THE ILLINOIS MANUFACTURER

STRATEGIES FOR ADVANCING DIVERSITY AND INCLUSION IN MANUFACTURING EMPLOYMENT

In the wake of the COVID-19 pandemic and the Great Resignation, many companies are still struggling to hire and retain talented team members. Surveys by the National Association of Manufacturers show that one of the main concerns for businesses is an inability to attract and retain a quality workforce.

While the manufacturing industry was one of the first to resume in-person operations during the pandemic, staffing issues remain at an all-time high. Projections show a need for 2.4 million additional manufacturing professionals over the next 10 years. These new workers must be skilled in operating and managing the ever-evolving technology that helps streamline industrial processes and increase production.

While companies may be tempted to "get back to normal" following the events of the last two years, reverting to the relative "normalcy" of pre-pandemic times will not lead to the growth and productivity necessary in the coming years.

One way the manufacturing industry can prepare for the future is to diversify its workforce. In addition to improving workplace culture and ensuring equal opportunities, diversity and inclusion initiatives expand the pool of potential candidates. Successful diversity and inclusion initiatives also lead to financial gain. According to a 2020 report by McKinsey, companies with diverse leadership are more likely to outperform their competitors in terms of profits by 48%.

While diversity and inclusion programs vary from company to company, manufacturers should consider the following when crafting and implementing diversity and inclusion initiatives:

1. Take a top-down approach to diversity and inclusion

For any diversity and inclusion initiative to prosper, companies must ensure their leaders understand and support these important initiatives. Companies must also recognize diversity and inclusion as a team issue, not just an "HR issue."

Research shows that companies whose CEOs set a strategy for diversity and inclusion and regularly communicate progress are 6.3 times more likely to have diverse leadership and be a leader in their industry segment. To set a company up for success, C-level employees should expressly commit to the company's diversity and inclusion initiatives, set realistic goals, and take responsibility for the outcomes of these programs. Some companies may establish a diversity task force or even hire a chief diversity officer to help ensure the success of these initiatives. To achieve lasting results, diversity and inclusion efforts should become a permanent part of company culture. Diversity teams should meet regularly, consider employee input, and consistently evaluate results.

2. Mitigate unconscious biases

While the vast majority of employees outwardly agree with diversity and inclusion programs, companies must be aware of the impact of unconscious bias. Unconscious biases (or implicit biases) are preconceived ideas and stereotypes that are not consciously formed. These are knee-jerk judgments of others based on learned associations between certain qualities and social categories. Many well-meaning individuals are surprised to learn of their own biases. This is unsurprising, given that only 30% of employees are presently being offered unconscious bias training.

For diversity and inclusion programs to thrive, companies must educate their employees on how to recognize and address both explicit and implicit biases in the workplace. Unconscious bias training is an excellent supplement to traditional diversity and inclusion training. Another proactive step toward eliminating unconscious bias in the workplace is the removal of names from resumes and applications. This helps eliminate potential bias for or against the applicant based on the reviewer's association between names and protected characteristics such as race and gender.

3. Provide upskilling and cross-training opportunities

Companies desiring to hire and retain a diverse group of highly skilled workers must create upskilling and cross-training opportunities for all employees. According to the World Economic Forum, companies estimate that 40% of workers will need up to six months of upskilling by 2024.

While many companies provide tuition assistance, cross-training, on-the-job training, and professional development programs to upper-level employees, most do not provide the same opportunities for entry-level and frontline workers. This leads to poor retention rates and low employee morale.

Upskilling and cross-training opportunities are especially imperative for the manufacturing industry, where technology advances happen quickly, and specialized skills are required. Providing these opportunities to all workers fosters employee loyalty while also creating a built-in pipeline for internal advancement.

4. Measure the results of diversity and inclusion programs

Successful diversity and inclusion programs require companies to consistently measure and evaluate the results of their initiatives. Helpful evaluations include both objective and subjective markers of progress. For example, companies should review the percentage of diverse representation within the company and track any changes in hiring and retention efforts for diverse workers. This will help companies recognize whether the changes to their diversity and inclusion efforts are working and which areas still need to be addressed. At the same time, companies should implement subjective evaluations, such as employee surveys, entrance and exit interviews, and yearly evaluations of employee participation in diversity and inclusion initiatives. Results, whether positive or negative, should be shared with all employees so they know what initiatives are working and how to improve.

The Takeaway

It's widely agreed that diversity and inclusion are vital factors in promoting both financial success and employee satisfaction. By adopting these four strategies, manufacturers can foster a diverse, high-performing workforce and improve profitability. ◆

About the Author: Taylor Harris is an Associate Attorney at HeplerBroom, LLC and can be reached at Taylor.Harris@heplerbroom.com, or (314) 480-4174.