BUILDING THE MANUFACTURING TALENT PIPELINE
The Manufacturers’ 501(c)3
The Problem
U.S. Manufacturers face a 20% cost burden over competitors from our largest trading partners.

Corporate tax rates make up over half that burden as other countries have reduced rates.

<table>
<thead>
<tr>
<th>Year</th>
<th>U.S.</th>
<th>Canada</th>
<th>Mexico</th>
<th>Japan</th>
<th>China</th>
<th>Germany</th>
<th>U.K.</th>
<th>Korea</th>
<th>Taiwan</th>
<th>France</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>40%</td>
<td>44%</td>
<td>34%</td>
<td>51%</td>
<td>33%</td>
<td>57%</td>
<td>31%</td>
<td>30%</td>
<td>25%</td>
<td>36%</td>
</tr>
<tr>
<td>2010</td>
<td>40%</td>
<td>31%</td>
<td>30%</td>
<td>40%</td>
<td>25%</td>
<td>29%</td>
<td>28%</td>
<td>24%</td>
<td>17%</td>
<td>33%</td>
</tr>
</tbody>
</table>

Structural Cost Burden For U.S. Manufacturers

The Manufacturing Institute & MAPI - October 2011
PUBLIC SUPPORT FOR MANUFACTURING

Chart 8. Ranking by respondents of the type of new industry facility they would support to create 1,000 new jobs in their community

<table>
<thead>
<tr>
<th>Facility</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing facility</td>
<td>1</td>
</tr>
<tr>
<td>Energy production facility</td>
<td>2</td>
</tr>
<tr>
<td>Technology development center</td>
<td>3</td>
</tr>
<tr>
<td>Healthcare facility</td>
<td>4</td>
</tr>
<tr>
<td>Financial institution</td>
<td>5</td>
</tr>
<tr>
<td>Retail center</td>
<td>6</td>
</tr>
<tr>
<td>Communications hub</td>
<td>7</td>
</tr>
</tbody>
</table>

Aggregate ranking of sectors by all respondents
Every day, we try to combat the misperceptions. Today’s manufacturing is *not* your grandfather’s manufacturing.
We lose good, talented workers due to the misperceptions.

3 out of 10 parents would encourage their kids into manufacturing as a career.
Unfilled jobs are costing us.
Impact of an Unfilled Job

Percentage of Companies

Downtime

Overtime

- 5-10%
- >10%
MANUFACTURERS NEED NEW WORKFORCE STRATEGIES

Top sources for new employees

- Word of mouth: 52%
- Staffing agencies: 40%
- Online Job Boards: 40%
- Newspaper Ads: 32%
- Company recruiting function: 26%
- External search firms: 18%
- Company Websites: 15%
- Tech schools: 14%
- Community colleges: 8%
- Other: 6%

The Manufacturing Institute & Deloitte - October 2011
The Solution
CLOSE THE SKILLS GAP

A Framework to make manufacturing strong
SUCCESS

IMAGE

QUALITY

POLICY
GOAL 1: CHANGE THE PERCEPTION OF CAREERS IN MANUFACTURING
30,000 students
11,000 parents & teachers
in 48 states
15 Proclamations
DREAM IT. DO IT.

Manufacturing workers earn $78,000 in average compensation.

Ideas that MOVE US.

Manufacturers Perform 65% of all private sector research.

Where the THOUGHT Becomes the THING.

With a career in manufacturing, YOU WILL.
2013 REACH

Last Year Reached:

- 250,000 students
- 50,000 parents
- 11,000 educators
- in 25 states
1. Honor leadership  
2. Celebrate careers  
3. Develop a more diverse workforce  
4. Ensure new opportunities  
5. Inspire the next-generation
GET SKILLS TO WORK: TRANSITIONING VETERANS

Success by the Numbers

- 50,000+ vets were reached through Get Skills to Work
- 8,000+ veterans hired
- 12,000+ vets have had matches through LinkedIn
- 5,000+ vets have been trained via community and technical college partners, Tech Shop, Hiring our Heroes and GSTW pilots
WHAT CAN YOU DO?

Employers
- Tell your company story
- Form meaningful and long-term partnerships with schools

Educators
- Learn about modern manufacturing
- Promote manufacturing careers

Community Leaders
- Stress the impact of manufacturing on the local and regional economy
- Join the Dream It. Do It. network and support Manufacturing Day
GOAL 2: RE-ESTABLISH THE U.S. AS THE GLOBAL LEADER OF MANUFACTURING EDUCATION.
We are developing quality education through SKILLS CERTIFICATION SYSTEM.
Video: http://youtu.be/NlfYCzUMfuY
WOULDN’T IT BE NICE IF...

You *knew* a job applicant had baseline skills in:

<table>
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<th>Reading &amp; Writing</th>
<th>Applied Math</th>
<th>Locating Information (like in a table or blueprint)</th>
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WOULDN’T IT BE NICE IF…

You knew a job applicant had baseline skills in:

- Reading & Writing
- Applied Math
- Locating Information (like in a table or blueprint)

Career Readiness Certificate
WOULDN’T IT BE **EVEN BETTER** IF...

You *knew* a production applicant had baseline skills in:

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<th>Safety</th>
<th>Quality Practices &amp; Measurement</th>
<th>Manufacturing Processes</th>
<th>Production</th>
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WOULDN’T IT BE EVEN BETTER IF...

You knew a production applicant had baseline skills in:

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Certified Production Technician Certification
INCONSISTENT WELDS - POOR APPEARANCE
LACK OF FUSION

LACK OF FUSION
POOL APPEARANCE

1/8" OUT OF TOL.
OUT OF SQUARE 1/4"
THE PATH FORWARD...

Talent Pipeline

- General Laborer
  - $9-12/hour
  - NCRC Plus
  - High School

- CNC Operator
  - $11-16/hour
  - NIMS Level 1
  - 1-4 Certifications
  - 12-18 Weeks Training

- CNC Machinist
  - $14-22/hour
  - 1-2 Year Training and Experience
  - Additional NIMS

Employee Development

- Skilled Technician
  - $18-28+/hour
  - 2-year +; Journeyman & experience

Public - Private Partnership

High School, Out-of-School, Low Skill Youth, Low Skill Adults, Transitioning Veterans

Skilled Adults
Over 90% of companies that use industry-recognized certifications believe they make a difference in validating the skills of their employees;

Community colleges are the most used partner by companies looking to incorporate certifications.
In the past three years, SCS reported over 280,000 industry certifications.
What can EMPLOYERS do?

- Prefer certifications as part of the HR screening process for hiring and promoting workers.
- Ask your education partners to deliver nationally certified students.
- Provide work-based learning, co-op, internships and apprenticeship opportunities to give students real-world experience.

http://www.themanufacturinginstitute.org/
GOAL 3:
ADVOCATE FOR EDUCATION AND JOB TRAINING POLICIES THAT STRENGTHEN THE U.S. MANUFACTURING WORKFORCE
MAKE YOUR VOICE HEARD
WHAT WE’VE LEARNED
LESSONS LEARNED

- The most successful efforts were galvanized and led by business associations, engaging employers.

- The effort changed the conversation about the importance and value of industry-recognized credentials.

- State-level leadership convening activities result in unprecedented partnerships and collaboration.
LESSONS LEARNED FROM 12 STATES

- The effort has to be employer-driven.
- Select a champion to drive the change.
- There is no “one size fits all” approach.
- Take a good regional program and expand it.
- Persist and keep the momentum going.
- Use Dream It. Do It