

Desperate to fill jobs, employers are offering free college, pet insurance, all kinds of incentives

[Rick Barrett](#), Milwaukee Journal Sentinel, September 2, 2021

As Hurricane Ida left a million people on the Gulf Coast without electricity, a thousand miles away in Wisconsin, Generac Power Systems was running flat out to meet the demand for portable generators.

The Waukesha-based company has hired more than 1,500 people in the last 12 months alone, and Ida underscored the need to fill even more positions at its factories in Wisconsin and South Carolina.

Generac has approximately 1,200 job openings at its U.S. locations. The company expects to hire hundreds of people by the end of the year, including 400 at a new plant in Trenton, South Carolina, said Aaron Jagdfeld, company president and chief executive officer.

Generac now has record-high employment of around 8,000 people.

"Every time we hit a new peak, it goes even higher. But it's a good problem to have," Jagdfeld said.

Still, a persistent shortage of workers during the COVID-19 pandemic has complicated the economic recovery for many manufacturers and their suppliers.

Some companies have said their business would grow 50%, or more, if they could find enough help. Many were struggling to fill jobs even before COVID-19.

"It's almost as if the pandemic poured gasoline on a forest fire," said Tim Sheehy, president of the Metropolitan Milwaukee Association of Commerce.

No question, Wisconsin employers have been forced to lay off tens of thousands of people during the pandemic. Many of those jobs remain unfilled because the work simply hasn't returned to pre-COVID levels.

"It is too early to predict that 'normal' is on the horizon. This recovery is fragile," noted a report this summer from the

Center on Wisconsin Strategy (COWS) at University of Wisconsin-Madison.

"More than 126,300 jobs have been lost. And as we have noted throughout the pandemic, the very workers who faced the lowest wages are the ones who carried the brunt of this," COWS said.

But the shortage of qualified help is acute. In the current top 50 categories of job openings in southeast Wisconsin alone, 167,000 more people would be employed if those jobs were filled, according to the Metropolitan Milwaukee Association of Commerce.

Aggressive in hiring, recruiting

More than 60% of the COVID-related job losses have been recovered, the MMAC said, and companies have become both aggressive and creative in their recruiting efforts.

They're offering bonuses, flexible work schedules, even pet insurance, to entice new hires.

Central Standard Distillery, in Milwaukee, offered bottles of spirits to workers who signed up with the company at a June 25 hiring event. La Crosse-based Kwik Trip has offered a \$10,000 sign-on bonus for fuel truck drivers, and the Milwaukee County Transit System has offered a \$2,000 signing bonus for mechanics.

Generac has used a combination of strategies, including pet insurance, to fill jobs.

"We end up having to hire people who are already gainfully employed," Jagdfeld said. "I'm a little concerned that as (manufacturers) close out this year and start 2022, this problem is probably going to get worse before it gets better."



Generac employee, Sherri Wetleitner, works on assembling engines that go into air cooled home standby generators at Generac in Whitewater on Tuesday, August 31, 2021. Generac has added hundreds of jobs in recent months and is busy making generators for Louisiana due to hurricane Ida. Mike De Sisti / Milwaukee Journal Sentinel.

Some don't show up for interviews

Early in the pandemic, GenMet, a metal fabrication company in Mequon, lost about 35% of its business. But it never had a layoff, says CEO Eric Isbister.

At one point, business was so slow, he kept people working through a variety of means including maintenance projects and rebuilding an old wooden bridge over a swale behind the factory.

"There was no reason why anyone would ever use that bridge, but we built a new steel one," Isbister said.

Now, as business has rebounded, the company can't find enough welders and metal fabricators. "I could double the size of this business, easily, if we could get more people," the CEO said.

He spends several hours a day reviewing resumes and calling job candidates, hoping they show up for their scheduled interview.

About one-in-four don't, something he'd never experienced before the pandemic. Those job candidates, Isbister said, are permanently removed from his hiring list.

The company's starting wage for someone with zero manufacturing experience is around \$15 an hour plus benefits such as health insurance and a 401k plan they're immediately vested in.

Isbister says the competition for talent is the most intense he's seen in 20 years, and employers have to be accommodating.

"We are bringing in people from all walks of life. We know full well that we will have to train and train and train them," he says.

Earn an engineering degree while working in a factory

At Husco International, a Waukesha-based manufacturer of hydraulic components, recent high school graduates can earn a bachelor's degree in engineering paid for by the company.

"It's one of the things we are experimenting with," said president and CEO Austin Ramirez. "We are recruiting high school students, who want to get an engineering degree, to come and work for us full-time."

Husco has raised its shop-floor wages by around 25% in the last year and has still struggled to find enough help.

It has offered referral and retention bonuses as well.

"We are leaving no leaf unturned in our search," Ramirez said.

But the pandemic has prompted many people to evaluate their life, as well as their career, and not rush back into their previous job.

"This is more than just a normal tight labor market," Ramirez said.

Increasingly, manufacturers have turned to robots to fill mundane jobs that would have been done by humans.

"We have no choice," Ramirez said. "We have to automate so that we can keep our production lines running. But in the long term, I think there's a positive effect. Investments in technology are going to benefit American manufacturing."

Get a bonus to quit this job

This will seem a little weird. But even in a worker shortage, when many people can easily move from one job to another, Drexel Building Supply offers a \$2,500 bonus for anyone who quits in their first week.

The Campbellsport-based company, which currently has about 25 job openings in its workforce of 650, is so confident people won't leave that soon, it's offering the generous buyout option.

But so far, said company owner Joel Fleischman, out of hundreds of eligible new hires, only one person has taken him up on that offer.

"It really shows that people care about a career here," he said.

There are many reasons why folks choose to stick around. Drexel offers college scholarships to the children of its employees, and tuition reimbursement for employees seeking skills in areas where the company would benefit. Employees can get \$1,000 for reading 10 books a year in the company's book club, and up to \$100 a year to take their family to dinner, a movie, the zoo, or other entertainment venues.

Drexel, which used to have 50-hour work weeks, has scaled that back to around 40 so people don't burn out and quit.

"We always thought that 'work hard, play hard' should be our mantra. But we came to realize it wasn't healthy for home life or the workplace," Fleischman said. "People became more effective at their jobs because of the changes we made during the pandemic."

The company's lumberyard employees get "extreme weather" bonuses for the roughest days of the year. It may sound a bit bizarre, Fleischman said, "but we're doing fantastic" in attracting new hires.

The culture at many companies has been permanently altered by the pandemic. The younger generation, especially, places high value on perks such as flexible work hours, said Ross Winklbauer, Sr., a sub-district director for the United Steelworkers union in Milwaukee.

"Their time off seems to be more important to them than making money," he said.

For the first time ever, Winklbauer said, he's seen a large "hiring" sign at Harley-Davidson's factory in Menomonee Falls, where the Steelworkers represent a large percentage of the employees.

It's also that way at other places where applicants once waited years to land a job.

"Every company I represent is hurting for employees," Winklbauer said, similar to more than 40 years ago when he was hired at a Briggs & Stratton plant in Milwaukee.

"I haven't seen it like this since the 1970s," said Winklbauer, who is retiring from the Steelworkers in October.

"We've got all kinds of manufacturing jobs, whatever people are interested in."