How one Tampa manufacturer slowed the revolving door of staff turnover

By Margie Manning — Finance Editor, Tampa Bay Business Journal
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Mettler Toledo cut its staff turnover at its Tampa operation from 25 percent to 10 percent in 10 years.

Still, workers leaving their jobs remains a major challenge, said Viggo Nielsen, general manager of the local plant, which manufactures food inspection equipment.

He suspects that’s true for most manufacturers.

“If we really knew what the cost of turnover is we would be extremely worried and try harder to avoid it,” Nielsen said, during an executive roundtable hosted by the German American Chamber of Commerce of the South-Florida Chapter.

Nielsen said there were four keys to hiring success for Mettler Toledo Tampa.

**Recruiting.** Making the right hire should be a core competency.

“If we all had perfect employees working for us, wouldn’t our lives be so much easier. You could actually work on the business every day, instead of trying to make all the conflicts go away, all the headaches you get from when things don’t work out,” Nielsen said.

**Onboarding.** “A new employee shows up on Monday morning, and no one is prepared. In a company our size it’s inexcusable,” Nielsen said. “We need to put in place a process so a newcomer feels so welcomed ... they say this is where I want to work.”

**Training.** There needs to be a budget specifically for training, otherwise employers are “stealing hours” from everyone. Training is ongoing and should include every worker, including the receptionist who is the company’s face to the world.

**Retention.** Give feedback frequently, promote from within and pay for performance.
Older workers who are retiring and the lack of qualified candidates to fill those jobs are key reasons for a projected worker shortfall in manufacturing. "In the U.S. today, it has been projected that over the next 10 years, 3.4 million jobs will be needed in manufacturing, but only 1.4 million of those will get filled," said Tom Mudano, executive director of the American Manufacturing Skills Initiative, or AmSkills, an interlocal government agreement formed by Pasco, Pinellas and Hernando counties to establish apprenticeship programs at local manufacturers. AmSkills is taking a new approach to workforce education, based on a European-style apprenticeship system.

A recent executive order signed by President Trump seeks to create "industry recognized apprenticeships," said Gardner Carrick, vice president of strategic initiatives at the National Association of Manufacturers, Manufacturing Institute. "There's a great deal of reluctance in manufacturing and other sectors to work with the federal government and to invite the Department of Labor, which is a regulatory body, into their plant to certify their apprenticeship programs," Carrick said. "But what if it was the NAM who was doing that? What if we could design a system that recognized partnership between companies and educational entities. ...If we could design a program that recognized quality, perhaps that would be a system that companies would want to participate in."

There are three reasons the topic is relevant, said Hubertus Muehlhaeuser (left), president and CEO of Welbilt Inc., a food equipment manufacturer headquartered in New Port Richey. The Trump administration wants to bring manufacturing jobs back to the U.S. and has put workforce education at the top of the agenda. Low skilled manufacturing jobs will become automated and will cease to exist over the next several years, so increasing the skill level of workers is key. European countries — especially the German speaking countries of Austria, Switzerland and Germany — have different approaches to workforce education than the U.S. that show encouraging results, Muehlhaeuser said.

The manufacturing industry has to help itself, said Kathryn Starkey (center), Pasco County Commissioner District 3, and an AmSkills board member. "Fifty-six percent of the workforce is going to be retiring in the next three years," she said. "You must start building your pipeline and it has to start in the school system. But the school system isn't going to be able to train to the level needed. I believe it has to be something like the European model where it's added training outside of the schools to go into a specialized field."