



DAY 1

WISCONSIN ECONOMIC SUMMIT

WISCONSIN
ECONOMIC DEVELOPMENT

#WIEconomicSummit



Meeting Today's Workforce Needs & Preparing For The Future



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Meeting Today's Workforce Needs & Preparing For The Future In Wisconsin's Economy: Challenges & Opportunities

Chris Baichoo
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WMEP Manufacturing Solutions

October 23rd, 2023



WMEP

**MANUFACTURING
SOLUTIONS**

**WE HELP MANUFACTURING COMPANIES
BECOME MORE PROFITABLE & VALUABLE**

GROWTH & STRATEGY

TALENT & CULTURE

OPERATIONAL EXCELLENCE

AUTOMATION & TECHNOLOGY

INDUSTRY CERTIFICATIONS

SUSTAINABILITY SERVICES

WMEP Manufacturing Solutions Is Part Of The Wisconsin MEP Network



Since 1996 WMEP Manufacturing Solutions has assisted more than 4,000 SMMs

WMEP 2022 IMPACT

\$367 MILLION

in Economic Impact*



1,303

Jobs Created & Retained



WMEP CUMULATIVE IMPACT

\$5.4 BILLION

in Economic Impact*



25,000

Jobs Created & Retained



* Includes: cost savings, retained and new sales, capital investments, etc.

Discussion Topics

- Drivers to workforce challenges
- Education & community partnerships
- Employee journey & adapting to generational needs:
 - Attracting & hiring
 - Retention
 - Workforce development
- Productivity & automation
- Product offering & customers
- Putting it all together



WI Workforce Landscape Affected By Demographics, Workforce Participation, Turnover

US Demographics

- Workforce participation¹:

67.3%
(2000)

62.8%
(Aug 2023)

60.4%
(2032)

- Birth rate²:

24/1000
(1960)

>>
decrease

11/1000
(2021)

WI trends

MANUFACTURERS³

81%

struggling to find qualified workers

55%

actively seeking to fill open positions³

164,000

nonfarm job openings in July 2023⁴

2.6%

(81,000⁴)
Unemployment rate in July 2023

72,000

quits not including retirements in July 2023⁴

83,000

Net shortage of employees, assuming full employment

¹ Labor Department

² Fed Reserve Bank of St Louis

³ WI Mfg Report Oct. 2023

⁴ Bureau of Labor Statistics

Top soft-skills gaps

Top soft skills gaps according to Manpower

- Reliability & Self-Discipline
- Creativity & Originality
- Critical thinking & analysis
- Reasoning & problem-solving
- Resilience & Adaptability



Taking Advantage Of Funding For Education & Community Partnerships Is Key To Increasing Workforce Participation

Available Workforce

- HS Students
- Minority population
- Veterans
- Homeless
- Incarcerated
- Disabled

Workforce Solutions (\$150M)

- Workforce Grants
- Worker Advancement Initiatives
- Worker Connection program
- Apprenticeships
- HS Interns
- University Co-ops

WI MEP Network

- Automation
- Talent & Culture
- Productivity

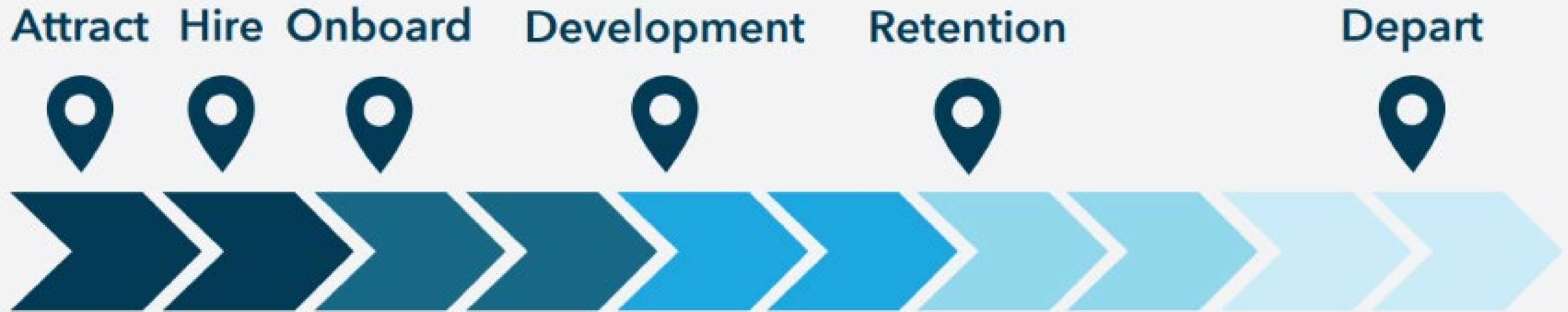
Workforce Demand

- 83,000 Deficit



Employee Journey Maps That Adapt To Generational Needs

Example of process adaptation for different generations



Recruitment

- **Silent & Baby Boomer Gen:** Newspaper ad, bus posting, outside building etc.
- **Gen X:** Comfortable with a mix of recruiting methods
- **Millennial & Gen X:** Online job board posting, search engine finds, & social media

