Reshoring Requires Developing Skilled Workers

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For the past two years, the Association for Manufacturing Excellence (AME) has been leading the Rebirth of Manufacturing Jobs initiative, designed to produce more jobs and opportunities for businesses through collaboration with federal, state and local government agencies; North American manufacturers; and educational facilities. The effort is intended to create a lean and green environment for businesses and communities alike, each becoming more globally competitive, driving the demand for skilled workers to accelerate the economic recovery and improving the quality of living for citizens.

Manufacturing hasn’t always been a tough job to fill -- but even during the recession, 32 percent of manufacturers could not fill jobs because many workers did not have the proper skills. The Roadmap to Education Reform for Manufacturing, a report released earlier this year by The Manufacturing Institute, provides six principles for education reform in the industry:

1. Moving to a competency-based education.
2. Establishing and expanding industry-education partnerships.
3. Infusing technology in education.
4. Creating excitement for manufacturing careers.
5. Applying manufacturing principles like lean to reduce education costs.
6. Expanding successful youth development programs.

Paul Kuchuris, AME’s new president, and Harry Moser, founder of the Reshoring Initiative, continue their joint commitment to bring jobs back to North America and

guide the public schools to produce skilled workers using proper curricula -- all in the hopes that these trained individuals will be ready to tackle the jobs coming back home.

“In order to bring more manufacturing back to North America, we need a larger, more skilled workforce to produce the reshored work,” says Moser. “Recruits to this workforce are motivated by the industry’s commitment to reshore, showing that jobs will be available.”

In an effort to bring awareness to this issue, Kuchuris and Moser have been pooling their resources to promote the initiative and gain support of other industry leaders, the community and policy-makers -- and so far, they have been successful. Projects on which they are currently working include:

1. Continually improve the total cost of ownership (TCO) EstimatorTM tool, which now covers 17 countries.
2. Launching a new website for the Reshoring Initiative, complete with detailed information and resources.
3. Committing Moser to 100 presentations nationwide for 2011.
4. Finding volunteers to work on local reshoring projects.
5. Obtaining strong support from various government offices, including proposing a budget to promote the use of total cost of ownership software.

“We are well on our way to gaining visibility for this initiative, but we have a long way to go when it comes to bringing work back to North America,” says Moser. “Companies have to learn to use TCO to improve their profitability. Eventually, the U.S. has to balance its $600 billion per year trade deficit, and the government must realize that reshoring is a much more efficient and feasible solution than exporting for most companies.”

While Kuchuris and Moser have seen increased success in the Rebirth of Manufacturing Jobs through the Reshoring Initiative, their feat is far from over.

“We have several challenges that lie ahead in the coming years, including gaining the attention of larger companies, finding a couple major corporations to reevaluate offshoring and reward supply chain managers on TCO rather than price,” says Moser. “I’d like companies to send me examples of successful reshoring projects, as it will demonstrate the benefits to other management teams.”

If the manufacturing community can reach these goals, it will be easier to recruit skilled workers who can complete the reshored work. However, there are also challenges in producing these workers.

“In order to gain skilled workers, we need to improve our educational system through an outcome-based mentality and performance accountability of our teachers,” says Kuchuris. “Since needs of the business community change all the time, we must also develop personnel programs that focus on the ever-changing skill gaps, as well as cultivate an environment on innovation and empowerment.”

According to Moser, offshoring began at least 50 years ago, and is driven by thousands of consultants and the price-based bonus plans of many supply chain managers. Efforts like the Reshoring Initiative, and therefore, the Rebirth of Manufacturing Jobs, are far outnumbered. However, with leaders like Kuchuris and Moser at the helm, gaining awareness -- the first step -- is well on its way.

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