Case Study December 2002

Breaching the Access Barrier
Developing and Retaining Talent at Palliser Furniture

The Education and Learning case studies examine outstanding education and lifelong learning programs and initiatives. This case study addresses workplace literacy.

OVERVIEW

Palliser Furniture Ltd. manufactures wooden and upholstered furniture for home and office use. The Winnipeg-based company, which began in the basement of a Russian immigrant's home, now employs more than 5,200 people and is Canada's leading home furniture manufacturer.

Palliser's workforce is ethnically and linguistically diverse. The company's vision statement speaks of "building value with values." Key corporate values include "demonstrating integrity in all relationships, promoting the dignity and value of each other, and striving for excellence." These values are supported by a strong tradition of workplace education.

Palliser regards solid grounding in basic skills among its employees as fundamental to its business success. The company looks for people who have positive workplace attitudes and abilities when it is hiring new employees, as demonstrated through a track record of good attendance, productivity, cooperation, and the ability to communicate and get along with co-workers. Clearly, strong literacy and numeracy skills greatly

Effective practices case study in providing training and supporting workplace literacy

Name of Program
Essential Skills

Date Established
1987

Skills Developed
- Literacy and Numeracy
- Leadership
- Communication
- Teamwork

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enhance employees' workplace performance, particularly as they relate to retaining and applying information consistently, taking instructions well, and carrying out assigned tasks accurately.

Through the aid of Workplace Education and Manitoba Adult Literacy, Palliser began offering upgrading classes in literacy and language in 1994, after conducting a comprehensive needs assessment. Every year since then, the company has conducted an annual assessment to identify employees' training needs. Over the years, Palliser expanded its course offerings from *English as a Second Language (ESL)* to *Health and Safety, Preparing for Retirement, Leadership Training, Cultural Diversity* and *Speechcraft.* The company now offers more than a dozen literacy classes from September through June.

In 2001-2002, Palliser developed and delivered three new courses: *Reading and Writing for Lead Hands, Manufacturing and Leadership,* and *Using the Computer to Read and Write.*

Palliser's rich education and learning program underscores the company's commitment to engaging employee potential through basic skills education.

LEADERSHIP SKILLS TRAINING AT PALLISER

Palliser provides a broad mix of training for its managers, as well as its employees. Along with four other companies, Palliser subscribes to the Management Development Institute, which offers supervisors and managers training in *Business Fundamentals, Quality Principles, Manufacturing Process, Verbal* and *Written Communication, Conflict Resolution, Cultural Diversity, Time Management, Leadership, Workplace Legislation* and *Health and Safety,* and *Human Rights Legislation.* Palliser supports a similar menu for other employees.

OBJECTIVES

- To ensure that employees have the right combination of generic employability (or soft) skills and job specific training to perform effectively in their jobs
- To identify and develop employees who demonstrate leadership potential
- To build base competencies and realize employees' full potential over time

- To reduce turnover, error rates, and costs associated with wasted material
- To help employees meet the changing needs of their jobs (e.g., ISO 9001 Compliance—an internationally recognized quality management certification)
- To improve employee morale

TARGET GROUPS

- Potential new employees
- Trainees
- All employees

ACTIVITIES

Palliser approaches employee training and development by helping to overcome barriers to workplace education. There are three stages to the company's approach to basic skills training. The first two stages—an assessment prior to hiring and a kind of "mini-apprenticeship" in Palliser's employment pool—are formally very well supported. A third stage, developing staff in their production teams, is more informal and is currently being revamped to support the groundwork laid in the first two stages.

Stage 1: Pre-Employment Assessment

Pre-employment training began as an unpaid introduction to the company for people who hoped to get a job in one of Palliser's Winnipeg plants. Many of these individuals had little or no Canadian workplace experience. Prospective employees received 20 hours of pre-employment training (four five-hour sessions), as a way of breaking into the Canadian labour market.

Pre-employment training participants receive instruction in the safe handling of hand tools and an introduction to workplace vocabulary. The training is delivered by employees who know from experience what it is like to be new to the Canadian workforce, have worked in Palliser's plants, and have taken one of Palliser's leadership development courses. Through pre-employment training, prospective employees also receive coaching on how to have a successful interview and learn about the Canadian work ethic and cultural context.

A new assessment/training program has been developed, in which every applicant for employment with Palliser's upholstery division is required to attend 10 hours (two five-hour sessions) of orientation and assessment. The pilot program serves a bridging function and includes key components from the original pre-employment training program.

