

With workers scarce and baby boomers retiring, Hoosier companies are finding creative ways to increase output.

PRODUCTIVITY PUZZLE

Growing Without Adding Headcount

By Anthony Schoettle

For years, the solution to growth was straightforward: Hire more people.

Today, that approach is increasingly difficult.

Indiana employers across industries are operating in a labor market where talent remains difficult to find, experienced workers are aging out of the workforce, and many companies have exhausted traditional recruiting strategies. State workforce leaders increasingly frame the challenge not as finding more workers, but as helping existing workers become more capable and productive.

That reality is forcing employers to rethink how work gets done – not primarily through artificial intelligence, but through better processes, smarter use of technology, stronger training and clearer priorities that free employees for higher-value work.

Beyond hiring

For decades, workforce and business growth often moved together. More demand typically meant more hiring. Now, many organizations are shifting their focus from workforce expansion to workforce optimization.

Bryce Carpenter, executive vice president and chief operating and strategy officer of Conexus Indiana, says many businesses are focused on finding ways to grow without significantly expanding headcount. "How do you maximize the impact of every employee that you have?" he asks.

For Indiana's advanced manufacturing and logistics sectors, productivity has become essential to maintaining competitiveness. "There's two ways you can do that. It's through employees and equipment," Carpenter says. "And we know that employees are constrained."

The question leaders increasingly ask is not, "Who else can we hire?" but rather, "How can our current team accomplish more?" That has led to a growing emphasis on identifying bottlenecks, reducing waste and redesigning workflows.

The most successful companies often find that productivity gains come from dozens of small improvements rather than a single transformative solution.

A process that once required four approvals may now require two. A report that took hours to compile may become automated. Employees may be cross-trained to fill multiple roles, reducing downtime when staffing gaps occur.

Individually, these changes can appear modest. Collectively, they create capacity.

The lean revival

Many Indiana manufacturers have long embraced lean principles focused on eliminating waste and improving efficiency. What is changing is that lean thinking is increasingly being applied beyond factory floors.

Employers are examining office workflows, customer service operations, project management practices and even internal meetings. Managers are asking basic questions: What work is truly necessary? What activities create value? What steps create delays without

improving outcomes?

Jon Reneberg, lead digital manufacturing specialist with Purdue MEP, says value stream mapping remains one of the most effective productivity tools available to manufacturers. The process tracks how products, materials and information move through a facility, identifying unnecessary steps, delays and movement.

"If you can redesign your work setup so that each process flows directly into the next and you don't have extra moves," he explains, companies can reduce wasted time and expand capacity without adding employees. Reneberg says many manufacturers discover productivity gains simply by improving workflow and eliminating non-value-added activities.

Organizations that once focused primarily on equipment utilization are now paying equal attention to information flow and decision making. An approval sitting in someone's inbox for three days can create just as much productivity loss as a machine standing idle. The challenge often is less about employees working harder and more about removing obstacles that prevent them from doing their best work.

Cross-training for growth

Another approach gaining traction is preparing employees to handle multiple roles.

Historically, specialization was viewed as a source of efficiency. Employees became experts in specific tasks and responsibilities. But many employers now are looking for greater flexibility.

At Valparaiso-based Beulah Inc., cross-training is guided by a custom software platform that tracks employee strengths, productivity and performance across various tasks. Founder David Nevill says the company's goal is not to create "jacks of all trades," but to identify where employees are most effective and build flexibility around those strengths. "Cross-training is important, but we also can guide them toward the things they have the most strength in," he relays.

Beulah General Manager Brittany Nevill-Pester notes that every employee is cross-trained, although some develop deeper expertise in certain areas. "We focus our energy and their energy on things that they're showing they can excel at," she explains. This approach allows the company to maintain workforce agility while preserving quality and efficiency.

At Noblesville-based Nexxt Spine, cross-training has become a critical response to growth and talent challenges. Founder and CEO Andy Elsbury reports the company's strategy is simple: "Constantly cross-training, constantly bringing somebody from the lowest level and keep moving them up."

As demand for specialized talent remains strong, Nexxt Spine focuses on developing employees internally, helping workers advance from entry-level positions into



Cross training and automation help companies do more with less, but business owners say no single solution will increase productivity.



increasingly skilled and technical roles while giving the company flexibility to respond to changing production needs.

The goal is not simply workforce development. It is workforce agility. An organization with employees who can perform multiple functions can often handle growth or disruption more smoothly than one dependent on a handful of specialists.

Technology isn't enough

While employers are rapidly investing in automation, workflow software, data analytics and AI, technology alone rarely solves productivity challenges. It delivers the most value when built on sound processes and paired with thoughtful management and employee engagement – removing repetitive work, improving decisions and helping employees complete research, communications and other tasks more efficiently.

