



Workforce: The Human [Resources] Perspective

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Fusion 54

Sheridan Hadley welcomed everyone on behalf of the League of Women Voters of Montgomery County, to the second session of the Community Insights series. The League, a nonpartisan organization, encourages informed and active participation in government through education and advocacy. To that end, the goals of Community Insights are to educate the public and to hear from community members possible action items to address the problems. She briefly recapped last week's session, [The Big Picture](#) where we heard from Cheryl Morphew, Economic Development, and Rick Hernandez from the Chamber of Commerce. We learned Montgomery County is at full employment (workforce of 20,508) and this often prevents companies from expanding or new companies from locating here. Attendees asked for more information, pointed out barriers for employment, and suggested ways individuals, government and nonprofits could address them.

Kelly Taylor welcomed everyone on behalf of the Montgomery County Community Foundation and explained that MCCF is a nonprofit organization with a mission to build bridges to support the future of Montgomery County. With grant opportunities through Lilly Endowment's GIFT (Giving Indiana Funds for Tomorrow) VII, MCCF is focusing on community leadership. To do this, they are conducting listening sessions to look deep within the community and asking the board of directors to consider issues are in the community that the foundation needs to address. We are here to be educated, but also to hear from the community. Panelists were introduced:

- Lori Holt, Assistant Human Resources Manager at Pace Dairy
- Diana Tran, Store Manager, Home Depot
- Trey Etcheson, Chief Executive Officer, Hoosier Heartland State Bank
- Kim Keeling, Human Resources Manager, LSC Communications

Question 1: Panelists gave the background of their organization, what it does, and their role in it.

Lori Holt stated that she has worked for the company since it came to Crawfordsville in 1982 and has worked in every department except for maintenance, in her time there and she still loves cheese. Pace Dairy, a subsidiary of Kroger is a cheese manufacturing plant. The word "dairy" is a misnomer as there are no cows there. They work with what they call "640s" which are actually about 700 pound blocks of cheese. The cheese is manipulated in many ways and sent out to Kroger companies. Lori and her husband are life-long residents of Montgomery County and love the community. She considers Pace's biggest achievement the fact that in their 37 year history here, there have been no layoffs. This has been possible by being adaptive and making necessary changes along with natural attrition.

Diana Tran has been with the local Home Depot store for just over a year, and has been with the company for six years. She is from Michigan and she and her husband currently live in Lafayette. The 40 year-old company is the #1 home improvement retailer in the world. They sell lumber, hammers, and all that goes along with building a new home or making improvements. The local store had \$24 million in sales in 2017; \$28 million last year and anticipates \$30 million this year and the stock is stronger than ever. There are no more people

coming through the doors, rather those coming in are spending more. They are passionate about veterans in terms of both jobs and help. The local store has 100 employees, nationally there are 400,000 employees.

Trey Etcheson has been with the bank for 36 years. The bank was chartered in Montgomery County in 1899, and is the last remaining bank originally chartered bank in the county. During that time, it has grown from 4.5 employees to 60. As CEO his primary roles are oversight of financial performance, strategic planning, and organizational structure. They are an employee owned community bank that provides financial solutions to everyday problems.

Kim Keeling has been with LSC, formerly RR Donnelley, for 28 years; 24 in HR. Like many others, she started in a temporary role and is proud that she has been able to learn the business, and is grateful for the opportunity to expand her education and grow her career. She has enjoyed the travel opportunities it has provided, she spend time working in HR at the Greenly, CO and the Seymour, IN plants and ultimately was able to return home. She and her husband of 35 years are county residents. RR Donnelly was founded in 1864 as a small print company. He grew it into the largest and most trusted printer. The Crawfordsville plant was the first one outside the Chicago, established in 1921. They have about 1,000 employees currently and can still boast being the best printers and binders in the world. In 2016, RRD spun off to become LSC, which allowed them to break out and specialize more, but they still make books here.

Question #2: What are the strengths of your workforce?

Diana Tran considers Home Depot's strength their people. They sell the same "stuff" as their competitors so their people must set them apart. They are passionate about one on one service. They provide benefits to their employees in addition to a paycheck. They help them create financial wealth, educate employees on stocks, provide medical benefits and college tuition benefits for employees' children. They invest in their people.

