



RESPOND → PLAN → RETURN STRONGER

Manufacturing Resources for Arizona Companies

PRESENTED BY

Jim Harrison Sr. Client Advisor- AZ MEP



Arizona Manufacturing Extension Partnership (AZ MEP) Introduction and Services

COVID-19 Best Practices for Manufacturing Companies

Staffing Solutions



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Our Mission:

To make every Arizona manufacturer the most successful business it can be.





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ARIZONA COMMERCE AUTHORITY



PART OF THE PART OF THE National Network

we are a National Network dedicated to serving U.S. Manufacturers





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ARIZONA MANUFACTURING EXTENSION PARTNERSHIP

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RESULTS FOR U.S. MANUFACTURERS

According to clients surveyed¹ in FY 2019, the MEP National Network helped these manufacturers achieve:

114,650 Jobs created or retained









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MANUFACTURERS' CHALLENGES

Top challenges reported by clients:



Cost Reduction 65%



Employee Recruitment 59%



Growth 48%



Product Development 40%

NET PROMOTER SCORE®

85

Clients rated their customer experience well above industry benchmarks and indicate a strong likelihood of recommending the MEP Center they worked with to another company or colleague.²



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How We Help - Operational Excellence

- \$ Continuous Improvement/Lean Manufacturing ✓ MRP/ERP
- ✓ Staffing
- ✓ Quality Certifications (ISO 9001/AS 9100)
- ✓ Safe Quality Food Certification (SQF)
- ✓ Safety Training & Safety Manuals
- ✓ Solder Training (IPC Certifications)
- ✓ Supply Chain/Supplier Development

- \$ Inventory Optimization
- **\$** Shipping Services Cost Savings
- ✓ Technology Planning & Roadmaps
- ✓ Automation
- ✓ Work Force Development
- ✓ Sourcing



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How We Help - Business Excellence

- \$ R&D Tax Credit
- \$ Utility Tax Exemption
- ✓ HR Support
- ✓ Strategy Development
- ✓ Business Planning
- \$ P&L/Cash Flow
- ✓ Organizational Excellence

- ✓ Financial Modeling
- ✓ ExporTech
- ✓ Sales Training
- ✓ CRM Processes & Tools
- ✓ Marketing
- ✓ Cybersecurity



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Utility Tax Exemption

Arizona manufacturing companies can be exempt from paying state taxes on utilities

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- Electricity (i.e. APS, SRP, TEP, etc.)
- Natural Gas (Southwest Gas)
- Check your utility bills to see if you are paying it
- Save hundreds to thousands of dollars per month, and...

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- Eligible for a refund for up to 48 months
- The AZ MEP can help



Additional Utilities Cost Savings



Industrial Assessment Center @ ASU



A team of engineering faculty and students doing no-cost energy assessments for small-medium sized manufacturers across Arizona, southern Nevada, and New Mexico.

Since 2017, they've helped 55 companies with 281 recommendations resulting in \$2.4 million *implemented* savings.

Criteria for applying for a free energy assessment

Standard Industrial Code (SIC) Between 2000-3999 - Annual Energy Cost (per site) \$100,0000 - \$2,500,000

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 Gross Annual Sales (per site) Less than \$100 million
Number of Employees (per site) Less than 500

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To request an assessment, contact Dr. Gamze Gungor Demirci ggungord@asu.edu For more information, visit <u>https://iac.engineering.asu.edu/</u>



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- New Operational Practices to Consider in the Time of COVID-19
- Collection of strategies and new operational practices that manufacturers have implemented to improve workplace and employee safety.
- The practices outlined here are meant as examples.
- All employers should consult with local legal counsel and regulators specific to their jurisdictions and industries in developing strategies applicable to their unique workplaces.

Source: National Association for Manufacturers



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Site Access to Mitigate Exposure

- Many sites have eliminated all visitor access or are only allowing third-party visitors if they are critical for ongoing operations (i.e., maintenance or service technicians).
- Some companies are using self-certification questionnaires for staff and/or guests.

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Some facilities are using temperature screening.

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Source: National Association for Manufacturers



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Workstation Measures to Promote Social Distancing

- Companies are working to ensure that, if possible, all workers are stationed at least six feet or more from their nearest coworker.
- When six feet of distance between workstations is not feasible, some are using plexiglass or vinyl barriers between workers coupled with workplace appropriate face coverings for employees in these types of workstations.

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 The CDC recommends wearing facial coverings, such as cloth masks, at all times in manufacturing facilities.

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Source: National Association for Manufacturers



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Workstation Measures to Promote Social Distancing

- Companies are using higher-grade PPE when the six-foot recommended radius is not possible.
- Companies are usually requiring significant cleaning and disinfecting of all high-touch surfaces at a workstation at the beginning and end of a shift.
- If more than one person uses a workstation during a shift, then the cleaning and disinfecting regimen is usually more frequent.

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Source: National Association for Manufacturers



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Workstation Measures to Promote Social Distancing

 Any shared tools are usually disinfected before the next employee uses them, whether that is within a shift or between shifts.

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Source: National Association for Manufacturers

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Facilities and Traffic Management

- Companies are limiting and discouraging congregation of staff in any area where they must be closer together than six feet and/or with poor ventilation characteristics.
- Cafeterias and break rooms are frequently either closed, or they are rearranged in reduced seating formations to prevent people from sharing tables.
- Companies are seeking to install touchless appliances wherever possible including all sinks and paper towel holders.

