



# Ohio Manufacturer Defies Skills Gap

Training Program Boosts Productivity and Engagement

# INTRODUCTION

Thirteen years ago, KYOCERA SGS Precision Tools, Inc. (KSPT), a solid carbide cutting tool manufacturer in Munroe Falls, Ohio, saw signs of a shrinking workforce and took steps to address the growing skills gap. Working with Tooling U-SME, the company instituted an integrated, sustained training program, connected to business goals. Now a high-impact learning organization (HILO) with a strong learning foundation in place, the 65-year-old company has been able to build a strong and loyal team while expanding operations and boosting productivity.

## KYOCERA SGS Story

### ◆ ADDRESSING THE SKILLS GAP

Recognizing challenges, such as retirements that were impacting the development of a future workforce, KSPT started looking at how to address its business pain more than a decade ago. This was critical to stay competitive and continue to provide high-quality products for customers in the aerospace, medical, power generation, automotive, and mold and die industries.

### ◆ WORKFORCE INVESTMENT

KSPT adopted a structured training and development program that included online training from Tooling U-SME. HILOs such as KSPT have been shown to significantly outperform their peers in productivity, customer satisfaction, quality, and market share.

### ◆ ATTRACTING FUTURE ASSOCIATES

KSPT focused on establishing a pipeline of future associates by building strong relationships with area schools from middle school to college level. The company also developed internships and apprenticeship programs.

### ◆ SUSTAINED GROWTH

Even after more than six decades in business, KSPT continues to grow. The company added a new manufacturing facility in Cuyahoga Falls, Ohio, just last year. Building a well-trained team of high performers remains a business priority.

“Building a pipeline of employees is a byproduct of community involvement. It is important to us to give back, help the community, and raise awareness for manufacturing.”

**Gary Miller**, director of training and occupational development, KSPT

# CHALLENGE



## ◆ GROW BUSINESS

### Prepare for Pending Skills Gap

KSPT recognized the impact of retirements much earlier than most companies and realized the necessity of developing a comprehensive training program for new and incumbent associates in order to stay competitive. This training needed to be consistent across multiple sites (Cuyahoga Falls/Munroe Falls, Ohio; Columbia City, Ind.; Wokingham, England) as well as with remote employees.



## ◆ SUSTAIN PRODUCTIVITY

### Develop Qualified Associates

As a lean manufacturing organization — with one associate responsible for setting up and operating up to four machines — KSPT needed associates to obtain training hours and remain productive without leaving the building.



## ◆ RETAIN AND DEVELOP ASSOCIATES

### Create Culture of Learning

A strong proponent of education, CEO Tom Haag supported continuous training and development improvement, mandating an ambitious 50 hours of training per associate, per year.

““ We believe education has a positive impact on an associate’s contribution to the company, so we are focused on providing effective learning tools for continuing education. ””

— Gary Miller

## On the Manufacturing Industry

““ Through our programs, we want to let students and their parents know that manufacturing today is not like the photos they may have seen of the old tire factories. Manufacturing is an exciting industry with plenty of career opportunities here in northeast Ohio and around the world. ””

— Gary Miller

# Solution

KSPT's approach to workforce development focused on continuously improving training, building employee engagement and retention, and creating community relationships and programs to attract a future workforce.

## **Tooling U-SME worked closely with KSPT's established in-house development team to support training initiatives. The team:**

- ◆ Mandated 50 hours of annual training per employee, and began updating training plans annually.
- ◆ Created position descriptions, competencies and training plans that cover new machinery, and new processes for all production jobs.

## **In addition, the team developed a specific Tooling U-SME online training program that shop-floor associates and coaches (shop-floor supervisors) in all locations can access anytime.**

- ◆ With offices in the United States, China, Germany, and the United Kingdom, it was important to ensure the same scope and focus of training to increase efficiencies and maintain customer satisfaction.
- ◆ The online model works well for associates who may learn in different ways and at different paces.

## **KSPT manufacturing associates are evaluated at six-month check-ins and annual competency reviews. In addition, they're measured monthly on:**

- ◆ Time in class (hours spent on each course).
- ◆ Final exam test scores (must meet established goal of 80 percent).
- ◆ Completed classes.
- ◆ Progress on assigned class completion.

““ 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. ””

— Gary Miller

## **As part of the formal training program, the KSPT development team also:**

- ◆ Created an in-house computer lab that allows employees to train during downtime.
- ◆ Implemented a structure for advancement that requires successful completion of courses in order to be considered for higher-level positions.
- ◆ Developed class groups with a required set of courses for new job opportunities. Associates interested in pursuing promotions are encouraged to voluntarily take required coursework in preparation to bid on a new job.
- ◆ Communicated the value of training to upper management based on Associate Integrated Management (AIM) goals and regular reporting.

