

COMPANY OVERVIEW

This medical device company (hereby referred to as the “company”) develops, manufactures, and markets products that simplify, automate, and innovate complex biomedical testing. More than 275,000 of its systems operate in both Diagnostics and Life Sciences laboratories on seven continents. Headquartered in the United States, the company employs over 10,000 employees worldwide with operations in the Americas, Europe, Africa, Middle East, and Asia / Pacific.

This case study focuses on its major logistics and distribution operations center located in Northern Kentucky. This center handled the company’s entire product line and served as the main distribution point for most of its global operations divisions, including both ground and air freight. It ships anything from large, capital equipment to consumable items such as reagents, plastic laboratory analysis devices, and service parts.

BUSINESS ENVIRONMENT AND CHALLENGES

The company was experiencing growth tied to recent acquisitions of multiple other diagnostic manufacturers between 2013 and 2014. Subsequently, it was announced in March of 2014 that the company was planning to complete a \$10 million expansion of the Northern Kentucky location’s operations. This growth, along with other contributing factors for increased capacity, inspired the company’s parent company to conduct a formal performance assessment of the distribution center. The results of the assessment indicated that the center was underperforming and not meeting the expectations of the parent company’s and the operating company’s executives. As a result, it was identified as a top strategic priority of 2015 to make the proper improvements; ensuring that the facility would function at the output level commensurate with expectations and customer shipping demand projections.

To address this challenge, a cross-functional team comprised of many parent and operating company executives was organized in a concerted effort to identify course corrections. This team included, but was not limited to, Human Resource leaders from the company’s corporate headquarters, as well as selected distribution and logistics executives from other North American sites. Together, with the help of local management, the team identified the need to add a fourth shift to the facility’s operations. The facility was already operating on a 24/7/365 schedule and a three shift rotation. The fourth shift, known as a “swing shift,” was built to rotate hours from week to week and have personnel focus in specific areas that saw decreased productivity in certain portions of the schedule, such as lift and packing operations. It was to consist of 182 days of work and 182 days off during a one-year period. The schedule is detailed below.

Figure 1: Hebron Fourth Shift Schedule

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Week 1		12hr	12hr			12hr	12hr
Week 2	12hr			12hr	12hr		

BUSINESS ENVIRONMENT AND CHALLENGES CONTD...

One major challenge faced by this new team was the local labor market for shipping and receiving professionals. Recruiting high-caliber talent in this area was a hyper-competitive process due to a high number of other major organizations in the area who also hired aggressively for these types of job profiles. The competition the company faced included other similarly-sized organizations, as well as members of the Fortune 500, including UPS, Amazon, Levi's, DHL, eBay, Kellogg's, etc. Coupled with that challenging recruiting environment, the company's next challenge was identifying the correct method to staff this fourth shift in a timeline that was much more aggressive than the site's current talent acquisition strategy was believed to be capable of achieving.

At that time, the talent acquisition strategy at the site operated at a tactical and local level. Permanent, direct hire positions were posted, and candidates were sourced for them largely on an as-needed basis. Minimal hiring standards were adhered to, and there was no strategic focus on candidate experience. There were two full-time HR Generalists on site, and two staffing agencies were utilized to staff the high volumes of non-exempt, temp-to-perm Shipping and Receiving professionals that made up a large portion of the workforce. Macro-level reviews of performance assessments showed that many candidates who were identified and hired through this strategy could not meet the needs of the company, struggling with consistency and attendance. To help mitigate these hiring issues and solve staffing and business needs, the company made the decision to transition from a contract workforce to a permanent/direct hire workforce while staffing overall headcount for Shipping and Receiving, starting with this fourth shift. Complicating matters, two weeks after initiating the new process, one HR Generalist resigned at the Hebron location, and a new HR Leader was moved in to temporarily support the site. Executives assessed the ability of the current TA structure to meet the needs of this aggressive, highly visible, and rapid hiring implementation and determined that an alternate solution was needed.

BUILDING THE STRATEGY

It was determined that the company should first attempt to convert as many of the current contracted employees as was feasible to permanent status, thus limiting the number of true external hires that would need to be made to fill out the roughly 140 vacant positions on the fourth shift. This would require a site-wide mechanism to assess, interview, and properly onboard those employees that were being converted. Personify was requested to help, and having an understanding of the visibility and urgency of the project, they immediately provided a dedicated onsite resource to manage the company's temp-to-perm throughput and HR support. The activities assigned to this individual included interview coordination, offer generation, pre-employment testing support, and various onboarding activities. Personify identified the dedicated resource for the project within two days of the request, and the resource, along with Personify's Director of Service Delivery, were on site and began managing a hiring fair within one week of the initial request.

SOLUTION

After four weeks of on-site support in the temp-to-perm conversion, the company reached out to Personify, as well as a second RPO provider, requesting they both provide proposals to solution the second portion of the project—recruiting and hiring the remainder of the approved headcount for the fourth shift. A small portion of the contractors had been hired; so now, the approximately 140 direct hires would need to come from external sources. In addition, the proposals needed to include strategies, timelines, and costs to overhaul the entire hiring and candidate experience process for the site. Within 24 hours, Personify developed a proposal designed to manage full-cycle, multi-faceted candidate sourcing that provided extended on-site support and delivery of the hires within 6 weeks. The proposal included a variable cost structure that associated different placement fees with the source of and the method used to hire each candidate. Based on its analysis of the labor market, Personify presented a program that projected a total spend for the company of \$393,250 with an absolute maximum cost exposure of \$490,000. The company rapidly chose Personify as the solution provider for the project, and Personify began implementation immediately.

