



# 5

## REASONS TRAINING MUST GO BEYOND ONBOARDING



## DON'T LET TRAINING FALTER.

When it comes to training, many manufacturers start off strong. Employers implement a formal onboarding program to immerse new employees in company culture, teaching them the skills and knowledge they need before setting out on their own.

But that's where training falters. From there, employees are often left to navigate a web of informal learning and development tactics, in the form of job shadowing and tribal knowledge sharing.

In fact, according to Tooling U-SME's Mission Critical: Workforce 2021 report, three out of four manufacturers (75 percent) say their company doesn't offer a structured training program on manufacturing skills.

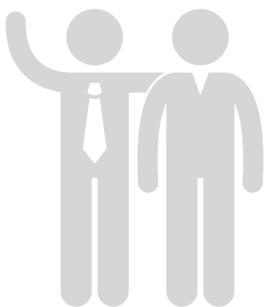
The consequences are varied and disastrous: high turnover, low morale, safety concerns, reduced productivity and sluggish growth.

In contrast, high-impact learning organizations (HILOs) understand that successful learning programs are continual, moving from day one through all talent management processes. They reap the benefits and tend to significantly outperform their peers in productivity, customer satisfaction, quality and other metrics.

It's important to remember that training is not just building a worker's performance level — it's also ensuring the employee stays at the desired performance level.

Continuous education and performance support need to be part of every learning and development strategy to build company productivity and profitability.

**If that isn't incentive enough, take a look at the five reasons training must go beyond onboarding:**



## HAPPY EMPLOYEES ARE PRODUCTIVE EMPLOYEES.

A study at the University of Warwick found that happiness led to a nearly 12 percent increase in productivity. How can you cultivate a positive vibe?

Start by building a learning culture.

A strong training program assures employees that a company is investing time and money in their development, which boosts morale and productivity. This, in turn, helps improve retention.

In fact, people often cite lack of professional development as a reason for leaving their jobs. A survey by Paychex showed nearly one in three people (29 percent) left their previous job due to lack of skills development.<sup>1</sup>

Investing in your employees by providing formal programs with defined job roles, clear career pathways and a competency-based training curriculum can ensure you retain a long-term, productive team.

A direct benefit? In addition to avoiding the financial and cultural costs associated with departing employees, reducing turnover can positively impact customer satisfaction. That means your happy workers can develop happy customers, growing your company in the process.



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<sup>1</sup> “Employee Retention: What Makes Employees Stay or Leave?,” Paychex WORX, Aug. 2016.



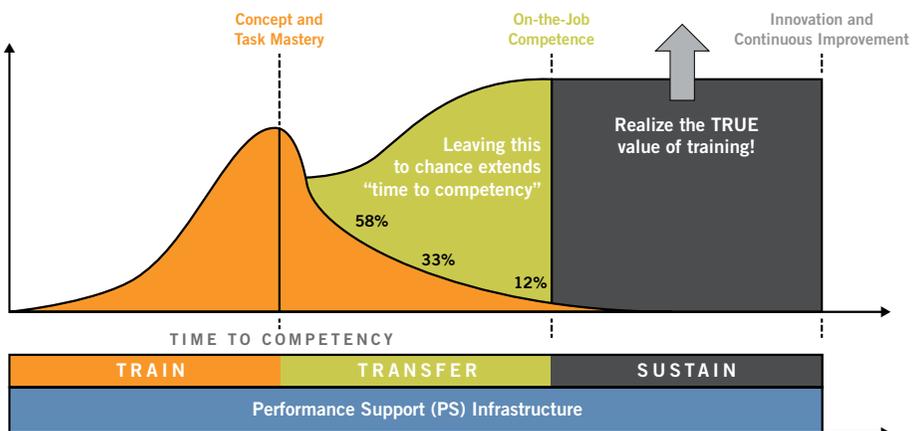
## EMPLOYEES STAGNATE OVER TIME.

Without ongoing training, employees suffer a decline in skills. As the chart below demonstrates, worker competence and performance diminish over time.

To counter this, a continuous education or performance support initiative must be built into a learning and development strategy. For instance, to validate a worker's continued ability to meet organizational performance requirements, a requalification strategy may be necessary.

Michael Munday, CEO of Arwood Machine Corp., in Newburyport, Mass., explains it this way: "Someone may claim to have 20 years of experience, but it could be one year repeated 20 times. If there is no training, they haven't learned anything new."

Munday should know. After losing a long-time customer because the company was unable to hire enough skilled workers to fill a large order, Munday worked with Tooling U-SME to create a training program that would develop new employees and sharpen the skills of incumbent workers. This was a critical part of the company's growth plan. Within a short time, the company saw a 10 percent upward trend in productivity. In addition, scrap cost as a percentage of sales was at a lower level, and defects were down. On the other hand, morale was up.



