



How the PI Helps Vanamatic Develop and Retain the Best Employees

PMPA members are often faced with the problems of finding and retaining skilled machinists. As a solution, the association began partnering with PI Worldwide in November 2010. The Boston-based company provides the Predictive Index (PI), a system that helps employees take away some of the mystery in hiring and managing people.

The PI combines behavioral assessment with training and consulting. It is a scientifically based, personality assessment tool that offers insights into the behavior of employees and job candidates. By identifying people's strengths compared to job requirements, the PI enables business owners and managers to make better-informed human resource decisions.

Vanamatic's PI experience. Vanamatic Company, a PMPA member located in Delphos, Ohio, has been using the PI behavioral assessment tool since 2005. The manufacturer first learned about the PI at a PMPA Management

Update Conference.

When Vanamatic made the decision to move from a traditional manufacturing operation to a more flexible, cellular-based operation, the company enhanced its training programs at the same time. The goals were to improve ramp-up time, build effective work teams for peak performance and bridge the communication gap between management and staff.

"The company has created a highly flexible work environment that is centrally focused around our employees and what works for them," explains Scott Wiltsie, HR manager at Vanamatic. "We try to have a work life balance that's beneficial for the employees and the company.

"Employees schedule their own hours and are empowered to make their own departmental decisions," he continues. "They can alternate shifts and personnel based on overall company requirements."

Mr. Wiltsie views employee training and development as key

aspects of any business. Vanamatic used the PI to help identify employee learning styles. It is part of an effort to improve training and to develop well-balanced teams.

"We realized that the PI's motivators and driver patterns could also translate into employee learning styles," says Mr. Wiltsie. "So, we adjusted our training and delivery methods to accommodate the individual styles. That provided a unique opportunity to tap into each person's natural strengths.

"This fast-track training program is head and shoulders above our previous program," he adds. "We have seen significant improvement in total training time. But the most impressive benefit has been the training program's effectiveness.

"Employees who complete the training have a much quicker impact on productivity," he says. "Additionally, using the insight from the PI, Vanamatic can combine individual strengths to build dynamic work teams throughout the organization."

Promoting a collaborative culture. Communication was a weak point in Vanamatic's management style. Members of the senior management team started their careers "on the shop floor." The PI employee profile shows that such a background can result in a tendency to be less social and more detailed.

To improve communication and build a more unified workforce, Vanamatic introduced the Gainsharing program to its



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employees. This was another program Vanamatic personnel first saw at a PMPA conference. It is designed to open up a dialog between the staff and the managers, and to build a culture of unity and empowerment.

The Gainsharing program involves a weekly meeting where all employees openly discuss issues that affect the business. It's a performance-based reward system that includes monetary incentives. If Vanamatic hits its sales targets, the entire company shares in the gain.

Another program in use at Vanamatic is the Living Business Plan. It is an online system that gives employees access to the company's business objectives, allowing them to provide feedback and make recommendations.

Both programs promote a collaborative culture. The ideas and actions are shared between management and staff with a focus on quality and customer satisfaction. "We rely on the innovations and new ideas in our operations to give us our competitive edge," explains Mr. Wiltsie. "The Predictive Index has played an integral role in launching the other two programs. They would not be nearly as successful without understanding the impact of the PI."

Training and retaining future leaders. Because Vanamatic is focused on employee development and succession planning, the company trains personnel for new roles within the organization. The management team uses the PI to identify and develop high-potential candidates for future leadership roles.

Since implementing the PI in 2005, Vanamatic has seen its retention rate for new hires increase from 56 to 80 percent. This improvement resulted in more than \$22,000 in annual cost savings for the company.

Vanamatic uses the PI tool to profile the behavioral requirements of the job and attract the right candidates, thus ensuring both strong job fit and long-term employee success.

"With the PI, Vanamatic has saved over 60 interviewing hours," points out Mr. Wiltsie. "We now spend more time evaluating the skill, background and knowledge of only those candidates who have a higher propensity for job success in our organization."

Since the PI's introduction, Vanamatic's overall employee turnover rate has decreased from 20 percent to only 3 percent. With better hiring, stronger job fit and more effective training, the company has also seen a reduction in missed work time.

"The PI is fully integrated in every step of our operation," says Mr. Wiltsie. "We perform specific jobs for some of our customers and we use the PI to identify the best people for each project. All employees understand the value of the process and it's a huge success."

According to Mr. Wiltsie, Vanamatic has seen positive productivity and efficiency trends since using the PI. The company attributes those gains to a better understanding of its workforce.

"The PI helps us understand what the workforce needs to be successful, both at an individual

and departmental level," says Jeff Wiltsie, Vanamatic president and brother of Scott. "It has been an extremely valuable tool in implementing all of the changes necessary for us to become a world-class manufacturer."

The PMPA/PI Worldwide partnership. PMPA's partnership with PI Worldwide provides members with a specialized tool for recruiting, hiring, promoting and team-building. Benefits include reducing costly personnel turnover, solving people problems, improving employee job satisfaction and increasing productivity.

The PI identifies a potential hire's strengths and motivations and then matches those qualities to specific jobs. When employees like their jobs, they are more committed and the company is more productive.

Since the PI was first introduced in 1955, more than 7,500 companies in over 140 countries have used it to strengthen their organizations.

PI Worldwide is a global management consulting organization that helps companies be more successful by focusing on their most important asset—their people.



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