A signature feature of the assessment stage is the company simulation exercise, in which small teams manufacture paper wagons for delivery to a customer. During this exercise, potential employees are encouraged to follow instructions carefully, collaborate with fellow team members, dividing labour and tasks amongst themselves, receive feedback, and apply problem-solving principles, to produce a high-quality product. A basic customer expectation in the exercise is that quality defects will be corrected, which adds an "awareness of customers" and an understanding of the value team members can add to the manufacturing process.

During the company simulation, prospective employees are challenged to show initiative, once a work assignment has been made. The exercise illustrates the importance of teamwork and the value individual team members can add by removing a team member partway through the simulation. This forces participants to reflect on the consequences. Throughout the simulation, prospective employees are given feedback. They are encouraged to talk about their experiences and reflect on what they have learned and how it relates to real workplace situations.

Pre-employment assessment also prepares prospective employees to make use of the coaching provided at Palliser.

Stage 2: Skills Development in the Employee Pool

New employees hired into the employee pool begin by learning job-specific tasks (e.g., upholstery, framing, springing, assembling, cushion-filling), learning to reflect on their own performance, and receiving feedback on their abilities and progress from an employee. In the employee pool, learners work in a small team, to build pieces of furniture. Careful attention is paid to developing new employees' job-specific skills, as well as their employability skills. The following employability skills are emphasized:

- Attendance—coming to work on time every day;
- Team work—including the ability to communicate ideas and concerns to a team leader and fellow team members, as well as a willingness to share what they know with others who could learn from them;
- Safety—working safely and reporting unsafe conditions in a timely manner to appropriate personnel;
- Work ethic—including having a positive attitude toward work and demonstrating a willingness to try new things and to learn; and
- Effort—showing initiative, meeting deadlines, being open to change, performing consistently on the job.

While new employees are learning to be part of a furniture manufacturing team, their skills are assessed (including their comfort level with learning how to use tools, how well they follow through on instructions, and whether they consistently apply techniques learned or need to be "shown again"), and their suitability for positions within the plant is determined. Employee pool staff place new employees on manufacturing teams, once their job-specific training is complete. At this point, new employees are expected to contribute to the manufacturing process, wherever their skills are best suited.

During their participation in the employee pool, new employees are assessed by the company, and assess themselves, on a weekly basis. Palliser's trainer rates trainees on a four-point scale, from "needs improvement" through "satisfactory" and "above average" to "outstanding." Candidates are rated according to their knowledge and abilities, (e.g., being able to identify the different parts of a frame, knowing how to use hand and air tools), their awareness and application of quality standards, and their observance of safety requirements and procedures. In addition, new employees are measured on their productivity, with the number of quality defects in their work taken into account. Finally, employee pool staff assess new employees' records, in terms of the number of late arrivals, absences, and early departures, and the number of conflicts in which they have engaged, as well as the number of safety incidents/policy infractions they have committed. Trainers also ask new employees to self-assess their own performance in these areas. They are asked to comment on their experiences in the employee pool, including what they have learned in training, and what other sorts of training they would find helpful.

Stage 3: Training on the Production Line

Once new employees are assigned to manufacturing teams, their performance and development falls under the purview of their supervisors, the team leaders.

At Palliser, team leaders are primarily responsible for meeting production targets (a number of pieces of furniture within a given time frame). But Palliser believes that team leaders also play an important role in shaping employees' skills and engaging them in helping to make the business successful, through dedication to quality and process. This belief is consistent with the Conference Board's research findings on the efficacy of workplace education programs.[1] Findings show that, when line managers are involved in delivering or supporting workplace education, their direct reports' skills are applied more consistently.

Ongoing Skills Development at Palliser

Building on the foundation of this three-stage training program, Palliser helps its employees address their literacy, numeracy, and computer skills needs at every level. Essential skills programming includes:
- *English as a Second Language* courses
- *Reading and Writing for Lead Hands*
- *Manufacturing and Leadership*
- *Using the Computer to Read and Write*
- *Math Modules*—six four-hour math modules, covering addition/subtraction, multiplication/division, imperial/metric conversion, percentages, fractions, and decimals

Palliser's essential skills strategy is to develop fundamental literacy, numeracy, and computer skills at different levels of proficiency, along with workplace-related training activities. The idea is to enhance employees' literacy skills, as they progress and are able to take on additional responsibilities, requiring more advanced essential skills.