Attracting & Hiring Talent Requires A Marketing Mindset: The Employee Is The Customer

- Leveraging Technology
- Education & Community Engagement
- Underrepresented Talent Pools
- Hiring & Onboarding



Workforce Development Is Critical

Critical to address retirements
& younger employees entering
the workforce

- Training Programs
- Apprenticeships
- On The Job Training
- Mentorship Programs
- Soft Skills





Employee Retention

Retention requires a carefully planned, multipoint approach

- Employee Benefits
- Culture
- Advancement
- Feedback & Continuous Improvement

Replacement costs can be as high as 50%-60% of annual salary

Overall costs ranging anywhere from 90%-200% of annual salary*

*Research from SHRM

Steps to Dramatically Improve Productivity

Less than 10% of cycle time during a process is actually adding value

Administrative Functions

- ERP systems
- Quoting automation
- Product configurators
- Use OCR to enter orders
- Chat bots
- Knowledge management systems
- Use AI effectively



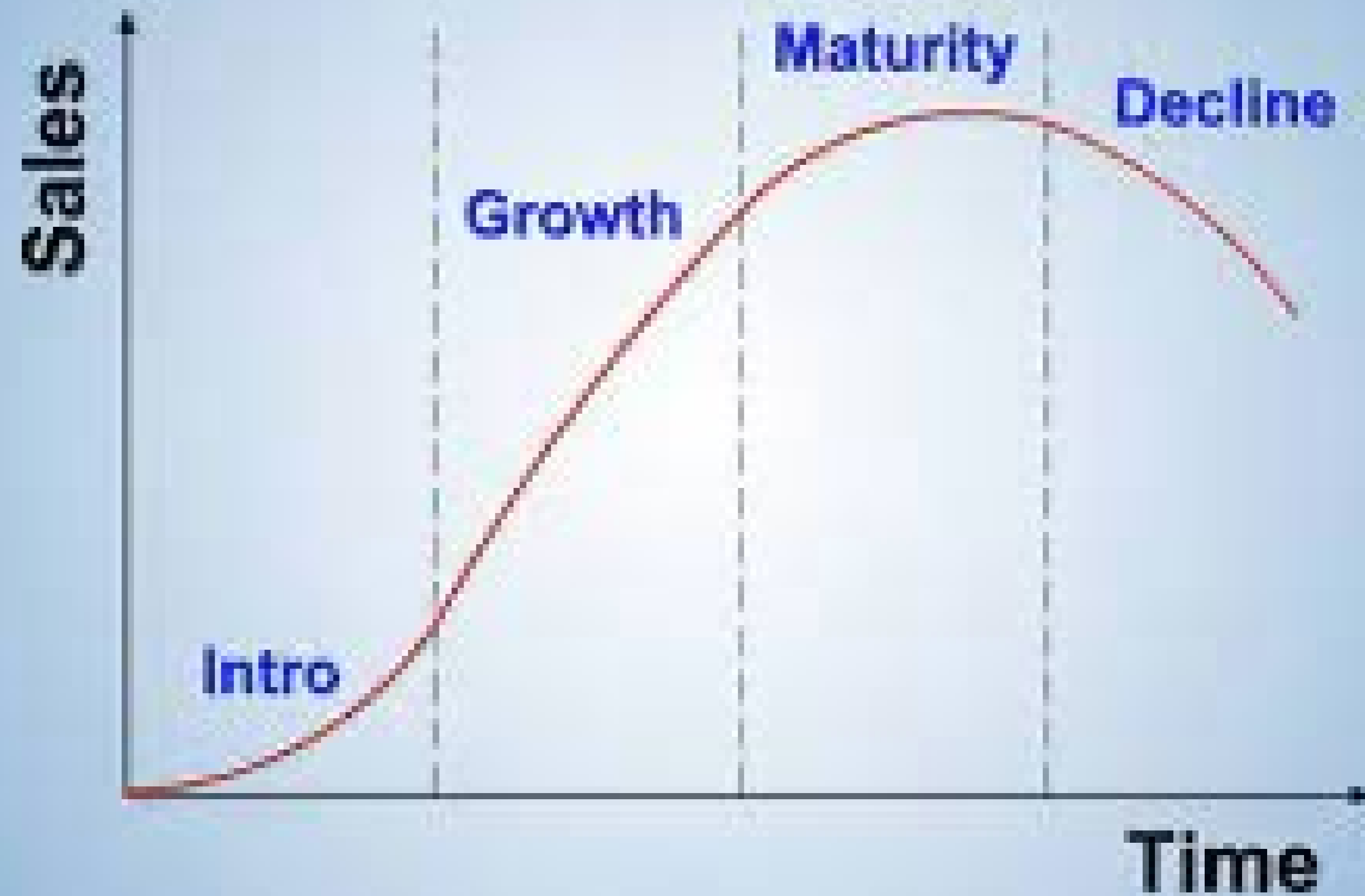
Shop Floor

- Automate on the shop-floor
- Reduce scrap & rework
- Optimize plant layout
- Standardize work & work instructions
- Adopt cellular manufacturing
- Improve machine reliability
- Develop leaders and supervisors

