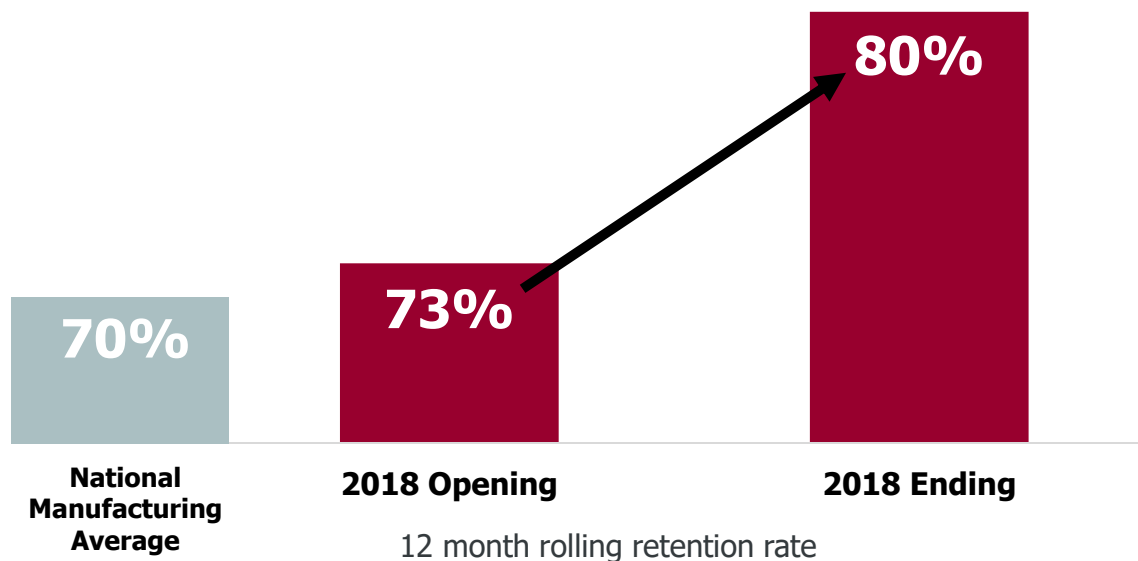
*Calculated on the basis of 52.7% of the skilled manufacturing positions that are unfilled (per the 2018 survey)
 **Retirement age of 66

Source: BLS Data, OEM (Oxford Economics Model), Deloitte and Manufacturing Institute skills research initiative.