(Conrad Gottfredson, June 18, 2012)



## TECHNOLOGY IS QUICKLY CHANGING.

The pace of technology has never moved faster, and it will continue to accelerate. In fact, it inspired futurist and author Ray Kurzweil to develop a theory called The Law of Accelerating Returns. As tools improve and become faster, the subsequent generation of tools becomes that much faster and better. Growth becomes exponential.

Manufacturers need to anticipate and plan for this change — and train their employees to embrace it as an opportunity.

In a recent op-ed in The Wall Street Journal, authors Michael Milken and Igor Tulchinsky write about how digital innovation and robots are opening new possibilities for workers across the U.S. economy: “Enlightened manufacturers are minimizing layoffs by preparing assembly-line workers for higher-level duties, while relegating routine tasks to robots and AI programs.”

Change is inevitable, and it’s the obligation of manufacturers to invest in their employees through continuing education that will prepare companies — and their employees — for success into the next decade and beyond.

As Munday of Arwood said, “Technology is advancing dramatically, and to keep moving forward, the key is continuous improvement around equipment, processes and employees.”





## KNOWLEDGE SPURS INNOVATION.

More than ever, customers expect their business partners to at least keep up with them in terms of manufacturing advancements and solutions — if not to lead the way. A well-trained team with a continuous improvement mindset is inherently going to provide the innovation and forward thinking that customers need and demand.

By fully understanding equipment and available technology, team members connect dots and come up with more efficient approaches, new product ideas and more. Cross-training employees for a variety of jobs through a blended learning program enhances productivity and efficiency. It also helps employees approach problem-solving from multiple angles, leading to fresh thinking.

Take lean manufacturing, an overarching business philosophy that drives sustainable improvements and results within an organization. This continuous improvement approach is often overlooked when it comes to learning and development. Yet, as training supports the overall business goals of an organization, it is a natural and needed extension.

For instance, KYOCERA SGS Precision Tools, Inc. (KSPT) is a lean manufacturing organization that supports continuous training and development improvement by mandating an ambitious 50 hours of training per associate per year.

As Gary Miller, director of training and occupational development, said, “Our training philosophy is to train as much as you possibly can and use a blended approach, including computer-based instruction and on-the-job training.”

Even after more than six decades in business, KSPT continues to grow, recently adding a new manufacturing facility. For continued growth and innovation, building a well-trained team of high performers remains a business priority for KSPT, whose employees have an average tenure of 14 years.

4



## TRANSFER OF KNOWLEDGE MUST TAKE PLACE NOW.

Baby boomers are retiring at a pace that outruns hiring. In fact, 14 percent of respondents in Tooling U-SME's Workforce 2021 Assessment said they will lose a full quarter (25 percent) or more of their workforce to retirements in the next five years.

The predicted "silver tsunami" is here, and there is no time to lose when it comes to transferring knowledge from seasoned workers to younger members of the workforce.

Desperate to ensure that these newer workforce members will be able to perform the work of experienced employees, maintain production and understand customers, many companies are looking at formalized plans that include an internal mentoring and training program.

This changing of the guard presents the perfect opportunity to reflect on existing learning and development programs and revamp them to attract, develop and retain millennials and the upcoming generations.

It is true that millennials bring unique differences to the workforce. After all, they are shaped by their own life experiences — think recessions, debt and ubiquitous technology. They are also not afraid to question and push boundaries. But while millennials may challenge traditional approaches, their "shake it up" mentality can bring benefits to manufacturers.

Companies that take a fresh look at their training and development approaches, creating structured and measurable programs, can ultimately elevate the performance of everyone in an organization — not just millennials — leading to loyal employees and stronger business results.





## EMBRACING A FULL LIFECYCLE OF TRAINING.

A strong on-boarding program creates a solid bond with employees from day one. But training and development can't stop there. As world-class manufacturers know, an ongoing standardized learning and development program that is methodical, visible and tied to the bottom line will provide manufacturers with a competitive advantage for years to come.

## CONTACT

For more information, please call 866.706.8665 or email [info@toolingu.com](mailto:info@toolingu.com).

## ABOUT TOOLING U-SME

Tooling U-SME delivers versatile, competency-based learning and development solutions to the manufacturing community, working with more than half of all Fortune 500® manufacturing companies, as well as 600 educational institutions across the country. Tooling U-SME partners with customers to build high performers who help their companies drive quality, profitability, productivity, innovation and employee satisfaction. Working directly with hundreds of high schools, community colleges and universities, Tooling U-SME is able to help prepare the next-generation workforce by providing industry-driven curriculum. A division of SME, a nonprofit that connects all those who are passionate about making things that improve our world, Tooling U-SME can be found at [toolingu.com](http://toolingu.com) or on Facebook ([facebook.com/toolingu](https://facebook.com/toolingu)) and Twitter ([twitter.com/toolingu](https://twitter.com/toolingu)).

