

Empowering and rewarding manufacturing workers to enable growth and stability

How a human capital management solution from Rizing can help your manufacturing firm unlock vital efficiencies and transform the employee experience.



The world of manufacturing is evolving rapidly. Innovations in technology, especially automation, machine learning and IoT, are streamlining processes and unlocking new levels of efficiency, insight and control. Globally, demand for manufactured foods, beverages and other products is also expanding, and manufacturers are under pressure to output high quality produce as quickly and reliably as possible.

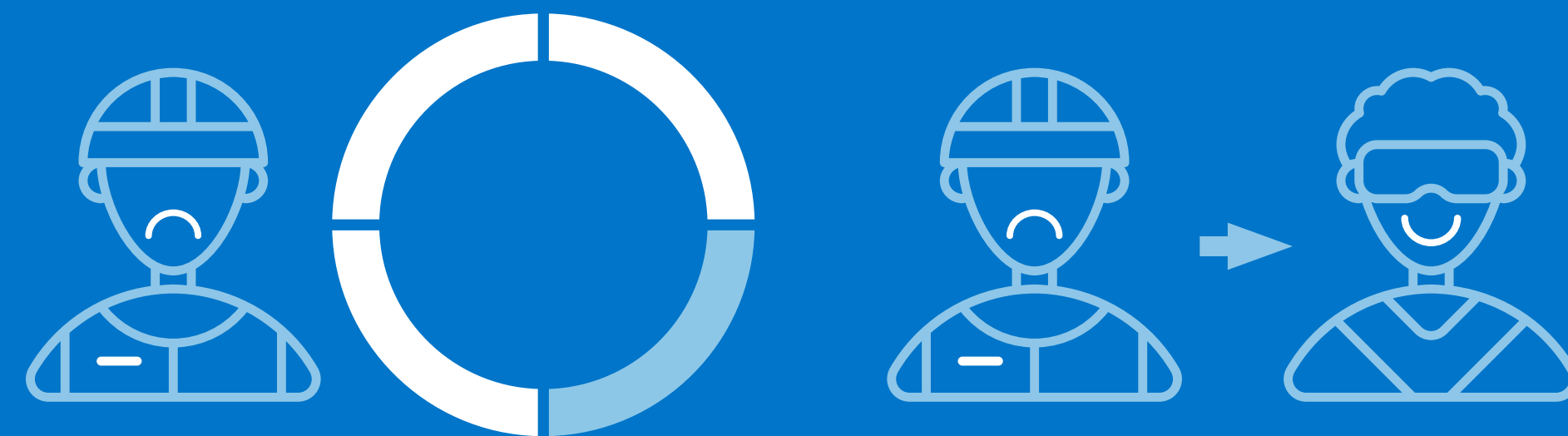
As a result, demand for manufacturing talent is increasing at a significant rate. According to a recent report, over the next decade, nearly 3.5 million manufacturing jobs are likely to be filled – especially people who are highly skilled in technology, data science and engineering.¹

In most manufacturing firms, it's not uncommon for employees to be using paper-based timesheets, and for scheduling to be done using Excel spreadsheets. Payroll is also often managed manually, despite the complexity associated with managing pools of contractors in different teams and with varying levels of expertise and pay rates. Employee enquiries are typically handled on an ad-hoc basis, handled over the phone by the human resources team, or even the business owner, and career development and training is also often managed on an 'as-needed' basis.

In this eBook we explore some of the core challenges that relate to the employee experience in manufacturing, and explain how a solution from Rizing can help.

Why employee experience matters in manufacturing

Manufacturing organizations have one of the lowest employee engagement levels of all industries. As older employees leave the workforce, upskilling employees, recruiting and retaining new talent are increasingly becoming huge challenges for manufacturing.



75% of manufacturing workers are "not engaged," or worse, actively "disengaged."³

Manufacturing workers are being replaced by a new wave of employees.

80% of current manufacturing jobs are held by workers between the ages of 45 and 65.

22% by 2030, 22% of the workforce will be Generation Z.⁴

In this eBook:

Challenges for manufacturing

How to innovate with technology

Why Rizing?

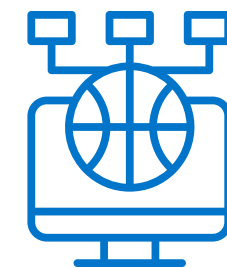
Is your employee experience up to scratch?

Success story: Worthington Industries



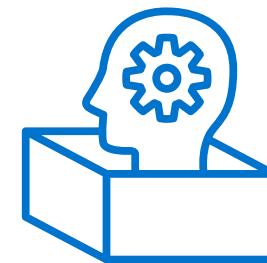
Challenges for manufacturing

When it comes to employee experience, specific challenges for the manufacturing sector include:



Increasing digitalisation

The manufacturing sector is undergoing enormous digital transformation. By 2025, over 75 billion manufacturing devices will be connected and communicating with each other, driving productivity up 7 x what it is today.⁵ From an employee perspective, this means rapidly growing demand for technical skills, especially in areas such as IoT, analytics and engineering. Organizations that lack these skills in house will either have to up-skill existing employees, or attract and retain new talent.