CONQUERING THE CRITICAL NUMBER

Facing your biggest weakness and turning it into a strength

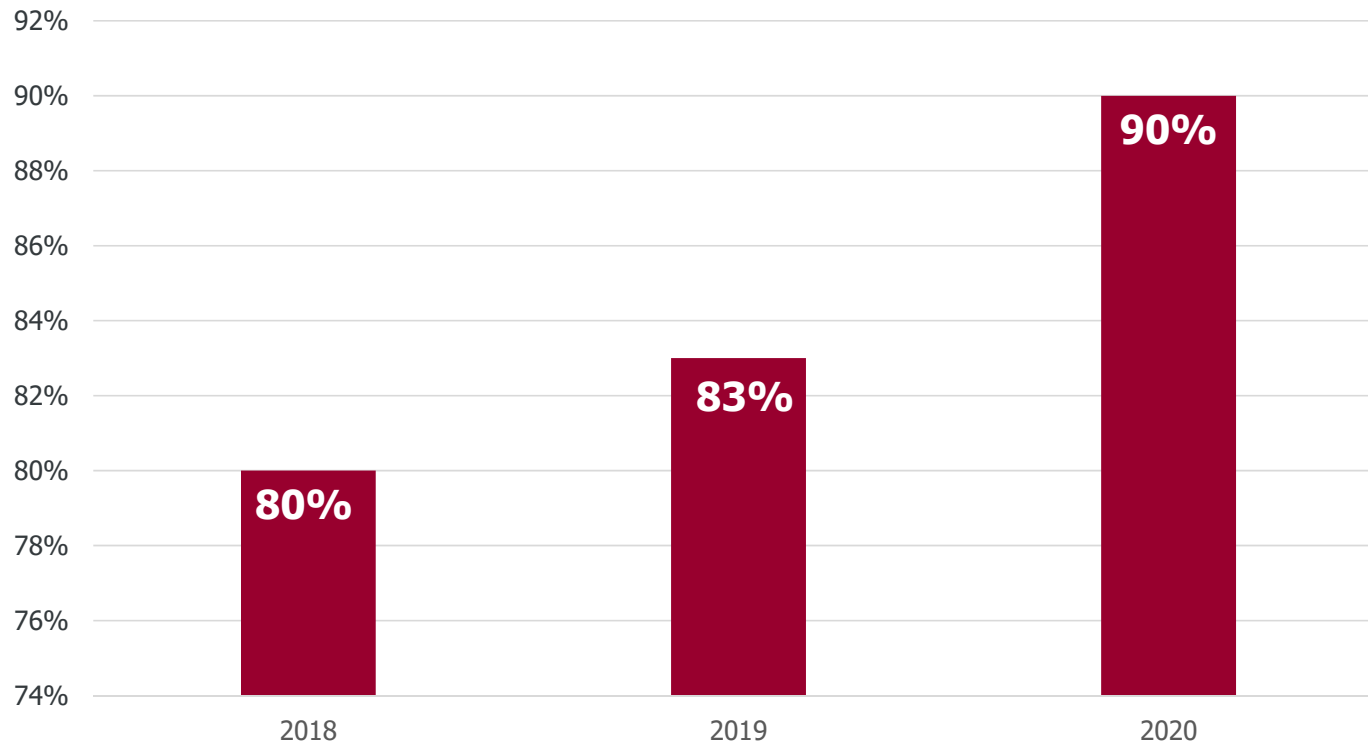
2018 Retention Results



CONQUERING THE CRITICAL NUMBER

Facing your biggest weakness and turning it into a strength

2019 Bonus Program: Retention Goals



CONQUERING THE CRITICAL NUMBER

Creative Programs

TALENT ATTRACTION

Finding the right fit – quality of the hire

- On-site public events – Coffee & Cars
- Digital & Print Marketing, Social Media
- Referral & Sign-on bonuses
 - Most retained associates
- Community involvement/giving
 - “You get what you give.” –Higher Law of Business #1

ONBOARDING (The WHY)

- Personalize to increase early engagement
- “Walk in the employee’s shoes”
- New Hire Welcome Kits
- Mentor/buddy programs
- Culture Book Club

EDUCATION & TRAINING

- Compensation Focus Groups & Education
- Recognition and appreciation training
- Online & Virtual Reality Training Programs–
Improved accessibility for operations
- World Class Manufacturing Training

PERFORMANCE MANAGEMENT

- Focus on timely coaching & reviews
- Emphasis on career **growth** opportunities

CONQUERING THE CRITICAL NUMBER

Creative Programs

WORK ENVIRONMENT

Evaluate Compensation & Benefits Package Relative To Market

- Hourly & Salary Increases
- **Communicate Lucrative Retirement Programs**
- Updates to Vacation & Attendance Policies
- Employee Emergency Assistance Program

Flexible Operations Schedules

- 4/10s, 3/12s, 5/8s
- 1st & 2nd shifts
- Nobody retires
- **Goal: No mandatory overtime**

Capital Investments

- Building, office and **new ERP system**
- Dedicated Training rooms

REWARDS & RECOGNITION

Improved Years of Service Award Program

- Recognize Employees at Work & **Home**
- Award, Personalized Yearbook & Gift
- **1, 3, 5, 10, 15, 20, 25, 30 & 35 Years**
- Spotlight Award – Company-wide Program
- Facility based Peer-to-Peer Recognition

CONQUERING THE CRITICAL NUMBER

TRAINING

Teaching our Culture

- SRC Leading Edge – Leadership Academy
 - GGOB Supervisor Training
 - GGOB Executive Summit
- Investing in Facility Leadership Team Development
- >100 Associates Serving on Boards in the Community

SURVEYS

Measuring Success & Listening to our People

- Gallop Employee Satisfaction Survey – Semi Annual
- **Emplify Engagement Survey – Quarterly**
- **Benchmark visits to leading manufacturers to learn best practices**
- The Great Game of Business Practice Scorecard Survey

COMMITTEE LEADERSHIP DEVELOPMENT

Relationship Building & Shared Purpose

- Wellness
- Ownership Culture
- Community Relations
- Recognition
- Activities
- Safety

FUTURE WORKFORCE CHALLENGES

The No. 1 cause of skill shortages in manufacturing is expected to be the **negative perception of students, educators and parents** towards manufacturing.

CONQUERING THE CRITICAL NUMBER

EDUCATION PARTNERSHIPS

- OTC Reman Track to launch Fall 2019
- Registered apprenticeship program
 - Industrial Manufacturing Tech
 - Maintenance Tech
- OTC customized Associates of Manufacturing Technology Degree
 - SRC only
 - Family friendly time commitment
- Regional High School career fairs, parents nights & mock interviews
- 100% Tuition Reimbursement
- Internship Program – 30 students/year avg.

GOCAPS – Manufacturing & Engineering Strand

- SRC on-site classroom
- Work with students on professional projects
- Meetings with parents, counselors and educators
- Network of manufacturers
- Student training
 - Professionalism Boot Camp
 - Lean manufacturing
 - Supply Chain & Logistics
 - Financial Literacy Training



CONQUERING THE CRITICAL NUMBER

MANUFACTURING AWARENESS – BY THE NUMBERS

GO CAPS

- 120 Students
- 220+ Parents
- 150+ Educators

Facility Tours

- 600+ Middle School Students
- 40+ Community Leaders
- 100+ Educators & Administrators

"It's so bright in here."

-School Administrator








"I didn't expect it to be so clean!"

-Apprentice's Parent

"You pay for education?"

-High School Teacher

7 KEYS TO RETENTION

-  Strengthen Culture
-  Provide market-based competitive pay and benefits tailored to workforce needs
-  Rewards and recognition
-  Foster work environments that promote personal success.
-  Investments & Partnerships with Education Systems
-  Provide community involvement opportunities
-  Leverage the skills and experience of retiring Baby Boomers

**WE PROJECT BY 2020,
“WHOEVER HAS THE STRONGEST
WORKFORCE WILL
DOMINATE THEIR MARKETPLACE””**



www.greatgame.com/mam