



A VIBRANT
LEARNING CULTURE
DRIVES SUCCESS



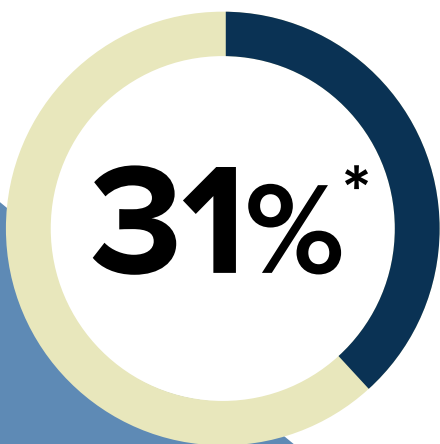
WHY LEARNING CULTURES MAKE A DIFFERENCE.

The advantages of a learning culture are many – employee engagement, strong productivity, consistent high quality, customer satisfaction, solid profitability and increased market share.

While many recognize the success of well-known consumer-segment leaders with strong learning cultures like Disney and Google, more manufacturers need to follow this lead.

This is especially important as a learning culture, with clear career pathways, addresses a top priority for most manufacturers: retaining skilled workers. Reducing turnover saves thousands, and, in some cases, millions of dollars each year.

- ▶ **Only one-third of organizations have a culture of learning. There is plenty of opportunity.**



High-performance learning organizations are seeing results like this by embedding a mindset of continuous improvement in their operations and in their valuable human capital.

At the Tooling U-SME tuX event, Kevin Martin, Chief Research Officer of i4cp and keynote speaker, said, “Unless your culture supports your strategy, your strategy is not going to execute at all. To really drive culture, you need leadership behaviors that exemplify the culture. It’s the leader behaviors at the executive level, but most importantly at the mid-level and front-line leader level, that make the biggest difference.”

*Source: Kevin Martin, chief research officer, i4cp



ATTRIBUTES OF WORLD-CLASS LEARNING AND DEVELOPMENT.

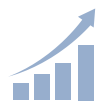
As one of the eight world-class learning and development attributes (below), a positive learning culture plays an important role in helping companies align with key performance indicators that boost operational effectiveness, reduce downtime, reduce scrap, heighten quality capabilities, improve safety, enhance production and implement new technologies.



High-Performance Onboarding



Strong, Engaged Learning Culture



Job-Based Competencies Based on Standard Work



Strategic Partnerships (Learning and Development, HR, Production)



Career Pathways and Self-Development Plans



Community-Focused



Flexible Workforce



Measuring Learning and Development Impact on Business



ARTICULATE A VISION.

What does a learning organization mean to your company? Do you celebrate innovation and encourage risk taking with new ideas? Do you reward peer support? Encourage mastery of advanced technology?

Ensure this commitment to a learning culture is written into your overall company mission and reinforced everywhere from your corporate website to one-on-one meetings. Align this with corporate strategies and key performance indicators.

AMSTED: BUILDING A STANDARD OF LEADERSHIP

Having a strong learning culture is critical for Amsted Industries, a \$3.5 billion organization with six businesses operating autonomously. With 18,000 global employees, it is important for each to feel invested in the success of the organization and understand the overall vision and goals.

“We get value from bringing people together from different locations and businesses,” said Diane Orland, Senior Manager, Human Resources, Amsted Industries. “We want to make sure that we have the same standard of leadership across our organization.”

“We want to make sure we have the right people in the right place, with the right knowledge.”

— Diane Orland, Senior Manager,
Human Resources, Amsted Industries

To remain the leader in its industries, including the mature railroad, vehicular and construction markets, Amsted keeps a strict focus on continually improving the reliability of its products, and seeking growth opportunities for acquiring and developing new products.

Training — in person and online — plays an important role in reinforcing Amsted’s quest for improvement and innovation. Other steps to build a learning culture include creating a skills verification system, aligning skills to job roles, strengthening onboarding with a core curriculum for new hires, and creating transparent career pathways so workers know how to get to the next level.

“We want to make sure we have the right people in the right place, with the right knowledge,” said Orland. “We are committed to building a high-performing and engaging culture because it’s really the talent of the organization that drives our competitive advantage.”



DEMONSTRATE LEADERSHIP COMMITMENT.

No matter their size, true learning organizations drive vision and execution from the top.

For success, senior management must be on board, understand the benefits of training, and invest time and resources to schedule it.

ARWOOD CEO INVESTS IN IN-HOUSE TRAINING

“A way to maintain and grow a company is to develop training in-house,” said Michael Munday, CEO and owner of Arwood Machine Corp, a high-precision machine shop in Newburyport, Mass. “Technology is advancing dramatically, and to keep moving forward, the key is continuous improvement around equipment, processes and employees.”

Munday was motivated to make an investment in his workforce after Arwood lost a long-time customer because it was unable to hire enough skilled workers to fulfill a large order.

Today, under Munday’s leadership, Arwood implements a customized program to train and retain high-performing employees. The commitment to this learning culture is evident, as Munday set mandatory training hours for every employee at one hour per week.

In addition to a 10–percent upward trend in productivity and a reduction in scrap/rework since implementing this company-wide program, Arwood is seeing improved morale and heightened innovation.

KYOCERA SGS CEO BUILDS STRONG LEARNING FOUNDATION

Another company that saw signs of a shrinking workforce and took steps to address the growing skills gap by building a strong learning foundation is Kyocera SGS Precision Tools (KSPT), a solid carbide cutting tool manufacturer in Munroe Falls, Ohio. Even after more than six decades in business, KSPT continues to grow.