## **KSPT created programs to attract future associates, encouraging the next generation to explore the benefits of a career in manufacturing.**

KSPT's workforce development team built strong relationships with local schools, from junior high to college levels. They also created customized programs with Stark State College and the state of Ohio.

## **In addition, the team:**

- ◆ Created intern/co-op programs.
- ◆ Introduced a certified apprentice program recognized by the Department of Labor.
- ◆ Offered tuition reimbursement (100 percent if the student receives an A).

““ It's easy to help and support a product that you believe in, and we do believe in Tooling U-SME. ””

— Gary Miller

# Building a Learning Culture

Learning is a top priority at KSPT starting with CEO Tom Haag, who believes education has a positive impact on an associate's contribution to the company.

The company's overall philosophy plays into this by employing Hoshin Kanri, a management system that focuses all employees on understanding the company's strategic direction and fosters their participation in achieving it through continual improvement training.

The KSPT model is based on strong metrics called Associate Integrated Management (AIM) goals and objectives. All company department heads meet monthly with the CEO and COO to review the AIM goals and objectives, which include individual, department, and company goals related to sales increases, customer satisfaction, quality standards, and associate development.

To achieve these goals, all associates throughout the organization — from entry level to CEO — receive 50 hours of training a year. Typically, manufacturing associates take 10 to 20 Tooling U-SME courses per year to fulfill the requirement.

## On Continual Improvement

““ We constantly look at our training program to ensure it is current and up-to-date. ””  
— Gary Miller

## On Transferring Knowledge

““ Every year, supervisors, or ‘coaches’ as we call them, sit with associates for a competency review. The purpose is to develop meaningful knowledge, not measure how many classes have been taken in a specific amount of time. ””  
— Gary Miller

## Results



**Reduced turnover**  
3 vs. 23-30 percent:  
(industry rate)



**Lower absenteeism:**  
rate 1.8 vs. 3 percent  
(industry rate)



**Fewer workers'**  
compensation claims



**Average employee**  
tenure: 14 years

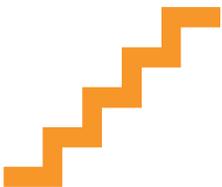


**Increased productivity, even**  
with fewer associates (as  
in a lean organization)

““ We set up computers in our manufacturing facilities and allowed our associates time on their own shift to take classes, which improves productivity.””

— Gary Miller

## Other Benefits



**Improved morale as**  
associates began to see  
clear career pathways



**Increased productivity**  
by eliminating  
associates' time away  
from their stations



**Improved**  
employee  
participation  
in training and  
development



**Decreased gap**  
between older  
employees and  
new technologies

# KSPT Snapshot



Sells in 60+ countries



4 manufacturing sites  
in the United States  
and England



50 hours of  
mandatory training  
per employee  
each year



10-20  
Tooling U-SME  
classes per  
employee, per year



235  
Associates



Annual  
competency  
reviews

# Best Practices

From Gary Miller, director of training and occupational development, KSPT



## GATHER INPUT ON TRAINING PLAN

To ensure accuracy and companywide acceptance, engage everyone in the process of developing a training plan. At KSPT, subject matter experts developed the drafts, which were distributed for view to all who do the job — including new associates. Each person contributes valuable input on how the job is done and how it is documented.



## DEVELOP A STRONG ONBOARDING PROGRAM

It is important to show what a company believes in from the start. A formal onboarding and orientation program creates a sense of belonging immediately. It also sets an important foundation for training and expectations.



## TRAIN THE TRAINER

In addition to training shop floor associates, KSPT uses Tooling U-SME for all of its coaches (supervisors). Coaches take Tooling U-SME classes on lean, 5S, and other subjects to help them grow in their roles.



## HIRE INTERNS

Students from colleges and high schools are typically excited about internship opportunities and work extremely hard in order to make a good impression. Internships also provide companies with the chance to “try out” future employees. One little-known fact is that grant money is available for interns through national and local sources. An intern can earn \$14 or \$15 an hour through grants, with KSPT’s portion less than \$1.30 an hour.



## INTRODUCE APPRENTICESHIP PROGRAMS

At KSPT, after 90 days, associates are eligible for apprenticeships that mix work experience and schooling. Associates might start at a state college and supplement that with 8,000 hours of on-the-job training. Classes apply to an associate or four-year degree. If associates earn straight A’s, their tuition portion is covered 100 percent. KSPT also pays for books and parking.



## GIVE BACK

KSPT is immersed in its local communities and committed to raising awareness of manufacturing and its career opportunities. External support of local schools and programs is as important as internal development. And it feels good to make a difference.

TO FIND OUT MORE ABOUT TRAINING TO BOOST PRODUCTIVITY AND ENGAGEMENT, PLEASE CALL **866.706.8665** OR EMAIL **INFO@TOOLINGU.COM**