Skills shortage

As well as the challenge of finding technically-skilled workers, manufacturing organizations are also grappling with the global skills shortage. The Covid-19 pandemic, and associated restrictions on immigration, have seen a considerable labour shortage in the world's manufacturing sector. As a result, workers are currently very much in the driving seat when it comes to choosing where they work – and if an employer fails to provide a positive, technology-led experience, workers can quickly secure a job elsewhere.



Disparate locations

With staff spread across different facilities, and many employees now working from home, it's hard for manufacturing organizations to provide an equitable employee experience. It's also not uncommon for blue collar and white collar workers to have very different experiences – especially with many white collar desk workers able to leverage technology to work remotely through the pandemic.



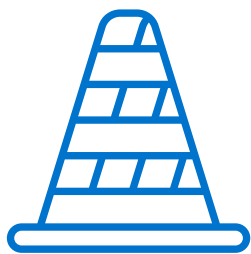
Centralised HR functions

In manufacturing, it's not uncommon for larger organizations to have a shared service center that delivers core HR functions. However, this can lead to blanket HR service which doesn't accommodate for the many nuances of the employee experience in different locations, or for the nature of specific roles, responsibilities, seniority levels or employment terms.



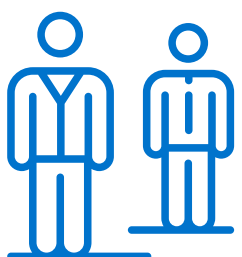
Payroll and time/attendance

Many manufacturing firms have quite complex arrangements when it comes to payroll, as well as measuring time and attendance. Often, a larger manufacturing workforce will include a mix of both blue-collar and white-collar workers, and a whole raft of different employment contracts – full time, part time, casual, contract and freelance. To add to the complexity, it's not uncommon for workers to be spread across multiple different facilities, and to work quite diverse hours. Unless a business has data-led tools to manage this complexity, it's very easy for inefficiencies to creep in, and for it to impact the experience of individual workers. If a worker frequently has issues with their pay, it's a valid reason to seek employment elsewhere. A study by The Workforce Institute reveals that 24% of respondents would try to find new employment after just one error in their pay; employees on a salary are more likely to seek new employment after an error (versus those paid per hour) and 30% of employed parents will start the job hunt at the first error made.⁷



Workplace health and safety

The manufacturing industry is one of the world's highest risk industries. Despite some clear progress with regards to safety systems and processes, this sector is still the third most dangerous in the US when it comes to job-related injuries and illnesses. Even when an organization has workplace health and safety regulations in place, individual workers may not be aware of their responsibilities, and information on the latest regulations that apply to a specific project may not also be readily accessible. Also, in many firms, lodging a claim for compensation relating to a workplace injury can be a complex and very manual process.



Onboarding and knowledge transfer

When a new employee joins a manufacturing company, it's often a case of having to hit the ground running – with minimal training - especially in a busy facility. Most businesses simply don't have the time or tools in place to provide sophisticated and automated onboarding. There is typically a lot of manual paperwork, and the process of getting set up in terms of payroll, scheduling and rostering can be slow and inefficient.



Learning and development

Most manufacturing organizations lack quality, digital tools for learning and development. As a result, many workers simply don't end up doing anything beyond government-mandated training and development. Similarly, checks that workers have necessary qualifications for a certain role are often performed manually, with records retained by the human resources team.

The industry is growing, baby boomers are retiring, and the skills required are shifting.

The challenge? That skills gap is expected to result in two million of those jobs going unfilled, making employee recruitment and retention among today's biggest manufacturing challenges.

Deloitte, Manufacturing and the future of work⁸

Is your employee experience up to scratch?



Flexibility

Do you support flexible, hybrid ways of working that keeps up with an evolving talent pool?



360° view

Do you have end-to-end HR software in place?



Payroll

Is your payroll smooth and efficient?



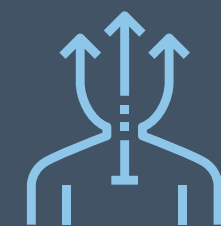
Learning and development

Do you support continual learning and upskilling?



Incentives

Do you support pay for performance?



Support for growth

Do you enable continuous performance management?



Leadership

Are you building a generation of future leaders?

How a modern technology solution can help

When it comes to the employee experience, there is a very real need for manufacturing businesses to move away from HR solutions that are simply focused on payroll and employee administration, towards more robust, data-led solutions – like SAP SuccessFactors - that support the employee experience at every step.