RESOURCE REQUIREMENTS

Palliser pays for:
- 100 per cent of most programs. However, new pilot courses are often initially funded by Adult Language Training (ESL), and Industry Training Partnership (Literacy), which cover 50 per cent of teachers' salaries
- 100 per cent (upon proof of completion) of the cost of job-related continuing education courses
- 75 per cent of the cost of work-related training courses (such as machining and computer literacy)
- 50 per cent of the cost of personal development courses (such as language courses)

INNOVATION

Palliser real innovation lies in the company's commitment to its employees. Palliser's President, Art De Fehr, believes he has a moral responsibility to educate entry-level employees and to "uncap" their potential by developing their literacy and numeracy skills, their technical competence, related to the production of high-quality pieces of furniture, and the people skills that are so important to developing leadership within the company. Since 1987, the company has demonstrated a continuous commitment to developing employees' essential skills. Some trainers and teaching assistants are developed and recruited from within the company; they are able to learn from one another through regularly scheduled visits to each other's classes.

BARRIERS

Before employees can begin to address their literacy and numeracy challenges, they may face many barriers, including:
- Lack of time and the transportation to pursue literacy and numeracy training.
- The absence of a foundation in English, upon which to build a larger vocabulary.
- Fear of computer training because of a lack of essential literacy skills.
- A lack of experience in using tools or working in a plant.
- An inability to keep up with the pace of learning.
- A feeling of isolation if they don't have any friends working with them, or if no one on the production line speaks their language.
- Difficulty, because of cultural diversity, resolving conflicts and accepting women in non-traditional, team leader roles.

- Finding that they are unable to keep up with the pace of work or to perform several tasks at one time.
- An inability to apply new ideas learned in training to the job.
- Difficulty balancing personal or family problems.

Team leaders can help new employees to overcome barriers to skill development, by:
- Screening potential employees through mock workplace activities.
- Making suitable placements from the employee pool, such as placing new employees in roles where they can use talents that have been identified, rather than treating them as "interchangeable parts."
- Engaging line managers or team leaders to continue staff development on the production floor.
- Overcoming team leaders' fears that accepting coaching support (for themselves), means losing authority and the respect of co-workers.
- Reducing the high cost of staff turnover; Palliser estimates that losing an employee in the first three months costs the company between $15,000 and $25,000, including direct costs and production time lost in training.

SOLUTIONS/KEYS TO SUCCESS

Regarding Literacy as A Process, Not an Event
- Treating ESL and literacy as a continuous process, not a one-time-only "vaccination."
- Marketing the benefits of literacy to supervisors, on an ongoing basis. Writing workplace documents (everything from assembly instructions to job evaluations) in plain language.

Commitment to Employee Education from Senior Management
- Regarding workplace education as part of the business.
- Actively removing barriers to employee advancement, through workplace education.

Supporting New Employees
- Coaches introducing themselves to new employees and giving them a list of work contact numbers.
- Giving new employees a complete tour of their work area.

- Communicating expectations to new employees regarding safety, quality, productivity, conflict resolution, and punctuality.

Articulating Different Phases of Training
- Ensuring that pre-employment training establishes a baseline for further skills development—potential new employees should develop a familiarity with the company and its processes at the most basic level. They should also begin to demonstrate initiative, cultural competence (mutual respect), cooperation, flexibility, organizational skills, quality, and customer service.
- Ensuring that job-specific training in the employee pool instills in new employees a comfort level with using tools and performing tasks. This training should build on soft skills training that began at the pre-employment stage. In the employee pool, new employees need to learn how to self-assess and to ask for, accept, and act on feedback from a trainer.
- Ensuring that job-specific training and employability skills are reinforced in interactions between new employees and their team leaders, as well as providing coaching support to help line managers to do this effectively.

Encouraging Line Managers to Make Suitable Placements on Production Teams
- Placing new employees on teams, based on the knowledge, skills, aptitudes, and abilities they have demonstrated during their period of supervision in the employee pool—setting new employees up for success.
- Consulting with trainers in the employee pool, to help new employees perform more effectively in their new roles.

Assessing the Impact of Workplace Education Programs
- Having supervisors assess the impact of workplace education programs annually.
- Setting new priorities for training on the basis of regular needs assessments.
- Having essential skills advisory teams (consisting of plant floor employees) meet with teachers, to give them insight into employee needs.

