


November 1<sup>st</sup> 2018 through February 13<sup>th</sup>, 2019



# Excelsior Operator Turnover Findings

Prepared by David Jolley

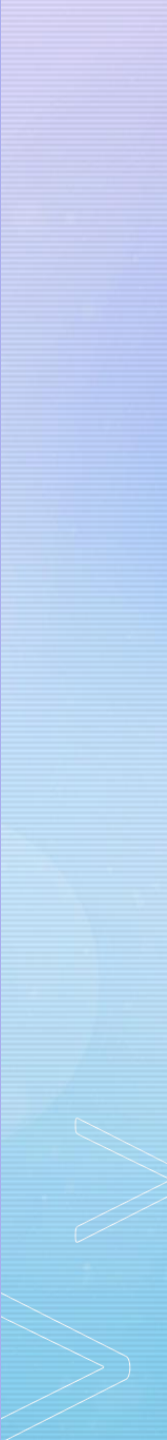


## Why is turnover so high?

- Turnover was extremely high and we could not fill positions to ship to the customer's demands.
- Support departments are struggling to keep up with new operator's demands on the system
- Also has a major impact on our current Quality state



# Background Research

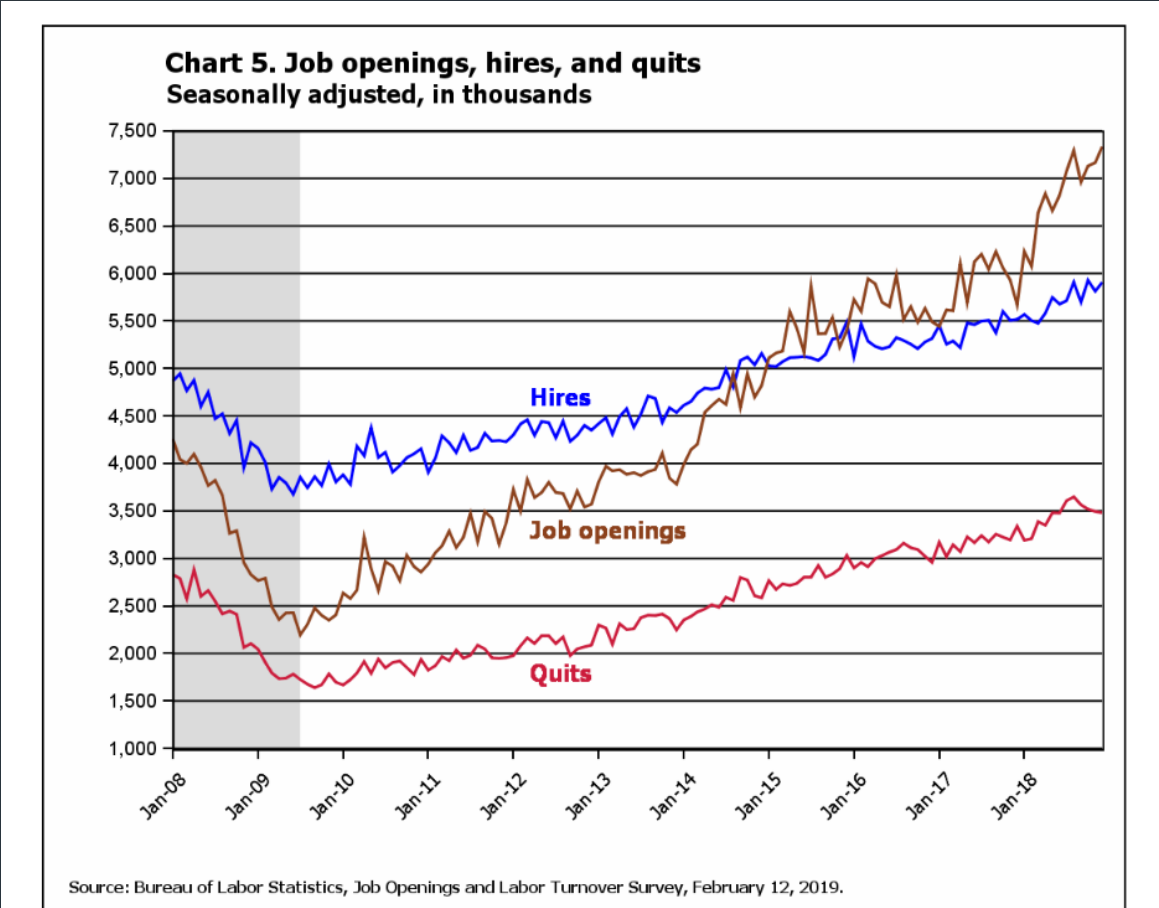
- Gathered information from all departments on the situation
  - Gathered theories from the different departments
  - Reviewed the internal data for hiring and terminations
  - 62% of operators lost in 2017 to 2018 were new hire operators
  - In a years period of time we had an avg of 199 employees every month.
  - We lost 211 employees during that year
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# Industry Research

