Creators Wanted: 3 Tips for Building a Future Ready Workforce

A dual challenge

Manufacturing companies face a dual challenge of attracting the next generation of talent and retaining longer-tenured employees in an era of intelligent manufacturing. On the employee side, workers need to keep their skills up to date in a world that feels like it’s changing right in front of them.

In addition, there are factors operating at the macro level. Almost all developed economies have historically low birth rates¹, which contributes to an aging workforce. The negative perception of manufacturing for young workers means that when experienced, knowledgeable workers retire, they are harder to replace. The result is a growing skills gap in manufacturing.

HR is feeling the pressure to recruit strong candidates matched to open positions, but in the competitive and complex landscape of today, reactive recruiting is not enough. Companies are also looking at how to expand the overall pool of available talent. According to the ManpowerGroup, 36 percent of companies are being more flexible about education and experience requirements. Thirty-three percent are looking at demographic factors, social media, or candidates such as retirees or parents returning to the workforce².

Think broad

Manufacturers can’t meet this challenge just by transforming their operations. Jobs in manufacturing will require new skills and new capabilities, and this necessitates a new partnership for skills and workforce development with technology partners, industry, government, learning institutions, and labor organizations. Attracting the next generation of workers, and increasing employee engagement and loyalty takes a cultural transformation, accelerated by technology. That’s why partnering with HR is vital to understanding what it will take.

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Questions to ask your HR team:

- How will automation and technology change jobs and skill profiles?
- How can you inspire talent and overcome outdated perceptions of manufacturing careers?
- How can you train and develop people to get them up to speed faster.
- How can you increase employee engagement?

This guide distills insights from Microsoft’s experience working with both manufacturing and HR customers, as well as in building our own future-ready workforce. It’s meant to be actively used and shared as a guide to productive conversations with your HR counterparts. Like many companies tackling these challenges, we’re still learning, but one thing is clear. A holistic approach is needed and partnering across organizations is key.

Here are three areas to expand the conversation with HR leaders to create a holistic approach that will help you attract, retain, and continuously upskill the talented people you need.

Define desired outcomes

As more manufacturers adopt technologies like IoT, AI, and robotics, the skills they need for the next generation of workers is changing as well. One of the first steps in addressing these challenges it to work with HR to identify near- and long-term job profiles and long-range view of development to keep up with changing skill needs.

2022 skills outlook⁶

<table>
<thead>
<tr>
<th>Growing</th>
<th>Declining</th>
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<tbody>
<tr>
<td>Analytical thinking and innovation</td>
<td>Manual dexterity, endurance, precision</td>
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<td>Active learning and learning strategies</td>
<td>Memory, verbal, auditory, and spatial abilities</td>
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<td>Creativity, originality, and initiative</td>
<td>Management of financial, material resources</td>
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<td>Technology design and programming</td>
<td>Technology installation and maintenance</td>
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<tr>
<td>Critical thinking and analysis</td>
<td>Reading, writing, math, and active listening</td>
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Questions to ask your HR team:

- We are going to need to innovate to create new product-as-a-service offerings powered by AI, IoT, and mixed reality. Can you help identify the skills we need?
- To help offset the aging workforce, we need to increase our appeal to recent graduates beginning their careers. Are there ways we can start connecting with candidates even before they graduate?
- One way to get the candidates we need is to expand the recruiting pool. Are there any innovative programs we can try to focus recruiting on groups that are likely to have the skills we need and buy in to the culture we’re trying to create, such as veterans, or underrepresented groups such as women?
Make the shift

Manufacturing companies face unique challenges when it comes to empowering their employees. Creating an engaging employee experience can be a great place to start, and a strong partnership with HR is an essential element. A strong technology partner is crucial as well. With our experience helping manufacturers transform into more innovative and engaging companies, as well as our own transformation, Microsoft is a partner that can help make it happen—now, and in the future.

Questions to ask your HR team:

02 Keep score

Consider how HR metrics such as employee engagement might be correlated with other measurements, or operational metrics such as productivity. For example, at Microsoft, we’ve found that employees who have two or more conversations with their manager about development per year are more likely to stay at the company.

Through Microsoft PowerApps, our managers can act on this insight by creating an alert to notify them if an employee hasn’t had a recent conversation.

More than 70 percent of companies consider people analytics to be a high priority.⁷

Questions to ask your HR team:

- One of the best ways to collaborate with HR is through data. Do you know if we can measure employee engagement for workers that have the talents we want to attract?
- We need to be able to tell if what we’re doing is working. Can you help us gather data on workforce initiatives to assess their effectiveness?

03 Build a coalition

Engage cross-functional teams who have the same objectives and who impact the employee experience. Start small and scale initiatives that have proven success.

For Microsoft’s own journey of cultural transformation, engaging senior leadership was critical to setting the tone and providing a path for employees to follow. HR partners were then able to define what culture means to the company and define what the desired transformation would look like.

Questions to ask your HR team:

- Terms like “engagement” and “transformation” lose their meaning if they aren’t connected with actions. What are some authentic ways we can get our workforce to participate and get involved in this process?
- Changes in the workforce mean we may need to rethink things like training and development. Can you help us create training programs catered to both digital natives and those with less experience?

Explore Microsoft solutions for manufacturing

Learn more and share the latest trends with your HR colleagues as well as important ways technology can accelerate cultural change.