Kim Keeling says their facility takes great pride in the safety of employees. Safety is a core value: Safety first, then quality, then productivity. The employees are very skilled in their craft and they boast they have the world's greatest printers and binders. When employees join the team, their goal is to help them not only have a job, but to build a career. They have various training opportunities in house such as press operator, pre-press, etc. They talk about two "L's", Legacy and Loyalty. Legacy – most everyone knows someone who works or worked there, most everyone reads books, which have both educational, and entertainment value. Loyalty, despite workforce challenges, they average 22 years of service, excluding entry-level employees. If you include entry-level, it is 16 years.

Lori Holt says they too highly value safety. Pace is recognized nationally for safety. She went on to describe some impressive and repeated safety awards from Iceberg Award, International Dairy Foods Association, etc. All associates, including part-time, go through two days of off-site safety training. All associates are Change Adaptive, Change is here to stay, it won't be trouble-free, and you are accountable to get through it. As a result, associates are able to accept and embrace change, which is inevitable in today's workplace, whether it be the product itself or how you make it.

Trey Etcheson says their #1 strength is their culture, which is about holding each other accountable to their standards. It is the most important predictor of their success. #2 is their ability to respond to challenges. After the merger in 2009 was a difficult time they had to work through, ultimately, they asked themselves "If HHSB ceased to exist, would anyone care?" The number of banks have dropped dramatically since 2009 and it is predicted the number will continue to decline. #3 is leadership; the board sees the power of the employees in the banks success.

Question #3: Share something unique about your organization or workforce.

Trey Etcheson shared that HHSB is employee owned and all benefit from its Employee Stock Ownership Plan, ESOP, the largest single stockholder, owner of the bank. Private ownership carries a different meaning for them and he shared a button he had made that says, "Our CEO works for ME." Secondly, they are mission driven, a mission which was developed in 2013, by the board and the employees. From that came their Mission, Vision, and Values, and the practice of giving back 10% of the net income back to the community. The power of this is amazing, and since 2013, HHSB has been #1 in deposit market share in the county. They match the mission to the employees in the hiring process to be sure they are getting the right people.

Lori Holt says Pace is unique because regardless of the economy, their business stays strong. In fact, it seems to grow during recession. They speculate it may be because people cook and eat at home more, and some may be replacing more meats with cheese. Stores use cheese as a promotional item, and as her dad told her when she was comparing this job offer to another 37 years ago, "people always have to eat."

Kim Keeling reiterated the safety aspect. They are VPP (Voluntary Protection Plan) certified, a partnership of OSHA. They invite OSHA in to inspect and identify ways to improve. Successful completion allows the VPP flag to be flown. There are only 83 worksites in Indiana VPP certified and of those, LSC ranks 7th. The government has SGE (Special Government Employees); 150 in Indiana. Five are from LSC. They are freed up from their work and go to other sites to work with OSHA on inspections. Nationally, there about 2,000 employers with VPP status; only eight are in the print business, and of those, four are LSC locations. They do a lot of in-house training, apprentices, etc. Programs last one – three years and they result in a certification, a Journey card status recognized through the industry. Employees are engaged, and proud of their craft. The wellness committee does quarterly lunch and learns, there is an onsite exercise room, diversity training, etc. An Employee Club focusses on family activities.

Diana Tran named three things that make Home Depot unique: 1. we take care of our people, it's an expectation. The Homer Fund, a way Home Depot can take care of their people. She showed a short clip about an employee who suffered great loss through a hurricane and how the fund was able to help her, and how that turned her into a committed employee. Home Depot also offers assistance with childcare. 2. The Culture – are they "orange-blooded?" Are they passionate and are they there for each other? 3. Giving back is one of the eight core values.

Question #4: What challenges are you facing concerning your workforce and how are you addressing them?

Kim Keeling noted that they have an active employee base that is top-notch. Biggest challenges are getting people to show up and stay through the shift, is there childcare in place and do they have transportation. Once they are there, they need to be positive and engaged; we offer employment with craft. If they will engage at work, this translates to being solid at home and in the community. The market for employees is competitive. At the same time, they have a financial responsibility to the business. How they are addressing: Safe environment, programs and training, tuition reimbursement, competitive wages and bonuses, creative work schedules, etc. Try to tap into new markets, boomers, working moms, etc. Getting ready to launch an onsite medical center. Always looking at ways to make a difference for employees.