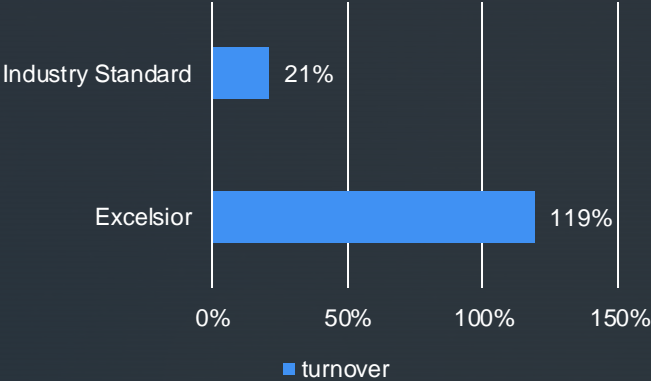


- 3~4% job openings industrial standard 2018 per BLS
- Annual turnover about 21% for manufacturing in 2017 per BLS

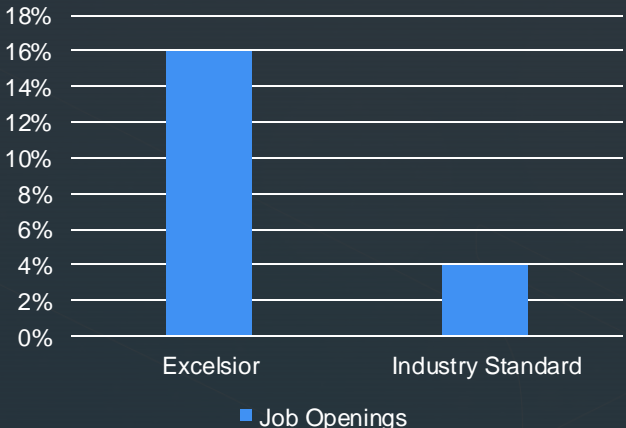
# Industry Research



## Annual Employee Turnover



## Job Openings




# Theories to test

## New hire turnover is high because

- Trainees are being bullied and leaving
- The training program is bad or under manned
- The candidates are not ideal for our company
- The operator does not want to work 7 days a week






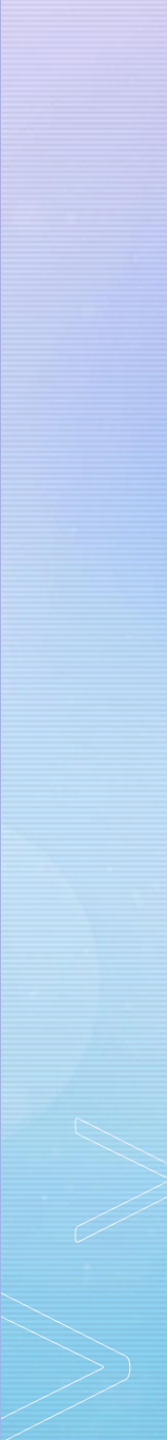
## Bullying theory

### Bullied by trainers or support departments

- Track employee turnover by operator trainer. See if there is correlation with new hire turnover.
- Monitored each trainee with operator trainers for OJT.