Rizing's cloud-based talent management software gives your employees, managers, and HR professionals the tools and guidance they need to succeed – regardless of where or when they are working. With SAP SuccessFactors solutions, you can adopt a comprehensive and data-driven talent management strategy that spans the entire employee lifecycle. Hire the best candidates, engage employees, develop the skills of today and tomorrow, and ensure every employee is engaged and valued.

When key processes and systems are digitalised, manufacturing organizations can capture and use real-time data to constantly improve the employee experience and to ensure that any employee feedback is actioned. Without this 'closed loop' experience, it's easy for employees to become disillusioned and feel that any feedback or input they provide isn't actioned.

Key features to prioritise for manufacturing

Features to attract and retain staff

Given the growing skills shortage in manufacturing, your HR software needs to support you in processing both new and internal applicants quickly and efficiently, while also helping you attract the right talent to your recruitment funnel. This means including features for recruiting marketing (for attracting and engaging top talent), recruiting posting (for seamless posting to job boards) and recruiting management (for selecting and hiring the best candidates) to drive better results.

Automated and efficient scheduling

In manufacturing, being able to effectively roster and schedule staff is of vital importance – and critical to your employee experience. A modern HR solution should help you streamline the scheduling process and automate as much as possible.

Payroll and compliance

It's not uncommon for larger manufacturing firms to waste tens of thousands of dollars every month addressing administrative or compliance issues to do with HR management or payroll. In

fact, typical error rates are between 1 to 8% of total payroll when companies do not use robust payroll solutions. Even though the cost for non-compliance can be significant, most companies underestimate the level of risk they currently hold by using out-dated payroll software. Instead, a modern solution should be based on accurate, automated and centralised data. It should also be compliant across multiple countries and jurisdictions.

End-to-end experience

Many HR solutions serve merely as filing cabinets for record-keeping, with no business impact. Siloed from talent, they prevent organizations from making data-driven workforce decisions based on a 360-degree view of the employee. They also feature primitive analytics that provide minimal insights into the workforce and no support for workforce planning. Ideally, your HR software should offer a central view of your manufacturing workers, with support for qualifications and certifications, personal data, time off and payroll data with full employee lifecycle process support. It should also help you digitise and simplify your processes to improve efficiency, while ensuring compliance with relevant legislation.

Support for continual learning

Ensuring your manufacturing workers can continually develop and grow their skills is essential for compliance as well as staff retention – especially given the growing digitalisation of the sector. It's also important in ensuring you are delivering quality products, and ensuring everyone is aware of, and committed to complying with relevant legislation and requirements. A modern HR solution should enable employees to develop new skills, share ideas, and gain insights, making them more motivated and productive. It should support formal, compliance-related training, as well as informal, self-directed training, mobile learning and extended enterprise training.

Drives career succession and development

Having the right people in the right place to effectively execute on your strategy is quite a challenge. While HR needs to ensure that current leaders are in place and working effectively, it is equally critical to ensure a healthy pipeline of future leaders who are recognised, mentored and developed early to support company strategies.



Extraordinary technological, market and societal challenges confront the manufacturing industry. To envision the future, CIOs must recognize and act on critical internal and external factors.

Gartner, Manufacturing Industry Scenarios in 2023⁹



How Worthington Industries evolved its HR with SAP SuccessFactors

Worthington Industries is a US-based steel manufacturer with over 10,500 employees and clients in a range of industries. Like many other large-scale manufacturing firms, Worthington was experiencing some challenges with regards to its recruitment processes. Though they were already using SAP SuccessFactors, they were seeking a new partner to help them implement additional modules, and to get more from their solution. Previously, their ability to access in-depth data regarding their recruitment process was limited. They also wanted to redesign their career site so it worked seamlessly on mobile devices – helping them attract younger and more digitally savvy workers.

Rizing worked closely with Worthington's own team – helping them re-design their website and implement the SAP SuccessFactors Advanced Analytics module, which now gives them the detailed statistics and analysis they need.

Rizing also provided the in-depth training which Worthington's team needed to become more self-sufficient, and to reduce their reliance on third party organizations to manage their recruitment website – saving considerable time and money. Giving Worthington the insights and processes they needed to extract meaningful and highly valuable data on the employee experience has also been crucial in helping them fill vacancies and improve employee recruitment and retention.



A woman with long, dark, curly hair is smiling warmly at the camera. She is wearing a light-colored safety vest over a dark top. The background is a blurred crowd of people, suggesting an outdoor event or construction site. The overall image has a blue-tinted overlay.

Ensuring a positive employee experience: **a checklist**

FLEXIBILITY

Do you support flexible, hybrid ways of working?



