



manufacturing
workers
employment
report

Q4 2012

// With workers feeling positive about job prospects, the strength of the economy and job security, the manufacturing industry overall appears to be on the cusp of a healthy resurgence. //

Phyllis Finley
Executive Vice President at Randstad



■ from the desk of Phyllis Finley

U.S. manufacturing workers closed out the year on a bright note, registering the highest employee confidence level on record since the first quarter of 2007. With workers feeling positive about job prospects, the strength of the economy and job security, the manufacturing industry overall appears to be on the cusp of a healthy resurgence. The Randstad Employee Confidence Index climbed to 54.6, increasing 3.7 points from last quarter's reading of 50.9.

According to the closely watched Purchasing Managers Index released by the Institute for Supply Management (ISM), the January Index registered at 53.1 percent, an increase of 2.9 percentage points when compared to December's seasonally adjusted reading of 50.2 percent. This indicates growth for the 44th consecutive month in the overall economy, and indicates expansion in the manufacturing sector for the second consecutive month, the ISM reports.

As for jobs, U.S. manufacturers have added a half-million new workers since the end of 2009, a positive sign of recovery as the overall job market struggles to improve, according to a recent Washington Post article. The ISM reports that manufacturing sectors such as petroleum and coal products, plastics and rubber products, apparel, leather and allied products have all reported job growth.

However, a skills gap has emerged as 600,000 U.S. manufacturing jobs remained vacant across the U.S. due to shortages of skilled workers, according to the Manufacturing Institute's most recent "skills gap" report. Bloomberg Businessweek reported that the average age of a highly skilled U.S. manufacturing worker is 56 and that "America's manufacturing renaissance could stall if companies don't have the skilled workers they need to meet customer demand and quality expectations." This underscores the importance of training and preparing our nation's next generation of skilled workers.

- Phyllis Finley

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■ manufacturing industry insights

An overall look at the nation's manufacturing employment and wages



Jobs

Manufacturing supports an estimated 17 million jobs in the United States—about one in six private-sector jobs

Employment

Nearly 12 million Americans (or 9 percent of the workforce) are employed directly in manufacturing



Wages

In 2011, the average U.S. manufacturing worker earned \$77,060 annually, including pay and benefits. The average worker in all industries earned \$60,168.

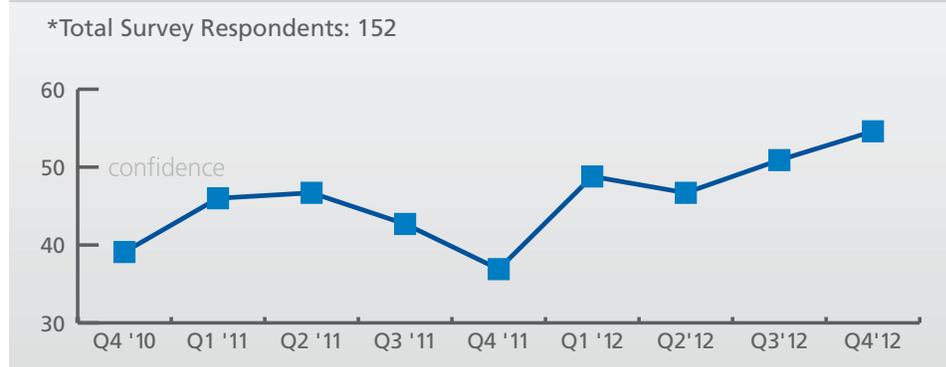
Source: National Association of Manufacturers

■ manufacturing employment report index

Manufacturing employee confidence index Q4 2012

current quarter:	54.6
previous quarter:	50.9
change:	+3.7
12-month high:	54.6
12-month low:	36.9

*Total Survey Respondents: 152



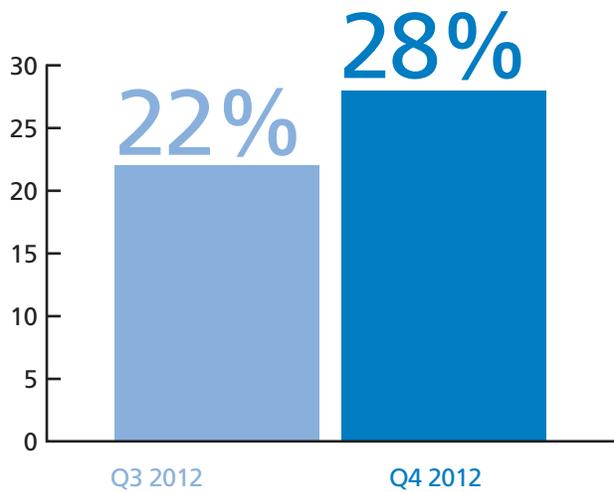
The Randstad Manufacturing Employee Confidence Index, a measure of overall confidence among workers, climbed to 54.6, reaching its highest point since the first quarter of 2007. The Index increased 3.7 points from last quarter's reading of 50.9,

according to a recent online survey of 152 workers conducted by Harris Interactive on behalf of Randstad.

