top talent trends in manufacturing.



After supply chain disruptions, labor shortages and shifting production demands during the pandemic, many manufacturers are ready for the market to return to "normal." While the new normal is likely to look significantly different in a post-pandemic market, there are signs that production levels are starting to reach pre-COVID-19 levels.

In fact, manufacturing production levels are looking so good that manufacturing leaders are broadly optimistic about the coming year. The number of <u>manufacturing plant starts was up by 82 percent over the previous year</u>, and the American Association of Manufacturers Q4 2021 quarterly outlook survey showed that <u>optimism</u> <u>among manufacturers</u> now stands at almost 87 percent.

Although these statistics are promising for the future of manufacturing, the industry's biggest challenge — the looming skills shortage — still exists. According to <u>a recent Deloitte study</u>, manufacturers may see 2.1 million jobs go unfilled by 2030.

It's crucial for businesses to take steps now to revamp their hiring practices to remain relevant in the years to come. Randstad understands these challenges. To help you better understand the post-pandemic job market and improve your hiring processes, we have compiled a list of the top hiring trends in manufacturing.

changing workers' expectations

Industries across the globe, including manufacturing, were forced to transition some positions to remote work during the pandemic. For example, some manufacturers found ways for workers, like production planners, HR managers and supply chain specialists, to work from home. While this transition may not have been ideal for manufacturers, it did allow production to continue with fewer disruptions.

Now, with the effects of COVID-19 starting to subside (in many places), many workers are not ready to give up their remote work options just yet. Although remote work may be quite challenging in an industry that is designed to be hands-on, it's not necessarily impossible to offer remote, or at least hybrid, work opportunities for some roles.

There are a few steps employers can take to make remote work a possibility.

- Conduct a job assessment to determine what skills and job roles can translate to remote work.
- Develop real-time monitoring processes to ensure any remote workers will have the ability to monitor onsite factors, including production, output and machine health, from home.
- Offer flexible scheduling options, such as part-time hours and compressed shifts, when remote work is not possible.





continued demand for digital skills

If COVID-19 taught the manufacturing industry one thing, it's the importance of adaptability. As consumers' needs shifted and supply chain avenues changed, manufacturers had to find new ways of doing business to survive and meet consumers' demands. This factor combined with the ongoing labor shortage has convinced many manufacturers to increase their investment in digital technology and workplace automation.

Manufacturers must create hiring strategies that enable them to attract, hire and retain candidates with the right skill sets. Otherwise, they risk losing any type of competitive advantage in the years to come. Although manufacturers believe that it's <u>36 percent harder to hire</u> skilled workers today than it was just a few years ago, there are several things you can do to improve your hiring practices and source the skilled workers your company needs:

- Conduct a comprehensive skills assessment to determine exactly what types of skills are currently needed in the workplace as well as predicted future skills.
- Work with an HR partner to build a talent pipeline of qualified active and passive candidates.
- Evaluate your current salary offerings to ensure they align with industry standards and initiate any pay increases, if necessary.

upskilling and reskilling

With the skills gap expected to continue to grow for at least the next decade, manufacturers are starting to look internally to find the skilled workers they need. Rather than solely relying on recruitment efforts to source the necessary skill sets, these employers are investing in their current workers by offering intensive training opportunities.

Major companies like Amazon are <u>investing hundreds</u> of <u>millions</u> into upskilling their current workers. While you may not have to spend millions to develop skilled employees, investments in upskilling can help your company fill in the skills gap — and it's clear that many in the industry understand that. Statistics show that <u>70 percent of U.S. manufacturers</u> already have an employee training program in place.

Investing in upskilling now can prevent a skills shortage problem for your company later. Here are some tips to get you started:

- Develop a structured onboarding process that includes a robust training program to provide new workers with the skills they need to be successful on the job.
- Create a clear and transparent career development program that enables your workers to successfully gain the skills they need to advance their careers within your company.
- Focus on reskilling workers to ensure they have the skills necessary for the future of work and to be able to move horizontally within the company.

aging workforce

There's no denying that the workforce is getting older. Believe it or not, by 2030 baby boomers will start turning 85, Gen X-ers will start turning 65 and the first millennials will turn 50. Furthermore, the World Economic Forum predicts the number of seniors aged 60 and over will more than double in at least 12 global markets, including the United States.

Certainly, one challenge manufacturers are going to soon face is filling the role of an increasing number of retirees. Before this happens, however, employers can take steps to leverage the experience and skills these aging workers bring to the workplace, like:

- Offering horizontal job opportunities that are less physically demanding to encourage aging seniors to remain with the company.
- Providing a platform, like a mentorship program, for seniors to share their knowledge, experience and skills with younger, less experienced workers.
- Encouraging your older workers to take advantage of any digital training the company offers to ensure they obtain the skills they need for the future of work.
- Strengthening employer brand to enhance the company's ability to attract and hire high-quality candidates.

health and safety compliance

Although the effects of COVID-19 are starting to subside in many areas around the world, workers are still concerned about health and safe workplaces. According to a recent study, <u>61 percent of U.S. workers said that a focus on their wellbeing at work was "very important,"</u> and that includes issues of health and safety.

It's important to match these employees' concerns by taking extra steps to create a safe workplace environment for your workers. Here are some tips to make that happen.

- Make COVID-safety, such as proper hand-washing techniques and the importance of social distancing, a part of your standard training program.
- Keep workers up to date on all new governmental safety guidelines pertaining to the pandemic, and let your employees know what steps the company is taking to maintain compliance.
- Offer flexible work options and have clear <u>health safety protocols</u> in place to deal with employees struggling with COVID-19-related illnesses or personal issues.

<u>Reach out</u> to our Randstad team today to learn more about how the latest talent trends in manufacturing can impact your recruitment strategies.

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