Source: National Association for Manufacturers



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Facilities and Traffic Management

- Major emphasis is placed on frequent hand washing or hand sanitizing, and, when possible, the appropriate sinks or supplies are located throughout the facility to accommodate the increased frequency.
- Companies are focused on cleaning restrooms more frequently, and some toilets or sinks may be blocked off to help maintain social distancing.

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 Wherever possible, doors are propped open to eliminate a frequent touchpoint for many staff hands. Other companies are installing hardware that allows workers to open doors with their forearms or with a foot pedal.

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Source: National Association for Manufacturers



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Facilities and Traffic Management

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- Hallways and other walkways through buildings may be designated as oneway to reduce close-proximity passing of staff.
- Some companies are increasing the use of radios, text messages and email to reduce staff movement and face-to-face communication.

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Source: National Association for Manufacturers

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Facilities and Traffic Management

- Time clocks can cause crowds to form, and many companies have reported the following measures to help alleviate that issue:
 - Replacing the traditional technology with something that is touchless linked perhaps to each employee's cell phone or a wrist band, etc.
 - Staggering start and end times within a shift so that the time clock usage is less intense at any one time
 - Installing additional time clock stations in the facility
 - Placing social distancing markers on the floor to guide the line formation and proper spacing of those waiting to clock in or out

Source: National Association for Manufacturers

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Shift and Team Design

- Increasing the time between shifts allows for policies that ensure all workers from one shift are off premises before the next shift arrives, preventing incidental contact between workers on different shifts.
- Hand-offs are often a critical and normal part of factory operations; everything from clipboards to raw materials to forms or WIP may be regularly passed from one staff to another to facilitate work. Each hand-off should be evaluated from a virus transmission risk perspective and, where possible, reworked to be as distant and touchless as possible.

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Source: National Association for Manufacturers



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Illness or Diagnosis Response

- An important consideration is to design a plan for how an employee who reports feeling ill in the workplace will be isolated and cared for - and to make accommodations for privacy when requiring an employee to leave.
- Consider and plan for how an employee's positive COVID-19 test or likely infection due to symptoms will be handled.
 - What contact tracing among other staff will be carried out and by what means?
 - How will the employee's privacy be protected?

Source: National Association for Manufacturers

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Illness or Diagnosis Response

- Determine what facility-related steps will be taken if an employee recently onsite is assumed to be infected.
 - What cleaning and disinfecting protocols will be followed?
 - What communications will go out to employees?

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 As a representative of a community facility, consider developing a working relationship with county health officials so that reporting and mitigation can be addressed smoothly and proactively.

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Source: National Association for Manufacturers



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Returning Nonessential Workers

- Companies are determining which workers should return to the workplace based on their effectiveness working remotely versus on-site.
- Companies are communicating clearly and regularly with employees about onsite safety protocols in advance of their return.
- Companies are monitoring reintegration and reinforcing protocols and policies as necessary.
- Explaining the return-to-work philosophy of the company can be helpful in addressing employees' concerns.

Source: National Association for Manufacturers

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• Contact AZ MEP if you'd like us to send you the link to the full report.

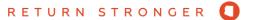
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Source: National Association for Manufacturers



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Problems and Questions to Consider:

- How many open positions do you have?
- How long have the positions been open?
- Why are the open positions difficult to fill?
- Are there hidden costs associated with your open positions? How much?

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- Are these open positions affecting your ability to deliver to customers?
- Do you have high employee turnover? If so, why? Mis-hires?

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How much does a Mis-hire cost your business?



AZ MEP Can Help

- We bring together many local resources and connect though our network.
- We have compiled a list of resources with contacts to: universities, colleges, nonprofit organizations, veterans and apprenticeship programs.
 - Contact AZ MEP if you'd like a copy www.azmep.org (602) 845-1256

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- We have worked with Arizona@Work to connect companies who are downsizing to companies that are hiring for similar positions.
- We have recruiting partners for Temp. to Perm. labor and direct hire.

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AZ MEP Staffing Success

- Staffing capabilities include entry level positions to C-suite level.
- Our recruiters can use a national level search if necessary.

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- Our clients have said that after several poor experiences trying to find well qualified candidates from other recruiters, ours has sent them the best!
- Our recruiters, like all our partners, are vetted through a rigorous process before they are added to our Qualified Vendor List (QVL). Most of our partners have worked with the MEP for years.

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AZ MEP Staffing Success - Direct Hire Positions

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- Assistant Buyer
- Controller
- General Manager / VP of Operations
- Global Vice President Operations
- Global Vice President of Sales
- Procurement Manager
- Production Manager

- Production Supervisor
- Product Design Engineer
- Quality Manager

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- Specialized Machinists
- Sr. Cost Accountant
- Vice President of Sales

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AZ MEP - Supplement Company's Resources

- We can help with the screening and interview process including DISC profiles for candidates that companies find on their own.
- DISC measures a candidate's tendencies and preferences from four reference points (Dominance, Influence, Steadiness, and Conscientiousness)
- This helps a company with insights to fit a candidate to the culture and position
 - Reduce the chance of a mis-hire
 - Reduce turnover



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Thank You

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