macroeconomic confidence

Strength of economy

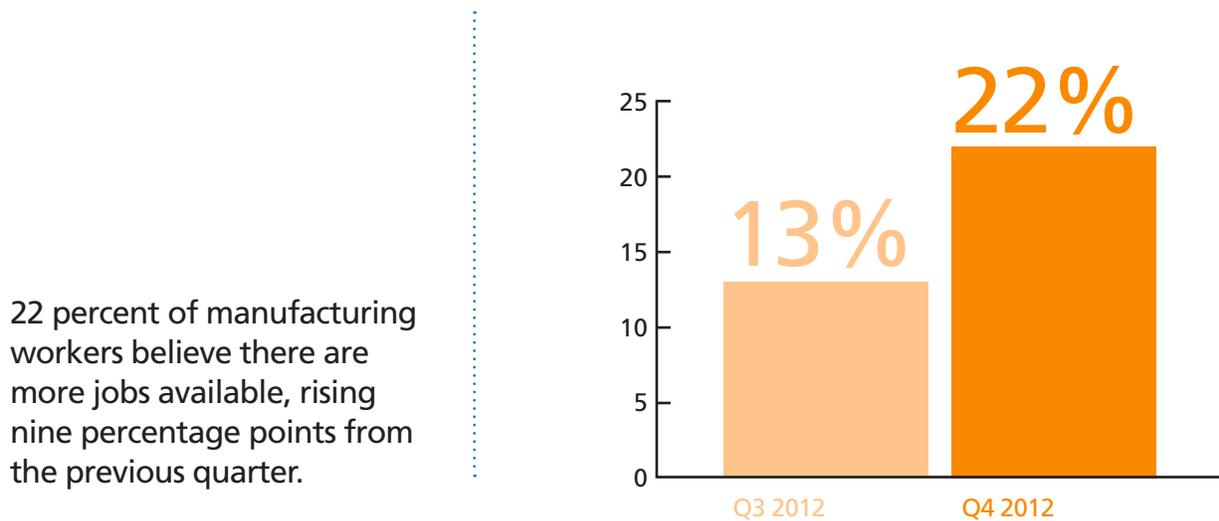
Workers believe the economy is showing signs of improvement



28 percent of manufacturing workers believe the economy is getting stronger, up six percentage points from the previous quarter.

Job availability

Confidence in job availability rises in the fourth quarter



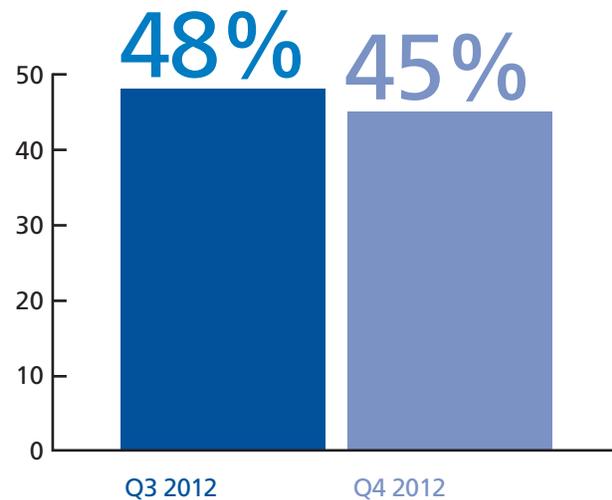
22 percent of manufacturing workers believe there are more jobs available, rising nine percentage points from the previous quarter.

personal confidence

Ability to find a new job

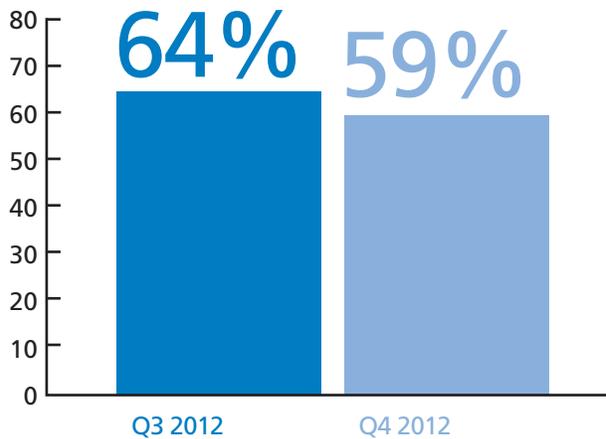
Nearly half of manufacturing workers surveyed are confident in their ability to find a new job

