



# 2014 Workplace Trends

## Taking Stock of the Manufacturing Skills and Talent Shortage

In a recent Randstad study, some 2,800 manufacturing and logistics professionals provided insight on the current state of the much-discussed skills gap. Over one-half of companies surveyed acknowledge the skills gap and nearly just as many report that the shortage of qualified talent has negatively impacted their business. As impressive as the statistics may be, employers do have options to proactively address the skills shortage and become an employer of choice. This report explores these options and the trends surrounding the current state of the skills gap.

*A highly skilled manufacturing workforce can greatly increase productivity, which has the ripple effect of improving delivery time and ultimately impacting corporate profitability.*

*Shop floors are transforming with new technology, making access to workers with technology-driven know-how increasingly important.*

*Well-trained high performers provide employers with a tangible competitive advantage, which is particularly important for those whose operations depend upon a workforce with hands-on experience.*

### Talking About the Skills Gap

*Retiring workers take their skills and knowledge with them, creating a void best filled by well-trained employees who can effectively step into new roles with minimal ramp-up time required.*

*The deficit of technology-savvy workers accounts for some 600,000 vacant manufacturing jobs, according to the National Association of Manufacturers.*

# skills and talent shortages

Is there a skills shortage?



According to our survey, **executives note a discernible lack of specific skill sets** they look for in today's talent pool.

Is your business negatively impacted by the skills shortage?



**The widely acknowledged skills shortage has far-reaching effects**, with over half of all companies surveyed indicating an adverse impact on their business.

When assessing talent, executives rank the primary areas where candidates lack proficiency as follows:

*Candidates lack the right experience/knowledge*

	Overall responses	Manufacturing and logistics responses
Relevant on-the-job experience	45%	44%
Knowledge of the industry/sector	34%	43%
Years of experience in the field	29%	22%
Education	8%	13%

## take note

Within all industries, executives work hard to recruit employees with the right combination of experience, knowledge and soft skills. Interestingly, employers do not report a significant deficit in employees' education levels, which suggests candidates tend to meet this frequent and often mandatory job requirement.

# skills and talent shortages

## Candidates lack team/organizational fit



### take note

Within the category of team/organizational fit, nearly half (47%) of all manufacturing and logistics professionals feel that candidates lack an appropriate work ethic. This suggests an area of opportunity for companies to implement employee engagement programs that address and reward improved effort and performance.

## A skills assessment would add value to my company's hiring process.



## When positions become available at my company, it's difficult to find talented people who are the right fit.



**About the Survey:** Overall responses represent the findings from a poll conducted by the global research firm Ipsos. Manufacturing and logistics responses represent the findings of a Randstad online survey and in-person interviews. All sample surveys and polls may be subject to other sources of error including, but not limited to, coverage error and measurement error. Some figures have been rounded to the nearest whole number.

# in summary

## Take the Skills Shortage Into Your Own Hands

Manufacturers who proactively address current skills and education trends will be best positioned to attract and retain the most qualified and productive employees as those individuals enter and transition through the workforce. Strategies include:

### Foster partnerships and collaboration

***The job of developing and sustaining a well-trained and replenishable workforce can be too complex for a company to do in isolation.*** Some manufacturers have mitigated this pressure by joining forces with workforce development agencies, funding organizations, educational and trade groups, staffing experts and even other industry employers. By actively participating in external workforce development efforts, employers can help create and bolster their connection to a well-trained and qualified talent pool.

### Boost gender diversity

***Manufacturers with an eye on the future are trying to attract more women into their organizations.*** According to data from the U.S. Bureau of Labor Statistics, women make up nearly 50 percent of the total U.S. workforce but represent just slightly more than 25 percent of manufacturing talent. Savvy companies will tailor their recruitment strategies to address workplace issues of particular importance to women, such as ensuring equal pay, promoting women to positions of leadership and supporting family-friendly work policies.

### Provide transparency and training

***By clearly communicating the advancement process and proficiencies required to move up, managers provide their workforce with a transparent promotion path that rewards skills development and benefits both employers and employees.*** Companies that invest in ongoing employee training can expect to improve operational productivity and more reliably meet customer demands. Employers have many opportunities to proactively address the skills gap and consequently improve operations, ongoing customer satisfaction and bottom-line profitability.

### Focus on the shifts

***As the market improves, workers with less seniority or the least desirable shift times may search out other opportunities that offer better hours or employment situations.*** By focusing on the needs of workers on all shifts or providing additional training or incentives for less popular work times, an organization can boost retention of skilled workers throughout the shift cycle.