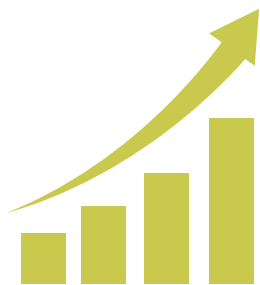
A strong proponent of education, CEO Tom Haag supported continuous training and development improvement, mandating an ambitious 50 hours of training per associate, per year.

“We believe education has a positive impact on an associate’s contribution to the company, so we are focused on providing effective learning tools for continuing education,” said Gary Miller, director of training and occupational development, KSPT.

This commitment to learning, starting at the top, energizes and engages team members, and provides a model of the desired behavior.

“We are focused on providing effective learning tools for continuing education.”

— Gary Miller, Director of Training and Occupational Development, Kyocera SGS Precision Tools (KSPT)



CREATE A SYSTEM FOR CONTINUOUS IMPROVEMENT.

Leadership can't claim that development is important without providing the tools to achieve it.

High-impact learning organizations create sustainable, standardized blended learning programs with traditional classroom time, on-the-job training (OJT) and online training.

PELLA: STANDARDIZED TRAINING BUILDS CONSISTENCY & EMPLOYEE SATISFACTION

Pella Corp., based in Pella, Iowa, has been creating innovative and high-quality windows and doors for more than 90 years. With a strong learning culture in place, Pella encourages continuous improvement for its teams so that the company can continue its commitment to developing new technologies, increasing productivity and practicing environmental stewardship.

With Pella's management team fully behind its training and development efforts, they follow best practices, including:

- Clear job titles/descriptions, building in progression planning to recruit and retain.
- Standards and guidelines to produce consistency across facilities.
- Online training to take place near the workspace for improved productivity.
- Integration of training and development into corporate strategies.

The company is also introducing competencies for defined performance and accountability, launching a six-week onboarding program, and organizing regular Train-the-Trainer sessions to build trainer capabilities.

A standardized program like this builds consistency across multiple sites and bolsters employee satisfaction.

APPRENTICESHIPS CONTRIBUTE TO POSITIVE LEARNING CULTURE

Apprenticeships, which pay employees while they train for skilled positions that will launch them on promising and lucrative career paths, also support a positive learning culture.

As Sean Althaus, training coordinator of San Antonio-based Cox Manufacturing, said, "The biggest advantage for a company is related to culture and retention. Turnover has been on a downward trend the last two years. It's an investment in the future."

Apprentices enjoy debt-free learning. Plus, in a Registered Apprenticeship program — certified by the Department of Labor — apprentices receive steady wage increases with proficiency so they are regularly rewarded for their hard work and advancement. Some companies also offer bonuses and other perks along the way. All of this contributes to employee confidence and job satisfaction.



ENSURE ACCOUNTABILITY.

When learning and development is integrated into corporate strategies, everyone within a company is responsible for upholding the learning culture.

Successful manufacturers tie learning to annual or quarterly reviews for each employee, and develop performance indicators tied to pay scale.

KSPT: CONTINUOUS IMPROVEMENT TIED TO STRONG METRICS

KSPT, mentioned earlier, employs Hoshin Kanri, a management system that focuses all employees on understanding the company's strategic direction and fosters their participation in achieving it through continual improvement training.

The KSPT model is based on strong metrics called Associate Integrated Management (AIM) goals and objectives.

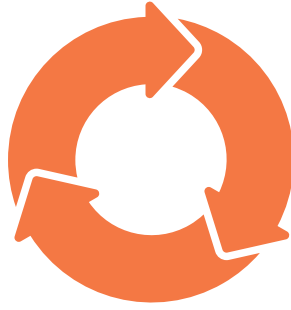
All company department heads meet monthly with the CEO and COO to review the AIM goals and objectives, which include individual, department and company goals related to sales increases, customer satisfaction, quality standards and associate development.

With learning a top priority at KSPT, associates are evaluated at six-month check-ins and annual competency reviews.

In addition, the company implemented a structure for advancement that requires successful completion of courses in order to be considered for higher-level positions.

The results are striking: reduced turnover, lower absenteeism, increased productivity, strong cross-functional teams, and an ability to combat the skills gap by building a talented workforce from within.

Successful manufacturers tie learning to annual or quarterly reviews for each employee, and develop performance indicators tied to pay scale.



INSTRUCT AND ENGAGE

As technology continues to advance and seasoned workers retire, hiring of skilled workers is a national priority. You can differentiate your company and attract the best and brightest by demonstrating a commitment to a vibrant learning culture.

CONTACT

For more information, please call 866.706.8665 or email info@toolingu.com.

ABOUT TOOLING U-SME

Tooling U-SME delivers versatile, competency-based learning and development solutions to the manufacturing community, working with thousands of companies including more than half of all Fortune 500® manufacturers, as well as 600 educational institutions across the country. Tooling U-SME partners with customers to build high performers who help their companies drive quality, profitability, productivity, innovation and employee satisfaction. Working directly with hundreds of high schools, community and technical colleges, and universities, Tooling U-SME is able to help prepare the next-generation workforce by providing industry-driven curriculum. A division of SME, a nonprofit that connects all those who are passionate about making things that improve our world, Tooling U-SME can be found at toolingu.com or on Facebook (facebook.com/toolingu) and Twitter (twitter.com/toolingu).