At Noblesville-based Precixion, founder and CEO Bala Anand Jeldi says AI tools have dramatically reduced time spent on research, software development and administrative work. "We saved almost 60% of time on many tasks now," Jeldi imparts. Rather than eliminating positions, he shares the company has used those gains to expand employee responsibilities and encourage cross-functional learning: "The tools are not to replace workers, but rather to enhance them to be more productive and smarter."

For some businesses, automation investments began as a response to labor shortages rather than a quest to reduce headcount. At Indianapolis-based Thomas & Skinner, a maker of magnetic materials and precision metal components, labor constraints helped drive automation efforts. According to president and CEO Ed Richardson, the company targeted positions that were difficult to staff because they were "boring, tedious and repetitive."

"We have not eliminated any jobs with automation," Richardson notes. "We've expanded our capacity faster with automation than we could if we had to try to hire labor."





With employee buy-in a critical component, Nexxt Spine, left, and Beulah Inc., right, have made productivity gains pay off for employees and their companies.

Recent Indiana workforce research found that organizations investing in training and workforce readiness are better positioned to realize the benefits of emerging technologies than those relying solely on software adoption. In other words, productivity improvements still depend heavily on people.

The meeting question

One of the least expensive productivity opportunities may be hiding on company calendars. As employees spend large portions of their work week in meetings that provide limited value, organizations are shortening meetings, reducing attendance lists, setting clearer agendas and encouraging asynchronous communication when appropriate.

"We've evaluated every single meeting we have," remarks Elsbury. "If they're not producing tangible fruit, they're a drag on the company."

The goal is to create more uninterrupted time for meaningful work. Knowledge workers, in particular, often experience productivity losses from constant interruptions.

A 30-minute meeting also requires preparation, context switching and recovery time before employees return to focused tasks. Companies are increasingly recognizing that protecting attention can be just as important as adding technology.

Culture creates capacity

Perhaps the most overlooked productivity factor is a workplace environment that gives employees clear goals, priorities and decision-making authority while minimizing friction.

At Beulah, leaders view employee trust and buy-in as essential to productivity gains. Nevill offers the company's efforts to improve efficiency have been accompanied by a compensation model that rewards team performance.

Employees receive monthly bonuses when productivity targets are met, creating a shared incentive to help one another succeed. "They have to have faith in us, and we have to have faith in them," Nevill emphasizes. "It's not their bonus; it's the team's bonus. It's everybody together."

Nevill-Pester adds that productivity improvements often come from continuous refinements rather than major operational overhauls. "It's not about doing something the way it's supposed to be done," she explains. "It's about doing something so that you get the same – or a better – final product."

That shared ownership encourages employees to solve problems, improve processes and support one another.

Reneberg sees the same principle at work in broader productivity initiatives: Employee buy-in often determines whether they succeed. Because frontline workers know daily processes best, he encourages employers to involve them in problem-solving rather than impose changes from above. "Trust," he suggests, is the key ingredient. "If your operators are on board, they will help make it happen."

Mursix Corp. puts that idea into practice by treating employee engagement as a competitive advantage. At the Yorktown-based company, executive vice president Susan Murray explains, less-experienced employees receive tools to solve problems independently and are encouraged to "think like an owner." CEO Jeff Frost contends that involving employees is crucial to productivity improvements, while Murray adds that technology should "enhance them" and help workers become more capable and effective.

Importantly, many workforce leaders argue that productivity should not be viewed solely as a company benefit. Done well, productivity improvements can create opportunities for employees too. That approach encourages employers to invest in training, credentials and advancement pathways that help workers move into higher-skilled, higher-paying roles.

That creates a more sustainable model than simply asking employees to do more work. Productivity becomes linked to skill development, career growth and wage gains. Workers advance. Companies grow. Capacity increases.

"The answer is rarely a single piece of software, a new management trend or a flashy technology announcement," Reneberg stresses. "Instead, productivity increasingly emerges from a combination of factors: better systems, stronger training, smarter technology, clearer communication and cultures that empower employees to focus on meaningful work."

Today's organizations that thrive may not be those with the biggest workforces. They may be the ones that learn how to make the best use of the workforce they already have.

RESOURCES: Bryce Carpenter, Conexus Indiana, at www.conexusindiana.com | Andy Elsbury, at Nexxt Spine, www.nexxtspine.com | Jeff Frost and Susan Murray, Mursix, at www.mursix.com | Bala Anand Jeldi, Precixion, at www.precixion.com | David Nevill and Brittany Nevill-Pester, Beulah Inc., at www.beulahinc.com | Jon Reneberg, Purdue MEP, at www.mep.purdue.edu | Ed Richardson, Thomas & Skinner, at www.thomas-skinner.com