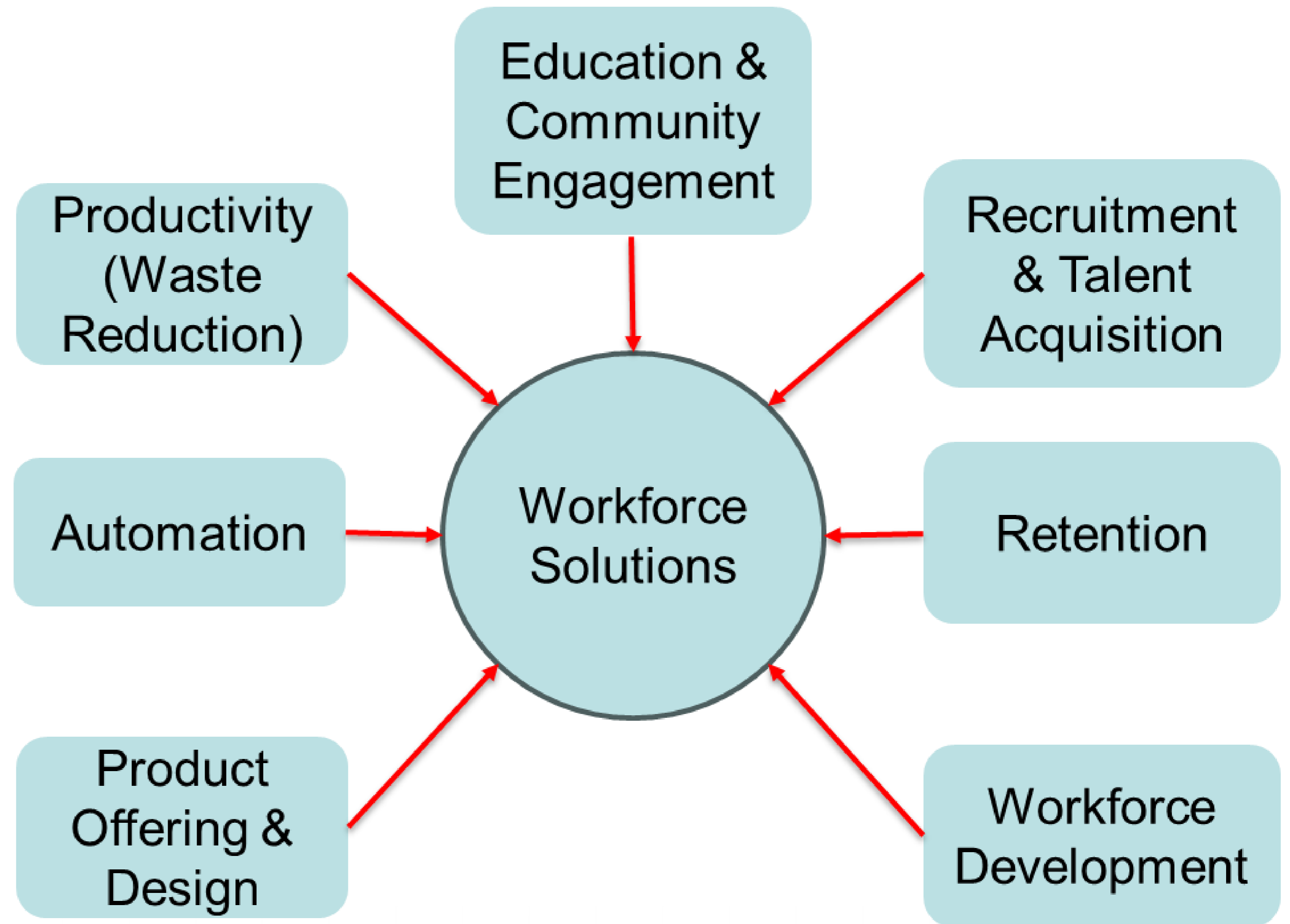
Scarcity Of Labor Requires Optimizing Products & Customers With Highest ROI

- Retire products at end-of-life cycle
- Redesign products to
 - simplify & standardize manufacturing
 - reduce labor content
 - utilize automation
- Understand profitability of products & customers

Product Life Cycle



Solving WI Workforce Challenge: there Is No Silver Bullet





Thank You!

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