# Trainer correlation Observations

- Found little or no correlation between trainers and turnover except by shift
  - Good operator trainers are available on first shift
  - 2<sup>nd</sup> and 3<sup>rd</sup> shift operator trainers are not approved and cannot be monitored. Stopped immediately.
  - 0 reports of trainers or support departments bullying that led to turnover
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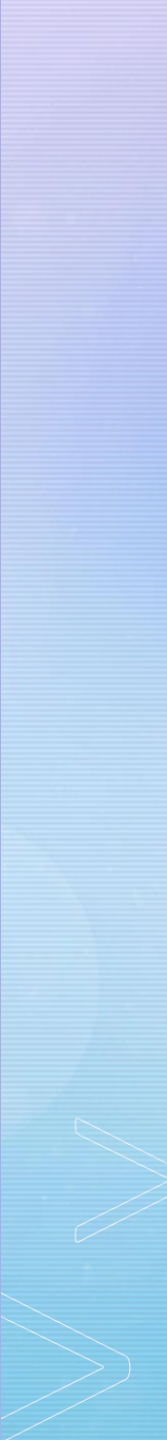
# Theory


## Operators don't like the overtime

- Monitored employee turnover during the onboarding and training sessions



# Overtime theory Observations

- No overtime was worked during the 2 week training period and turnover was still high.
  - This may have an impact on the company all together but not for new hires
  - It is also stressed with the HR screening process and during training that there will be overtime and they agree it is not a problem.
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# Theory Training program is not sufficient

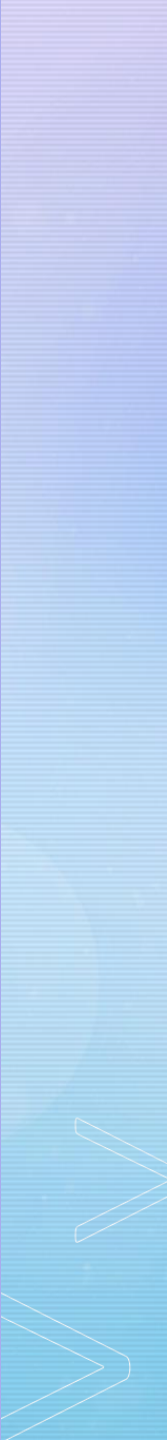
- Monitored employee training program and trainer processes

# Training program is not sufficient Observations

- Trainer was not reporting to any manager. Previous Manager no longer employed at Morris Manufacturing. Shifting policies and processes.
- Training was showing but not testing operators. Classes too big to show and test.
- Training material is outdated.
- Training was not properly screening employees before they went into production.
- Offshift training is ineffective and not manageable



# Training Program Actions

- Training now reports to Dave Jolley. Standard set. No deviations without review.
  - Restructured the training program by days and its order. If an employee misses during this period they must start over so the training program does not become splintered. Two misses in training and they are let go.
  - Training material was updated. Much more still needs to be done, but it will have little impact on this purpose.
  - Operators are now tested both on knowledge and attendance before they will be allowed to go to production.
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Theory

## Candidates for training are not ideal

- Monitored employee onboarding and progress through the new hire training period.



## Poor candidates Observations

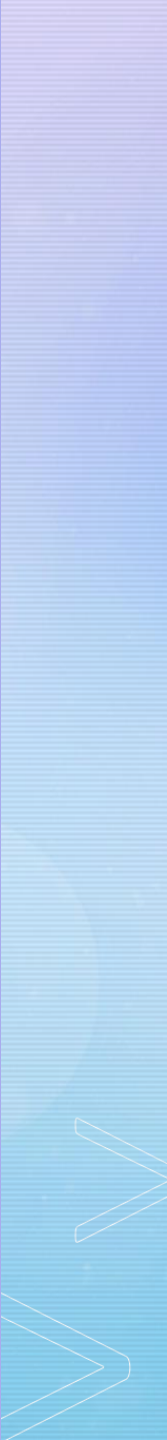
- Screening during interviewing was not reliable for operator's potential to become a good employee.
- Operators who have certain traits have a much higher retention rate and make better employees.
- These traits can be monitored and quantified during the training process.
- We cannot train these traits into an operator. They must have them to start with.
- Not many candidates score high on these traits during training.

