

Addressing Business Needs Through Worker-Centered Approaches: Case Studies in the Manufacturing Sector

Evidence and Action for Employers, Policymakers, and Advocates

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A new, WorkRise-funded report, *Centering Workers and Advancing Business Needs: Nine Case Studies of Partnerships in the Manufacturing Sector*, examines the relationship between employers and workers through case studies of nine small- and medium-sized manufacturers (SMMs) that worked with local intermediaries across the United States. In the manufacturing industry, intermediaries can be nonprofit, public, or quasi-public organizations whose primary role is to connect smaller manufacturers with financial, network, informational, or other resources to enable strategic transitions. In these case studies, manufacturers—with the help of intermediaries—centered worker collaboration and advanced positive reforms in technological upgrading, business succession, and environmental sustainability. The case studies describe how involvement from these intermediaries encouraged businesses to consider worker involvement as a lever for improving worker mobility and productivity.

WorkRise staff have synthesized the report's findings and recommendations to inform next steps for employers, policymakers, and advocates to change policy and practice.

Manufacturing Employers

Work with intermediaries to center worker input and spur business growth. Intermediaries addressed manufacturers' business challenges through worker involvement. For example, a machine tool business in New England partnered with a technology vendor to use worker feedback to design a more productive software system. Incorporating worker feedback into the software redesign process resulted in a new system that allowed the business to resolve production problems more efficiently, improved the workers' experience of the software, and used technology in ways that furthered business objectives.

Cooperate with different types of intermediaries to facilitate employee ownership transitions and ensure business longevity. Intermediaries provided expertise to guide businesses and workers through smooth and timely ownership transitions. Snow River Cooperative, a unionized wood products manufacturer from Wisconsin, was preparing to close within a few months due to the owner's decision to exit the business. However, the company remained open and transitioned to employee ownership through collaboration between the labor union, the owner, the University of

Wisconsin's Center for Cooperatives, and Shared Capital. These intermediaries provided workers with remote and in-person technical assistance, advice on how to best structure the deal, a loan for the sale, and credit for ongoing working capital needs. Snow River is now a worker-owned cooperative that has kept business in the community and preserved family-sustaining wages.

Employee assistance for ownership transitions can also include creating in-house training systems about trust structures; helping workers navigate the legal, financial, and organizational complexities associated with an ownership transition; promoting individuals with prior experience as worker-owners in manufacturing operations; offering mentorship to new owners; and ensuring high-quality, family-sustaining wages and cost-savings through strategic partnerships around health insurance and other employee benefits; among many other strategies. Active intermediary involvement helped demystify the steps needed to successfully move ownership to frontline workers and was essential for reducing risk factors associated with the transition for current workers and owners alike.

Explore modest opportunities for worker feedback that build trust and engagement toward implementing larger strategic changes. Intermediaries facilitated a shared vision by helping to implement a sequence of reinforcing tasks and actionable steps. Before implementing any technological upgrades, Oregon Manufacturing Extension Partnership advised World Class Technology Corporation, a metal injection molding company in Oregon, to build worker trust through small engagements such as safety and process improvement feedback boards. This laid the foundation for greater collaboration in integrating new analytics software. The intermediary's approach encouraged workers to identify and implement innovations to support business productivity, which strengthened the company's strategic position.

Collaborate with intermediaries to tailor worker training before and during organizational changes. Intermediaries encourage businesses to take training seriously. Buffalo Manufacturing Works provided a series of workshops and trainings to support automation implementation at Astronics Luminescent Systems Inc., a manufacturer of lighting products for the aircraft industry. After identifying a technological solution to a time-consuming, manually performed task in the production line, the intermediary offered a five-day intensive course to teach incumbent workers how to program and operate the new robots, as well as other trainings to enable workers to move into new occupational and organizational roles. Intermediaries can tailor content to individual firms' needs to provide such training, which can alleviate the burden on resource-strapped SMMs, build a supply of skilled manufacturing workers, and enable manufacturers to successfully adapt to changing conditions.

Intermediaries play a vital role in advancing worker collaboration and supporting small- and medium-sized manufacturers through strategic transitions in technology, ownership, and sustainability. Strengthening and scaling intermediaries is critically important for the future of the entire US manufacturing sector and must be supported by actions of local, state, and federal governments.

State and Local Policymakers

Support diverse types of intermediaries. Intermediaries can include organizations such as the US Manufacturing Extension Partnership, community colleges, financial institutions, and labor unions. Rather than focusing on a specific type of organization, policymakers, funders, and manufacturers

should recognize that the most successful intermediaries have the right reputation and resources for the specific business goals and community.

Foster connections between local intermediaries. Even the most well-resourced intermediaries cannot act alone. Building regional manufacturing capacity may involve a wide network of education institutions, technology vendors, suppliers, public organizations, and more.

Fund intermediaries with public resources. Public workforce and economic development organizations, as well as regional foundations, can fund intermediaries by using their federal and state dollars. Directly investing in or amplifying funding for intermediaries can help match resources for different business goals and types.

Help intermediaries connect workforce investments with community economic development goals. With the help of intermediaries, SMMs can use place-based assets, including existing infrastructure, supply chains, and incumbent worker expertise, to produce equitable and sustainable benefits for their communities. Workforce development investments made with intermediaries can advance community economic development goals and bring new funding to communities that may have previously been underinvested in and disenfranchised.

Regions and National Policymakers

Create cross-regional opportunities for learning. Policymakers across regions, in partnership with employers and practitioners, can learn from organizations in other states and localities that have already made substantial progress, even if they do not yet have the capacity to support local SMMs and their workforce. Newcomer regions can build on existing models, adapting successful practices from elsewhere to reflect their local conditions and assets.

Connect with and scale with established intermediaries. Nationally focused institutions and well-networked organizations that care about creating equitable workplaces and economies, like labor unions, can lead in fostering cross-regional learning and coordination. These organizations offer resources for employees and employers looking to learn and collaborate through a well-tested platform for broadening and broadcasting institutional influence and impact.

Target intermediary help to communities that need it most. While some communities may have a diverse set of intermediaries to choose from, others—such as those within rural areas—may not have an obvious partner to work with in the manufacturing sector. Regional and national policymakers should conduct a needs assessment of where help is needed most and incentivize partnership in these underresourced communities.

Coordinate across regions to advocate for state and federal policy change. Intermediaries and their institutional partners can play a leading role in ensuring these transformative federal investments reach more SMMs by also elevating workers' voices. Regions within the same state or those in bordering states can come together to identify and resolve funding and institutional gaps in manufacturing.

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For more insights on these findings and recommendations, see the full report authored by Nichola Lowe, Sophie Kelmenson, and Jenna Myers at <https://www.workrisenetwork.org/publications/centering-workers-and-advancing-business-needs-nine-case-studies-partnerships>.