Trey Etcheson says that technical skills are a challenge to keep up with, especially in the ever-changing world of banking. There is no time to teach basic skills, employees need to hit the ground running. For example in the past, Excel was a bonus, now it is a "second language." They seek employees with emotional intelligence, and those who are adaptive to change. The overall make-up of their workforce lacks diversity and that is a challenge.

Diana Tran recapped their recent experience with 45 interviews at Home Depot. This was over a recent 5 week period, during which is like Christmas for them. Of those, 14 were unfavorable (unskilled, etc.) 11 will be re-looked at (because of dire need, will give them additional consideration) 8 were no shows for the interview; 5 offered, but failed either drug or background checks; 4 were other reasons; 3 were offered but turned down. Reliability is big problem. They are changing their focus to look for characteristics such as a positive attitude. We can teach you to sell, but I cannot teach you manners, professionalism and to care. Another problem is a lack of applicants, so they have called in recruiters from their home office in Atlanta to help. They also work with a talent acquisition center that works for HD to help them find the kind of talent they need. At a recent hiring event, they conducted 15 interviews. Offered eight jobs, two declined, and six are still there, which is great. With the lack of skill employees are coming in with, they have to do more training in-house. Thirty-six percent are what they call “quit quicks.” Leaving for desk jobs, office jobs, daycare jobs, and sometimes retail is not for them.

Lori Holt said they have made several changes to address the challenge of finding qualified help. They now include employees in the hiring process, giving them a say in who works with them. They are developing talent internally using government funding and apprenticeship programs. They have partnered with all three high schools and Weston Boone to expose younger people to manufacturing careers. They held a career day along with a virtual tour last year and purposely did not advertise it other than word of mouth, and social media. In three hours, they screened over 400 people. Of those, maybe 10 were hired. They are trying to develop loyalty. Generational research (Pew Research Center) tells them 19% of millennials agree that most people can be trusted. That compares to 31% of Gen X, 37% Veterans and 40% of Boomers. The majority of workers at Pace are Millennials. The turnover rate has doubled in recent years even though they pay very well. Starting wage is \$18.70 for fulltime employees. Aside from Nucor and pockets, (for example, LSC maintenance rate is higher than Pace), Pace is the highest paying manufacturer in the county. They are doing a variety of in-house training to develop leadership from within and to build better community leaders. Regardless, Pace is a great place to work.

Kelly thanked the panel and gave instructions for small group discussion.

Small Group Discussion

Question #1 – What did you learn?

- Shocked to learn that LSC employees 1,000 people
- Surprised at the high starting wage Pace offers, \$18.70
- Surprised at how much is spent at the local Home Depot store
- Didn't know that HHSB is employee owned
- Learned many details about the companies we didn't know before
- Confirmation of the lack of “soft skills”
- Surprised at the benefits the companies offer, college tuition, grants, etc.
- Many people don't want to work
- New workers do not seem to value the full package of benefits; they only look at the wage.
- Employers have to lower their standards to find workers.
- Surprised at the variety of jobs available.

Question #2 – What did you find most compelling and where do you see opportunities for action? Consider as an individual, government, others such as MCCF.

- Regarding the Pew Study noting lack of trust in Millennials, how can we address this? Are there opportunities for churches, libraries, Youth Service Bureau?
- Lack of trustworthy childcare
- Financial challenges – education is needed.
- Workforce Academy, similar to Leadership Academy to address soft skills, personal investment, interview skills.
- Housing, why don't young families stay in the community?
- Childcare
 - Especially for children under age 3
 - For early shifts
- Lack of Work Ethic
 - Are “no shows” really due to a lack of childcare and/or transportation or is this just an excuse?

Additional Questions Raised:

1. How many are retiring each year here in Montgomery County?
2. What is the age distribution of the current workforce?

Kelly wrapped the meeting up by thanking everyone for attending and reminding them that their input will be extremely valuable to each group, the LWV and MCCF. She invited everyone to Workforce: Getting Schooled on April 23.