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CLEVELAND BUSINESS

Manufacturers' Hiring Gears Up

With staffing firms' assistance, companies employ more help as production gets rolling.

Area manufacturers have gone from looking for busy work to being busy looking for people and, for once, might be leading the region in job production.

"Over the last 10 days in particular I've been hearing it — there's a lot of hiring going on," said John Colm, president of Wire-Net, a manufacturing advocacy group on Cleveland's West Side.

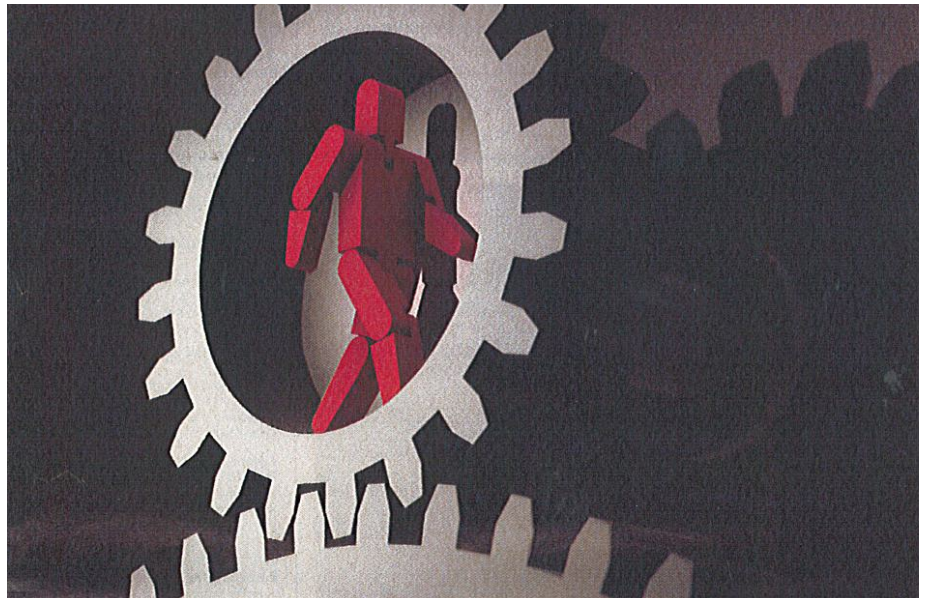
Mr. Colm has been out talking to his members and other area manufacturers recently, and he quickly rattles off a list of businesses he says have been adding jobs:

"Metal fabricating, forging, some consumer goods companies, manufacturing reps, steel processing — this is really broad based and it's everything from people bringing back a few folks to a dozen or dozens in some cases," Mr. Colm said.

Some area companies are running nearly at full throttle, and are looking for more employees to ramp up production even further. On Cleveland's East Side, Talan Industries is running its metal stamping presses 20 hours a day on weekdays, and another 12 hours on Saturday, president Steve Peplin said.

"This is about as busy as we get, with that schedule," Mr. Peplin said.

At Alliance Staffing Solutions



in Independence, recruiting for manufacturing has come to represent nearly half of the firm's revenues — and manufacturing wasn't even part of the business plan when president Aaron Grossman founded the company in 2001.

The firm's manufacturing business has more than doubled in the last 12 months, and today, with more than 400 workers placed at about 60 clients, it's the largest and fastest-growing segment for the company, Mr. Grossman said. Alliance itself just hired six

new people to recruit and screen candidates.

Mr. Grossman said the activity is not limited to any specific manufacturing niche or product category.

It's across the board — window manufacturers, companies making lawnmowers or making mixers for Starbucks," he said.

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Try before you buy

Companies say they are turning to staffing agencies not because they're afraid to make long-term hires like they were at the end of 2009, but because they get to try out someone else's employees before they make direct hires themselves.

Mr. Peplin said nearly every one of his company's 50-some employees were once temps — including some machine operators that were trained by the company for their jobs after they were hired.

"Almost everyone, 95% of our people, start off through a temp agency," he said. "It's basically a tryout."

Besides, Mr. Peplin said, it already has become hard again for manufacturers to find qualified workers in spite of Ohio's still-high unemployment rate of more than 11%.

"We're having a hard time finding people, so we want to get them on permanently when we can," he said.

Mike Gordon, president of Tendon Manufacturing in Bedford, a custom machining and fabrication shop, finds himself in the same boat.

"I am using (staffing agencies) because I can't find any people on my own," Mr. Gordon said.

Privately, some manufacturers wonder if at least some people aren't choosing to remain on unemployment compensation rather than find jobs. But, as Mr. Grossman attests, there also simply is a lot of hiring suddenly

going on in a short time frame.

"We had a client go from zero to more than 70 production workers in three weeks," Mr. Grossman noted.

Mr. Grossman thinks there's another reason manufacturers might be frustrated about finding new hires so soon after a recession — they've often trimmed down so much that they don't have the internal resources to recruit, hire and train new employees the way they once did. In slower times, a manufacturer might not mind training a new hire, but in busy times they want every hire to hit the ground running, he said.

Leader of the pack

Mr. Colm laughs when asked if manufacturers are finding it difficult to hire quality employees, because he remembers that challenge was the sector's biggest complaint during better times.

"You have more candidates," Mr. Colm said, "but it still takes time to find good people. It takes time and it takes a good process."

The plus side of the hiring challenge, Mr. Colm said, is that it's proof so many of his industrial friends are rebounding soon — which has not been the case with past recessions.

"Normally, we feel the pain first and we come out later. But, this time, it's not housing that's leading this recovery and it's not financial services — it really is manufacturing," he said. "Hopefully that is good news for this region,

because this is still a manufacturing region."

Not only did Ohio lead the nation in job growth in April — creating 37,000 jobs, compared to second-place Pennsylvania's 34,000 — but more than 12,000 of those jobs were in the manufacturing sector, according to the Bureau of Labor Statistics.