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## Columbus Castings: A portrait of manufacturing's hiring challenges

Made in Central Ohio 2015

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The resurgent economy has provided a much-needed boost to employers on Columbus' south side. Over the last year, 865 jobs have been created with the help of city tax incentives and a rebounding economy, and there have been valuable private investments into the area.

No company in the neighborhood has seen transformation quite like steel foundry Columbus Castings. It struggled in the past few decades along with the rest of the U.S. steel industry, bleeding jobs during the Great Recession. But plans announced last fall to add 550 workers over three years are well ahead of schedule: With the crucial help of social service programs, more than 400 already have been hired as the company meets rising demand for its rail car undercarriage components.

As Columbus Castings and other manufacturers in the neighborhood reap the benefits of a healthier economy, they face a stiff challenge.

They have job openings, but where are the workers capable of filling them – and



JEFFRY KONCZAL

A welder at the Columbus Castings plant on the south side of Columbus. The company is hiring.

keeping them?

“You can’t expect people to do something they’ve never been taught to do,” said Robert Caldwell, regional director for training and development of Think Tank Inc., a Springfield-based organization that works to lift people out of poverty. Caldwell has been helping Columbus Castings train recruits on soft skills in the hopes of boosting retention. The role follows Caldwell’s decades of experience in community development and urban revitalization.

The south side could use more people like him.

Census Bureau data show the 2013 unemployment rate in the ZIP code where Columbus Castings operates was 15.4 percent - nearly triple that of Franklin County as a whole. Almost a quarter of the community’s residents have incomes below the federal poverty level. Any additional jobs are obviously a great sign for the community, but unfortunately not everyone is prepared to keep a job.

“People who have lived in generational poverty have never been taught soft skills we would learn from the families we are raised in,” Caldwell said. “We grew up and worked jobs and learned common-senses things like getting to work on time and getting along with your co-workers.”

### **Building a labor force**

To help neighborhoods climb out of poverty, Caldwell developed a program called Work Works to connect people with employment opportunities and provide mentoring and life coaching, even if clients lose their first job. His goal is to make sure folks keep a job long enough to make a difference.

“When somebody has got a job or knows they can get one, it’s an incentive to work on the things we teach,” he said. “It has to be about how do you make sure this person can earn a living?”

Columbus Castings and other area manufacturers have support finding and keeping qualified workers from organizations including the Central Ohio Workforce Investment Corp. and Alvis House. The Reeb Center will be another resource when it opens later this year.

The center, housed in a renovated school building, will host satellite offices for community and work-force development nonprofits advancing efforts to revitalize the south side. The center is the result of a public-private partnership, including the city and state, foundations, businesses and influential business families with ties to the south side, such as the Grotes of Donatos, developer Don Kelley and the Cranes.

“To have resources like GED training and child care and other things that help you retain someone in this area, I think that’s going to be very critical,” said Scott North, a partner in Porter Wright’s litigation department who put together tax incentive packages for Columbus Castings.

### **‘You’re going to sweat’**

About 175 of Columbus Castings’ new workers have come through the work-force programs with about a 75 percent retention rate, said Derek Dozer, the company’s director of human resources. Maximizing retention is vital. With the enormous training costs of hiring 550 employees, training replacements when those hires leave is an expense Columbus Castings wants to minimize.

Part of the hiring challenge is cultural and generational. While some employees may have the soft skills to retain a job, they may not be cut out for the manufacturing industry.

Manufacturing is safer than ever before, but it continues to be physically demanding, even with automation, said Ryan Augsberger, managing director of public policy services for the Ohio Manufacturers’ Association.

“It’s not easy work,” Dozer said. “It’s going to be hot. You’re going to sweat.”

That kind of work environment doesn’t suit many people from urban Franklin County, with its base of white-collar insurance, banking and government operations. It also doesn’t appeal to the younger generation, manufacturers are finding.

In spite of those trends, many Castings employees are from the neighborhoods that surround the plant.

“The fact is, a good number of our employees come from the south side

The fact is, a good number of our employees come from the south side because it's on a bus line and it's right here, so some people walk or ride bikes," Dozer said.

Revitalization is needed in the neighborhood, said Steve Schoeny, Columbus director of development.

"A lot of it is driven by the mayor (Mike Coleman). He tells this story – he was down there for an event and saw a man ... pushing a shopping cart with a child wearing nothing but a diaper. It was one of those 'this is unacceptable' moments. A lot of our focus stems from ... saying 'We can do better.' "

## Searching for skills

During the recession, Columbus Castings fluctuated between 400 and 500 employees, and dipped to 344 in 2010. After the expansion is complete, the company expects to have about 1,100 employees.

Dozer said it has been difficult to fill skilled positions such as supervisors, mechanics, electricians and crane operators.

Another challenge the company faces is getting employees up to speed. Dozer said it can take three to six weeks before new employees are trained, which limits the amount of people he can bring in at once.

"If I need 200 employees, I've got to bring them in smaller buckets so that I can manage the amount of training and pair this person up with somebody so that I know he's safe and getting better acclimated," said Dozer. "This is a tough environment."

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