



CASE STUDY:

# Consumers Energy

How an American utility transformed their talent attraction



## The Problem

Attracting and retaining the right talent is a challenge for businesses everywhere. In the US, more than half of US states have more open jobs than available workers to fill them. According to surveys by the US Chamber of Commerce Foundation:

**74%**

of respondents said there has recently been a lack of skilled talent among the available workforce

**78%**

acknowledged the need to overhaul their hiring practices to focus on key competencies

**52%**

say the average length of time it takes to hire (one to three months) is a problem

Unfilled positions can accumulate enormous losses – quickly. In the advanced manufacturing and logistics sector, 50,000 unfilled positions can result in almost \$3.4 billion USD in net losses for companies every year.

## The Talent Gap

In 2015, Consumers Energy, a public utility providing natural gas and electricity to Michigan residents, tried hiring for 100 skilled trade positions. After receiving over four thousand applicants, only 50 had the qualifications necessary to do the job, and onboarding an unqualified candidate would cost nearly \$30,000 per hire.

The clock was ticking. With **almost 50% of the Consumers Energy skilled trade workforce being eligible for retirement** in the next three years, they needed an innovative strategy to both develop and retain talent.

## The Solution

To address this ongoing hiring challenge, the US Chamber of Commerce Foundation developed the Talent Pipeline Management Program (TPM). Using supply chain management principles, employers are taught six strategies that, when implemented in a particular sequence, create a data-driven approach to improving education and workforce partnerships. Program participants are also taught how to collaborate with industry peers and institutions to establish a talent pipeline.

In partnership with Consumers Energy, the CoC Foundation created a pilot TPM academy in Michigan with 20 industry leaders from across the state. Consumers Energy implemented a new workforce strategy for their electric line and gas line workers. Using this data-driven approach and through their improved relationships with training partners, they were able to successfully project demand, identify core job competencies, and map trusted sources of talent.



## The Results



**Better armed with their own data on critical jobs**, Consumers Energy has been able to provide improved training for employees.



**Consumers Energy identified opportunities** for improving their existing registered apprenticeship program for electric line workers.



The TPM process revealed **45% of the skills new hires needed aligned with military roles**, and veterans comprised nearly 30% of the current gas line workforce. **Consumers Energy then partnered with Power for America to develop a veteran-specific training program.**

The company has hired more than 100 people from these refreshed programs in the last three years, providing a direct pipeline of appropriately skilled talent for critical jobs. Consumers Energy boasts a **98% retention rate** of school or work hires through a four-year apprenticeship. They also went on to host two TPM academies in Michigan to help other companies learn to build sustainable, scalable talent pipelines. This demonstrates how effective leadership and cooperation within the private sector can identify best practices and share knowledge to overcome current workforce challenges.