Challenge:

According to a recent KPMG survey, the top 3 priorities for employees post COVID-19 are: increased flexibility (41%), option to work remotely (39%), and more frequent communication (34%).^{iv}



Solution:

Updating your HR processes and policies to support a remote workforce, and providing the technology that people need to work reliably and efficiently from anywhere, at any time.

360-DEGREE VIEW

Do you have end-to-end HR software in place?



Challenge:

Many HR solutions serve merely as filing cabinets for record-keeping and are siloed from talent; preventing companies from making workforce decisions based on a 360-degree view of the employee.



Opportunity:

Investing in HR software that offers a central view of your employees, with support for organisational data, personal data, time off and payroll data, with full employee lifecycle process support.

PAYROLL

Is your payroll smooth and efficient?



Challenge:

Employees can very quickly become frustrated when their pay is inaccurate, or when errors occur. In fact, typical error rates are between 1 to 8% of total payroll when companies don't use robust payroll solutions.



Solution:

A modern, end-to-end people management solution based on accurate, automated and centralised data that is compliant across multiple countries and jurisdictions.

LEARNING AND DEVELOPMENT

Do you support continual learning?



Challenge:

Ensuring your employees can continually develop and grow their skills, and that everyone in your business is aware of, and committed to meeting, relevant legislation and requirements.



Solution:

Modern HR technology that enables employees to develop new skills, share ideas, and gain insights, making them more motivated and productive. Ideally, it should support formal, compliance-related training, as well as informal, self-directed training, mobile learning and extended enterprise training.



INCENTIVES

Do you support pay for performance?



Challenge:

Employee compensation is the largest expense for most companies, yet compensation planning that relies on e-mail and spreadsheets can be error-prone, unsecure, and unproductive.



Opportunity:

A modern HR solution to help business leaders, compensation managers, and HR professionals dramatically improve budget accuracy and reduce risk, by providing data to help managers determine who is truly high-performing and reward them appropriately.

SUPPORT FOR GROWTH

Do you enable continuous performance management?



Challenge:

If your talent is not aligned to your desired outcomes, you risk not delivering the results required. Performance being measured yearly or twice yearly is a practice that is fast being phased out, as the focus shifts to providing team members with continuous, meaningful feedback and coaching.



Solution:

Modern software that enables managers to align employee activities with organisational strategy and monitor the performance of achieving those goals.

LEADERSHIP

Are you building a generation of future leaders?



Challenge:

While HR needs to ensure that current leaders are in place and working effectively, it is equally critical to ensure a healthy pipeline of future leaders who are recognised, mentored and developed early to support company strategies.



Solution:

Modern HR software that helps HR professionals identify and develop the talent needed to improve organisational strength and achieve today's business goals, while providing visibility and planning for future growth.

A black and white photograph of a woman wearing a white hard hat and a safety vest over a dark shirt. She is smiling and looking upwards, pointing her right hand towards the top of the frame. The background shows a blurred industrial setting with overhead lights. A solid blue rectangle is in the top right corner.

How can Rizing help?

Rizing is a leading technology firm with deep human capital management experience. We help manufacturing organizations accelerate their digital transformation by providing best-practice HR technology based on SAP SuccessFactors, which supports the full employee lifecycle.

Find out more

Interested in evolving your manufacturing organization's human resources technology? Request an assessment and industry benchmark from our expert team.



- 1 Deloitte, Manufacturing and the future of work, [online], <https://www2.deloitte.com/us/en/pages/consulting/articles/manufacturing-and-the-future-of-work.html>
- 2 UKG, Transforming the Employee Experience in Manufacturing, <https://www.ukg.com/sites/default/files/media/files/Transforming%20the%20Employee%20Experience%20eBook.pdf>
- 3 Gallup, State of the American Workplace, <https://www.kronos.com/resources/transforming-employee-experience-manufacturing>
- 4 Deloitte, Manufacturing and the future of work, [online], <https://www2.deloitte.com/us/en/pages/consulting/articles/manufacturing-and-the-future-of-work.html>
- 5 Imaginovation, Digital transformation manufacturing trends 2020, [online], <https://imaginovation.net/blog/digital-transformation-manufacturing-trends-2020/>
- 6 Vector solutions, Top 5 safety risks in manufacturing, [online], <https://www.vectorsolutions.com/resources/blogs/top-5-safety-risks-in-manufacturing/>
- 7 Gallup, State of the American Workplace, <https://www.kronos.com/resources/transforming-employee-experience-manufacturing>
- 8 Deloitte, Manufacturing and the future of work, [online], <https://www2.deloitte.com/us/en/pages/consulting/articles/manufacturing-and-the-future-of-work.html>
- 9 Gartner, Manufacturing Digital Transformation, [online], <https://www.gartner.com/en/industries/manufacturing-digital-transformation>

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