BUSINESS IMPACT

Building on the momentum created in the first four weeks, Personify implemented the framework of its proposal and, over the next six weeks, recruited and assisted in the onboarding of 151 Associate Distribution Technicians with a total cost to the company of \$304,103, or \$89,147 under the estimated total cost in the original proposal. The fourth swing shift was fully staffed and, as it was designed to do, greatly added to the efficiency and level of output of the facility.

All in all, Personify helped facilitate and successfully manage the impact of an agile, flexible mobilization of resources on a high-volume hiring blitz for specialized roles in a hyper-competitive market. Personify was able to build and deliver a turnkey, replicable process that included:

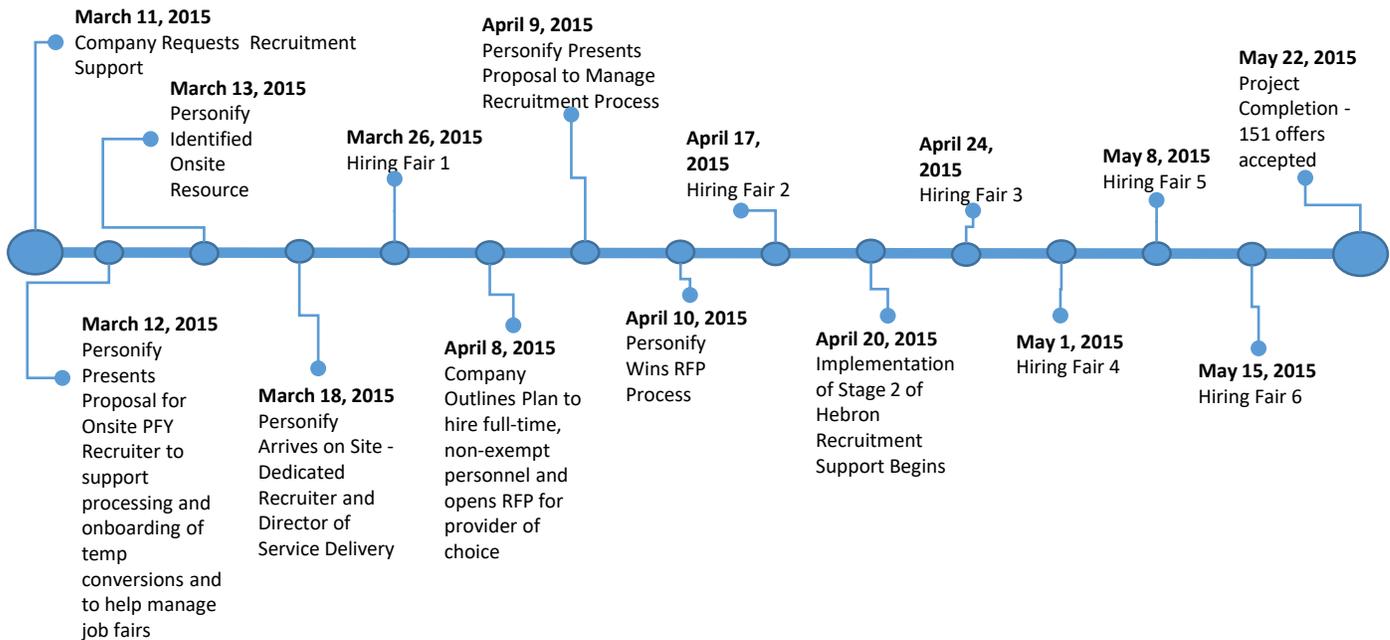
- Geographically-gear advertising campaigns
- Direct sourcing from any and all local and regional candidate pools
- Aggressive networking within regional industry groups and pockets of talent
- Planned and executed Hiring Fair management and support
- Onsite resources supporting “grass-roots” recruitment and HR administrative support
- Leveraging of local employment agencies, trade associations, social media groups, and heavily trafficked local brick-and-mortar (restaurants, etc.)

TIMELINE

The entire project, from the initial request for additional onsite support to the completion of Personify’s process proposal, lasted approximately 11 weeks. Personify identified the onsite resource to supplement hiring needs within two days of receiving the request from the company. Upon receiving the RFP for the second portion of the project (recruiting external candidates), Personify identified an additional onsite resource. Upon winning the RFP, that resource was on the ground and conducting a hiring fair on the company’s behalf within one week. Within one more week, Personify conducted a second hiring fair and began implementation of the proposed “grass-roots” strategy. Four more hiring fairs were conducted during the project life cycle, and after just 6 weeks of aggressive onsite recruitment efforts, 151 positions were filled and the project was complete, with additional time required for finalizing background checks and processing the candidates’ onboarding.

Figure 2: Hebron Project Implementation Timeline

Hebron Timeline



CURRENT ENGAGEMENT

Today, with the performance of the center stabilized, there is a team of HR Business Partners on site operating the company’s traditional talent acquisition model. The program implemented by Personify was considered such a success for local “grass-roots” efforts that it is currently replicating the structure at other organizations and clients with similar high volume needs for specialized roles.