# Poor candidate Traits to monitor

- Are they willing to work? Does the employee show up everyday? On time?
- Are they quick learners? Do they absorb the training quickly?
- Do they have the capacity to learn the topics? Can they do basic math? Will they be able to learn the concept of monitoring their process? Basic logic?
- Can they work in a team? How is their attitude towards others? Have to be able to interface with other employees and support staff.
- Can they physically do the job? If an operator has poor eye sight they will not be able to adequately do visual inspection. Can't stand for 8 hours.

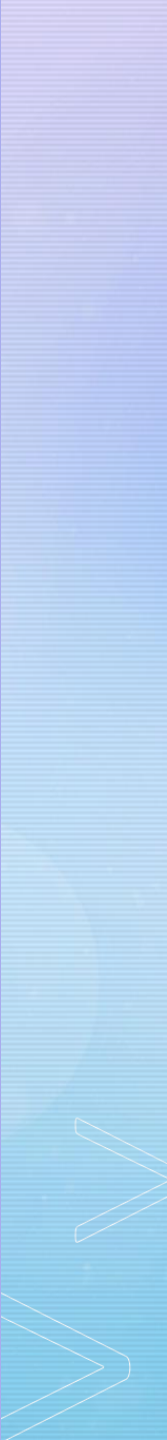


## Poor candidate theory ranking trainee potential

- For each of the 5 traits, the trainees are assigned a rank from 1 being the worst to 5 being the best.
  - The average of all 5 was assigned to the trainee and placed on the attendance tracking sheet
  - During the training period that number was adjusted as they progressed and was tested.
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## Poor candidate theory Observation

