Challenge
ThyssenKrupp Bilstein’s competitive edge is its ability to compete in the global marketplace. Despite having competitive wages and benefits, the company’s turnover rate rose to almost 50% in 2006. Bilstein became concerned about its ability to remain competitive and to meet production deadlines. Management decided to research possible solutions and to identify a strategy to reduce the turnover rate and improve retention.

Action
Working with a regional consortium of manufacturers having similar turnover issues, Bilstein launched a pilot program based on a successful model in Indiana. They partnered with a local career center to pilot a training program based on the Manufacturing Skill Standards Council (MSSC) Certified Production Technician (CPT) modules.

Both unemployed individuals and incumbent workers participated. Prospective students were screened for qualifications using WorkKeys tests. The consortium secured state funding for the pilot class, and member companies were required to contribute. Bilstein hired the first graduate from the course—an employee who remains with the company today, four years later. One of its current production supervisors was also among the first graduates.

The company credits the CPT program for helping it successfully address turnover challenge. Bilstein now prefers the certification as a criterion for employee selection, pays a premium starting wage to new hires with certifications, and encourages incumbent workers also to participate in the training.

For the third year in a row, the company earned Top Work Place honors in the Cincinnati Enquirer’s Top Work Places 2012 and was named as a finalist three straight years in the Cincinnati Business Courier’s Best Places to Work competition.

Results

>> Reduced Turnover: Turnover rate is now 7%, well below the industry average. Incumbent workers are more engaged, sparking interest among other workers to participate in certification training.

>> Increased Overall Equipment Effectiveness: This measure of equipment utilization and efficiency improved to world-class levels during program implementation and has been maintained during a lean campaign.

>> Improved Teamwork: The MSSC curriculum enables workers to be better team members and understand the importance of each role in the production process.

>> Lower Recruitment Costs: Certified workers are productive more quickly and more likely to stay with the company, reducing the costs of recruitment.

“Candidates with the MSSC CPT certification are familiar with key manufacturing concepts like safety and quality before they walk through our door. That allows them to be more productive sooner.”

—Thomas A. Barnes, HR Manager

Headquarters: Hamilton, OH
Products: world-class, monotube shock absorbers
Employees: 285 in Hamilton, OH; 360 within the US

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