OUTCOMES

- Since 1987, more than 500 employees have enrolled, on an annual basis, in Palliser's essential skills programs in literacy, ESL, and math.
- Palliser currently offers seven ESL and three literacy classes, to help employees develop foundation skills.
- Employees who participate in ESL are significantly less likely to leave Palliser than those who do not participate.
- Employees who participate in ESL have become trainers and ESL class teaching assistants.
- One lead hand took a 60-hour literacy course and was promoted to supervisor.
- Many employees who have taken literacy classes are now enrolled in supervisor or lead hand training, where more reading and writing skills are required.
- In one division of the company, more than 50 per cent of employees have voluntarily taken one, or more, math modules.
- As a result of literacy, numeracy, and computer training, one employee moved from being a sewer and pattern cutter to becoming a prototype builder, adapting a designer's ideas into furniture models to be mass produced in the factory.
- Newly promoted employees attended *Reading and Writing for Lead Hands* from January to June 2001. They have displayed an improved ability to use a dictionary, write memos, place orders, make presentations, prepare written instructions, and write accident reports.
- Twelve employees who participated in a *Manufacturing and Leadership* course from January to June 2001 subsequently applied their knowledge, communication, and leadership skills as trainers in pre-employment training; six became permanent part-time trainers. With the assistance of Workforce Manitoba, the curriculum for the *Manufacturing and Leadership* course is being published, and will be used as a model for other manufacturing industries.

- Employees who did not take advantage of the 50 to 100 per cent company-sponsored, off-site, computer training, because of lack of basic literacy skills, took Palliser's *Using the Computer to Read and Write* course from October 2001 to March 2002; they are now developing reading and writing skills on-line, in Palliser's on-site computer lab.

IMPACTS AND BENEFITS

For Employees

Participating in the Manufacturing and Leadership course gives them the capacity to:
- Learn how to divide work, manage work flow.
- Develop skills to encourage co-workers to ask questions, learn from mistakes, and work together in teams.
- Learn techniques to resolve conflicts arising from cultural diversity, coach older workers and new recruits alike, build workers' confidence, by starting with simpler tasks and progressively adding more responsibilities, explain the production process and underlying implications for the business, and explain to co-workers the consequences of not adhering to the principles of a "lean manufacturing process."
- Practice preparing instructions, asking/answering questions, and using coaching techniques, that employ body language, pen and ink sketches, simple words, showing rather than telling, and encouraging learners to prepare a note for themselves in their own language to help reinforce what they have learned.
- Become trainers for prospective employees.

Participating in literacy, numeracy, and computer courses helps an employee:
- Become an ESL teaching assistant at Palliser.
- Increase self-confidence.
- Move into a new job or get a promotion.
- Learn strategies for interacting across cultural barriers.
- Speak up during meetings.
- Learn how to write notes to supervisors.
- Improve in other workplace training (e.g., supervisor or lead hand training, which require more reading and writing skills).

For Palliser

Training helps the company:

- Recruit ESL teaching assistants from among its employees.
- Develop leadership and management potential.
- Hire people with job skills or aptitudes, but who have English language challenges.
- Develop the teamwork skills of employees, which leads to fewer interpersonal problems on the production lines, better communication on the shop floor, and improved safety awareness.
- Find employees who are more likely to read company documents.
- Reduce error rates.

USE AS A MODEL

Other industries could benefit from Palliser Furniture's approach to releasing employee potential through basic skills training, complimented by technical and interpersonal skills training. Other companies with similar levels of senior management commitment to improving employee capacity could learn from Palliser's example. The Palliser model could also benefit companies that want to engage supervisors in the training equation and that are interested in developing trainers and teaching assistants from among company ranks.

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1 *Strength from Within: Overcoming the Barriers to Workplace Literacy and Basic Skills Development* (forthcoming).

About the Education and Learning Case Studies

The Education and Learning case studies examine outstanding education and lifelong learning programs and initiatives. The case studies provide in-depth analysis of the methods used to develop, assess, implement, and deliver education and lifelong learning in schools, colleges, universities, workplaces, and communities. They focus on goals, activities, resource requirements, achievements and outcomes, benefits, innovations, and keys to success and challenges.

This case study is one of a series addressing workplace literacy and basic skills development. The series is part of the *Overcoming Barriers* research project on workplace literacy being undertaken by The Conference Board of Canada and funded by the National Literacy Secretariat, Human Resources Development Canada.

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