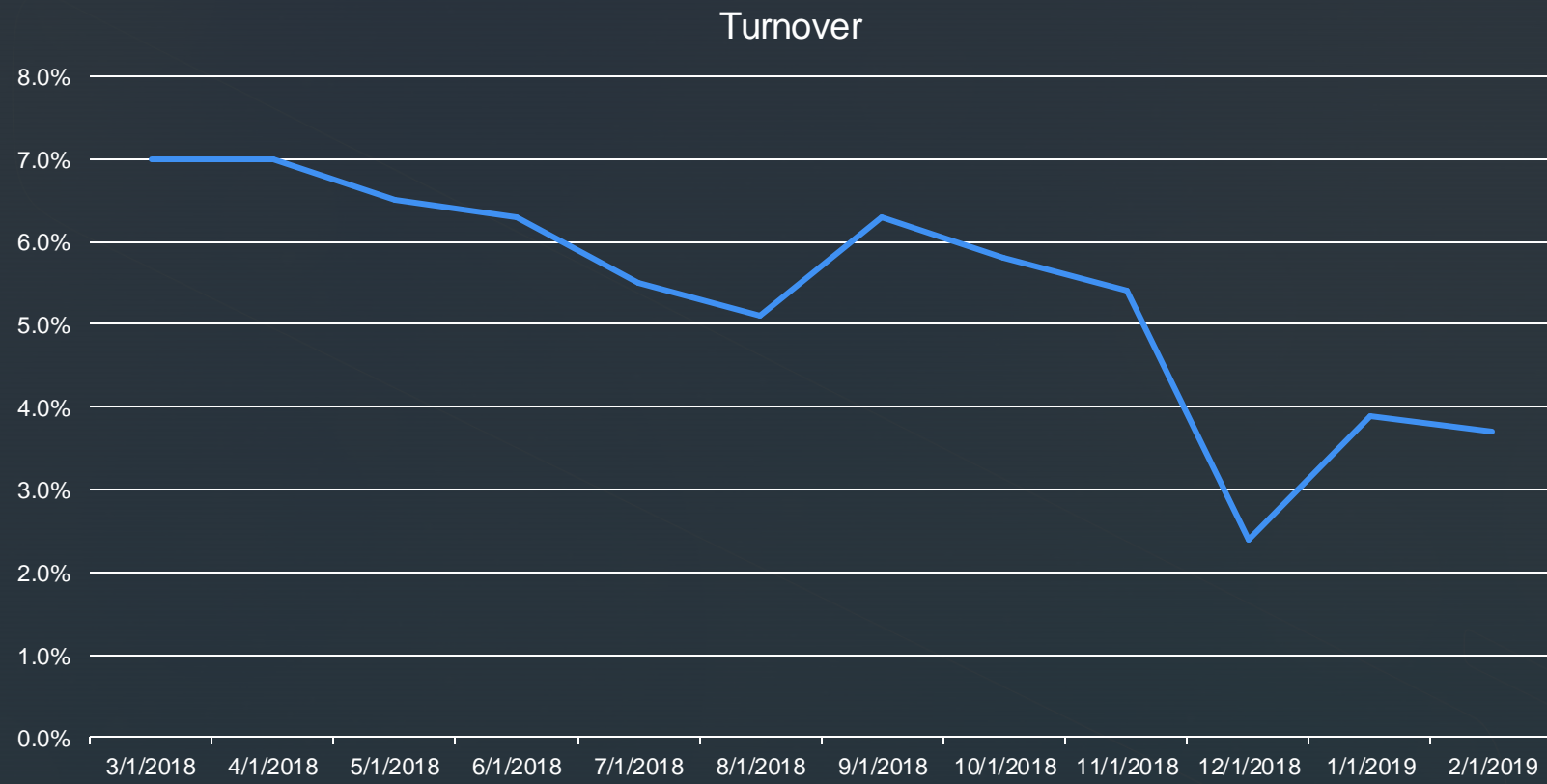
- We found that trainees who ranked 1 and 2 average usually washed out of training.
  - We are currently getting mostly 2 and 3 ranked trainees
  - In the last 2 months we had only 1 operator ranked as a level 5, but he left for a higher paying job.
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# Analyze data and draw conclusions

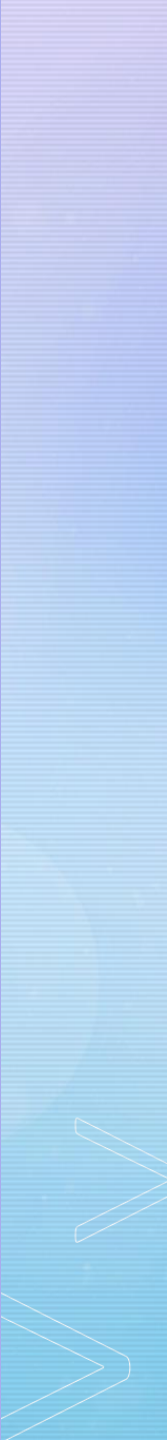
- Slight improvements in turnover from improving training program but a longer time frame would need to be referenced to see if the changes would be lasting.
- Better Candidates seems to have a major part to play on turnover but not getting them to test the theory for training
- Trainees can be classified in training for employee potential
- Not many candidates are applying at Excelsior with high employee potential

# Turnover





# Next Actions

- Determine how to get the better candidates to apply at Morris Manufacturing and stay.
  - Or how to reduce employee count to only include better operators. Could use traits to classify existing operators. Good operators cannot be judged by our current standards.
  - Review other options down this path
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# Notes

- Employee progression plan needs finished out for planning
- Line specific training needs to be looked at and rearranged in line with its intent
- Training program needs further polishing. My group will continue improvements.
- Although improvements show in turnover we are not getting the employees we need to fill open positions. Increasing candidates will just increase turnover again. Could hire another trainer and process more candidates but it would still have a higher turnover. Not a long term solution.