

Daily Herald

Suburban Chicago's Information Source

Attracting and keeping a strong labor force in manufacturing

By Denice Gierach, Gierach Law Firm

October 2, 2022

One of the largest issues facing manufacturing companies today is not being able to find or retain a labor force.

Even when a company has enough people to do the work (with overtime), they can be affected by labor shortages happening with their suppliers, thus further contributing to overall supply chain issues.



As with all these challenges, manufacturing companies must solve them with ingenuity and patience, as it will take time to arrive at the solutions that will make a consistent difference to their businesses. On the top of the agenda pertaining to labor shortages, is the public perception of what working within manufacturing looks like.

There are many misconceptions and old-fashioned thinking about this industry. People think it is a dirty job, low technology, low wages, low skills and education. This is simply not true. Manufacturing associations have been trying to re-educate the public about what working in a manufacturing setting is really like and instituting efforts to recruit younger people, and career changers, into the industry as skilled workers are aging out and retiring.

Manufacturing facilities have become high-tech and use a variety of computers, robotics and artificial intelligence to get the job done. Workers earn a good living in the manufacturing sector.

They are required to be skilled, well-trained, innovative, and have solid communication and leadership skills. The industry is also filled with high-demand jobs with many career tracks. Experienced, well-trained workers are getting older and retiring, which is opening vast opportunities for a younger workforce to forge meaningful careers in manufacturing.

There are several efforts underway to help get this message out. Manufacturing trade associations in conjunction with manufacturing companies have reached out to trade schools to bring students into the plants so they can see firsthand what an exciting and fast-paced environment they would be working in.

They connect with guidance counselors at various schools to show them that manufacturing is an innovative and well-paying career tract. They have actively worked with state governments to run a separate track in high school education that trains students who show an aptitude for the skillset within the art of manufacturing.

Some companies are creating mentorships with high schools to get students out of the classroom and onto the plant floors, including them in the process with hands-on experiences. Some are providing newer equipment that they can learn on and supporting multiple school programs with that equipment. Community colleges are providing a curriculum that caters to this need as well.

In the local area, GCAMP was formed to work with Chicago-area manufacturers, educators, workforce boards and other organizations to develop strategies to reverse the issue of shortage of workers and help fill the skills gap that is contributing to labor shortages. GCAMP connects manufacturers to educators and students interested in manufacturing as a career.

They host career nights and take students to attend trade shows. Valley Industrial Association (VIA), a local trade association for manufacturing companies is leading the way with GCAMP to get younger people more involved in manufacturing as a career, as well supporting the manufacturing workforce with educational and leadership learning opportunities.

The Illinois Manufacturing Association (IMA) works toward educating people on how the manufacturing industry positively impacts state and regional economies and engages in government advocacy to support and champion the important contributions manufacturing makes to this country and the world.

Careers in manufacturing should be a required part of education from an early age. The demand is high in this essential, diverse, and ingenious field, technology continues to reinvent the industry, and skilled, knowledgeable workers are needed to lead us into the future. The opportunities for younger people to lead in this industry are endless.

Another aspect of labor issues revolves around engagement with existing employees. To keep a well-trained workforce, companies must step up and meet challenges to give them a positive environment where they can prosper.

When a company hires a new worker, they must pay market rate. Companies then also need to pay their existing employees a competitive rate, so another company doesn't hire that skilled employee away from them. Many times, companies do not perform a salary review comparing what the job is worth to other companies who can hire their workers. This is a mistake.

If you want to keep your workers, you need to not only pay them competitively, but you need to make sure your benefits package is attractive, as well as offer them opportunities to learn, grow and lead.

In addition, your company culture must be positive and supportive. Try to implement various forms of engagement. Involve line people and other staff in solving problems and reward them with recognition and cash awards that shows the company is listening and values them. Too many times, companies try to solve problems from the top down, rather than the bottom up, where the best solutions originate.

Building camaraderie is another way to retain great team members. It can be as simple as bringing in food once per week, having some intramural sports with team members, holding training events where the line people oversee the training.

Some places give team members a set amount of money they can spend on a charity of their choice, and then provide the opportunity for them to explain to the team how this benefited the charity and the community. Let them have influence in the company and beyond. A collection of smaller things helps to build community and loyalty with the team.

The manufacturing sector is resilient and vibrant and will get through the labor shortage. The result of all these efforts will be a better trained, younger, and more cohesive team, able to actively compete in their niches and help make onshoring efforts more successful. This industry is imperative to our ability to lead the world into the future and keep our economic health strong.

Denice Gierach is an attorney, CPA, Northwestern University business master's graduate, and has owned several businesses including in real estate and manufacturing. She is the lead attorney at Gierach Law Firm in the Chicago area. With more than 30 years of experience, she has been a respected and sought-after resource for businesses looking to grow, sell, solve problems, and succeed long term. Her insights across business areas gives a fuller lens to business issues and solutions, and helps businesses grow and succeed with less time spent on legal issues and other time-consuming problems.