

Tips for Temps: How to Handle Seasonal Spikes and Production Peaks

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Summer's almost here. Are you hearing a ringing in your ears? Maybe its fireworks, or it could be sleigh bells, depending upon how far across the calendar your business forecast stretches. Because for packagers, the weather and peak seasonal production requires planning months in advance. Whether you survive with margins intact may depend on how well you manage your workforce.

Securing and managing a workforce amid production peaks and valleys is among co-packers' top challenges. To better cope with labor highs and lows, co-packers alternately hire temporary workers, or outsource that function to temporary staffing firms. And, as with any outsourcing relationship, such personnel partnerships must be treated as "true partnerships, not just as client-vendor relationships," says Peter Lugo, owner of [Secure Staff](#), an Ontario-based temporary workforce provider.



Photo courtesy of KD Services

Lugo offers the following best practices for managing a relationship with a temporary staffing firm (or for those who make direct hires, for managing a temporary workforce):

1. **Realize your product is your people:** "Treat all candidates with dignity and respect," Lugo says. This applies both to the staffing agency and co-packer, since both are service businesses.
2. **Pair the candidate with the job description:** Give your people the proper orientation to do the job and pair their abilities with the job description. A good manager must do this, and a good staffing firm should be able to do so, too, in order to suit the candidate to a given packaging line, warehouse or other job.
3. **Share your goals, from vision to performance metrics:** "Co-packers live and die by the numbers. If they don't price-out a job right, they'll end up in the red," says Lugo. His firm uses special workforce-tracking software at his headquarters and client sites; alternately, good record-keeping and performance tracking can be based on spreadsheets or other documents. But some form of tracking and measurement is critical to rooting-out excessive labor costs due to too many workers and not enough work; or too few workers and excessive overtime payouts.
4. **Evaluate your practices:** In the spirit of continuous improvement, packagers should evaluate how well their hiring practices, as well as their staffing agency relationship, are working. This includes how well the above points are being managed as well as issues of accounting for turnover, punctuality and overall quality of candidates.

While packaging at [WePackItAll](#) (WPIA), Duarte, CA. is predominantly non-seasonal, "our staffing needs can really go up and down a lot," says Dave Hoover, Chief Operating Officer, "but in a way, we are seasonal; our workforce changes 52 times a year."

New-product launches and unpredictable demand patterns during active customer promotions have had the company, which employs 160 full time, roughly double its workforce for periods of a month and more.

"Our business requires us to be too agile not to require outside assistance with our temporary workforce on a daily basis," says Hoover.

Toward that end, WePackItAll has partnered with Secure Staff, which has placed a permanent representative at the co-packers Duarte facility. That representative meets with production every day to to modify the employee roster for ongoing as well as emergency needs — from scaling-back when a supplier's shipment hasn't arrived on time, to quickly adding entire shifts on short notice. The on-site representative is also responsible for the entire employment lifecycle, and uses software at the plant that connects with Secure Staff's headquarters, from recruitment and hiring to training and performance reviews.

Like WePackItAll, Fabien Bergeron, Business Development Manager with co-packer [KD Services](#), Dollard-des-Ormeaux, Canada, says his firm can "can easily double the size of our staff during peak periods." So instead of roughly 100, the company can have 200 workers on the line for two months at a time. He says the company, which also works with an outside staffing agency, maintains a list of preferred candidates suited to particular jobs. "We've had some of the same temporary people working for us for more than five years." Each employee is tracked and given report-card type grades, he adds.

Automation may help keep operations on an even keel. Co-packing is often very manual labor-intensive due to the need to do jobs of all sizes, to deal with changing pick-and-pack requirements and the need to move machines around the floor. But labeling, conveyor counting units for kits and bagged items, and warehouse automation can help smooth the spikes, according to KD Services' Bergeron.



Like other co-packers, Newville, PA-based [Berkely Contract Packaging](#) has relationships with temporary agencies to supplement its dedicated workforce. Also like other co-packers cited here, the company requests specific, preferred workers if they're available, according to Bob Seader, Planning Manager. But he also stresses the need to manage the temporary "flex force" within the context of broader management processes such as solid forecasting and planning "as far in advance as practical."

Forecasting challenges

"There are only so many people, so many conveyers and so much square footage," Seader says, "so we have to work hard, and very quickly to staff appropriately." To do this, he says the company continually updates its forecasts, shares work across its multiple various locations and "we try to stick to the chalkboard." But plans made months in advance can "change often and continually," even days before a job is set to start.

He says "Just-In-Time," among the company's management practices, have helped drive-down lead times, and he recommends active participation in professional organizations such as [APICS](#), the American Production and Inventory Control Society, which offers certification programs in for production/inventory and supply chain disciplines.

"I'm going to an APICS meeting tonight," he said during an interview with the Contract Packaging Association. "And I can tell you that like all meetings, the first thing we do, after we pledge allegiance and break bread, is say our prayer: The forecast is always wrong!"

If there's a best practice in that statement, he says it's to "just repeat it until it feels better."

While supply chain and production management are key factors in management success, there will still be sudden spikes in consumer demand that affect retailers, their brand-owning suppliers and perhaps most of all, co-packers. Unlike vertically integrated brand-owners who do their own packaging, co-packers must work harder to ensure open, responsive communication with their customers. "To minimize wild swings," Seader says, Berkeley works closely with customers, personally and through electronic access to their information systems. For some, he says, "we can see demand data even before it's in final P.O. form, and we can prepare accordingly."

There are many more facets to managing human resources, planning and forecasting and operations in the plant and supply chain.

To discuss the matter further, click to the Contract Packaging Association's LinkedIn discussion group on the topic [here](#).