45 percent of manufacturing workers are confident in their ability to find a new job, falling three percentage points from the previous quarter



Future of current employer

Manufacturing workers' confidence in the future of their employers slipped in the fourth quarter

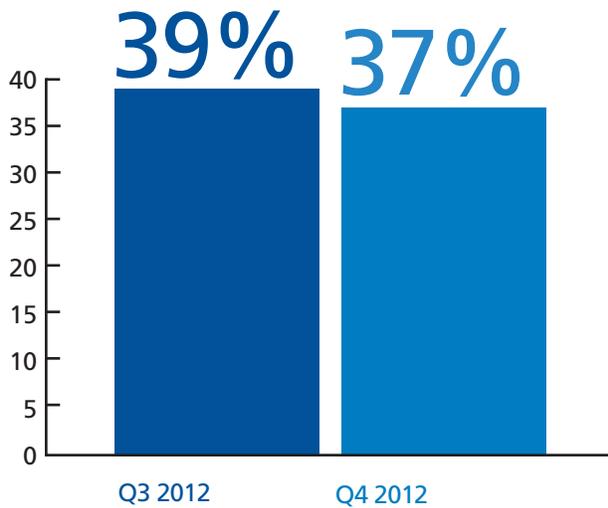


A majority of manufacturing workers (59 percent) feel confident in the future of their employers, falling five percentage points from the previous quarter

U.S. job security & transition index

Job transition

Fewer manufacturing workers likely to job search

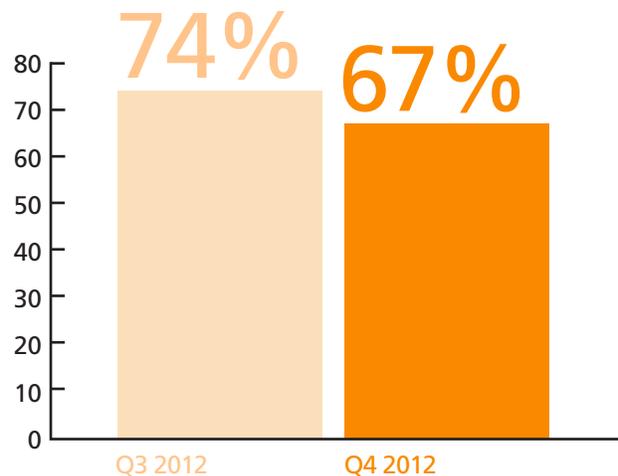


Nearly 40 percent of workers are likely to look for a new job within the next year, slipping two percentage points from the previous quarter

Job security

Workers remain secure in their current positions

Workers who stated feeling secure in their current positions fell seven percentage points from the previous quarter.



about the report

About the Randstad Manufacturing Employment Report

This quarterly Randstad Manufacturing Employment Report provides a snapshot of the latest workforce trends among manufacturing workers across the country. Three key indices are measured: the Manufacturing Job Security Index, which captures how likely respondents think it is that they will lose their job or that their job will be eliminated in the next 12 months; the Manufacturing Workers Job Transition Index, which captures how likely respondents are to look for a new job in the next 12 months; and the Employee Confidence Index that measures employees' overall confidence in the economy, their employer, and their ability to find other employment.

The Employee Confidence Index is calculated from the results of four components that reflect these aspects of employee confidence. For each component item a 'score' is calculated by taking the difference of the percentage of positive responses and the percentage of negative responses. These four scores are then averaged to indicate an overall level of employee confidence and is then scaled from 0 (no confidence) to 100 (complete confidence). A reading above 50 indicates a positive confidence level.

Methodology

This survey was conducted online within the United States by Harris Interactive on behalf of Randstad from October 8-10, November 12-14 and December 11-13, 2012 among 4,738 adults ages 18 and older of which 152 are employed in manufacturing.



about Randstad

About Randstad Manufacturing and Logistics

With more than 50 years of experience in the Manufacturing & Logistics industry, we can access the right talent at the right time. We designed our products, services and solutions with the specifications required to best ensure that our clients receive qualified, dependable talent who they trust to perform the job responsibly.

With our deep industry understanding, experience and commitment to ongoing education, we have designed an unparalleled service model to deliver reliability, responsibility and results. Our service and expertise in attracting and assessing the right talent for the right job combine to create partnerships that result in ongoing success.

For more information, please visit www.randstadusa.com/workforce360



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